

Executive Board

29th June 2020

COVID-19 ECONOMIC IMPACT AND RECOVERY

Restart, Revive, Renew

Recommendations / key decisions required:

That Members:

- 1) Receive an update on the impact that Covid-19 is having on Carmarthenshire's economy, businesses and communities;
- 2) Approve the proposed draft recovery strategy

Reasons:

The intelligence gathered clearly demonstrates that the authority and the local economy face an extremely difficult time in coming months as the effects of the Covid-19 crisis puts pressure on jobs and demand. It is therefore essential that the Council's response is in tune with the needs of businesses and communities across Carmarthenshire, taking advantage of opportunities to accelerate change to enable success in the economy of the future. Carmarthenshire's economic recovery needs to be realised as part of a new three-phase economic plan that includes restarting of the local economy followed by a revival phase and long-term renewal.

Relevant scrutiny committee to be consulted N/A

Exec Board Decision Required YES

Council Decision Required NO

EXECUTIVE BOARD MEMBER PORTFOLIO HOLDER:- Cllr Emlyn Dole, Leader

Directorate:

Chief Executives

Name of Head of Service:
Jason Jones

Designations:
Head of Regeneration

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EXECUTIVE SUMMARY

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29th June 2020

COVID-19 ECONOMIC IMPACT AND RECOVERY

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1. SUMMARY OF PURPOSE OF REPORT.

The report provides an assessment of the impact that Covid-19 is having on Carmarthenshire businesses, to identify what is important to them in the short, medium and long-term, so that going forward we can provide them with the assistance they most need. Evidence has also been gathered on the impact on unemployment in the county and the impact on our rural and primary towns. Intelligence has also been sought from developers and investors who have been active in Carmarthenshire to assess whether they are likely to continue to conduct business in the County in the future. The findings of this intelligence, set out in the detailed report attached, demonstrates that the authority and the local economy face a difficult time in coming months as the effects of the Covid-19 crisis puts pressure on jobs and demand.

The immediate impact can be seen from the significant increase (127%) between March and April (first full month of lockdown) in the number of Carmarthenshire residents who are claiming unemployment related benefits. The report suggests that these figures are likely to rise significantly over the coming months. The Council is currently providing support to several food banks around the County. Based on the report findings it is likely that there will be a need for ongoing support as a response to meeting the needs of those facing hardship. The Authority, as part of its recovery and response will need to review its priorities around its support for those communities experiencing high levels of poverty.

Through acting together, the authority and its partners can take action to restore consumer and business confidence to stimulate investment in our economies, which will create employment, reskill the workforce and help the unemployed find new jobs.

As a platform to the development and delivery of the County's Economic Recovery Plan, an internal Business, Economy and Community recovery group has been established to coordinate development and delivery. That group has identified several draft potential action strands and proposals for further consideration. In order to move forward Carmarthenshire County Council is seeking to employ external economic advice to assist with bringing this information together and to map out a plan for future projects and tasks in order to provide the right support for our businesses and communities.

An overarching advisory group, comprising key private sector industry leaders, will be established to assist us with the development and refinement of our draft plan and to lead us through the current crisis. This group will set the vision and direction for recovery.

The attached report contains a summary of the draft recovery plan key themes and actions for endorsement before they are considered by the proposed overarching business forum group.

2. OTHER OPTIONS AVAILABLE AND THEIR PROS AND CONS

The market intelligence clearly demonstrates that businesses are expecting the Council to support economic activity, prepare the ground for recovery and lead Carmarthenshire out of this crisis. There is no other option for the Council other than to take immediate action in collaborating with its businesses and the wider community.

DETAILED REPORT ATTACHED ?

Yes - An Analysis of the Impact of COVID-19 on Carmarthenshire – Copy attached.

IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report :

Signed: Jason Jones

Head of Regeneration

Policy, Crime & Disorder and Equalities	Legal	Finance	ICT	Risk Management Issues	Staffing Implications	Physical Assets
YES	NONE	YES	NONE	NONE	NONE	NONE

1. Policy, Crime & Disorder and Equalities

The detailed report identifies several issues arising from the current crisis. In responding to these challenges, the Council will need to think long term, ensuring an integrated approach, involving and collaborating with stakeholders to prevent where possible business failures and long-term unemployment. This approach is fully aligned with the Well-being of Future Generations (Wales) Act 2015 five ways of working.

3. Finance

There will be a need for some financial resource to be made available to support some activities and initiatives to respond to the identified challenges. At the current time it is not possible to quantify the level of resource that will be required.

CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below

Signed:

Jason Jones

Head of Regeneration

1. Scrutiny Committee N/A

2. Local Member(s) N/A

3. Community / Town Council N/A

4. Relevant Partners 996 businesses have been consulted.

5. Staff Side Representatives and other Organisations

**EXECUTIVE BOARD PORTFOLIO
HOLDER(S) AWARE/CONSULTED**

Cllr Emlyn Dole (Leader) has been consulted as EBM and is supportive of the report proposals.

Section 100D Local Government Act, 1972 – Access to Information

List of Background Papers used in the preparation of this report:

Title of Document	File Ref No.	Locations that the papers are available for public inspection
An Analysis of the Impact of COVID-19 on Carmarthenshire		Copy Attached at Appendix 1 to the detailed report