



# Economic Development, Transport and Tourism Scrutiny Commission

Date of Commission Meeting: 19 November 2020

---

## **Economic Recovery Plan**

Report of the Director of Tourism, Culture and Investment

---

## **Useful information**

- Ward(s) affected: All
- Report author: Mike Dalzell
- Author contact details: 0116 454 4551 [mike.dalzell@leicester.gov.uk](mailto:mike.dalzell@leicester.gov.uk)

## ***Suggested content***

### **1. Purpose of report**

- 1.1 This report accompanies and relates to the Leicester Economic Recovery First Steps plan which is attached at Appendix 2. It offers comment on what is and isn't included and also comments on how that plan relates and responds to the EDTT Commission Task Force report that was published earlier this year.

### **2. Recommendations**

- 2.1 To note the contents and comment on this report and the published plan.

### **3. Supporting information**

#### **Background**

- 3.1 The published recovery plan builds on the themes and priorities previously presented to this commission on 9 July 2020 and 17 September 2020.
- 3.2 The plan concentrates on things that are being done by the council or are in the pipeline. It also flags other things that can and will be done by the council with a high degree of certainty. It is therefore a practical action plan drawing primarily on existing resource rather than a longer term strategy.
- 3.3 Such a strategy is also required to respond to the challenges we face. Some of the elements of it are sketched out in this Plan and some of that work is well under way, such as with climate change. However much more work is required to create effective responses so a further strategy document will be prepared in 2021.
- 3.4 Though there is much the council and others must and can do the plan also acknowledges that many of the levers, powers and the resources relevant to economic recovery lie in the hands of central government. The plan therefore makes a series of asks of government for things that can help and that are essential given the scale of the problems that we will face.
- 3.5 The plan also notes the significance of complementary plans that are being developed through the Leicester and Leicestershire Enterprise Partnership and others. They will be especially important in areas such as skills strategy, assisting businesses and supporting communities. The plan envisages the establishment of a new Leicester Board comprising key anchor institutions that can develop

common approaches on matters such as recruitment, investment, procurement, community engagement and sustainability.

- 3.6 The plan concentrates on what can be done to lever maximum impact from existing revenue and capital programmes. It avoids initiatives that require new and ongoing revenue commitments as council budgets are under huge pressures, a situation that is forecast to continue and probably worsen. It draws attention to major investment programmes that are on site such as at the Space Park and Waterside which will help create momentum for the recovery alongside plans for new visitor attractions.
- 3.7 For the council itself, workforce planning to prioritise new employment opportunities for vulnerable groups and maximising benefit from capital investment are two key activities alongside boosting place marketing and promotional activity that can lever and sustain new investment into the city. There is also a considerable overlap between this recovery plan and the new climate emergency strategy and action plan which is captured here and which will help shape a 'green recovery'.
- 3.8 The Plan has a focus on rising joblessness and particularly youth unemployment. The Plan sets out how the council will use and extend the government's new Kickstarter programme for young people as an employer and how it will commend the same approach to other employers by way of a new Leicester Charter. The council is encouraging the LLEP to earmark resource for a similar programme that enables SMEs to extend Kickstarter contracts and create more meaningful opportunities for young people to benefit.
- 3.9 Negotiations are under way with DWP for the council to assist in coordinating the overall programme response for young people which is hoped to include holistic support services including intensive one to one support. This includes an agreement already in place for additional DWP work coaches to locate additional staff that they will recruit in council neighbourhood centres. Specific interventions are proposed around digital skills and linking people with opportunities in new growth sectors.
- 3.10 The council will work with partners such as the East Midlands Chamber of Commerce and the LLEP to build on the Growth Hub which is a focus for business support. Part of this will be to develop sector specific support packages and within that there will be a particular focus on the textiles sector.
- 3.11 The plan recognises that fresh thinking and new ways of working are needed to respond to the long term challenges and opportunities created by the pandemic. Working with the universities, local businesses and residents the council will establish work streams to explore key questions around home working, the future of the city centre, the scope for a 'green recovery', how to support sectors that are experiencing specific challenges such as retail, hospitality and the visitor economy and how to ensure vulnerable communities can best be supported. This work will help inform the future 2021 strategy document. A first draft of possible topics is appended for comment (Appendix 1).
- 3.12 Targeting initiatives to vulnerable groups and neighbourhoods will be an important strand of this plan. Making data available on need and performance via a regular on line reporting platform will be vital to monitoring progress. The plan also

commits the council to use the Inclusive Growth matrix as a way of evaluating how effective or otherwise our plans are at addressing and enabling inclusive growth that delivers benefits for our most vulnerable residents and communities. This will also be regularly updated and reported over the course of the next 12-18 months.

3.13 As a response to the previous 2009 recession, central government created the working neighbourhoods fund (WNF) which was managed through local authorities. At that time in Leicester a substantial programme of local job support interventions was developed and delivered through a network of local centres (the MAC initiative). Whilst this was quite effective it was extremely revenue hungry, contractually complicated and ultimately unsustainable. Since then, resources targeted at vulnerable communities have tended to prioritise delivery via voluntary and community sector organisations directly rather than via the council. Key funding streams such as the National Lottery and ESF often make this a precondition. The recent EDTT taskforce heard from several good local examples such as the YES project.

3.14 Council services enjoy good complementary working with such initiatives so that a seamless service offer can be created. Local organisations are often best placed to offer more intensive one to one support that can help individuals deal with barriers to work and participation whilst the council's Employment Hub liaises directly with employers to create access to job opportunities, broker interviews and work experience placements etc. It is important that we build and strengthen these relationships over the course of the plan.

#### **4. Financial, legal and other implications**

4.1 The implications of each aspect of the plan, (financial, legal, impact on climate change, and equalities), will be identified as the plan develops. As is noted in the report, positively supporting the climate emergency plan and off-setting the negative impacts of economic recession on inequalities are important themes.

# Appendix 1

## Key issues to guide future economic strategy for Leicester

1. How do we enable people on the economic margins who have few skills or who have lost jobs to access new opportunities?
2. How do we encourage a higher wage / higher productivity economy?
3. How do we maintain a vibrant City Centre?
4. What is the most important action that will help Leicester achieve a carbon neutral position by 2030?
5. How can we best encourage effective new ways of working in terms of physical spaces and new policies?
6. What do effective new ways of working require of our Transport systems?
7. How can we build a 'Smart' city whilst tackling digital exclusion?
8. Is there a game-changing option for the Leicester economy?