Leicester & Leicestershire Enterprise Partnership

Economic Recovery Strategy

Leicestershire County Council Scrutiny Commission

22 June 2020

It's complicated

Leicester & Leicestershire Enterprise Partnership

- Data lag … but multiplicity of predictive reports emerging
- Government support likely to delay ultimate impact
- Duration and nature of crisis is an unknown
- Unprecedented situation – unable to apply historic trends
- Wide variance in published best case / worst case scenarios

Economic Recovery Strategy

Analyse economic shock

Create short-term economic recovery plans

Develop long term economic recovery strategy

Immediate & ongoing
May – Dec

Immediate & short-term
May – Aug

Longer term
Jul - Dec

Productivity (example scenario)

Leicester and Leicestershire GVA (2018): **£25.6bn**

2020 Best case scenario (PwC):

- £1.2bn = 5% contraction

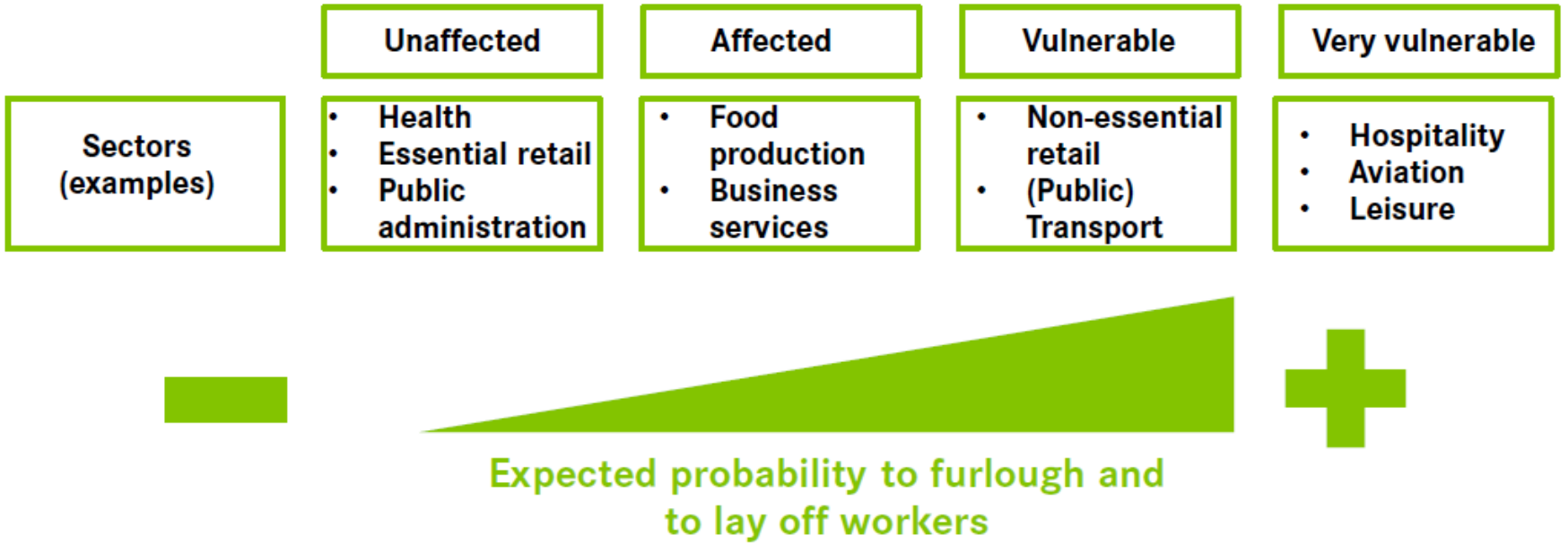
2020 Worst case scenario (PwC):

- £2.4bn = 10% contraction

For illustrative purposes only, based on a forecasting models by PwC. Other organisations have published widely varying forecasts in terms of economic contraction. Given this level of variance together with the fluid nature of the crisis this should be interpreted as an example scenario only.

Business Sectors – most vulnerable

Centre for Cities Sector Impact



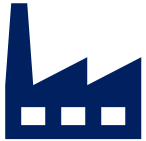
Source: Centre for Cities

Who will be most affected?

Those aged 18-24

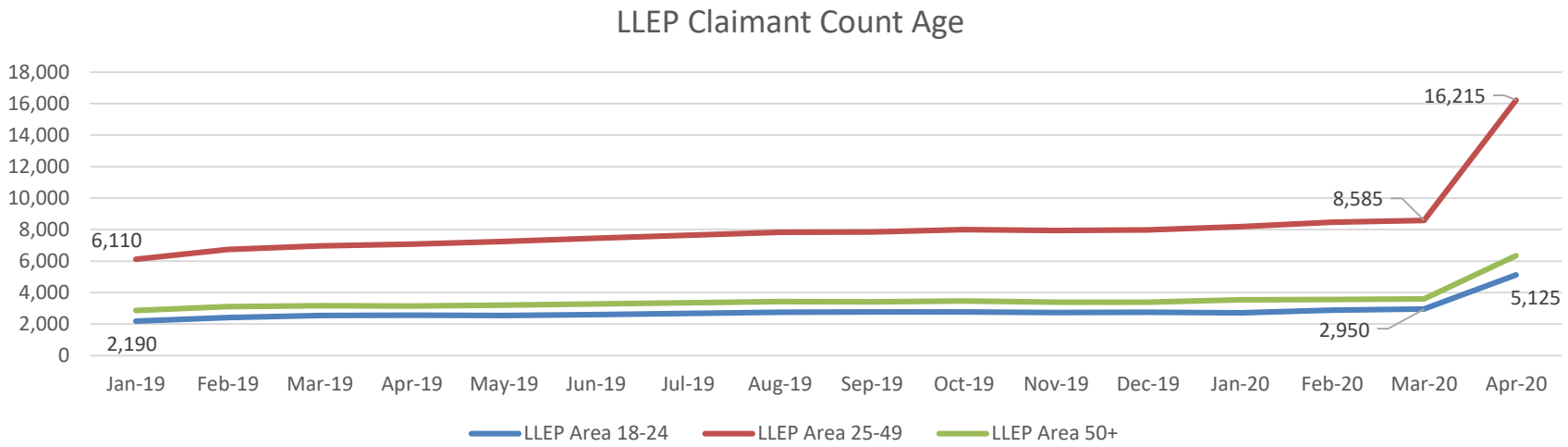
Those without qualifications

Those who cannot work from home



Those in industries most at risk
(also most likely to be aged 18-24)

People


LLEP Claimant Count Age
18,000
16,000
14,000
12,000
10,000
8,000
6,000
4,000
2,000
0
Jan-19
Feb-19
Mar-19
Apr-19
May-19
Jun-19
Jul-19
Aug-19
Sep-19
Oct-19
Nov-19
Dec-19
Jan-20
Feb-20
Mar-20
Apr-20
6,110
16,215
8,585
5,125
2,950
2,190
LLEP Area 18-24
LLEP Area 25-49
LLEP Area 50+

Progress to date

- Economic Recovery Cell Established
- Business & Economic Intelligence Updates issued fortnightly
- Over 80% of Leicester and Leicestershire eligible businesses received Small Business Grant Funding
- Business Support available through Business Gateway Growth Hub
  - Webinars
  - One to one support
- Schools and Colleges reopening – ongoing support throughout from EAN
- District and Town Centre Recovery Plans in development (including night time economy and safe shopping arrangements)
- Initial methodology for scenario based planning (GVA / job numbers)
- Baseline data and data source release mapping

Next Steps

- Mapping of current activities and support in place
- Growth hub and cluster Business Champion establishment
- Draft Impact Assessments against LIS Foundation
- Business Survey completion
- Commission additional analysis
  - Forecast scenario modelling
  - Sector impact
- Establish Economic Analysis Group