



# Leicester and Leicestershire Economic Recovery Strategy – Structure and Process

## Purpose

1. This document sets out the structure and scope of strategic planning analysis and activity to support economic recovery post COVID 19 in Leicester and Leicestershire.

## Context

2. The impact of COVID-19 is expected to result in an unprecedented global economic downturn. Whilst it is expected that the Government will initiate a national economic recovery plan, there is also a parallel requirement to produce a local Economic Recovery Strategy for Leicester and Leicestershire which meets the specific needs of the region and its economic structure.
3. Immediately prior to the onset of COVID-19, the Leicester and Leicestershire Local Enterprise Partnership (LLEP) was in the process of finalising the submission of the Leicester and Leicestershire Local Industrial Strategy (LIS) to Government. The LIS, created in collaboration with businesses, local authorities and other stakeholders and government colleagues, pulled together a robust evidence base which underpinned the actions identified beneath each of the five foundations of productivity: people, business, infrastructure, place and ideas.
4. The LIS Evidence Base and associated Economic Review provided robust evidence of strengths and weaknesses, threats and opportunities. However, the extreme pace of economic change as a result of COVID-19 means that whilst the underlying evidence base is a sound reference point, it is no longer fit for purpose as the basis for a Recovery Strategy. The area will require both a short-term strategy for recovery combined with a longer-term plan for growth. An overarching framework to deliver what is required is attached at Appendix A. The framework is built around three key stages with associated development timescales:

## Appendix 1

Stage of Activity	Development Timescale
<b>Analyse economic shock</b> <ul style="list-style-type: none"> <li>• Conduct impact assessment (Appendix E)</li> <li>• Data Analysis</li> <li>• Sector Analysis</li> <li>• Economic Intelligence Updates</li> <li>• Forecast Scenarios</li> </ul>	Immediate and ongoing (May – Dec)
<b>Create short-term economic recovery plans</b> <ul style="list-style-type: none"> <li>• District economic recovery plans</li> <li>• National funding interventions</li> <li>• Local discretionary funding</li> <li>• Repurposing and reallocation of existing funding streams</li> </ul>	Immediate and short-term (May-Aug)
<b>Develop long term economic strategy</b> <ul style="list-style-type: none"> <li>• Agreement of stakeholders on a definition of the 'new' normal and expected size and shape of the changed economy.</li> <li>• Identification of actions required for economic recovery and resilience including opportunities and threats.</li> <li>• Create costed five-year recovery strategy for Leicester and Leicestershire</li> </ul>	Longer term (July – December)

5. Given the fluid nature of the crisis and likelihood of further periods of lockdown, the timescales will necessarily be subject to review as the situation develops.
6. Following the onset of COVID-19 as part of the coordinated Leicester, Leicestershire and Rutland (LLR) emergency response, the LLEP coordinated the LLR Business Cell, comprised of representatives of stakeholder organisations, which fed into the LLR Resilience Forum.
7. As the focus shifted from initial response to recovery planning, the Business Cell transitioned into an Economic Recovery Cell (ERC) from 15 May 2020, in order to coordinate the activities described in Appendix A, and for which a detailed structure chart is provided at Appendix C. The ERC has reporting lines to both the LLR Prepared Recovery Coordinating Group, (for which it covers the business and economy strand, see Appendix C) and the LLEP Economic Recovery Oversight Group, comprised of a group of LLEP Board Directors, which will oversee the development of the Economic Recovery Strategy.
8. The remit of the Economic Recovery Cell will be to have a coordinating role in engaging a wide range of partners to identify issues, intelligence and potential

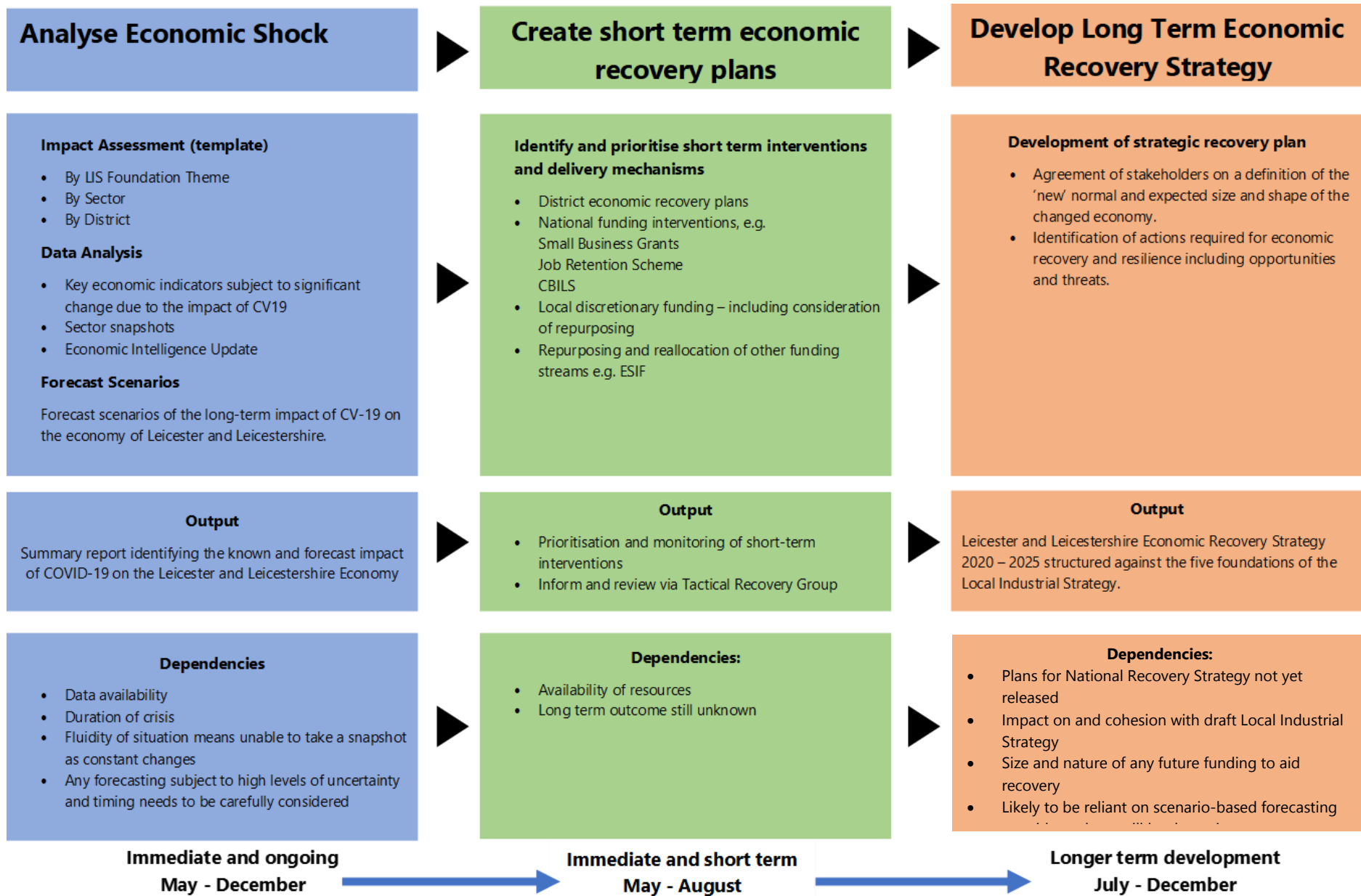
## Appendix 1

interventions relating to each of the existing LIS foundations, utilising the knowledge and expertise of established groups and organisations, the full Terms of Reference are attached at Appendix E.

9. Alongside will sit an Economic Analysis Group, similar to the Evidence Base Group convened when developing the LIS, responsible for overseeing the development of a supporting evidence base either through commissioned research or through utilising LLEP and partner capacity and capability. This group will report into both the ERC and the Multi-Agency Information Cell, which again is part of the LLR Recovery structure. The Economic Analysis Group will be established by the end of May.
10. It is estimated that it may take upwards of a year for relevant data sets to be refreshed and updated. Notwithstanding this, there is clearly an immediate need to forecast and scenario plan for anticipated levels of downturn across a range of indicators, some of which may not have previously been taken into consideration in the development of the LIS.

### Considerations

- The outline structure may need to be revised when more is known regarding a national economic recovery plan and therefore any timescales for development may be subject to change.
- It may be several months before we are able to assess the impact of COVID-19 on the local economy with any degree of accuracy and prior to that we will be reliant on scenario planning. Any plan needs to be able to flex to accommodate unforeseen shifts in the economy.



## Impact Assessment Template Example

The example below is for illustrative purposes only and should be interpreted as a guide to content only and not as a comprehensive analysis of issues relating to the foundation in question.

### Foundation: People *(insert as appropriate)*

#### 1. DATA AND FORECAST SCENARIOS *(LLEP to Populate)*

Pre-COVID Baseline Indicators*	Forecast scenario (where available)	Emerging data
<p>LLEP to populate this section with key statistics and datasets relevant to the foundation. <i>For example People section could include:</i></p> <ul style="list-style-type: none"> <li>• <i>Employment statistics by sector and occupation</i></li> <li>• <i>Unemployment and NEET data</i></li> <li>• <i>Skills demand</i></li> <li>• <i>Skills gaps</i></li> <li>• <i>Predicted sector growth and decline</i></li> </ul>	<p>(Insert forecasting data as it becomes available illustrating potential shift from base data due to the impact of COVID-19)</p> <p>This section might also include other considerations, e.g. that without an extension of furlough support, there is likely to be a further surge in redundancies.</p>	<p>Insert relevant local data as it becomes available, e.g. unemployment figures, business closures etc.</p>

#### 2. SUMMARY OF CURRENT AND PREDICTED IMPACT OF COVID-19

**This section should list known issues relative to the foundation which are emerging from the current COVID-19 crisis**

##### Current

*(Following examples are illustrative only, and not a comprehensive review for People section)*

- Apprenticeship delivery severely curtailed, with many apprentices furloughed and put on agreed breaks in learning.
- Small training providers may go out of business
- Lower levels of recruitment in universities and colleges
- Provision has switched to online learning where possible but there will be difficulties in providing industry placements and practical learning.

##### Longer Term implications

- Retraining will be required for those made redundant from contracting sectors to equip them with the skills to enter a new sector.
- Those most at risk of unemployment are likely to be young people and women
- Youth unemployment levels will rise due to contraction of jobs market, lack of apprenticeship offers.

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- HE provision for overseas students likely to reduce

### 3. WHAT RESOURCES ARE CURRENTLY AVAILABLE TO SUPPORT / ADDRESS THE ISSUES IDENTIFIED ABOVE?

Insert any information on current government or local support, for example for People:

#### National

- *ESFA Covid-19 post-16 Provider Relief Scheme (for providers of non-levy apprenticeships only)*
- *National Skills Toolkit*
- *Job Retention Scheme*

#### Local

- *COVID-19 Redundancy and Recruitment Service for Leicester and Leicestershire*

### 4. WHAT FURTHER INTERVENTION IS REQUIRED TO ENABLE RECOVERY?

**What additional funding or other resource is required to address immediate issues for recovery? Are there any sources of funding currently available?**

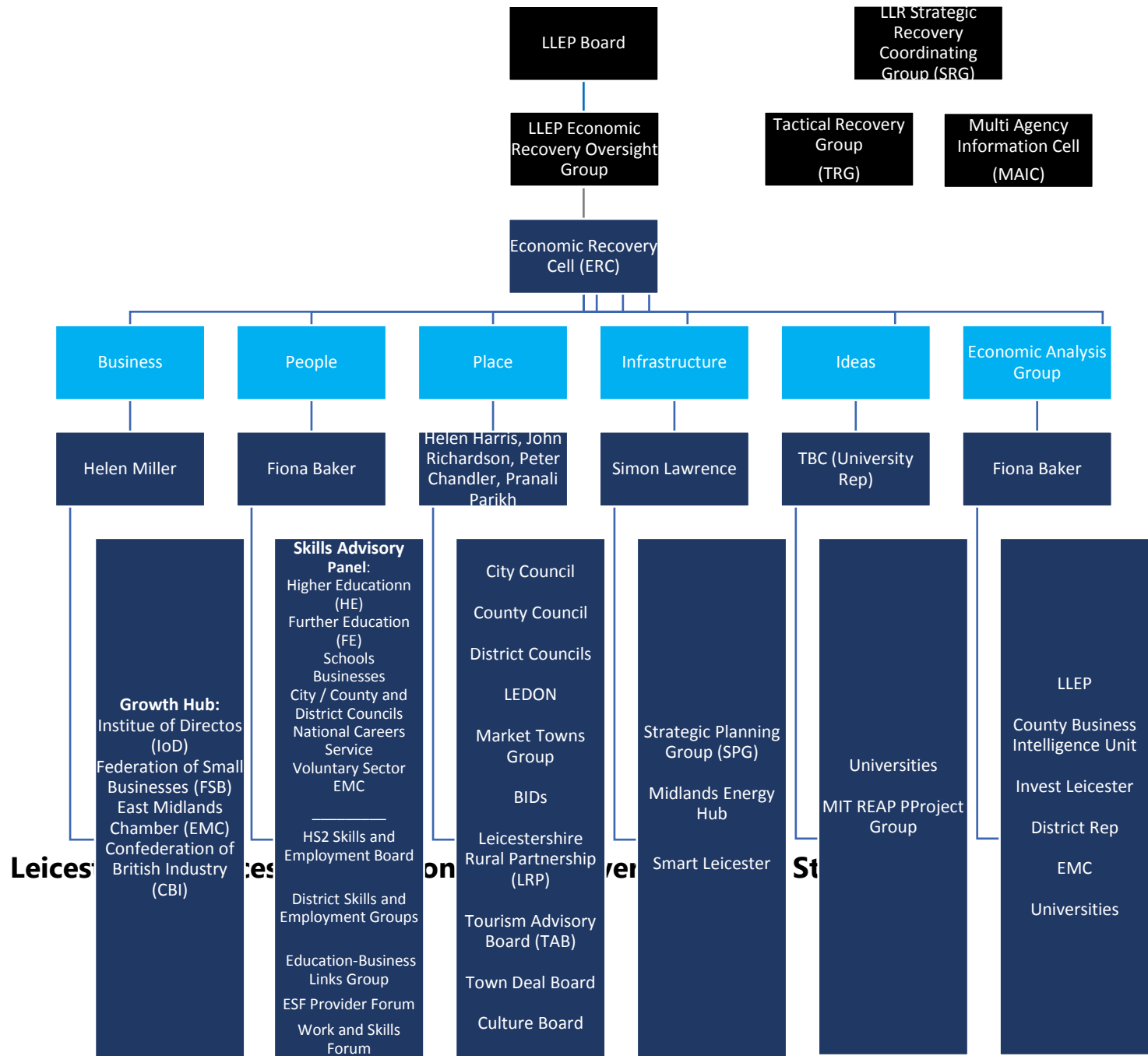
- Repurposing of ESF Reserve Funds to assist in delivery to enable adults to enter the labour market.
- Increased funding for FE sector to allow recovery and enable young people to gain the skills required to enter the changed labour market

### 5. PROPOSED COST OF INTERVENTION?

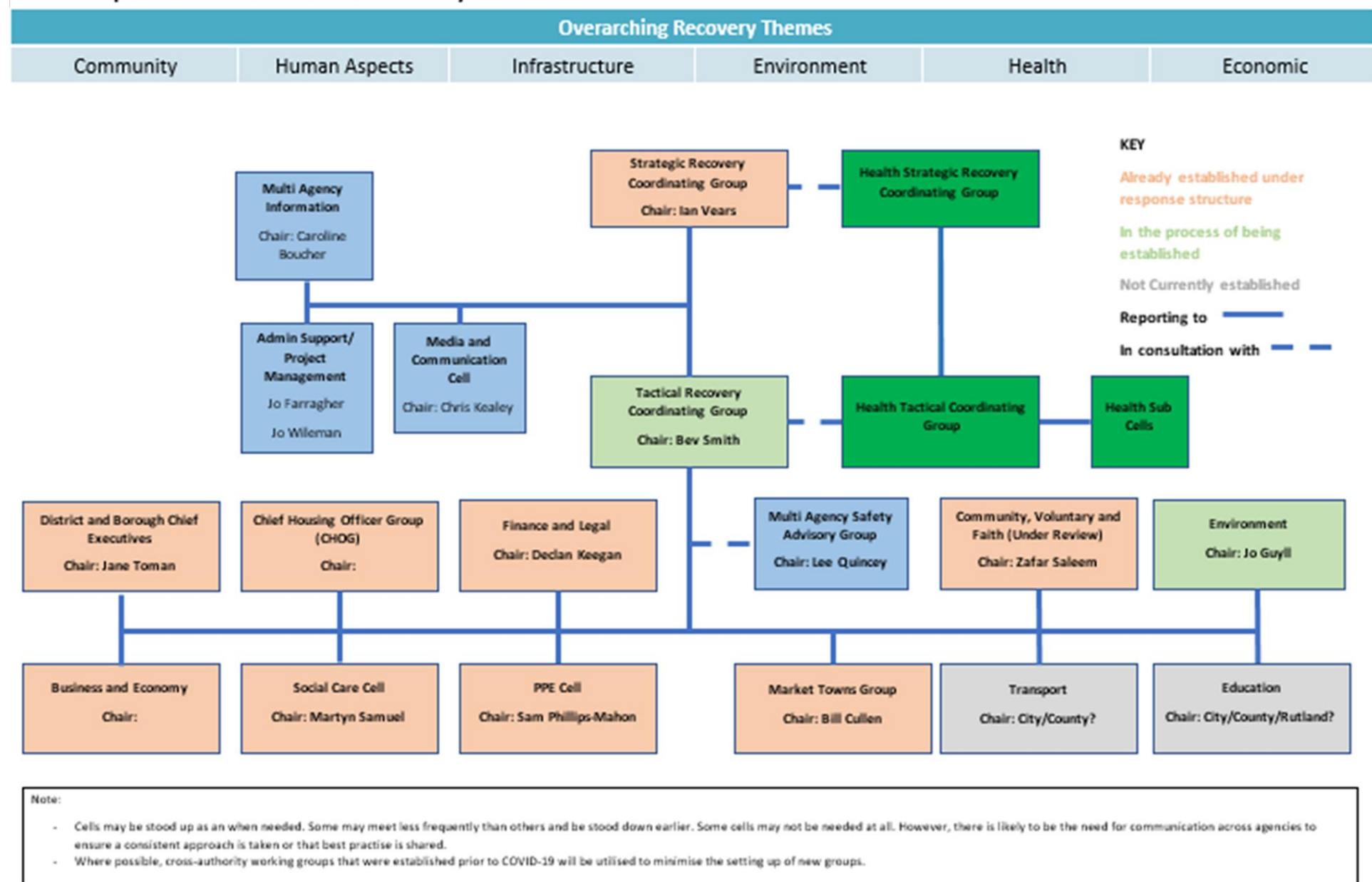
**Enter details of any costs associated with proposed interventions and potential sources of funding**

\*Economic Indicators used in Oxford Economic Review

Appendix 1



## LLR Prepared COVID-19 Recovery Structure





**Appendix 1**

## Leicester and Leicestershire Economic Recovery Cell – DRAFT Terms of Reference

### Purpose

The purpose of the Economic Recovery Cell is to provide a coordinated analysis of the impact of Covid-19 on the economy of Leicester and Leicestershire and to advise the LLEP oversight group on key decisions that need to be taken on strategy, delivery and funding. This will result in the development of an economic recovery strategy for Leicester and Leicestershire, structured around the existing Local Industrial Strategy Foundations.

### Membership

The Leicester and Leicestershire Economic Recovery Cell will be chaired by the LLEP CEO and comprise representatives from:

- Leicester City Council
- Leicestershire County Council
- District Council
- University
- LLEP Skills Advisory Panel
- LLEP Business Board

### Structure

A detailed structure chart is attached as an appendix.

### Responsibilities

- To consider the known and predictive impact of a range of economic indicators provided by the Economic Analysis Group or through commissioned research, on the economy of Leicester and Leicestershire.
- Working in conjunction with the Economic Analysis Group, the Cell will act as a central coordination point for the collation of economic intelligence, data and emerging issues from member organisations and wider stakeholders.
- To lead on the development of each strand of the Recovery Plan: Place, Business, People, Ideas and Infrastructure to inform the Economic Recovery Strategy.
- Ensure that recommendations are firmly based on robust evidence and analysis.
- Ensure that identified actions are based on an accurate understanding of the economy as it stands now, the best available forecasts of how Covid-19 will affect us, and the most relevant evidence of what works in dealing with the economic impact.
- To understand and identify the economic challenges which Covid-19 places on the area and to identify solutions to any overlaps or gaps in provision, including recommending new areas of focus, and re-alignment of resources.
- To track progress and ensure that actions and resources are constantly monitored to ensure resources are effectively deployed.
- Oversee the commissioning of any additional external support needed to develop the evidence base.
- To provide regular updates to the LLEP Economic Recovery Oversight Group, LLEP Board and LLR Prepared Recovery Coordinating Group

**Appendix 1**

- To ensure that any strategies and actions consider and fit with any national recovery plans subsequently announced by Government.

**Governance**

- The Cell will be chaired by the LLEP CEO. The group will provide a full update at each LLEP Board Meeting and to the LLR Prepared Recovery Coordinating Group as required.
- Local authority and university representatives will be required to coordinate the completion of any agreed actions being undertaken by their respective organisations, any consultation required within those organisations and to act as a point of contact.

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