

Feedback from the Federation of Small Businesses February 2020

The FSB is grateful for the opportunity to have sight of this and input any comments and feedback on the budget proposals from a small business perspective. The FSB in Warwickshire and Coventry welcomes the opportunity to respond to the draft budget proposals for 2020/21. Across Coventry, Warwickshire and Solihull FSB represents around 3,000 small business members.

We understand that the report presents the draft General Fund budget position for 2020/21 along with a number of savings proposals to ensure a balanced and sustainable budget is maintained. As the savings proposed put forward are largely focussed on back office services and resources we only have the following the minor comments this time:

- **Environment and Highways** – while this saving is focussed on back office functions and staffing, the FSB would like to highlight the importance of ensuring roads are maintained and potholes are repaired for small firms. Small businesses are heavily reliant on the local road network and the FSB would be particularly concerned about any savings proposals that impact on the ability to repair potholes and carry out ongoing road maintenance. National FSB research shows that nine out of 10 (89%) of small firms consider efficient and fast road networks to be important, for their staff, customers and trade deliveries, therefore impacting on the local economy. In general poorly maintained roads with holes and cracks not only hamper small firms' ability to do business, but risk damage to vehicles which are vital assets to businesses often working without large capital reserves.

According to recent FSB data obtained through Freedom of Information requests, there were over 76,000 potholes reported across the West Midlands region in the last year, with the West Midlands the 5th most complained about region in the country. Potholes are therefore a major concern for small businesses and we would therefore want to see this budget maintained so they can be repaired quickly and efficiently. We therefore welcome the commitment in the budget proposals for the saving to well aligned to work most efficiently.

- The FSB also welcomes funding allocation in the Mid Term financial strategy for £2m to create a new **place-making fund** in order to support the promotion, sustainability and resilience of Solihull as an attractive place to do business. It is welcome that this fund will be used for town centre resilience, specifically supporting the high street particularly at a time when the traditional high street is changing and many small businesses and independent retailers find themselves under pressure compared to out of town shopping destinations and retail parks. Ensuring the attractiveness of the borough is maintained and maximised will also help to increase footfall within the town centre and high streets and promote local economic growth.
- The FSB would welcome clarity on the extent to which the **UK departure from the EU** has been factored into the budget proposals and the extent of funding set aside for business support and guidance for small businesses, particularly in the event of a no-deal. While the effects of the UK's departure from the EU remain unclear the UK's future relationship with the EU, particularly trade continues to be negotiated. We have seen through our own FSB small business confidence surveys that Brexit has contributed in some aspects to unprecedented negative small business confidence and the budget proposals outlines concern about the effect on overall economic prosperity and employment prospects for the borough and wider region should the economy stagnate or contract as a result of Brexit. The FSB would welcome the monitoring of Brexit and potential impacts of a 'no deal' for the local business community and economy to be taken into account.