

**Report to:** West Yorkshire Combined Authority

**Date:** 27 July 2020

**Subject:** **COVID-19 Recovery Plans**

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Is this a key decision?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the report contain confidential or exempt information or appendices?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:	N/A

## 1. Purpose of this report

- 1.1 To present the Combined Authority with draft plans for COVID-19 economic and transport recovery.

## 2. Information

- 2.1 The Covid-19 pandemic is a global health and economic emergency, that has affected everyone in West Yorkshire in some way. In our collective efforts to stop the spread of the virus, businesses have been required to stop or reduce trading, and travel into our cities, towns and rural areas has vastly decreased. We have already seen large increases in unemployment and applications for Universal Credit, and a significant increase in the number of businesses that are struggling to survive despite support mechanisms locally and nationally. It is clear that this will have a lasting impact on livelihoods across our region, and substantial investment and action is required to support people and businesses to recover and to build a more sustainable, inclusive economy.
- 2.2 The full implications of COVID-19 on the region and its economy and transport system are still to be understood. However, modelling commissioned by the West Yorkshire Economic Recovery Board demonstrates the significant impact this crisis will have on West Yorkshire businesses and communities. Even in the event of a relatively rapid recovery, the West Yorkshire economy

will contract by £5bn in 2020, but if we see a slower, uneven recovery, economic damage rises to £12bn in 2020, with the West Yorkshire economy shrinking by almost 30% by 2021. Beyond the direct cost to West Yorkshire, the modelling suggests that this economic damage will result in a cost to the Exchequer of up to £2.4bn in 2020 alone. This modelling has been used to underpin our plans for recovery.

- 2.3 It is therefore critical that we have a regional plan for recovery, that supports what is already taking place to support the immediate response (see item 5) and begins to develop what might be required in recovery, in the form of an economic recovery plan and a transport recovery plan. This paper focusses on those two plans, which are both included in draft form as appendices.

### Economic Recovery

- 2.4 The longer-term planning for economic recovery for West Yorkshire is being overseen by a West Yorkshire Economic Recovery Board<sup>1</sup>, which is a working group of the West Yorkshire Combined Authority and brings together the five West Yorkshire Leaders and LEP Chair with partners from the private sector, trade unions, public bodies and the third sector, to develop robust plans for the region's economic recovery and to help build an inclusive and sustainable economy for the future. At their first meeting on 30 April 2020, the Board agreed a strategic vision for recovery:

1. developing resilient and thriving businesses, boosted by innovation, high skills and entrepreneurialism;
2. developing an inclusive economy that provides people with a decent standard of living;
3. a clean growth recovery that grasps the opportunity to deliver sustainability across all our places.

- 2.5 At their last meeting on 9 July, the Board came to a consensus on the framing of the draft recovery plan on two goals: inclusive growth and sustainable environment. These underpin everything in the plan and will be backed up by measuring success indicators that are focussed on the economic, social and environmental. To achieve those goals, the plan is then structured around three priorities, and what is needed through rescue (short-term 6-12months), re-imagining (medium-term 1-2years) and resilience (long term 2-5years) phases of recovery:

- Priority area 1: **Good Jobs and Resilient Businesses** - To protect and create good jobs by developing resilient businesses through increasing innovation, trade and investment.
- Priority area 2: **Skills and training** - To ensure everyone can develop the skills they need to secure a job or to start their own business.

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<sup>1</sup> Further details on the full membership and terms of reference of the recovery board can be found at: <https://www.westyorks-ca.gov.uk/erb>

- Priority area 3: **Accelerated infrastructure** - To develop infrastructure that unlocks economic opportunities and delivers resilience both for our communities and environment.
- 2.6 Across all these areas the plan outlines what steps are required by national government, at a regional level, and what funding is required for this. Across the plan there are initial funding asks in the order of £1.11bn, which will need to be further refined and developed subject to future announcements and further understanding of the impact.
- 2.7 Within this outline funding ask, the economic recovery plan also looks to establish a number of distinctive West Yorkshire propositions that can deliver not just for the region's recovery, but also make a significant contribution to the UK economy as a whole. Each of the four propositions (to which further propositions may be developed), includes both an offer and ask to Government. Fuller documents have been shared in draft with the Economic Recovery Board:
1. **Health innovation** (£50m) – building on the region's world-leading strengths in devices, data and diagnostics, unlocking industry collaboration, skills and a globally positioned Act Early institution on disease prevention.
  2. **Lives transformed by digital tech** (£158.2m) - ensure no one is left behind in a digital and tech enabled future from the basis of the fastest growing digital sector in the UK, driving broadband infrastructure, digital skills and Made Smarter investment to support digital adoption in manufacturing.
  3. **Transition to Net Zero Carbon Resilient Economy** (£191.98m) – supporting our net zero 2038 target, with unique industry strengths in low carbon transport, clean agri-tech, construction and circular economy, delivering a pipeline of critical green and blue infrastructure, up to 71,300 jobs and skills and training to help people retrain into low carbon opportunities
  4. **Entrepreneurship** (£60m) – focussed on the diversity of our communities, our existing scale-up performance and our MIT REAP programme for high growth pre-starts, unleashing an entrepreneurial revolution, transforming empty properties and providing accelerator funding for high-growth potential start-ups.
- 2.8 The plan will align with, but not duplicate, local plans being developed by Councils, two of which have already now been published in West Yorkshire<sup>2</sup> as well as the Transport Recovery Plan (see below) being led by Transport Committee and other regional plans e.g. health.
- 2.9 As the implications of COVID-19 continue to develop, it is expected that the plan will be further updated, which will be brought to the Combined Authority to make sure priorities remain relevant and are amended as required to meet the recovery needs of the region.

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<sup>2</sup> See publications of the [Kirklees Economic Recovery Plan](#) and the Wakefield [Economic Growth and Skills: COVID 19 Response Plan](#)

## Transport Recovery

- 2.10 The draft Transport Recovery Plan sets out actions required to respond to the impacts of COVID-19 and the related economic crisis, with the intent to ensure the right transport conditions are put in place to meet demand for travel in safety and with confidence. Our key themes for the Transport Recovery Plan are to take action to ensure the survival of the bus network, as a vital part of a fully functioning and thriving public transport network that serves all communities, for an inclusive economic recovery and to ensure a green and healthy recovery. The COVID-19 crisis presents an opportunity to build on positive changes in travel behaviour, to take the opportunity to reimagine our neighbourhoods, towns and cities, to support a sustainable economic recovery.
- 2.11 The draft Transport Recovery Plan identifies priority actions for the rescue (short), re-imagining (medium) and resilience (longer-term) phases of recovery.
- 2.12 The Transport Recovery Plan is also proposed as a live plan and set of actions. As the wider consequences of the COVID-19 crisis become known, government guidelines adapt and change, and we learn more about people's changing travel patterns and expectations we will review the priorities and update our actions.

### **3. Clean Growth Implications**

- 3.1 Clean growth implications are being comprehensively considered through the development of the plans, with both the economic opportunities clean growth presents and the challenges that need to be overcome fundamental to the future success of the City Region.

### **4. Inclusive Growth Implications**

- 4.1 Inclusive growth and reducing inequality are central aims of both recovery plans.

### **5. Financial Implications**

- 5.1 Delivery of the plans in full will require significant financial resource. As is made clear in the plans, Government funding is required. These requirements will be considered through the future business planning of the Combined Authority / LEP, and key asks and bids submitted to Government at appropriate times.

### **6. Legal Implications**

- 6.1 There are no legal implications as a direct result of this report.

### **7. Staffing Implications**

- 7.1 There are no staffing implications as a direct result of this report.

## **8. External Consultees**

- 8.1 The development of the recovery plans has been led by the Combined Authority's economic recovery board and the Transport Committee. Further to this, the LEP Board all the LEP Panels have been consulted on the emerging economic recovery plan. There has been regular engagement with Local Authority officers developing local economic recovery plans, to ensure alignment.

## **9. Recommendations**

- 9.1 That the Combined Authority provides comments and endorsement of the draft plans for COVID-19 economic and transport recovery, subject to further development as the impacts of the situation become clearer.

## **10. Background Documents**

There are no background documents referenced in this report.

## **11. Appendices**

Appendix 1: Draft Economic Recovery Plan

Appendix 2: Draft Transport Recovery Plan

Appendix 3: Letter from Simon Clarke MP, Minister for Housing, Communities and Local Government, to Cllr Susan Hinchcliffe, Leader of West Yorkshire Combined Authority.