

GREATER BIRMINGHAM AND SOLIHULL LEP BOARD MEETING

14 May 2020

Route to Recovery

Recommendations

Board Directors are asked to:

1. Note the current economic position and reflect on plans to ease the lockdown as they relate to business and the economy;
2. Approve the Terms of Reference for the GBSLEP Recovery Taskforce (Appendix B);
3. Note progress in taking forward LEP Interventions and comment on associated communications activity; and
4. Note and receive verbal updates at the meeting on recent developments at a regional and national level and comment on the proposals.

Background

5. At its meeting on 23 April 2020, the LEP Board noted the economic impact of the public health measures put in place in response to the COVID-19 virus and the activities undertaken by the LEP in response, which have been focused on five key areas:
 - ensuring business survival in the short term with focus on providing clarity, where possible, on government schemes,
 - consideration of how best to ensure a strong recovery locally and interventions the LEP might make,
 - contributing to wider West Midlands economic impact activity,
 - lobbying into government on business support measures both directly and via the LEP Network and,
 - reviewing the capital programme in light of both the impact on delivery of current projects and future pipeline of projects.
6. The Board also considered additional activities that could be undertaken which would support and accelerate economic recovery once public health measures begin to be lifted and the LEP structures required to lead on this activity.
7. This report provides an update on developments since that Board meeting and seeks input and agreement from Directors on a number of issues in support of the route to recovery.

Key Matters

a) Economic position and national context

8. The West Midlands Regional Economic Development Institute (WM-REDI), which GBSLEP are a partner in, is producing a weekly update of the economic position in the West Midlands. This encompasses a wide range of survey data from, for example, the Greater Birmingham Chambers of Commerce, data from the Growth Hubs across the West Midlands and qualitative data provided by the LEPs on key sectors and local authorities on specific impacts on their places.
9. The most recent WM-REDI economic monitor is included as Appendix A to this paper.
10. On 10th May, the Prime Minister announced a conditional plan to reopen society. This included a series of steps to modify the lockdown, such as:
 - People who can not work from home should return to the workplace, avoiding public transport;
 - Some primary school pupils could return to school in England, at the earliest by 1st June 2020; and
 - Some hospitality businesses and other public places could reopen, but not earlier than 1st July 2020.
11. The speed of these changes will be governed by a new Covid Alert System.
12. Further details about England's lockdown are expected in guidance to be published on 11th May 2020.

b) GBSLEP Taskforce

13. At the April Board meeting, it was agreed that a Taskforce should be established to oversee GBSLEP's immediate and short-term response to economic recovery in light of COVID-19. Appendix B sets out the draft Terms of Reference for the group which Directors are asked to comment on and approve if deemed appropriate.
14. Given the speed at which things are developing, the Taskforce will have met twice in shadow form prior to this Board meeting. Issues that have been or will be considered at its next meeting on 12th May include:
 - Progress in developing and implementing LEP interventions (section c below), including eligibility criteria;
 - Ways to further develop the Growth Hub's offer in response to COVID-19, including establishing a team focused on recovery and resilience, and how to further extend awareness levels of the support that is provided through it;
 - What further support GBSLEP could give to Local Authorities (LAs) to enable them to distribute as many grants as possible to eligible businesses, in addition to the current communications activity, a targeted campaign for broadcast and radio and working with industry bodies (like accountants) to try to get messages out to harder to reach businesses;
 - Progress in developing sector recovery plans;
 - Plans for the creation of an access to business finance taskforce; and
 - The emerging business engagement strategy for the West Midlands.
15. As per the draft Terms of Reference, the Taskforce may be expected to make time sensitive decisions with speed and agility on these and other issues that it considers. Where this is the case, decisions will be ratified as required at the next LEP Board.

16. At the first meeting, the question of where best to deploy the LEP's funding, and to which sorts of businesses, for maximum impact was raised. The Taskforce will give further consideration to this issue and take decisions / report back to the Board as appropriate.

c) GBSLEP interventions

17. At the April Board meeting, a summary of four interventions that the LEP Executive has been developing was provided. These interventions are all focused on short-term business survival but have a significant eye on medium-term recovery of the Greater Birmingham and wider West Midlands economy. They are also all designed to be scalable so that if evaluations prove that they have been effective, and more funding is secured, then they can be rolled out to support more businesses across the area. The latest position of each of the interventions is outlined below.
18. Key points raised by the Recovery Taskforce are currently being reflected in the final iterations of the interventions and include:
- Specificity of the eligibility criteria – where will the most impact for the LEP's pound be realised;
 - Need to balance speed of development with effectiveness and value for money;
 - Need to strengthen the evaluation frameworks;
 - Need to guard against fraud by applicants and providers; and
 - Need to align with existing programmes such as Business Basics;
19. **Towns and Local Centres** – three complementary interventions have been developed by the LEP Executive working with local authorities and several Business Improvement Districts. These have now been approved by the Chair of the Place Pillar Board and supplier contracts put in place. Delivery of all three projects are anticipated to begin before the end of the month:
- *Click and drop*: a digital platform with a proven provider to support local businesses in mobilising an online shopping service with a coordinated delivery to consumers. This is intended to meet the short-term needs of independent businesses and increase community access to essential goods. Following the coronavirus crisis, the model will flip to click and collect to encourage customers to return to town centres. Cost: £20,000 for the next six months, supporting up to 10 towns and local centres.
 - *Digital Skills Support*: A pilot programme consisting of a set of three webinars and bookable one to one sessions for businesses to get them onto social media platforms and to promote their towns and businesses. This digital training will support the 'click and drop' project in helping businesses to become digitally ready. Value: £15,000.
 - *Recovery Planning Business Support*: A pilot programme for businesses consisting of a webinar and bookable one to one sessions, focusing on opening post-crisis, increasing transaction values, and presentation of displays and marketing. Value: £15,000.
20. **Digital Welcome** – an online training programme providing a combination of 1:1 support and e-commerce training, working with the Institution of Engineering and Technology (IET) digital panel and a volunteer network of digital ambassadors. The programme will focus on accelerating SME digital adoption at a time when it is more

important than ever. The programme, and its cost of £80k from the SEP Enabling Fund, has been approved by the Chair of the Business and Innovation Pillar Board and the grant agreement is being progressed prior to launch.

21. **Apprenticeship and Employment Triage Services** – a dedicated Apprenticeship Triage service, which would look at threats to apprenticeships and work with an employer to introduce a solution that retains the apprentice on programme. This would be done through a team of advisors at GBSLEP that would work with employers and providers to support them through the crisis and develop solutions with partners that meet related need.
22. Alongside this activity an Employment Triage Service will be offered to help those made redundant through the coronavirus crisis to find employment with those employers seeing an increase in demand for workers. This service will complement apprenticeship service and vice versa; sharing best practice and data to develop a robust support structure for current and future skills and employment interventions. These interventions have been approved by the Employment and Skills Board and the supporting digital platform is being developed.
23. The Plan 10,000+ budget has been repurposed to support this activity and an additional £55,000 agreed to secure some dedicated external expertise to set up the programme.
24. Both activities are underpinned by the provision of bespoke Information Advice and Guidance (IAG) to support those in education and employment affected by the crisis. An information campaign to advocate and encourage the training of staff while furloughed will also be promoted through a variety of media channels as part of this intervention.
25. A specialist web design and development company (BlueChilli) has been engaged to create the associated digital platform and it is anticipated that this will be functional within the next week.
26. All partners required to deliver additional parts of this service have been engaged and it is anticipated that such mechanisms will be ready to physically 'roll out' the service immediately following the completion of the digital platform.
27. **Pivot and Prosper Grants** (previously referred to as Business Recovery Springboard Grants) – a report on this intervention is at Item 5 on this agenda.
28. A targeted **communications plan** is being developed to launch the interventions as one coordinated response package. A stand-alone campaign titled 'you step forward' has been designed, the campaign will be positioned positively around empowering businesses to make the changes required to thrive now and in the future. Businesses will be directed to a landing page which will act as the front door for all available support and help the business quickly establish eligibility and how to access the various programmes. All interested businesses will be channelled through the Growth Hub to ensure wrap around support. The design of the landing page and campaign positioning ensure longevity, as existing programmes can be expanded, or new programmes added as they are established.
29. The 'step forward' campaign is scheduled to be launched w/c 18th May, subject to programmes being ready. The messaging will make it clear that these are not a comprehensive set of recovery interventions and will allude to the second wave being developed. The campaign will be launched across all LEP channels and with the support of partners, however traditional PR activity alone is unlikely to be enough to reach the wide set of businesses who may benefit most from the support, therefore targeted advertising is being explored as a means to getting the message to businesses outside of the LEP's usual networks.

d) West Midlands Activity

18. As reported at the last Board meeting, GBSLEP is engaged in various groups at a regional and national level (see Appendix C for more details). On 7th May 2020, the Mayor's Regional Economic Impact Group endorsed **10 priorities** for the region's roadmap for recovery. These were set out in a Statement of Intent signed by the Mayor, the Metropolitan Local Authority Leaders and the three LEP Chairs and are to:
 - Ensure our residents are kept safe and healthy
 - Accelerate our transport construction plan and key projects like the HS2 Growth Strategy and opportunities.
 - Build more homes faster and reshape our town centres
 - Help people who lose their jobs get back into work quickly
 - Support key economic & employment assets and our local businesses
 - Huge new investment in technology and innovation
 - Make sure the recovery is inclusive and works for everyone
 - Step up our green growth plans and environmental agenda
 - Take the West Midlands out to the world and bring the world into the West Midlands
 - Regain control of our own recovery
19. These priorities will form the basis for a **Prospectus** that is being developed that will set out the economic impact of COVID-19 on the region, the measures required to mitigate against its impact in the short-term and then those required in the medium and long-term. The Prospectus will be designed to be a living document that will be updated as the longer-term needs and opportunities flowing from this virus become better understood. The intention is for the Prospectus to set out a plan for recovery for businesses and communities within the West Midlands and also be used as a document to discuss the area's needs with Government.
20. GBSLEP will input into the development of this Prospectus, particularly through its work on **five sector recovery plans** (namely those for Business, Professional and Financial Services; Creative Industries; Food and Drink; Low Carbon & Energy Technologies; and Life Science). The development of these plans is progressing through the relevant Sector Boards/groupings that were established to take forward the Local Industrial Strategy with work focusing on identifying needs and risks through the transition process. Where businesses in a particular sector are ready to discuss recovery planning, work has started to identify interventions required to support recovery.
21. Development of these sector plans, and those led by the Black Country and Coventry & Warwickshire LEPs and the West Midlands Growth Company (WMGC), will require extensive business engagement. The work that has been done to engage industry to date is being used as a platform to develop a **West Midlands Business Engagement Strategy**, led by the LEPs and the WMGC. The Strategy will agree a shared narrative and outline a shared approach to engagement across the West Midlands, ensuring all businesses have a consistent experience no matter where they are based. It also looks to increase levels of collaboration and

intelligence sharing between the LEPs and the WMGC. Further details on implementing the strategy are currently being drawn up by a task and finish group and will be finalised over the next two weeks.

22. In addition to the sector plans and business engagement, GBSLEP is continuing to lead on the development of a new **business support package** for the region. The initial design for this, as outlined at the March LEP Board, was based on the needs identified in the Local Industrial Strategy. It will now further evolve to address challenges and opportunities arising from the impact of COVID-19. The intention is for this proposal to be ready for discussions with Government as part of the Spending Review process.
23. Through discussions with partners at a regional level, the need for the West Midlands to have more comprehensive and targeted suite of **access to business finance** measures has been identified. GBSLEP will lead on a taskforce with the other two LEPs, the WMGC, business, academics and local authorities to identify need, learn from best practice and develop interventions to fill gaps in provision and accelerate market driven activity. A verbal update on this will be provided at the Board meeting.

e) **LEP Network – national**

24. GBSLEP continues to actively engage in the LEP Network activities through its Chair and Director who represent the wider West Midlands region on the supra-regional Chairs and Chief Executives meetings.
25. The role of LEPs in supporting the economic recovery has been acknowledged by ministers. In response to this, the LEP Network has proposed to Government that Local Industrial Strategies are evolved into recovery strategies for local areas. This would be achieved through the partnership of business, local authorities and academic sectors which make-up LEPs and would involve the Mayoral Combined Authorities, where they exist, and business representative organisations.
26. The LEP Network Board Chair, Mark Bretton, was invited to take part in a call with the Prime Minister after his address to the nation on 11th May 2020. It is hoped that an update on this can be provided at the Board meeting.
27. Supra-regional LEPs are also being asked to convene a business roundtable to enable BEIS Ministers to get direct feedback on specific regional business issues, to help shape policy making. A verbal update on the West Midlands roundtable will be given at the meeting.

Conclusion

30. Coronavirus is having a devastating impact on businesses, workers and communities across Greater Birmingham and Solihull. The LEP is playing its part in trying to mitigate the worst of the economic impacts and supporting businesses to survive and, where possible, adapt to the challenging circumstances. The Board is asked to consider recent developments and reflect on how best this activity is taken forward and whether there are any other issues that the LEP should be seeking to address, recognising the specific role and capabilities that it has.

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| Appendices | |
|-------------------|--|
| A | WM-REDI Weekly Economic Impact Monitor (Private) |
| B | Recovery Taskforce Terms of Reference |
| C | National, Regional and Local Structures supporting Economic Recovery |

Appendix B

GBSLEP Recovery Taskforce – Terms of Reference

Purpose

A task and finish group to oversee GBSLEP's immediate and short-term response to economic recovery in light of COVID-19, reporting into the LEP Board.

Given the plethora of groups that currently exist, it will be important that this group focuses on GBSLEP specific activity and aligns with work that is being undertaken at a local, regional and national level.

Responsibilities

- To oversee development of GBSLEP's plans for economic recovery on behalf of the LEP Board, including support to businesses through the transition out of lockdown.
- To provide business intelligence, expertise, ideas and challenge to the development of the LEP's route to recovery.
- To provide input and challenge into the preparation of the five sector recovery plans that GBSLEP leads on for the West Midlands i.e. Business, Professional and Financial Services; Creative Industries; Food and Drink; Low Carbon & Energy Technologies; and Life Science which will be owned and driven by the relevant Sector Boards.
- To contribute to the recovery plans for sectors relevant to the GBSLEP economy which are led by the Black Country or Coventry & Warwickshire LEPs or the West Midlands Growth Company.
- To help shape GBSLEP's contribution to the West Midlands Recovery Plan being developed by the West Midlands Combined Authority, LEPs, local authorities and partners across the CA geography.
- To advise on the development of the Growth Hub's offer to support businesses from lockdown, through transition, and into recovery.
- To identify gaps in provision/support for businesses and the wider economy that the LEP should be addressing and help shape the development of appropriate interventions, including those that are place-based and those which may involve collaborating with other LEPs.
- To approve, on behalf of the Board, spend on interventions up to £100,000. Approvals above that will be made as a recommendation to the full Board by written procedure
- To assess whether current governance structures are fit for purpose and sufficiently agile for overseeing the route to recovery, including the implementation of recovery plans, and propose changes to those governance structures to the LEP Board as appropriate.
- To input into other work to support recovery, including that involving the six West Midlands LEPs and the national LEP Network.

Proposed Membership

- Tim Pile, GBSLEP Chair
- Chris Loughran, GBSLEP Deputy Chair

- Simon Marks, GBSLEP lead for Place
- Matthew Rhodes, GBSLEP lead for Innovation
- Anita Bhalla, GBSLEP lead for Creative Industries and Culture
- Ewa Truchanowicz
- Cllr Ian Ward, Leader of Birmingham City Council
- Cllr Ian Courts, Leader of Solihull Metropolitan Borough Council
- Cllr George Adamson, Leader of Cannock Chase District Council
- Cllr Matt Dormer, Leader of Redditch Borough Council
- Simon Collinson - Deputy Pro-Vice-Chancellor for Regional Economic Engagement, University of Birmingham
- Mark Hart, Professor of Small Business and Entrepreneurship, Aston Business School
- Michelle Nutt, Area Lead, BEIS

The LEP Executive will engage with other Board Directors, members of relevant LEP sub-Boards and partners (including business representative organisations, higher and further education and local authorities) not on this Taskforce to inform priorities and areas for action.

Quorum

For the meeting to be quorate and decisions to be taken, four members will be required.

Frequency of Meetings

Every one to two weeks in the short-term, moving to every three to four weeks if/when appropriate. Work will need to happen at pace so it is likely that Taskforce members will need to provide input in-between meetings.

Appendix C

National, Regional and Local Structures for Economic Recovery

The table below outlines the key groups that GBSLEP is directly or indirectly engaged in that are contributing to the economic recovery.

| Group Name | Membership | Purpose |
|---------------------------------|---|--|
| National | | |
| Economic Recovery Working Group | <p>Chaired by Simon Clarke, Minister for Local Growth</p> <p>4 Mayors including Andy Street</p> <p>6 LA Leaders including Cllr Izzi Seccombe from Warwickshire CC</p> <p>2 LEP Chairs - Chair of the LEP Network Board (Hertfordshire) and Chair of Gloucestershire LEP</p> | <p>Group is intended to bring together members of the M9, LGA and LEPs to discuss recovery and feed into Government thinking. The Group has met once to date.</p> <p>GBSLEP will feed in through the LEP Network Board and also via the Mayor and Izzi (via CW LEP)</p> <p>Meetings of the M9, LEPs and LGA will still take place with Ministers and officials separately, but this group is intended to try and discuss common issues.</p> <p>The Group is mirrored by an officer grouping, chaired by Emran Mian. Deborah Cadman, Chief Executive of the WMC sits on this group.</p> |
| LEP Network Board | <p>Chairs representing the eight 'supra-regions'. Tim Pile represents the 6 LEPs in the WM</p> | <p>This group is having weekly calls, with Ministers and officials joining on alternate weeks. Both Simon Clarke and Nadhim Zahawi have joined calls.</p> <p>Meetings have provided an opportunity to share key issues and intel with Government, lobby for additional interventions/changes to current ones and outline the role of LEPs within the current and recovery phases.</p> <p>There is a corresponding supra-regional chief executives group which the LEP's Director sits on.</p> |
| Regional | | |
| WM LEPs | 6 West Midlands LEP Chairs | <p>Fortnightly meeting to discuss issues/opportunities, best practice and areas for collaboration. This meeting enables the LEP's Chair to feed WM views into the national LEP Network Board meeting.</p> <p>There is a corresponding WM LEP Chief Execs Meeting.</p> |
| WMCA Economic Impact Group | Weekly meetings chaired by the Mayor, the groups | <p>The focus of the EIG is to:</p> <ul style="list-style-type: none"> • Provide direct and immediate feedback, |

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| | includes over 60 people from BROs, sectors, LAs, LEPs, Government and the WMCA | <p>from local businesses and business intermediaries, on the impact of the coronavirus on the regional economy</p> <ul style="list-style-type: none"> • update on new national, regional and local business interventions – and seek feedback on the extent to which these are providing relief. • share regional economic analysis on the impact of the coronavirus. • provide a clear regional response to national government, highlighting issues impacting the West Midlands economy • actively inform the work of regional partners in developing a regional economic response |
| Recovery Co-ordination Group | Formulated from the WMCA Programme Board (i.e. local authority chief executives, LEP chief officers, chief fire officer and Office of the PCC) and SCG membership (i.e. health partners, chief constable (or rep)). | <p>This Group is newly formed (meeting for the first time on 7th May 2020) and will formerly replace the statutory structures of the Local Resilience Form (LRF) and the Strategic Co-ordination Group (SCG).</p> <p>Chaired by the WMCA Chief Executive, the group will be responsible for the strategic co-ordination of activity across various thematic programmes of activity and for shaping the asks and recommendations put to the Mayor and Portfolio Leaders Policy Forum.</p> <p>This group will feed into the Mayor and Leaders Policy Forum. This Forum will shape recovery activity across key thematic areas, developing regional frameworks that support locally driven place-based responses.</p> |
| Strategic Economic Development Board | Chaired by the GBSLEP Chair and involving the other two LEP Chairs, the WMCA's Portfolio for Economy, LA Leaders and the WM Growth Company | <p>This Board reports into the WMCA Board and was responsibility for overseeing the development of the Local Industrial Strategy (LIS) and now its implementation. There is a need to re-look at the terms of reference in light of the impact on the economy of coronavirus.</p> <p>There is an officer group which leads on the work of the SED Board involving the three LEPs, the WMCA, WMGC and various partners.</p> <p>The LEP and WMGC lead on the sectors work for the LIS which has now evolved into the sectors work for the recovery. Each LEP has sector boards to support this work or uses well established cluster groups. The LEPs and the WMGC are also leading on the business engagement piece that will underpin</p> |

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| | | the recovery work. |
| Local | | |
| Various | | There are also a number of local authority based partnerships. The LEP, via its Chair, sits on Birmingham's City Board which is chaired by BCC's Deputy Leader. This group focuses on the impact of COVID-19 on the city. |