

**West of England Economic Recovery Taskforce – 13 November 2020**

**Minutes / action notes**

**Taskforce membership:**

Mayor Tim Bowles	WECA
Steve West	Local Enterprise Partnership
Andy Forbes	City of Bristol College
Simon Earles (for David Lees)	Bristol Airport
David Brown	The Bristol Port Company
David Coombes	Skills for Logistics & The Skills Group Ltd
Dick Penny	WofE Cultural Strategy Engagement Group
Cllr Dine Romero	Bath & North East Somerset
Cllr Donald Davies	North Somerset Council
Cllr Toby Savage	South Gloucestershire Council
Hope Summers	City of Bristol College
Ian White	Bath University
Joanne Rumley	Foot Anstey & WofE Skills Advisory Panel
Jon Reynolds	GDS Digital
Katharine Finn	PWC
Kathryn Davis	Visit Bath / Destination Bristol
Margot Day	Buro Happold
Mayor Marvin Rees	City of Bristol
Nigel Costley	SWTUC
Neil Douglas	Viper Innovations
Paul Craig	Rolls Royce
Peter Alvis	Lye Cross Farm
Phil Smith	Business West
Poku Osei	Babassa

Richard Bonner	Arcadis
Rick Sturge	Business in the Community [BITC]
Samantha Payne	Open Bionics
Simon Earles	Bristol Airport
Natasha Swinscoe	WEAHSN

WECA attendees: Malcolm Coe; Stephen Bashford; Jess Lee; Lynda Bird; George Margesson

## 1. WELCOME AND APOLOGIES

The Chair welcomed all attendees and thanked them for joining this meeting of the Taskforce.

Apologies were received from Andy Forbes, Natasha Swinscoe, Neil Douglas, David Coombes, Poku Osei, Dick Penny and Cllr Dine Romero.

The Chair then made introductory comments as follows:

\* Since the most recent meeting of the Taskforce on 3 November, national lockdown restrictions are now in place until 2 December.

\* Working as part of the M9 Metro Mayors group, he is involved in ongoing discussions and liaison with the government, particularly around seeking clarity as soon as possible about clearer criteria to be applied in relation to the mix of factors that will determine which Covid tier will be applied to the region once it emerges from the national lockdown. Clearly, local infection rates will be a critical consideration.

\* M9 discussions with the government are also focused on test and trace arrangements, noting that Bristol is included in the latest list of areas that will pilot new rapid 'lateral flow' tests. Also, whilst mindful of the context that the Chancellor is likely to announce a one year Comprehensive Spending Review settlement, there are ongoing discussions through the M9 group around ensuring that authorities are equipped with the resources and tools they need to support recovery into the medium/long term as well as the short term.

\* Through this second lockdown period, it is essential to help ensure that businesses and residents are able to benefit from the support available to them through the regional recovery programme. Notwithstanding the very immediate 'here and now' challenges, the Taskforce must also start to address longer term impacts / interventions around the economy; the data analysis around the regional economy is vital to these considerations.

\* Moving forwards, in supporting the regional recovery, important issues to be faced include:

- supporting young people to prepare them for workplace opportunities.
- re-skilling those experiencing / facing redundancy.
- addressing mental health issues faced by some young people in further education and others in workplace settings.

\* The Taskforce will need to develop clear goals and targets for the longer term; as well as through discussions at these meetings, Taskforce members, mindful of their expertise across sectors, are encouraged to keep feeding in ideas and input to support and inform the longer-term thinking.

## **2. ECONOMIC UPDATE**

### **Update on current position:**

With reference to pre-circulated slides, George Margesson, WECA Principal Economist gave an overview of the latest data on the region's economic position.

Key points highlighted included:

- \* Covid case numbers are rising sharply, especially in Bristol and South Gloucestershire.
- \* Overall, since the first lockdown, there has been a rapid recovery so far, but the future (Oxford Economics) forecast is uncertain; within the Oxford Economics forecast, the impacts predicted in the downside scenario now appear more likely, as this was based on a second wave of infections occurring. In this scenario, the regional economy will take until 2025 to recover.
- \* Both the impact and the recovery so far have varied by sector. Almost all sectors have experienced a drop in economic output, but some have been more adversely impacted than others, with the largest negative growth evident in accommodation and food services.
- \* Business closures have not risen but new company incorporations appear weak.
- \* After a sharp rise, unemployment has levelled in recent months, with recruitment recovering. At the end of October, 53,800 West of England employees remained furloughed, 10% of eligible workers. Over the course of the pandemic, 170,900 workers (30%) in the region were furloughed in total.
- \* There had been a gradual recovery in workplace activity, with a sharp drop in the last week with the second national lockdown.
- \* In response to a question, it was noted that, at this point, it is too early to assess the impact around the latest government extension of furlough.

## **3. NEW COVID-19 BUSINESS SUPPORT**

With reference to pre-circulated slides, Stephen Bashford, WECA Director of Business and Skills gave an overview of the new business support measures being brought into effect through government intervention.

The new measures were summarised as follows:

- \* The Extension of the Coronavirus Job Retention Scheme (furlough) - national scheme
- \* Support to self-employed people increased from 40% to 80% of past profits for November, from November 2020 to April 2021. Grants will be paid in two lump sum instalments, each covering a three-month period - national scheme.
- \* Local Restrictions Grant: administered through local authorities, this is for businesses with rateable value which have been specifically ordered to close due to coronavirus-related restrictions. Local authorities are being requested to prioritise hospitality, hotel, bed & breakfast and leisure businesses for support under this scheme
- \* Additional Restrictions Grant: a single allocation based on £20 per head population, equating to approx. £23m for the West of England region. WECA has moved at real pace, in liaison with the unitary authorities and with input from the Business Insights Panel, to agree an evidence-based framework designed to ensure an appropriate degree of consistency in allocating the grant across the unitary authorities' geography but also allowing the flexibility for the authorities to prioritise support to strategically important businesses and to reflect

local economic priorities. The detail of the agreed framework will be shared with Taskforce members.

It was noted that communications around the new support are being rolled out by the authorities on a planned basis.

### **Discussion around current situation:**

Comments / points raised:

\* The current BREXIT situation is adding to the uncertainty faced by businesses at this time, in addition to the challenges of Covid.

\* Some communities are feeling the impact more than others; there is an issue about how we get 'on the front foot' and ensure that the position of 'hard to reach' communities doesn't deteriorate further.

\* Concern was expressed at the delay by DWP in approving some Gateway applications for the Kickstart scheme – it is imperative to take Kickstart forward as quickly as possible.

\* Although the government announcement about extending furlough may save some redundancies now, the position beyond January is less certain.

\* The mechanism / process for accessing self-isolation payments doesn't work for all; this can cause particular problems for lower-paid workers and may affect compliance. It will be helpful to lobby government on this point.

\* In spite of the current difficulties, there is still some positive employment / recruitment news:

- Jet2 operations will start at Bristol Airport in April 2021. Flights will be run to 30+ destinations and it is anticipated this will bring approx. 200 jobs.

- Metro bank have announced an initial new 50 customer service jobs for Bristol and are looking to include an initial tranche of recruits with existing customer skills.

- Some new hotels are opening in Bristol in 2021.

\* As job opportunities arise, it will be critical to try to identify opportunities for those facing redundancy who have appropriate skills or could be up-skilled. Where there is evidence of opportunities, we need to drive these at pace to help and facilitate delivery.

\* It was noted that the local position of the NHS in terms of the capacity of hospitals to cope with Covid cases will be one of the key factors in determining which Covid tier will be applied to the region once it emerges from the national lockdown. Based on current case data, a significant shift may need to take place to avoid the region being placed in one of the higher tiers but it is too early for to be certain now of the early December position.

\* The lack of certainty of the position at/after 2 December is a particular issue for the retail sector as the pre-Christmas period approaches.

\* In terms of government lobbying, it was suggested that further changes to Covid tier definitions could lead to further public uncertainty and confusion.

\* The universities are in discussion with government about the challenge of implementing 'lateral flow' tests for students ahead of returning home for the Christmas holiday period. The experience of piloting tests in universities may result in useful lessons for 'rolling out' tests elsewhere.

\* From the universities' perspective, there is also a clear message that the universities are open, are safe and are delivering blended learning - it is critical that universities stay open for the new term starting in January. It was noted that a recent Unite student survey on how students had coped with Covid challenges indicated that 81% of students had expressed the view that they were glad they hadn't deferred their studies.

#### **4. RECOVERY PROGRAMME**

It was noted that the pre-circulated slide pack provided a detailed summary of the recovery programme.

#### **5. COMMUNICATIONS AND ENGAGEMENT**

The Chair stressed the ongoing importance of all Taskforce members continuing to share information about the support available to businesses and individuals through their networks. It was noted that the pre-circulated slide pack included a link to this summary document:

<https://www.westofengland-ca.gov.uk/wp-content/uploads/2020/11/WECA-support-for-business-and-residents.pdf>

#### **6. NEXT STEPS**

The Chair advised that at the next Taskforce meeting on 15 December, there will be an opportunity to continue the discussion on shaping the post-lockdown challenges ahead, including the longer-term challenges. In the meantime, he encouraged all Taskforce members to continue sharing their feedback and insights.