

Communities O&S – June 2020

Economic Development Update

The following note provides an update to the Communities Overview & Scrutiny Committee on recent economic development activity in Warwickshire. It usually covers work undertaken by County Council officers and partners across a range of services and areas as well as other key pieces of relevant news/information.

This update focuses on the County Council's response to the COVID-19 crisis and our work with partners to support Warwickshire businesses and our town centres.

- WCC is working closely with the CWLEP Growth Hub, Chamber of Commerce, the FSB, our District & Borough Councils and other partners to **co-ordinate and provide support to local businesses**. It is estimated that the partnership has supported over 2,500 businesses since 1st March 2020. This high level of co-operation is a unique feature of Coventry & Warwickshire, and feedback from organisations who operate nationally (such as the FSB) has recognised this very positive approach locally.
- WCC has been working with the District and Borough Councils as the billing rate authorities to deliver the Government's **Small Business and Retail, Hospitality & Leisure Grant** schemes, helping co-ordinate activity, sharing good practice and helping promote the grants and advising businesses on how to access the funds. Over £105 million has now been allocated to over 8,500 small businesses across the county. This is over 86% of the available funding which is well above the national average and testament to the work of the local authorities in the area.
- WCC officers are now working with the Districts and Boroughs to look at how the Government's **new Discretionary Grant scheme** is delivered, bringing together the local authorities and other partners to ensure that this is being targeted at businesses most in need, and to help establish a consistent programme across the county. The new scheme – which is worth a further £6m to Warwickshire – is aimed at micro and small businesses with fixed property costs that were not eligible for the Small Business and Retail, Hospitality & Leisure Grant schemes. Demand is expected to be very high. Some of the local schemes have now been launched and the remainder are expected to open to applications shortly.
- For more information about the three grant schemes including how eligible businesses can apply, visit WCC's Coronavirus pages for businesses: <https://www.warwickshire.gov.uk/information-coronavirus/coronavirus-local-authority-business-rate-schemes>
- WCC has approved a **loan of £1 million to support small businesses as part of the Government backed (CBILS) Coronavirus Business Interruption Loan**

scheme. Coventry and Warwickshire Reinvestment Trust – a not-for-profit, FCA accredited finance provider – are among the approved lenders (as well as all the major banks). However, the temporary closure of many businesses means that local demand is expected to exceed available lending. WCC, therefore, moved quickly to approve a loan to support small businesses in Warwickshire unable to secure loans from the mainstream lenders. This has provided a vital source of finance to businesses who are having cash flow problems and demand for the loans is strong. For more information, see: <https://www.cwrt.uk.com/cbils>

- WCC quickly put over a **1,000 of our suppliers on accelerated payment terms** in order to support them with cashflow. Over 200 businesses in our Business Centres have also been given a **“no strings attached” rent free period** from April to June, to help reduce their costs during this difficult time.
- WCC has worked with **partners to adapt how our range of business support programmes are delivered**. Both the Chamber – who deliver the Warwickshire start-up support service on behalf of WCC and the Districts & Boroughs – and University of Warwick Science Park (UWSP) – who deliver the Business Ready programme for tech-based and other innovation-led businesses – have increased the number of online workshops. Demand for both programmes remains strong despite the lockdown. WCC’s own Business Growth Advisors are continuing to support businesses via Microsoft Teams and phone as well as handling a number of enquiries about the Government’s support programmes and the local authority grant schemes.
- WCC has been working with partners such as WMCA, West Midlands Medilink, University of Warwick, the Midlands Institute of Engineering and Technology/ Manufacturing Network to support businesses to diversify **manufacture into PPE**. The Midlands Institute of Engineering and Technology also helped WCC identify more than 10 new local suppliers.
- Covid Secure in the Workplace: WCC and its local authority partners are advising businesses on how they can **re-open and operate safely**. This includes practical guidance and webinars where businesses can hear from a panel of experts from Public Health, Environmental Health, Trading Standards and Community Safety, Fire and Rescue and Warwickshire Police. The guidance and a recording of the first webinar are available on dedicated pages on WCC’s web site (see link below) and further sector based webinars will be held over the coming weeks, with the next one focussing on the retail sector
<https://www.warwickshire.gov.uk/coronavirusbacktoworkguidance>
- We are also looking at how we make our **town centres safe** as more businesses re-open and working to promote local shops and food outlets. As part of this, WCC has launched a new **“Buy and Eat Local” campaign** with the aim of making sure local businesses are supported with promoting their offers to the local community. One click on a dedicated page on WCC’s web site will take visitors straight to a directory of all businesses involved in the campaign in that town. Like all directories, this will grow as residents and visitors realise that they can play their part in boosting the local economy if they *Buy and Eat Local*.

<https://www.warwickshire.gov.uk/homepage/234/buy-eat-local>

- WCC has also set up a **loan fund to support the Business Improvement Districts** across the county. Loans of up to £40,000 are available to each BID in order to keep them supporting their towns whilst the levy payers are less able to pay their bills. We are currently reviewing an application that has been submitted by Stratford.
- We are also exploring opportunities to **re-allocate road space within our Town Centres** to provide more space for walking, cycling and social distancing. WCC has been allocated up to £1.3m as part of a new DfT emergency active travel fund to support this work. We are also working with the District & Borough Councils, who have been awarded collectively some £500,000 through the “Re-opening High Streets Safely Fund”, to support this work on reallocation of road space through funding signage, complementary activity, and improvements to the street scene through artwork, planters, banners, etc.
- WCC is working proactively with the District and Borough Councils, Business Improvement Districts (in Rugby, Leamington and Stratford) and key partners (Chamber of Commerce, FSB and Growth Hub) to explore how we further help our town centres. We have established a **Warwickshire Town Centre Taskforce** to co-ordinate this work at the county level.

Economic Recovery

- WCC has been developing its approach to economic recovery as part of the wider Place, Economy & Climate theme of the Change Portfolio. This is the subject of a paper to **Cabinet on 11th June 2020** and the work will be taken forward with members and partners. The paper recommends a set of short-term measures to support businesses and the economy in the immediate recovery foundation and early consolidation stages (subject to the availability of funding) and then proposes the approach to developing a comprehensive recovery plan over the medium and longer-term.
- WCC has been working closely with our District & Borough partners to align our approach to economic recovery, and also pro-actively supporting the Coventry & Warwickshire Local Enterprise Partnership to the lead on wider strategic economic reset and recovery. The CWLEP are working through their various Business Groups to engage with the private sector, co-ordinate with the public sector, and identify a range of measures that would help support the rapid recovery of the C&W economy, and to review and refocus our future growth plans.
- The County Council, alongside the CWLEP, are also actively engaged at the regional level with the WMCA to align with their work and approach to economic recovery, and to work to lobby government on the needs, issues and opportunities that exist within the region.

Business News

- Large numbers of businesses are obviously struggling in this current climate, and the inevitable recession will undoubtedly lead to business closures and unemployment increasing. Latest intelligence from the CWLEP Growth Hub found that 60% of businesses across Coventry and Warwickshire have cash reserves of 1-2 months or less and 42% have had to furlough staff. However, there are also many examples of Warwickshire businesses **adapting to help the communities around them through this difficult time**. These include:
 - JLR manufacturing visors at Gaydon;
 - Aston Martin Lagonda manufacturing AML labelled gowns for NHS staff at Gaydon (following a call for help from CW NHS Trust);
 - Ricardo manufacturing visors in Leamington;
 - Pet Shop Bowl growing to meet demand for online sales (Stratford);
 - Shakespeare Gin Distillery making hand sanitiser;
 - BMW (Coleshill) and Shire Foods (Leamington) generously donating gloves;
 - Ellisons in Exhall donating PPE equipment;
 - PSW Paper & Print manufacturing PPE equipment, using machine purchased with funding support from WCC;
 - Parker Masters at Centenary Business Centre in Nuneaton have moved into the manufacture of products to support social distancing.
- We have also been working with a local PR and marketing agency to identify and promote a range of good news stories (including some of those identified above) to push into the media as way of seeking to encourage some level of confidence within the economy. See the links below:
 - <https://www.cwlep.com/news/stratford-business-triples-its-workforce>
 - <https://www.cwlep.com/news/support-social-enterprise-helping-local-communities>
 - <https://www.cwlep.com/news/leamington-gin-distiller-turns-expertise-hand-sanitiser-production>
 - <https://www.cwlep.com/news/grant-helps-business-diversify-provide-ppe-equipment>
 - <https://www.cwlep.com/news/warwickshire-garden-centres-blooming>
 - <https://www.cwlep.com/news/warwickshire-care-homes-ppe-boost>
 - <https://www.cwlep.com/news/coach-firms-bid-restart-warwickshire-economy>
 - <https://www.cwlep.com/news/warwickshire-manufacturer-set-double-turnover-and-take-new-staff>
 - <https://www.cwlep.com/news/stratford-tutor-transforms-business-chamber-help>