



<u>Committee and Date</u>
Place Overview Committee
17th September 2021

<u>Item</u>
6
<u>Public</u>

Post Covid-19 Economic Renewal

Responsible Officer: Tracy Darke Assistant Director Economy and Place

Email: tracy.darke@shropshire.gov.uk;

1. Synopsis

The purpose of this report is to inform members of the work that is on-going and planned to support the Shropshire economy post covid. There has been clearly a significant impact on how businesses operate and a shift in demand and support by the general public towards more local products. There has also been a significant shift in the types of businesses that have developed and grown during the pandemic, many re-inventing themselves. Our town centres are thriving, and many investors and homeowners want to move to Shropshire due to the quality of life it can offer. This is one of our economic strengths. We have major plans to support our economic growth agenda as well as a refresh of our economic development strategy, which is underway. We are engaging with our partners and neighbouring authorities to maximise the benefits for Shropshire and ensuring that health and well-being is woven into this work.

2. Executive Summary

- 2.1. Since covid pandemic, we have seen a significant impact on jobs and businesses and as a Council, we have put in place support mechanisms to help businesses survive during these difficult times. This is to ensure that our economy continues to thrive as businesses re-invent themselves. Many changes to the retail and hospitality sectors have resulted in members of the public doing things differently. For example, as one of the biggest employers, Shropshire Council operates in a very different way than it did two years ago.
- 2.2 We have received over £160 million worth of government grant support for businesses, which has delivered wider economic

outputs. Stakeholder groups have continued to liaise to ensure that the services we are all offering reach the right people, for example, working with the LEP, Chamber of Commerce, Business Board, and the University has ensured that everyone is more informed about the assistance available.

- 2.3 As a Council, we have continued to attract inward investment and interest in developing the growth agenda. Supporting our town centres through regeneration schemes, such as Shrewsbury shopping centres and the Riverside development, together with the master-planning work for Oswestry and the Area Assessment for Bridgnorth, shows the commitment to improving our towns so that they can function to their maximum potential.
- 2.4 Officers are in the process of doing a refresh to the Economic Development Strategy and consultation workshops are to start imminently. This will give a structure to our economic recovery and renewal. We are also dovetailing into this work a few wider topics such as Brexit, to ensure that we fully understand some of the changes that impact on exportation for our businesses in Shropshire. We are also focusing on our rural economies to enable rural businesses to thrive, together with re-skilling our workforce and supporting young people as they leave full time education. We want to keep talent and skills in Shropshire.

3. Recommendations

- 3.1. That members note and endorse the report and provide feedback as appropriate.
- 3.2. That members advise on any additional areas that may need addressing as part of the post covid economic renewal work, in particular the workshops planned for the Economic Development Strategy refresh.

REPORT

4. Risk Assessment and Opportunities Appraisal

- 4.1. Whilst economic recovery and renewal affects all our communities, there are no direct impacts because of this report. The information provided brings together all the different workstreams that are taking place during covid pandemic as well as developing strategies for the future of our economy.

5. Financial Implications

- 5.1. There are no direct financial implications as a result of this report.

6. Climate Change Appraisal

- 6.1. There are no direct climate change implications as a result of this report. Any impacts are addressed through individual projects.

7. Background

- 7.1. Inevitably the covid pandemic has created many challenges for our economy in Shropshire, but it has responded remarkably well. This is due to a number of factors, such as the opportunity to develop businesses with a strong local market, good connectivity and infrastructure, vibrant towns and rural areas, skilled and talented workforce, and the opportunity to have a good work/life balance in a desirable part of the country. More people are moving their businesses and homes to rural locations such as Shropshire. We have also seen an increase in start-ups where the covid pandemic has enabled residents to think differently about their careers and has resulted in many new businesses emerging. We are also seeing an increase in the visitor economy and we are currently investing government funding into developing this area in Shropshire. Appendix A gives an insight into the work that the Council has been doing in conjunction with the LEP Growth hub and the statistics relating to business support and development.
- 7.2. Government support has been significant for businesses in Shropshire during the pandemic. Over £160 m has been distributed over the last 18 months and has kept many of our businesses afloat in the most difficult times. There has also been a programme of support that local businesses are delivering. Some of the work being rolled out over this current year can be seen in Appendix B, which ranges from upskilling young people, to re-skilling others, supporting the visitor economy and events sectors, as well as the work the town centre BID's are doing to support businesses. According to statistics from East and West Midlands DWP offices, Southern Shropshire (Ludlow/Bridgnorth) was the second hardest hit area during covid pandemic for unemployment levels and increase in numbers claiming Universal Credit, yet it has recovered the fastest.
- 7.3. In addition, an Economic taskforce was set up and continues to operate. This group includes economic partners who work

together to provide a collective approach to economic recovery and renewal. Intelligence is shared to ensure we are working with the right sectors that need support and develop our economic growth agenda. One of the areas of interest for the taskforce has been the need to refresh the Economic Development Strategy for the Council. This work has now started, with planned workshops covering a number of themes, which are identified at Appendix B. It is intended to complete this work to enable the refreshed strategy to be adopted by the beginning of 2022. We have recently had a review by the Local Government Association regarding our economic recovery, and it was recognised that the taskforce has been an important forum to bring together key organisations which are committed to making a positive difference to Shropshire. The taskforce is driving future activity recognising the opportunity partner organisations can have on economic recovery.

- 7.4 The Council has also taken a lead in improving and regenerating our town centres, demonstrating the need to attract investment that will help our town centres to respond to the changing needs of our residents. Master-planning work in Shrewsbury and Oswestry, together with the financial investment and confidence the Council has demonstrated in Shrewsbury has attracted significant investor interest and confidence, at a time when many other towns and city centres are contracting and struggling to survive. Footfall levels in Shrewsbury are at the same levels pre-covid pandemic, which is bucking the trend nationally. Other major infrastructure investments, such as the North West Relief Road, will attract housing and economic growth. We have also been bold about Government funding opportunities with three bids submitted for Levelling up Funding, covering Oswestry, Shrewsbury and Craven Arms. Fortunately, plans were advanced for two of the areas and we were able to respond at pace, given the short timescales. We await the decision, which is due late Autumn. Furthermore, we are developing a County Deal following recent government announcements and are encouraged by early dialogue to be as ambitious as possible.
- 7.5 We are really ambitious about the opportunities Shropshire has, as we see more and more people wanting to invest and live here. The life-style available is ever more important since covid pandemic. Being able to work more flexibly has seen a surge in businesses relocating to the area and employees wanting a better work/life balance.
- 7.5 The development of the local plan, which is being submitted for examination also demonstrates the commitment to economic recovery and renewal. Allocated sites within the plan ensure that our existing businesses have room to grow, as well as providing additional sites for new businesses to invest in Shropshire. This provides a pipeline of developable land for the next 15 years.

- 7.6 Officers have also been engaging with the Integrated Care System (ICS) Board that has been set up recently across Shropshire and Telford and Wrekin. The Board is considering the contribution of economic growth to population health. For example, we are supporting ICS partners to maximise their contribution to economic growth through local employment and procurement, whilst training and preparing young people to take up opportunities in the health sector. We will also support the recruitment and retention of NHS staff, by developing policies for keyworker housing in our communities. Other areas are to continue to promote opportunities for new companies to locate in the area creating new job opportunities, supply chain and spend in our local economies. A better understanding of the close links between health and well-being and the economy is welcomed. Having a job and a home can often play a large part in improving health and well-being. A report was submitted to the ICS Board and is attached to show the connectivity between health and the economy. See appendix D

8. Conclusions

- 8.1. Ensuring that we are equipped to respond to an ever-changing economy is key to the success of Shropshire as a place to do businesses and provide jobs for now and future generations. It has also been important that the Council has had the foresight to understand the need to invest in our town centres, even more so as a result of covid pandemic. As we continue to refresh our strategies and progress the local plan, it will put us on the front foot in attracting significant investment in the future.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

N/A

Cabinet Member (Portfolio Holder) Councillor Ed Potter

Local Member – N/A

Appendices

Appendix Report on the work in Shropshire Growth Hub at the LEP.

Appendix B Report on the Additional Restrictions Grant.

Appendix C Workshop themes for the refresh of the Economic development strategy

Appendix D Report submitted to the ICS Board