

Report to:	Leeds City Region Enterprise Partnership Board (LEP Board)
Date:	9 June 2021
Subject:	COVID-19
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1. Purpose of this report

1.1 To provide the LEP Board with an update on developments around the COVID-19 crisis, including the delivery of products and services in response.

2. Information

- 2.1 Since the last LEP Board meeting, England has moved into the third step of the UK Government's roadmap out of lockdown, with restrictions due to be in place until at least 21 June. This step has included the return of indoor hospitality and the rule of six being applied to indoor gatherings.
- 2.2 Throughout these steps, the LEP and the five of West Yorkshire local authorities, continue to support residents and businesses in Leeds City Region, and the following sections outline some of the support available and the progress made, before turning to issues of economic recovery and some further issues for the roadmap out of lockdown.

Business Support and Engagement

2.3 This section outlines the progress made on delivering that support since the last LEP Board meeting. The support available brings together both nationally and locally funded projects, ensuring comprehensive support for businesses.

Project	Funding	Businesses Supported	Delivery Partners
Local Authority Grants, including Restart Grants (since Nov 20)	£340m	115,000 payments	Local Authorities (lead)
Additional Restrictions Grant (since Nov 20)	£33.2m	16,000 payments	Local Authorities (lead)

Project	Funding	Businesses Supported	Delivery Partners
COVID-19 Recovery Grants (ERDF & LGF)	£2.8m	1114	LEP-commissioned Umi Commercial
Digital Resilience Vouchers (up to £5,000)	£1.06m	400	LEP & Leeds City Council
Peer Learning Project	£90,000	60	LEP-commissioned University of Leeds Business School
Small Business Membership Scheme (access to legal, HR, financial and wellbeing support)	£300,000	1350	LEP-commissioned W&NY Chamber, Mid- Yorkshire Chamber, FSB
Cyber Security Support Scheme	£100,000	160	LEP-Commissioned North East Business Resilience Centre
Business Resilience Webinars	£15,000	180	LEP-commissioned Biskit

Employment and Skills Support

- 2.4 The Combined Authority and LEP continues to support individuals to better equip them in the labour market as part of our economic recovery activity, including through the £13.5m strategic employment and skills package agreed by the Combined Authority on 27 November 2020. The following outlines progress on the use of additional funding to increase the existing Employment Hub and Reboot programmes.
- 2.5 Following the re-purposing of the ESF funded Employment Hub, delivered in partnership with Local Authorities, an extension has been funded through gainshare to support those affected by the pandemic. Known as Employment Hub 2, it will run in parallel with the ESF funded Employment Hub. As at 1 April 2021 (Q1), the original Hub has engaged 4,199 15-24 year-old participants against a profile of 5,137 (82%). Of these:
 - 1,323 participants were from a black, Asian or minority ethnic background, against a profile of 604 (219%)
 - 844 participants had disabilities against a target of 474 (178%)
 - 1,320 participants had no basic skills qualifications against a target of 1124 (117%)
 - Of the participants starting the programme, 759 have been supported with finding education/ training, employment or self-employment against a target of 1,918 (40%)
- 2.6 Contracts for delivery of Employment Hub 2 are currently with Local Authority delivery partners for their approval and sign off, following which the service will go live with the aim of supporting a further 5500 claimants and non-claimants into retraining, reskilling and employment. Five Local Authorities (excluding

York) are involved in the delivery of Employment Hub 2 and the provision will work in parallel with our existing programme.

- 2.7 Employment Hub 2 will provide additional employment support activity for all those who have been furloughed or recently made unemployed. Activity will target vulnerable groups including BAME, women, over-50s, 15-24 year olds and those with a disability.
- 2.8 On Reboot, a tender for adult training is currently live and will form part of an adult skills framework. This will create a responsive adult training offer that focusses on the priority sectors for employment growth including digital, construction, engineering, the green economy and health and social care aligning to the Economic Recovery Plan and SEF Employment and Skills priorities. Delivery will begin in June 2021 and continue until April 2023.
- 2.9 Adult retraining activity will similarly target those recently unemployed or furloughed staff. In addition, the framework will target support to females, over 50s, BAME and those with a disability.
- 2.10 Following completion of procurement activities, employers will be central to the design of specific training programmes so that they align to labour market needs prompted by economic recovery.

Economic Recovery Plan Development and Implementation

- 2.11 As reported previously, the longer-term planning for economic recovery for West Yorkshire is being overseen by a West Yorkshire Economic Recovery Board¹, which is a working group of the Combined Authority and brings together the five West Yorkshire Leaders and LEP Chair with partners from the private sector, trade unions, business representative organisations, public bodies and the third sector, to develop robust plans for the region's recovery and to help build an inclusive and sustainable economy for the future.
- 2.12 At the last meeting of the LEP Board an update was provided on the refreshed economic recovery plan, endorsed by the Combined Authority in March. Since the last meeting, further work has taken place on the implementation of programmes that have been agreed as priority from the plan, including on:
 - Entrepreneurship focussed on our diverse communities, existing scale-up performance and learning for high growth pre-starts, unleash an entrepreneurial revolution, transforming empty properties and supporting high-growth potential start-ups.
 - **Health Tech** building on the region's strengths in devices, data and diagnostics, unlocking industry collaboration, skills and a globally positioned Act Early institution on disease prevention.
 - **Transition to Net Zero Carbon Resilient Economy** the development of a pipeline of projects supporting our net zero 2038 target, with unique

¹ Further details on the full membership and terms of reference: <u>https://www.westyorks-ca.gov.uk/erb</u>

industry strengths in low carbon transport, clean agritech, construction and circular economy.

2.13 Strategic Business Case endorsement for these programmes is being sought at the Combined Authority Investment Committee in June, which will allow activities to commence. Stakeholder meetings have informed the development of these programmes, and further details of planned activity and progress will be reported to the LEP Board on a regular basis.

Issues related to the recovery of town and city centres

- 2.14 A presentation was given at the last meeting of the West Yorkshire Economic Recovery Board in May on research commissioned by the West Yorkshire Place Based Economic Recovery Network (PERN) looking at the impact of the pandemic on West Yorkshire town and city centres.
- 2.15 The key findings from that work recognise a number of challenges and opportunities to the Leeds City Region economy:
 - The shift to online purchases has accelerated dramatically, well ahead of pre-COVID trends, particularly in non-essential retail
 - Footfall in all centres has decreased, although some centres have performed better than others in growing footfall once lockdown restrictions have been eased
 - National strategic decisions on retail store closures have impacted high streets across the region, with some large units now vacant
 - Independent retail has also been affected by closures, although there appears to be stronger demand trends for independent retail
 - To some extent West Yorkshire is bucking the trend in terms of in person shopping, with greater numbers returning to shops than in other parts of the country

3. Tackling the Climate Emergency Implications

- 3.1 Clean Growth will continue to be supported through the products delivered in response to COVID-19 and is at the heart of the Economic Recovery Plan as an overarching goal.
- 3.2 Businesses will continue to be supported to apply innovation and digital technologies to adapt their products and services to meet current and future demand and reduce their carbon emissions.

4. Inclusive Growth Implications

4.1 Inclusive Growth is embedded as an overarching goal in the Economic Recovery Plan, and all interventions aimed at economic recovery are having inclusion designed into the proposed approach (see paragraphs 2.7 and 2.9).

4.2 As part of the West Yorkshire Inclusive Growth framework, any businesses that receive grants from the above products would be required to contribute to Inclusive Growth actions and outcomes via their funding agreements.

5. Equality and Diversity Implications

- 5.1 To ensure a focus on inclusive growth, wherever relevant programmes will monitor delivery to under-represented groups to ensure everyone is able to access the appropriate support.
- 5.2 Paragraph 2.5 reports Q1 performance in the delivery of support through the Employment Hub across a range of equality and diversity indicators.

6. Financial Implications

6.1 There are no financial implications directly arising from this report. However, following the March 2021 Budget where no further funding was allocated for local COVID-19 recovery plans, further delivery implementation of the West Yorkshire Economic Recovery Plan will require new sources of funding.

7. Legal Implications

7.1 There are no legal implications directly arising from this report.

8. Staffing Implications

8.1 None arising directly from this report.

9. External Consultees

9.1 No specific or official external consultations have been undertaken in relation to this report. However, it has been informed by ongoing dialogue and consultation with LEP Panels and wide range of partners, including local authorities, the West Yorkshire Economic Recovery Board, universities and colleges, business representative and membership bodies, and direct with some individual businesses.

10. Recommendations

10.1 That the LEP Board notes the updates in relation to COVID-19.

11. Background Documents

11.1 West Yorkshire Economic Recovery Plan (refreshed March 2021): https://westyorkshire.moderngov.co.uk/documents/s18944/Item%205%20-%20Appendix%201.pdf

12. Appendices

12.1 None.