

Report to: West Yorkshire Combined Authority

Date: 29 July 2021

Subject: **Economic Recovery**

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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 type="checkbox"/> Yes <input checked="" 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:	
Are there implications for equality and diversity?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

1. Purpose of this report

- 1.1 To provide the Combined Authority 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 Combined Authority meeting England has moved to the fourth stage of the roadmap out of lockdown on 19 July. This marks the end of many of the restrictions that have been in place in Leeds City Region during the pandemic, some since March 2020. The restrictions have been replaced with new guidance encouraging businesses and the public to continue to exercise caution and setting certain expectations. For example, while the requirement to wear face coverings will be lifted, they will still be expected to be worn in crowded areas such as public transport.
- 2.2 Throughout this time, the LEP and the five of West Yorkshire local authorities, have continued 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 the refreshing of the West Yorkshire Economic Recovery Plan.

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)	£350m	120,000 payments	Local Authorities (lead)
Additional Restrictions Grant (since Nov 20)	£35m	17,000 payments	Local Authorities (lead)
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	65	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 of 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. Delivery is anticipated to start from August 2021.
- 2.7 Employment Hub 2 will provide additional employment support activity for all those who have been furloughed, recently made unemployed and seeking to progress in their current employment. 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 late summer 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 West Yorkshire Mayor, 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 a fair, just and lasting regional recovery and to help build an inclusive and sustainable economy for the future.
- 2.12 At the June meeting of the Economic Recovery Board, it was proposed that the Economic Recovery Plan should be refreshed to coincide with the

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

upcoming changes in restrictions and in particular ahead of the end of the furlough scheme, building on the current plan's themes of Re-imagining and Resilience, as we enter the next phase of recovery from the pandemic. The Board discussed also how the West Yorkshire Mayoral Pledges could be aligned specifically to support delivery of Economic Recovery Plan.

2.13 It is proposed that the Combined Authority will consider an updated plan at their September meeting, which will have been informed by the work of the Economic Recovery Board. Key proposals for the revision are:

- Producing a new central economic forecast to underpin the plan, outlining key areas of sensitivity to that forecast including on employment, sectoral performance, further restrictions
- Putting the Mayoral Pledges at the heart of the economic recovery narrative and proposed interventions, where they can make a significant contribution to the plan's ambitions for West Yorkshire
- Focussing particularly on the work that will be delivered regionally to implement the plan, including where funding has already been committed by the Combined Authority or partners
- Have a smaller, targeted focus on areas where Government co-investment will be required, particularly on infrastructure, but to have this clearly linked to support for local jobs and skills.

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 will continue to be central to the revised plan.

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.

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 There are no staffing implications directly arising 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 Combined Authority notes the updates in relation to COVID-19 and comments on the proposed approach to a new version of the Economic Recovery Plan (see paragraph 2.13) to come back to the Combined Authority in September.

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

None.