

BROMSGROVE DISTRICT COUNCIL

CABINET

25th November 2020

BROMSGROVE ECONOMIC RECOVERY FRAMEWORK

Relevant Portfolio Holder	Cllr Karen May, Leader of the Council and Portfolio Holder for Economic Development, Town Centre and Strategic Partnerships
Portfolio Holder Consulted	✓
Relevant Head of Service	Ostap Paparega, Head of NWedR
Ward(s) Affected	N/A
Ward Councillor(s) Consulted	N/A
Key Decision / Non-Key Decision	Non-Key

1. SUMMARY OF PROPOSALS

- 1.1 This report outlines the strategic priorities, key interventions and measures aimed at supporting the district economy throughout the Covid-19 economic recovery effort.
- 1.2 The strategic priorities, key interventions and support measures are detailed in the Bromsgrove Economic Recovery Framework (2020-2023), which is attached in Appendix 1.

2. RECOMMENDATIONS

The Cabinet is asked to APPROVE

- 1) **the report and the Bromsgrove Local Economic Recovery Framework (2020-2023) attached at Appendix 1**

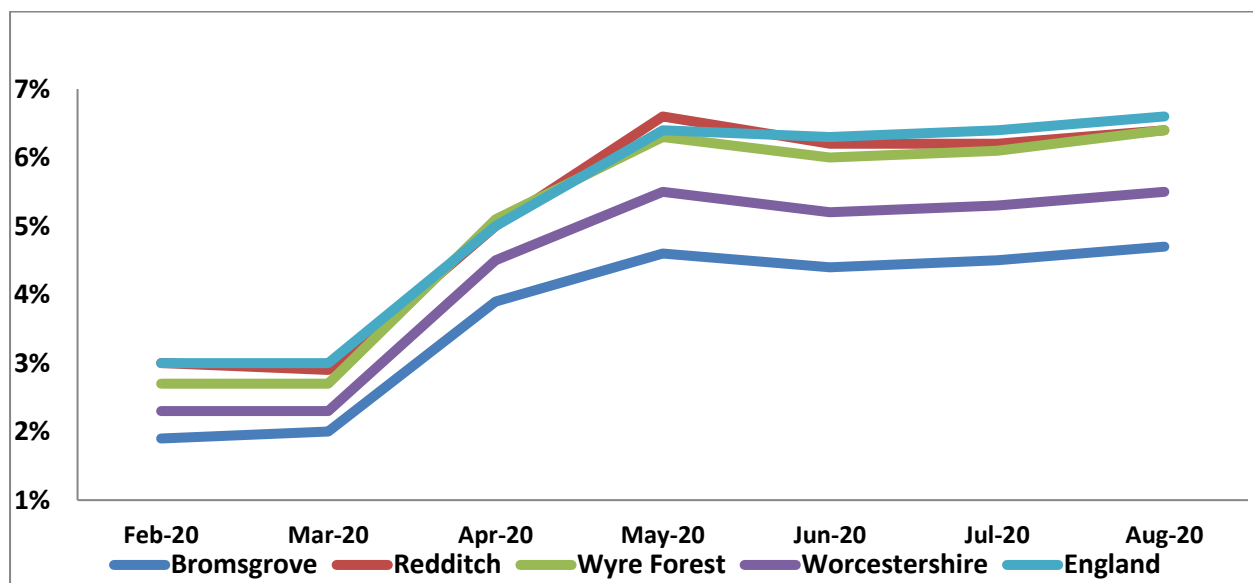
3. Background

- 3.1 The Bromsgrove Economic Recovery Framework sets out the strategic priorities, key interventions and measures aimed at supporting the local economy throughout the Covid-19 recovery effort. The framework is a live document and will be updated regularly, as new national, regional and local support measures are announced in response to the current pandemic.
- 3.2 The Bromsgrove Economic Recovery Framework supersedes the North Worcestershire Economic Growth Strategy for the duration of the economic recovery effort in line with national and regional guidance.
- 3.3 The economic recovery framework focuses on three key priorities:
 - Supporting people

- Supporting businesses
- Improving places

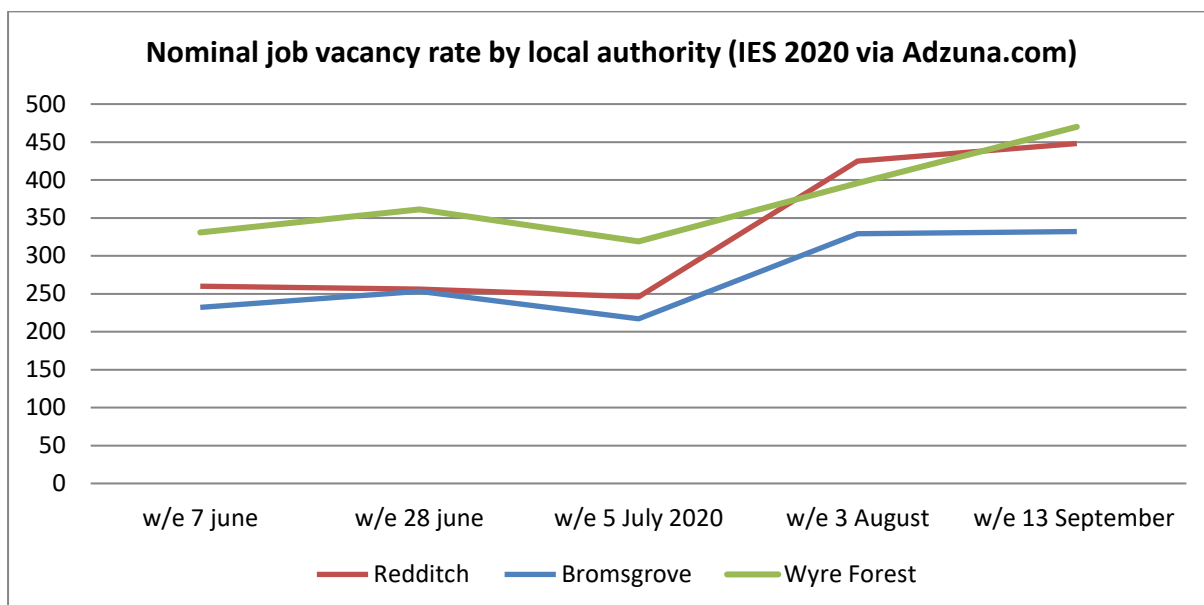
Supporting people

- 3.4 The immediate priority is addressing the impact of the Covid-19 pandemic on jobs and the potential for large scale redundancies. This has been addressed temporarily by the central government through the Coronavirus Job Retention Scheme (which will remain open until 31 March 2021, but will be reviewed in January 2021), but there are major concerns about the likelihood of significant redundancies once the employment support schemes come to an end. Medium and long term, the priority is ensuring those in employment have the relevant skills and knowledge to perform well in an increasingly competitive labour market and access new opportunities in emerging and growth sectors.
- 3.5 The immediate impact of the Covid-19 pandemic on jobs and the labour market is measured by looking at data regarding claimant counts, unique job postings and employees on furlough. These are summarised in paragraphs 3.6 to 3.8 below and detailed in Appendix 1 in paragraphs 7 to 10.
- 3.6 The number of people aged 16+ claiming out of work benefits in Bromsgrove increased from 1,145 in February 2020 to 2,675 in October 2020. Graph 1 shows the increase as a percentage of resident population of the same age.



Graph 1 – Claimant counts for people aged 16+ shown as percentages of resident population of the same age.

- 3.7 In terms of job vacancies, Bromsgrove has seen a decrease of 47.30% between 15 March 2020 and 13 September 2020. However, the vacancy rate has improved since August, as illustrated in Graph 2.



Graph 2 – Nominal job vacancy rate by local authority

3.8 The third indicator that reflects the immediate impact of Covid-19 pandemic is the number of employees on furlough. Table 1 shows the number of claims received up to 31 August 2020 in Bromsgrove, Worcestershire, West Midlands and the UK and the take up rate, which in Bromsgrove is 11%, the same as the country, West Midlands and UK rate.

Table 1

Claims received up to 31 August 2020	Employments furloughed	Eligible employments	Take-up rate
Bromsgrove	5,200	42,800	11%
Worcestershire County	29,800	274,600	11%
West Midlands	278,400	2,580,400	11%
UK	3,274,900	30,353,200	11%

3.9 The detailed priorities, interventions and measures under the 'Supporting people' theme are described in Appendix 1, paragraphs 11-13.

Supporting businesses

3.10 The interventions under this priority are grouped in four categories:

- Business information, advice and guidance (IAG), including available business grants
- Start-up and enterprise support
- Support for companies with high growth potential
- Support for large / strategic employers

3.11 In addition, attracting inward investment continues to be a key priority and the council is working with the Greater Birmingham and Solihull LEP, Worcestershire

LEP and the West Midlands Growth Company on targeted programmes to attract private investment to the area.

- 3.12 Table 15 in Appendix 1, paragraph 16, details the key support programmes, including grant funding, available to local businesses, but key examples include:
- Enteprise for Success
 - Enterprising Worcestershire
 - Proof of Concept
 - Business Growth Programme 2
 - Manufacturing Growth Programme
 - Low Carbon Opportunities Programme
 - Skills Support for the Workforce
 - Higher Level Skills Match
 - National and district Apprenticeships Grants
 - Find it Worcestershire

Improving places

- 3.13 Place making will play a key role in the economic recovery effort and it will focus on the re-purposing of the town and local centres; making the town centre a more attractive place to do business and spend time; exploring new ways of mobility; prioritising the health and well-being of residents; putting a clear emphasis on clean growth and a green economy and providing critical digital (gigabit broadband) and mobile (5G) infrastructure.
- 3.14 The key regeneration interventions proposed under this priority are outlined in Appendix 1, Table 16 (paragraph 20). The estimated combined development cost of these key interventions is approximately £31m (council owned sites only).
- 3.15 Also, there are a few plots of serviced employment land and brownfield sites (allocated sites) in private ownership and the council is working with the land owners / developers to explore options to bring these sites forward for devleopemtn.

Delivery partners

- 3.16 The projects, interventions and support measures detailed in the Bromsgrove Economic Recovery Framework will be delivered by a wide range of partners, as outlined in paragraph 24 (Appendix 1).
- 3.17 In addition, attracting private sector investment will be a critical success factor, especially in the delivery of the key regeneration projects detailed in paragraph 20, Table 16 (Appendix 1).

4. KEY ISSUES

Financial Implications

- 4.1 A Bromsgrove Business Advisor post is being created to support the delivery of the business support programmes summarised in this report and detailed in

Appendix 1, paragraph 16, table 15. The post will be offered on a three-year fixed-term full-time basis. The costs associated with this post will be covered from the economic recovery reserve fund.

- 4.3 The estimated total development cost of the proposed regeneration projects outlined in Appendix 1, paragraph 19, table 16 is approximately £31m (council owned sites). Should the council decide to deliver these key projects directly, there will be clear financial implications in terms of raising the necessary capital funding and the costs associated with that.

Legal implications

- 4.5 Should the council decide to deliver the key regeneration projects outlined in Appendix 1, paragraph 19, table 16 through a joint-venture, then there will be direct legal implications in terms of setting up the JV and the council's share of legal obligations with the JV.

Service / Operational implications

- 4.6 The delivery of capital / regeneration projects has operational implications both in terms of capacity and specialist skills and expertise. These requirements are being assessed regularly and on a case by case basis and appropriate action taken (for example, the appointment of multi-disciplinary teams to prepare masterplans, feasibility studies and development appraisals).

Customer / Equalities and Diversity Implications

- 4.8 There are no implications.

5. RISK MANAGEMENT

- 5.1 Risk registers / logs are being developed for each regeneration/capital project, updated regularly and monitored by the Project Governance Board, which meets every six weeks.

6. APPENDICES

Appendix 1 - Bromsgrove Economic Recovery Framework (2020-2023)

7. BACKGROUND PAPERS

None

AUTHOR OF REPORT

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