

Item No. 3.2	Classification: Open	Date: 24 March 2021	Meeting Name: Council Assembly
Report title:		Motion on the Theme: Southwark's Economic Renewal: creating a fair, equal and inclusive local economy	
Ward(s) or groups affected:		All	
From:		Proper Constitutional Officer	

BACKGROUND INFORMATION

The theme for this meeting is Southwark's Economic Renewal: creating a fair, equal and inclusive local economy.

The relevant cabinet member shall submit a motion on the theme. All other political groups on the council are allowed to submit one amendment to the motion. The cabinet member's motion and the amendments do not need to be seconded. The cabinet member will present the motion to the meeting, followed by the lead opposition spokesperson's response and moving of their amendment, if any. Following this, the subject matter of the theme will be open to debate. Amendment(s) from other opposition groups on the council can be moved during this part of the meeting.

Motion from Councillor Kieron Williams, Leader of the Council

1. Council Assembly notes:
 - a. That Covid-19 continues to have a significant impact on employment in the borough, with nearly 44,000 Southwark residents now unemployed or furloughed.
 - b. Southwark businesses - especially those in retail, hospitality and leisure - and their supply chains have been adversely impacted by lockdown and tier restrictions. Footfall across UK high streets fell 88% in 2020 compared to 2019, according to the High Streets Task Force.
 - c. The impact of Covid-19's economic fallout has not been felt equally; according to the Trade Union Congress (TUC) Covid-19 has caused an unemployment rate amongst black, Asian and minority ethnic workers which is double that of white workers.
 - d. Young people have also been hit particularly hard, with those under 25 in the UK over twice as likely to have lost their job due to the pandemic as over 25s.
 - e. On top of this, adapting to Brexit – from new trade rules to a narrowing workforce - poses more issues and difficulties for Southwark businesses.

2. Council Assembly further notes:

- a. Southwark Council has responded quickly and effectively to deliver a total of £94m grant funding to local businesses throughout the pandemic.
- b. Southwark Council was the first local authority to set up a Discretionary Hardship Fund to support businesses who were not eligible for Government funding during the first lockdown, distributing £2.1m of council funding.
- c. The creation and implementation of an Economic Renewal Plan by the council will ensure that businesses, high streets and town centres are able to recover from the pandemic and becoming thriving centres for our communities.
- d. That the council has created a New Youth Deal to provide support and opportunities for young people in securing jobs, apprenticeships and internships.
- e. That Southwark has committed to a Green New Deal to create 1,000 jobs in green and sustainable industries.
- f. That the council's work on Southwark Stands Together is being successfully integrated into our work supporting employment and businesses. For example, 84.5% of clients supported into work through Southwark Works are from black, Asian or minority ethnic backgrounds.
- g. As part of our commitment to supporting the development of thriving town centres and high streets, detailed cross-council Town Centre Action Plans are being developed.
- h. Southwark Council is the first local authority in London to be accredited as a Living Wage Place, expanding the amount of employers paying the real Living Wage across the borough.

3. Council Assembly further notes:

- a. The government's incompetence, and failure to act fast enough to support businesses who were not eligible for statutory grant funding, leading to an estimated 250,000 small businesses (with fewer than 50 staff) set to fold this year, according to the Federation of Small Businesses.
- b. That the government has provided little or no support to 10% of the UK workforce - especially freelancers, the newly self-employed and those working in creative industries - yet can afford to spend £2bn on contracts with Conservative Party donors and friends of MPs.¹
- c. The government's failure to give adequate notice to businesses who were required to close during lockdown, especially during the early months of the pandemic.

¹ A report by the National Audit Office has shown that £10.5bn of Covid-19 contracts before 31 July 2020 were awarded without a proper tender process. 'Covid-19: Government has spent billions on contracts with little transparency, watchdog says' <https://www.bmj.com/content/371/bmj.m4474> The Labour Party has claimed that the amount of these contracts which are linked to Conservative Party donors and acquaintances of MPs totals £2bn: <https://news.sky.com/story/covid-19-labour-calls-for-government-to-crack-down-on-the-cronyism-over-2bn-coronavirus-contracts-12212275>

- d. The government’s dithering and stalling in the extension of the furlough scheme, resulting in waves of unnecessary redundancies.
4. Council Assembly calls on Cabinet to:
- a. Continue to support businesses with grant funding through both the Local Restrictions Grants and the Additional Restrictions Grants.
 - b. Continue to work with partners to shape the economic renewal Southwark needs.
 - c. Establish a Community Wealth Building partnership to ensure that local communities benefit from the economic renewal of the Borough.
 - d. Undertake a review of business support to ensure that future business support in Southwark is targeted at the businesses and entrepreneurs that need it most.
 - e. Support businesses to mitigate the impact of Brexit by providing them with the information they need and helping them to navigate the new legislative requirements.
 - f. Continue to drive forward the Southwark Green New Deal, and lobby government to provide the upskilling and training needed for residents to manage the transition into zero carbon and sustainable jobs, particularly in areas such as construction, transport and manufacturing.
 - g. Call on government to address the disparities in Covid-19 support schemes and remove all exclusions for the 3 million workers currently excluded.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Cabinet members Motion	Constitutional Team 160 Tooley Street London SE1 2QH	Constitutional Team 020 7525 7222

AUDIT TRAIL

Lead Officer	Chidilim Agada, Head of Constitutional Services
Report Author	Virginia Wynn-Jones, Principal Constitutional Officer
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