

REDDITCH BOROUGH COUNCIL

EXECUTIVE COMMITTEE

27th October 2020

REDDITCH ECONOMIC RECOVERY FRAMEWORK

Relevant Portfolio Holder	Cllr Mathew Dormer, Leader of the Council, Portfolio Holder for Planning, Economic Development, Commercialism and 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	Key Decision

1. SUMMARY OF PROPOSALS

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

2. RECOMMENDATIONS

The Executive Committee is asked to ENDORSE

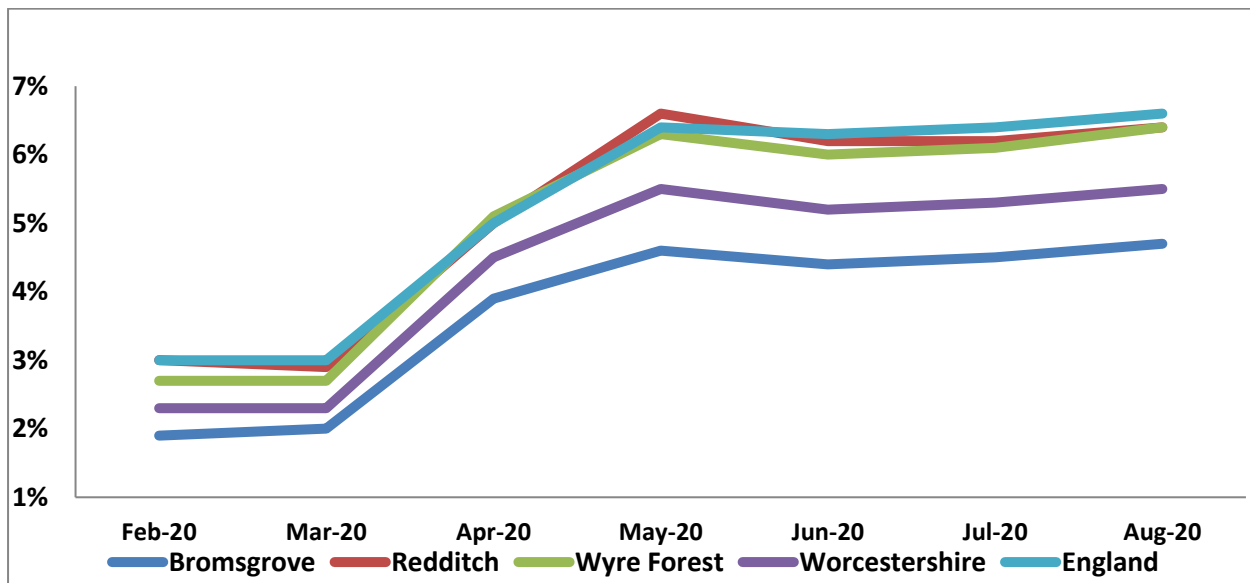
- 1) **the report and the Redditch Local Economic Recovery Framework (2020-2023) attached at Appendix 1**

3. Background

- 3.1 The Redditch 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 Redditch 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

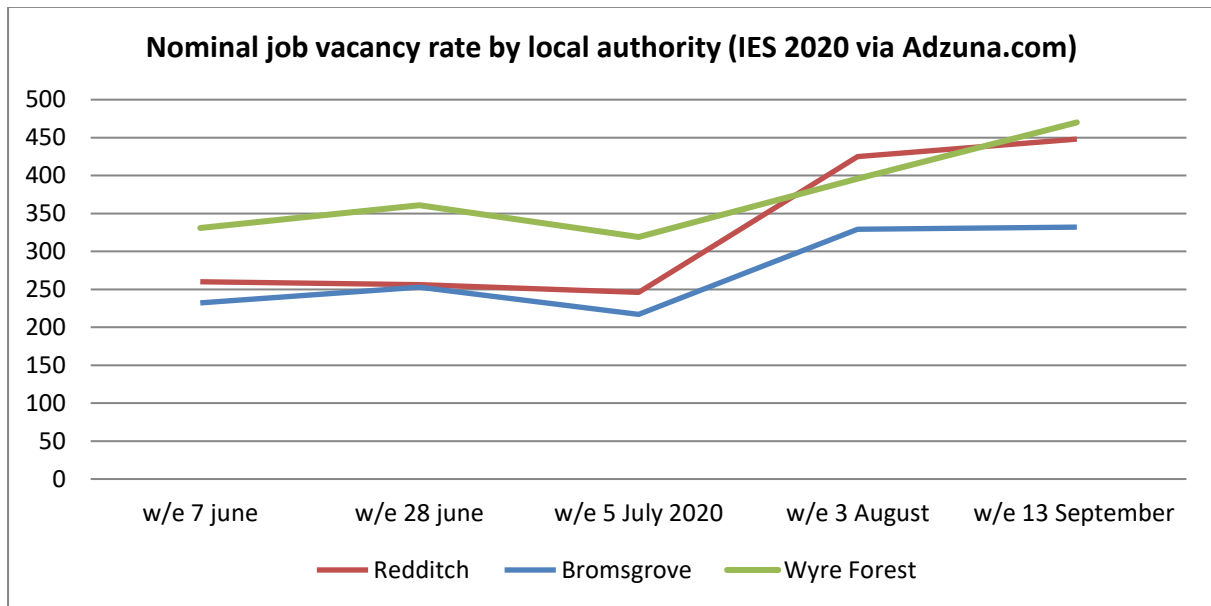
Supporting people

- 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, but there are major concerns about the likelihood of significant redundancies once the scheme comes 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 Redditch increased from 1,550 in February 2020 to 3,355 in August 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, Redditch has seen a decrease of 35.20% 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 July 2020 in Redditch, Worcestershire, West Midlands and England and the take up rate, which in Redditch is 4% above the England rate.

Table 1

Claims received up to 31 July 2020	Employments furloughed	Eligible employments	Take-up rate
Redditch	15,500	42,800	36%
Worcestershire County	92,400	274,600	34%
West Midlands	866,400	2,580,400	34%
England	8,067,700	25,577,800	32%

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:
- Enterprise 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 Borough 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 £200m.
- 3.15 The most important programme and the catalyst for these proposed interventions, is RedditchTown Deal, which offers the opportunity to access up to £25m from the Towns Fund to kick start the delivery of this ambitious and transformational regeneration vision.

Delivery partners

- 3.16 The projects, interventions and support measures detailed in the Redditch Economic Recovery Framework will be delivered by a wide range of partners, as outlined in paragraph 23 (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 total of £337,000 of external funding has been secured over the past two years to support the preparation of masterplans, feasibility studies, financial viability appraisals and business cases for key regeneration projects, including the Town Investment Plan (Redditch Town Deal).
- 4.2 The Towns Fund offers the opportunity to secure up to £25m of grant funding (capital funding) to support the delivery of key capital / regeneration projects in Redditch through the Town Deal.
- 4.3 The estimated total development cost of the proposed regeneration projects is considerably higher than the Towns Fund grant, therefore attracting private investment will be critical to the successful delivery of these regeneration projects.

Legal implications

- 4.5 There are no legal implications.

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 - Redditch Economic Recovery Framework (2020-2023)

7. BACKGROUND PAPERS

None

AUTHOR OF REPORT

REDDITCH BOROUGH COUNCIL

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