



Economic Development, Transport and Tourism Scrutiny Commission

Date of Commission Meeting: 18 August 2021

Economic Recovery Plan Update

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

Suggested content

1. Purpose of report

- 1.1 This report is a further update noting progress against the economic recovery plan that was launched in October 2020. This follows on from updates provided to this commission in March and June 2021. This report concentrates on key actions the council is taking to promote economic recovery and encourage footfall back to our commercial centres. A separate report on this agenda looks in more detail at what the council is doing in regards to inward investment and place marketing.

2. Recommendations

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

3. Supporting information

Background

- 3.1 The published recovery plan has helped to guide short term responses to the economic impacts of the pandemic. Work is also now under way to generate longer term plans for the city centre and the wider city economy which will be reported to this scrutiny commission later in 2021.

Maintaining Momentum and Investment

- 3.2 In the last couple of months the city council has committed COVID recovery funds to ensure progress with key schemes to drive a Leicester economic recovery. Alongside Leicestershire county council (£350,000) and the National Lottery Heritage Fund (£1.56m), the city council has pledged £350,000 to the Leicester Cathedral Revealed project. This will unlock a £12.6m investment to restore the Grade II* listed building and create a new heritage learning centre. Since the reinterment of King Richard iii in 2015 visitors to the Cathedral have grown from 30,000 to circa 146,000 per year with the new centre expected to attract a further 25,000. Work starts summer 2021 and will complete in summer 2023.
- 3.3 The city council has also pledged a further £500,000 to the Phoenix 2020 scheme, matching a similar sum from Arts Council England to fill a funding gap and enable the £8.71m scheme to proceed to site this summer. Delivering two additional cinema screens, enhanced digital art gallery space and a much expanded cafe

and bar offer, the 2020 scheme will enable Phoenix to become much more financially self-reliant. The new extension will host a first floor terrace that is set to be a landmark destination space at the heart of the Cultural Quarter. The scheme will start on site in September 2021 and complete in autumn 2022.

- 3.4 The council continue to explore other opportunities to improve the economy and the environment of the city centre. Plans are now well advanced to create a new link from Green Dragon square to Cank Street that will support new commercial activity and improve pedestrian flow. Street improvements including around the Clock Tower are proceeding with works now complete in Pocklington's Walk and Market Place South. Work on the new zero-carbon St Margaret's bus station is well under way and consultation has started on the draft local transport plan and workplace parking levy.

Assisting Recovery, Animating our Spaces

- 3.5 The June 2021 report highlighted the ERDF funded Reopening High Streets Safely campaign, which encouraged shoppers to safely return to our high streets and support local businesses in the city centre and commercial neighbourhood areas. Highly colourful, using poetry, iconic city imagery and a hugely successful video and featuring local businesses including many new starters, the campaign has now finished. Some of the key facts and figures and some illustrations of the campaign in action are included in attached Appendix I.
- 3.6 A further tranche of government support through the ERDF Welcome Back fund is available until March 2022 to carry on similar activities and these are being planned now. Proposed priorities for the next period include piloting a delivery and collection service for independent businesses; supporting ambassadors to work with businesses in our commercial neighbourhood areas offering advice and information; graffiti removal on key retail gateways and the creation of a new tableaux scene for the Town Hall as part of the 2021 Christmas campaign.
- 3.7 The ERDF resources referred to have been reinforced by the council's Summer in the City campaign. This has been designed to encourage people to come back safely to the city centre. It includes street artists, a beach at Humberstone Gate, roller skating at Jubilee Square, fitness sessions, family play activities and much more. Details can be found at [Summer in the City \(visitleicester.info\)](https://www.visitleicester.info)
- 3.8 The council helped to sponsor the hugely successful Rockets Around Leicester initiative with LOROS which is running across the whole of the summer. The Business Improvement District (BID) has also been encouraging footfall back via initiatives like the Dine in the Square campaign, the Luminarium at Green Dragon Square and the forthcoming Brew Beat Craft beer festival.

Occupier demand

- 3.9 Though the High Street continues to face enormous challenges the appetite for investment in the city remains strong. In recent months we have seen new ventures open such as Hamleys Toy Shop, Olivia's Townhouse, Sonrisa and Fox Bookswith others in the pipeline coming soon including Varanasi, Cocoa by Ali and Metro Bank. The new Gresham aparthotel and workspace and gourmet

restaurant are scheduled to open at the end of September 2021 in the old Fenwick building and are already positively impacting take up of space in Market Street.

3.10 All city centres face the challenge of declining demand for retail space and the need to encourage new uses. Building the city centre resident population is an important ingredient of long term recovery. In Leicester the growth in city centre living has been dramatic with the residential population doubling since 2011. At that point there were 5,750 residences in the city centre but by 2017 this had more than doubled to 11,550. Since then we have seen a further increase in the number built or under development, including quality offers such as the £43m Wullcomb 297 apartment block. At Waterside Keepmoat are building 300 new homes, a mix of contemporary apartments and two – four bed houses and there are more than 1,000 additional apartments under construction or in planning within the city centre.

Support for Employment

3.11 The council has registered as a Kickstart provider with the DWP. This means that we have committed to help recruit a number of young people to positions both within the council and in other organisations, a total of 87 positions. Good progress is being made. The target for the council itself originally was only 7 but we have now identified and are pursuing 26 posts that are in various stages of the recruitment process. All young people will be offered training support via the adult education service whilst employed. The bulk of the posts were always intended to be in other organisations and businesses. 30 positions have now been filled.

3.12 The city council in partnership with the LLEP and the county council also initiated a scheme that will provide £500k from LLEP resources to local businesses to enable them to employ young people for an extra 6 months on top of the standard 6 months being supported by government. That scheme is being administered by the city council economic regeneration team and is just launching. It is designed to particularly support disadvantaged individuals such as those with disabilities and ex offenders.

4. Financial, legal, and other implications

4.1 Financial implications

Not applicable

4.2 Legal implications

Not applicable

4.3 Climate Change and Carbon Reduction implications

Not applicable

4.4 Equalities Implications

Not applicable

4.5 Other Implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply?)

Not applicable

5. Background information and other papers:

None

6. Summary of appendices:

Appendix: ERDF Re-opening High Streets Safely

8. Is this a private report (If so, please indicated the reasons and state why it is not in the public interest to be dealt with publicly)?

No

9. Is this a “key decision”?

No

10. If a key decision please explain reason

N/A

