

Report to: West Yorkshire Combined Authority

Date: 22 October 2021

Subject: **COVID-19**

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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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No

1. Purpose of this report

- 1.1 To provide the Combined Authority with an update on developments around the COVID-19 pandemic and work to support economic recovery in West Yorkshire.

2. Information

- 2.1 The COVID-19 pandemic continues to be a central factor in the lives of the people of West Yorkshire. Whilst case rates have been volatile to a certain extent over recent weeks, with the return of schools, colleges and universities, and the lifting of domestic restrictions, the picture regarding vaccinations and hospital capacity in the region remains encouraging.
- 2.2 At the last meeting in September, the Combined Authority considered the latest draft of the economic recovery plan. This had been refreshed particularly ahead of the end of the Coronavirus Job Retention Scheme and Universal Credit uplift in September, and to reflect the performance of the West Yorkshire economy over the summer. As we now move into the Autumn, it is important that we look positively to the bouncing back of many sectors, and opportunities for increased productivity and innovation, whilst making sure that

the recovery is fair and just for those who have been most impacted since the start of the pandemic.

- 2.3 The following sections cover the current situation regarding the end of furlough and the Universal Credit uplift, before outline some of the support available for businesses and individuals in responding to the pandemic and the progress made, and finally to issues of economic recovery.

End of furlough and Universal Credit uplift

- 2.4 The Coronavirus Job Retention Scheme (furlough) closed at the end of September. According to data published by HM Revenues and Customs¹, over the course of the scheme 382,700 employments in West Yorkshire have been supported. The (provisional) data for August 2021 provides the following information on West Yorkshire as the scheme neared closure:

- The number of people on furlough in West Yorkshire is on a downward trend (falling by 19% between June and July) but remains substantial at 40,300.
- Although local data is not available, around half of those on furlough were on full furlough, with the other half on flexible (part-time) furlough.
- In absolute terms, the largest numbers of furloughed employments are in Leeds (13,400) and Bradford (9,900).
- Take-up rates (as % of eligible employment) are similar across the five local authority areas, ranging from 3% in Wakefield to 5% in Bradford and Kirklees. Take-up rate for West Yorkshire as a whole (4%) is lower than the national average (5%).
- Around 4,200 young people (aged under 24) are still on furlough in West Yorkshire, although the number has fallen more quickly in recent months than older age groups. Around 17,500 (44%) of furloughed employments are female.
- Sectors with the highest number of furloughed workers are Wholesale and retail (7,000), Manufacturing (6,000) and Hospitality (5,000), although the latter reduced by 30% between July and August. A relatively high proportion of workers in Arts and entertainment are still on furlough (1,800 in absolute terms).
- Sectoral hotspots by district are: Hospitality in Leeds; Admin and support services in Leeds; Manufacturing in Kirklees; Wholesale and retail in Bradford.

- 2.5 The sections below from 2.8 outlines how the Combined Authority is responding to this situation, and in particularly looking to target support at those who may be leaving the furlough scheme into unemployment. Although the number of individuals that were still on furlough in August is significant, it is not anticipated that there will be a significant rise in unemployment claimants.

¹ <https://www.gov.uk/government/statistics/coronavirus-job-retention-scheme-statistics-7-october-2021>

2.6 The Universal Credit uplift, which provided recipients with an additional £20 a week, ended on 6 October. According to modelling produced by the Joseph Rowntree Foundation², an estimated 242,000 families in West Yorkshire constituencies will be affected by the cut in Universal Credit / working tax credits, 137,000 of which are families with children. The Government has announced a new £500m national Household Support Fund to be administered by local authorities over the winter, with further guidance awaited at the time of writing. As part of our goal to tackle inequalities through the West Yorkshire Economic Recovery Plan, we will need to consider what impact these changes will have on communities in the region.

Business Support and Engagement

2.7 This section outlines the progress made on delivering COVID-19 related business support since the last Combined Authority 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)	£365m	130,000 payments	Local Authorities (lead)
Additional Restrictions Grant (since Nov 20)	£45m	21,000 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	£120,000	110	LEP-commissioned University of Leeds Business School
Small Business Membership Scheme (access to legal, financial HR & wellbeing support)	£220,000	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

² <https://www.jrf.org.uk/universal-credit-cut-impact-constituency>

Employment and Skills Support

- 2.8 The Combined Authority and LEP continue 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 adult training programmes.
- 2.9 Delivered in partnership with Local Authorities the current ESF funded Employment Hub will continue to deliver the service until December 2021. Alongside this is an extension of the Employment Hub funded by the Combined Authority to support the Economic Recovery Plan, known as Employment Hub 2 with delivery through to end of March 2023.
- 2.10 The ESF **Employment Hubs** have 3 months left of the programme and we continue to operate the service ensuring we are supporting as many people as possible and missing performance still yet to be claimed. We are working on one last marketing push particularly as a response to the end of furlough and possible redundancies.
- 2.11 For Quarter 2 performance, as reported to DWP as part of the funding requirements (as at 1 July 2021):
- Engaged 4952 15-24 year-old participants against a Q2 2021 profile of 5843 (85%). Of these:
 - 1615 participants, against a profile of 707 (%), were recorded as being from ethnic minorities
 - 993 participants declared they had disabilities against a target of 527 (188%)
 - 1589 participants are recorded as having no basic skills qualifications against a target of 1269 (125%)
 - Of the participants starting the programme 1418 have been supported with finding education/ training, employment or self-employment against a target of 2239 (63%).
- 2.12 Our Jobcentre plus referrals continue to pick up pace for all the Employment Hubs with a push on jobs fairs both actual and virtual. Hard to fill vacancies and kickstart opportunities continue to yield us performance too.
- 2.13 Employment Hub 2, which went live in August 2021, will provide additional employment support for up to 5500 individuals (all age) 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.
- 2.14 The second element of the gainshare-funded Covid recovery package is the Adult Skills Framework (previously referred to as the [re]boot extension), with an appropriate name and brand for the programme being developed to bring it to market. The Adult Skills Framework builds on the best elements of [re]boot and other programmes that have been delivered over recent years including

our highly successful DFE-funded bootcamps. The intention with the Adult Skills Framework is to be flexible and responsive to demand from career-changers and employers, and to changes in the labour market.

- 2.15 The tender process for adult training (part of an adult skills framework) is progressing through internal governance and approvals processes. This will create a responsive adult training offer that focusses on priority sectors for employment growth including digital, construction, engineering, the green economy and health and social care aligning to the Economic Recovery Plan and the Employment and Skills Framework. Delivery will begin late summer 2021 and continue until April 2023.
- 2.16 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.

Entrepreneurship Programme

- 2.17 Following approval by the Combined Authority's Investment Committee in June 2021, the £6 million programme is now being delivered as part of the Economic Recovery Plan. It is focused on a 'ladder of enterprise support' across three inter-connected workstreams that will help individuals in the region to explore and establish new businesses. A primary focus of the programme is Equality, Diversity and Inclusion (see below for more details).
- Workstream One - promoting enterprise as a career option (i.e. is enterprise / business start-up right for you?)
 - Workstream Two – a universal business start-up support programme to help anyone who has made the decision to start a business
 - Workstream Three – more intensive support programme for pre-start / start-up enterprises with high growth or scale-up potential
- 2.18 Following recent open tender exercises, preferred suppliers have been selected to deliver a £350k Exploring Enterprise programme (on Workstream One) and a £1 million Business Start-Up programme (on Workstream Two). Both will commence delivery in late September / early October 2021 and will be delivered for 18 months, with options to extend for the same periods subject to performance, outcomes and policy priorities.
- 2.19 The Exploring Enterprise Programme will deliver one-to-many support through online training, events, workshops and seminars. It is expected that a minimum of six hours of support will be delivered per participant. The support package will cover key areas to help consider starting a new enterprise and how to overcome any barriers that would prevent people from doing so. Programme content includes: identifying the need/market research; creating an idea; networking; understanding different types of businesses, including social enterprise and cooperatives; and legal and financial support. Underrepresented groups are being targeted to engage with the programme as follows: 50% of participants will be women and 20% will be from BAME

backgrounds. In addition, the provider has offered CV support for those that decide not to start a business and to seek employment instead.

- 2.20 Workstream Two's Business Start-Up programme (working title, 'Start-Up West Yorkshire') will provide new-start and start-up businesses up to 12 months old with a blended package of support covering the key topics required to establish and develop a new enterprise. This includes: - business and financial planning; business structure and tax; sales and marketing (including social media); access to finance and recruiting staff. There are no sector or growth-related restrictions and there are also clear targets in place to support new firms that are led by individuals from BAME backgrounds (20%), women (50%) and people with disabilities (3%).
- 2.21 In addition, five Start-Up Managers are currently being recruited by the West Yorkshire Local Authorities to work alongside the existing SME Growth Managers. These posts will help to coordinate enterprise support activity at the district level and deliver some direct one-to-one support to early-stage micro firms with growth potential. It is anticipated that these posts will also have a focus on the high street renewal agenda and, as a result, work with a larger number of business-to-consumer operators than existing business support provision allows. Approximately 1,500 pre-start / start-up / early-stage firms will be supported through Workstream Two's activities.
- 2.22 Workstream Three will be issuing a tender in November 2021 for a programme of more intensive support, including access to finance, for a smaller number of new enterprises with significant growth potential. The environmental and societal impact of the enterprises to be supported, will be just as important as their economic impact. 'Soft market testing' with a range of key stakeholders in the 'seedcorn' finance and 'accelerator support' marketplace has taken place over the summer and autumn of 2021, and this will inform the forthcoming invitation to tender documents. This strand will also have clear and stretching targets to engage equality groups in the provision.
- 2.23 A range of routes to market are being actively pursued for all three workstreams, with a strong focus on engaging underrepresented groups and more disadvantaged parts of West Yorkshire. This includes working with several well-established community-based organisations and enterprises support agencies to both deliver support and make it more visible and accessible to a diverse range of people and businesses e.g. Airedale Enterprise Services in Keighley, Barca-Leeds, the Paddock Community Trust in Huddersfield, Inspired Neighbourhoods in Bradford and Aspire-igen in Wakefield and Leeds.
- 2.24 In addition, the programme will engage with several networks and key influencers within business communities at the local and district level to raise the profile of the support available and increase take-up. These include the Yorkshire Asian Business Association (working with the Asian Standard) and the BAME Committee of West & North Yorkshire Chamber of Commerce. The Combined Authority and LEP already works with several key influencers in the business support space to increase take-up amongst BAME-led and Women-

led businesses, and these strong working relationships will also be utilised for this new programme. Taking the support available to other community settings, such as faith groups, enterprise centres and childcare providers, will also be a focus of activity to broaden reach and increase take-up, as will the use of role-models and mentors from diverse backgrounds that reflect the make-up of the region. Lastly, promoting the programme to target audiences via such vehicles as the Asian Standard publication and radio stations such as Sunshine Radio, Peoples' FM and Fever FM, will also be considered as this has previously worked well.

Economic Recovery Plan

- 2.25 Long-term planning for the economic recovery of West Yorkshire has been overseen by the West Yorkshire Economic Recovery Board³, which is a working group of the Combined Authority and brings together the Mayor, five West Yorkshire Leaders and LEP Chair with partners from the private sector, health, trade unions, business representative organisations, public bodies and the third sector.
- 2.26 At the last Combined Authority meeting in September a further version of the plan was considered, with an increasing focus given to the alignment of economic recovery with the Mayoral Pledges, and a refreshed vision to secure a fair, just and lasting recovery for West Yorkshire. As was discussed at the September meeting, the Economic Recovery Plan will also be supported by the Business Productivity and Resilience Plan, which positions boosting business productivity as a key pillar of delivering an inclusive recovery.
- 2.27 Each of the Committee's of the Combined Authority will now be taking forward discussions on relevant elements of the Plan, and how they will be delivered through the work programmes of those Committees. This will help support further refinement the Plan, particularly in relation to the actions that will be supported through regional intervention and collaboration with partners.
- 2.28 The Comprehensive Spending Review will provide an opportunity to put forward the case for the region's economic recovery and the support needed from Government to make this happen, particularly on the co-investment opportunities. Once the Comprehensive Spending Review has been completed, the Plan will be refreshed to take account of any additional funding, as well as our developing understanding of the impact of ending furlough and the end of the Universal Credit uplift.

3. Tackling the Climate Emergency Implications

- 3.1 Tackling the Climate Emergency is identified as one of the overarching goals and golden threads of the Economic Recovery Plan. It also includes a dedicated chapter outlining the Combined Authority's efforts to reach net-zero carbon by 2038 and creating 1,000 green jobs for young people.

³ Further details on the full membership and terms of reference: <https://www.westyorks-ca.gov.uk/erb>

- 3.2 In developing and delivering the future interventions as a result of implementing the plan, schemes will be required to demonstrate how they specifically contribute positively to Tackling the Climate Emergency, whether that be through green skills and jobs, reducing emissions of buildings or contributing to wider climate resilience.

4. Inclusive Growth Implications

- 4.1 Inclusive Growth is embedded as an overarching goal in the Economic Recovery Plan. The impact of the pandemic on inequalities make the ambitions for inclusive growth around wellbeing, good work and relevant and transferable skills critical to a fair, just and lasting recovery. The plan also includes specific deliverable activity that is shared with the West Yorkshire Inclusive Growth Framework, such as the Fair Work Charter.
- 4.2 The Economic Recovery Plan recognises that a lasting recovery needs to be felt across both towns and cities, and villages and rural areas. Each of the actions and co-investment propositions identified will need to be designed and delivered in a way that recognises that each and every place presents distinct opportunities in terms of jobs, businesses and infrastructure.
- 4.3 The plan also identifies the importance of Social Value to inclusive growth, and achieving this in delivery of the plan will include setting out how social value will be enhanced through contracts, including that any businesses that receive grants from the products delivered as part of the plan would be required to contribute to Inclusive Growth actions and outcomes via their funding agreements.

5. Equality and Diversity Implications

- 5.1 The Economic Recovery Plan recognises the disproportionate impact of COVID-19 on certain groups within West Yorkshire, and in its vision for a fair and just recovery plans to make sure its interventions respond particularly to the needs of those most disadvantaged. By focussing particularly on the role of our response interventions, it is also important to recognise that many of the inequality challenges faced prior to the pandemic remain, and therefore should not be lost when responding to the additional effects of the pandemic.
- 5.2 Specific interventions delivered in connection to this plan will be expected to set targets about how equality and diversity will be achieved, for example in the entrepreneurship programme, employment hub and adult skills framework outlined in this paper, targets for BAME and female led businesses are being written into delivery criteria.

6. Financial Implications

- 6.1 There are no financial implications directly arising from this report. However, co-investment opportunities with the public and private sector are outlined within the document, and delivery of the Economic Recovery Plan will require additional financial resources, subject to prioritisation of activities.

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 particularly with the West Yorkshire Economic Recovery Board but also with LEP Panels and a wide range of partners, including universities and colleges, business representative and membership bodies, and direct with some individual businesses.

10. Recommendations

10.1 That the Combined Authority notes the update on COVID-19 support in West Yorkshire

11. Background Documents

11.1 Draft [West Yorkshire Economic Recovery Plan](#), presented to Combined Authority on 9 September.

12. Appendices

None