



# Sub-Regional Covid-19 Business Intelligence

9<sup>th</sup> – 22<sup>nd</sup> June 2020

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# 1. Executive Summary

The recommendations and findings of this week's report are based on intelligence gathered across the CWLEP Growth Hub's business engagements and survey data, and information provided by Coventry City Council, Warwickshire County Council and CWLEP. Sources include the Warwickshire County Council's Weekly Business and Economic Update and other reports by WCC's Warwickshire Economics, Coventry City Council's Business and Economy briefing, Coventry & Warwickshire Champions, the FSB, the Warwickshire Rural Hub, and the NFU.

This report focuses on intelligence gathered since 9th June 2020. Our sector spotlight will be the rural sector.

## Key Findings

- A **total of 109,400 workers have been furloughed** across Coventry & Warwickshire (Coventry 37,800; Warwickshire 71,600) which presents around **23% of total jobs in the area**
- Based on current claimant figures, including those claiming Universal credit, Coventry's claimant level increased from 7,825 (3.2%) in March 2020 to 15,700 (6.4%), meaning that **7,875 had become claimants in Coventry since lockdown**. Warwickshire, the number of claimants increased from 7,760 (2.2%) in March 2020 to 17,625 (5.0%) in May 2020, **an increase of almost 10,000 since start of lockdown in the county** with a strong indication of rising unemployment levels.
- **33%** of business supported by CWLEP Growth Hub since March 2020 were **based in rural areas**. (37% of Warwickshire's businesses are based in rural areas).
- Most of the rural businesses supported were operating in **Manufacturing industries**. The local rural economy also consists of a strong **tourism and leisure business base** with businesses likely to be affected over a longer period due to lack of visitors and general consumer confidence.
- Despite challenges rural businesses are showing adaptability and resilience with **69% undertaking innovation in their business and 58% saying they are exploring new markets**, according to the latest Warwickshire Rural Hub survey.

## 2. Macroeconomic Insights

There has been a great uptake in Government's coronavirus grant funding schemes information on payments made by Local Authorities nationally were released. **A running total (as of 14 June 2020) in payments of £153.7m were made to businesses across Coventry & Warwickshire to date for**

- Small Business Grants Fund (SBGF) scheme
- Retail, Hospitality and Leisure Business Grants Fund (RHLGF)

The payments were made to **87% of eligible businesses.**

It has been indicated by Insolvency Service data that the number of **insolvencies across the UK has fallen with a decrease in May compared to April 2020 and a 30% drop compared to the number for May 2019.** This indicates Government support measures appear to be helping many businesses that may otherwise have struggled. This could herald the 'calm before the storm, the Midlands branch of [insolvency and restructuring trade body R3 has warned](#). Whilst it paints a positive picture for now, they do not provide a full account of the impact it may have on levels of insolvencies.

A total of **109,400 workers have been furloughed across Coventry & Warwickshire** since March 2020, according to [latest Government statistics](#).

### Breakdown by Local Authority area:

North Warwickshire	8,700
Nuneaton and Bedworth	16,400
Rugby	12,500
Stratford-on-Avon	17,100
Warwick	16,900
<b>Warwickshire County</b>	<b>71,600</b>

<b>Coventry</b>	<b>37,800</b>
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The most recent **Coventry City Council Business and Economy Briefing** indicates that this presents **around 23% of total jobs in the area** which is slightly less than the 30% assumed by the OBR when the Coronavirus Job Retention Scheme was first established. Because it is due to cease in October 2020, it is crucial that the situation amongst the businesses concerned is monitored to reduce the possibility of these 109,400 posts being lost permanently. This **could become a particular threat to some sectors such as retail, leisure, tourism & hospitality, manufacturing and creative sectors** if social distancing restrictions continue long term.

Coventry City Council's briefing further indicated that the local economy has experienced a notable downturn in the early part of 2020. Between February and April 2020, **the Purchasing Managers Index (PMI)** indicated sharp decline in business performance nationally, **from a score of 53.0 in February 2020 to 37.1 in March and**

**just 12.9 in April 2020 across both products and services.** Notable falls were also recorded in key export and import markets, including similar falls in the [Eurozone](#), and slightly lower falls in the [United States](#) and [Japan](#). **In terms of GDP, the UK economy recorded a [2% contraction](#) in Q1 2020 and a [20% contraction](#) in April 2020 alone, following 0.0% growth in Q4 2019.**

This economic downturn is resulting in significant job losses in the economy. The claimant count is considered a proxy for unemployment as it takes into consideration **those claiming out of work benefits but also Universal Credit which includes those on low incomes**, therefore It can only be a proxy but will give us an indication of unemployment levels. **Nationally, the Claimant Count rose 126% between March and [May 2020](#)** (i.e. since the start of lockdown) from 1.24m (3.0%) to 2.8m (6.4%). Between mid-March and [mid-May 2020](#), **Coventry's claimant count level increased from 7,825 (3.2%) in March 2020 to 15,700 (6.4%)**, meaning that **7,875 had become claimants in Coventry** since lockdown. It is also notable that the number of claimants in Coventry is now triple the number that it was in May 2019. In neighbouring **Warwickshire, the number of claimants increased from 7,760 (2.2%) in March 2020 to 17,625 (5.0%) in May 2020, an increase of almost 10,000 since start of lockdown.** To compound claimant, and thus potential unemployment challenges further, the number of job vacancies nationally has [halved](#) between March and May 2020, which creates further difficulties for individuals trying to re-enter the labour market.

## 3. Business Insights

This week's business insights are taken from intelligence gathered from supported businesses since 9<sup>th</sup> June 2020.

### 3.1 CWLEP Growth Hub – Trends

To date **the Growth Hub has supported 2,738 businesses since 1st March and has had substantive discussions with 1,002 businesses.** 62 responses were received over the period between 9<sup>th</sup> – 22<sup>nd</sup> June.

The top sectors supported by the Growth Hub over this time frame were Manufacturing; Agricultural, Forestry & Fishing; and Arts, Entertainment and Recreation. Besides the need for Financial and Funding support there have been no specific trends towards business support needs, although we saw an increase in Businesses show an **increasing need for support in Employment** which could indicate that the deadline of the furlough scheme is putting pressure on businesses to consider the future of their workforce beyond October. The size profile of the businesses supported this week consisted of **33% of sole employees, 32% of micro businesses (2-9 employees), 22% small (10-49), 6% medium (50-249) and 6% large businesses (250+).**

#### Key Trends

- Looking at the intelligence we have gathered in the last two weeks, most businesses **are starting to take steps to get back to their usual working patterns.** Many are relieved to be able to re-open (especially retailers).
- Almost all business we are engaging with are **experiencing a significant loss of trade/sales/footfall.**
- Construction, Manufacturing and Engineering business are starting to see work picking back up, but **volume and value of orders is less than previous years.** Some are suggesting that the impact has been minimal and they don't think the effects will be long-lasting.
- Leisure, Arts and Tourism businesses are amongst those hardest hit. **Many are struggling to engage with clients or diversify** – a lot of what they do is based on face-to-face interactions; difficult to deliver to an online audience.
- Many businesses are still reaching out in the **hope of accessing financial aid to help cover losses** due to the pandemic.
- Diversification is playing a huge part for the Manufacturing and Engineering sector businesses locally. Many of them are recouping losses by **selling to new markets or adding new products from stocks already available.** Service based businesses have concerns, mainly around how they **manage contact and the safety side of operations** (e.g. hair salons, beauty businesses, cleaning/domestic care businesses)

- **Small number of redundancies are starting to come to light** from local businesses as they start to bring workers back into the workplace
- Majority of businesses we have spoken to have **taken advantage of the job retention scheme**, which has been a welcome relief. **Majority are now working to bring back their staff from furlough leave.**

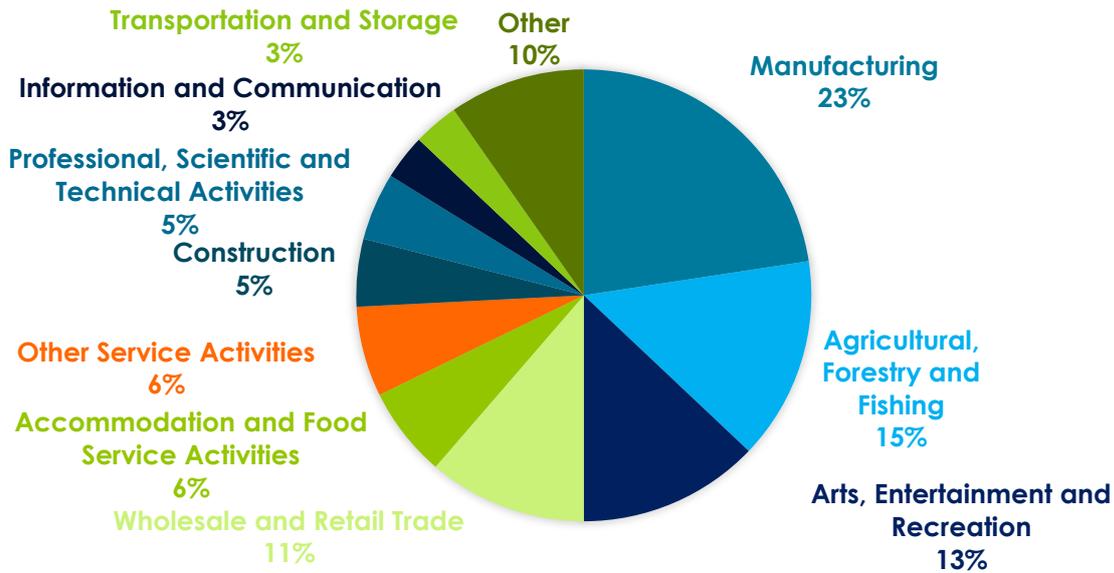
## Emerging Themes

- **Bounce Back Loans** – general feedback that these loans are easy to apply for and to obtain. Suggestion that they are perhaps too easy to obtain. Some companies using this facility to clear more expensive debt. Questions have emerged whether government should increase spot checks to identify and verify where money has been spent, whilst making examples of those abusing the system?
- **Redundancies** – most conversations this week included this topic. Businesses no longer require the same level of staffing with zero-hour contracts and temporary staff likely to be the hardest hit and potentially going unnoticed. Employees with poor attendance, attitudes or poor performers could be at risk. Fears about tribunals if redundancies are mis-handled. Advice is to take advice from HR professionals around the process. → Potential need for support to get professional advice
- **WFH & Improved Efficiency** - Restructuring of workforces as COVID-19 has brought about new ways of working. Those working from home are more focussed on the task increasing productivity and increased sales. Also, evidence that those in work are trying harder and putting in more effort, possibly to retain employment.
- **Social Distancing** – Some manufacturing businesses changing to 2 or 3 shift patterns to adhere to the social distancing rules and correct spacing of their workers. Some report that productivity has increased as a result given less distraction.
- **Collaboration & Diversification** – General feeling that businesses are more willing to work with one another and collaborate, not just on government call outs such as PPE and ventilators but on new diversification projects. Further reports that businesses look at domestic suppliers and service providers first, avoiding international markets, with China highlighted as being avoided. Businesses realising the need to change and adapt to new and different opportunities is key to survival, not least recovery.
- **Furlough** – employees slowly returning to work although, naturally, employers are bringing back their best workers first. No intelligence to support the claim that a third of workers were being made or coerced into working whilst on furlough (as reported by [Sky News](#)). Those that were asked, simply refused.
- **Robotics** – evidence to suggest companies are accelerating research into the use and adoption of robotics processes. Lack of investment slowing true growth potential in this area. Likely to have negative impact on employment.
- **Amazon** – at present, companies grateful of the opportunities Amazon has provided to continue selling as an almost lone sales channel, for products across all sectors. Flip side highlights concerns over what happens post COVID-19 and the resurrection of previous more traditional sales methods and local wholesalers/retailers. A decline will impact employment numbers.

Should the government get involved with Amazon to regulate and ensure local taxation?

- **A Second Wave** – companies concerned about a second wave of COVID-19 cases, as seen in Beijing, and are building up cash reserves in the event of a second lockdown. Whilst this potentially offers protection to the businesses, it will stunt overall economic recovery as cash is not being reinvested.
- **Recruitment** - Feedback from businesses across Coventry & Warwickshire:
  - Majority of businesses considering redundancies once furlough scheme comes to an end, and concerned with headline figures in media
  - Starting to see some companies looking to recruit, specifically regarding Finance & Sales/Marketing, as companies look to increase turnover, move to online sales & realise the importance of Digital Marketing
  - SME recruitment market still active, but at a lower volume & companies look at extending starting dates of employees to September 2020. Most SME's spoken to are planning recruitment campaigns, in part due to the expected increasing volume of candidates come onto market
  - Companies in cleaning materials/service doing extremely well

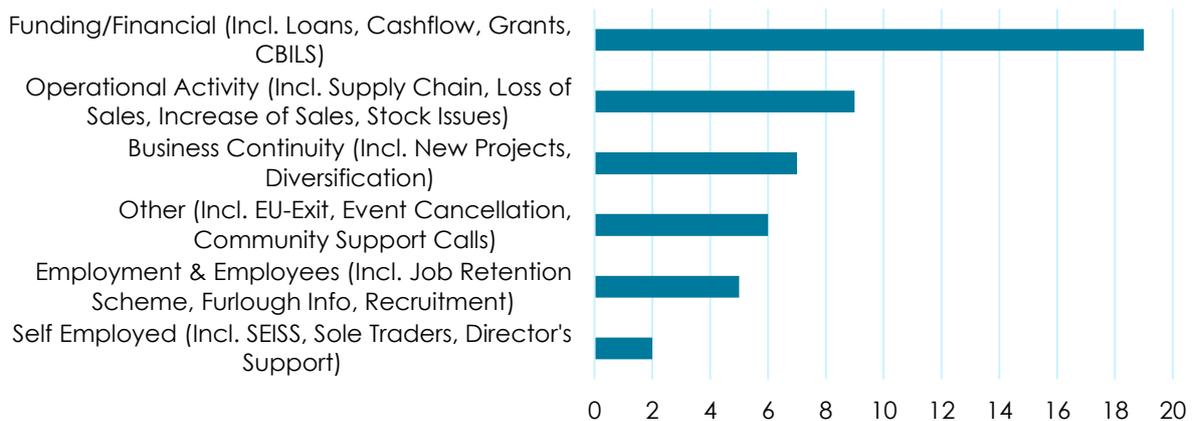
## BUSINESSES SUPPORTED BY INDUSTRY



## How is COVID19 Affecting Your Business?



## What Support Does The Business Need?



## Case Studies



**ActOn Finishing** in Torrington Avenue, Coventry, is the UK's leading surface finishing technology provider in the healthcare, aerospace, automotive and motorsport sectors.

ActOn Finishing has been giving back to the community by donating 50 face masks for free to the Bilton Coronavirus Support

Group which works closely with Rugby Borough Council, Warwickshire County Council and Warwickshire Vision to help self-isolating residents with grocery collections and prescriptions. The introduction to the Group came through the CWLEP Growth Hub

has transformed its test laboratory after receiving support from the Coventry and Warwickshire Local Enterprise Partnership (CWLEP) Growth Hub.

ActOn Finishing benefited from work with local partners, including access to the following support programmes through Coventry City Council:

- applied for a grant with Coventry & Warwickshire Business Support Programme for an amount of £7,500 towards modernising the laboratory which is used to demonstrate products to new and existing clients.
- received a grant of £9,000 from the Coventry and Warwickshire Green Business Programme, which is also being delivered by Coventry City Council, to replace halogen bulbs throughout its premises with LED lighting.
- received a capital grant of £24,960 from Coventry & Warwickshire Innovation programme towards the purchase of machinery to enhance offering in Medical, Aerospace and 3D printing sectors by applying innovative dry finishing method using electrodes.

The support provided, together with the grants, are part-funded by the European Regional Development Fund (ERDF).

Amongst supporting carbon footprint reductions, the company has been able to improve their premises to reflect their standing in a specialised industry. Speaking about how the grants also helped them adapt to the new circumstances, Acton's Operations Director Sid Gulati said: "We have been developing new automatic machines to reduce manual handling and we will now be able to showcase these – very mindful of social distancing rules – in our test laboratory which was work long overdue. We use this area to demonstrate and develop new processes which is key to winning new business."

**AW Brandreth & Sons** – a family run farming business famed for its organic milk, hay and straw production – is diversifying its business by implementing a £1.6m 4Mw Ground Source Heat Pump (GSHP) as it looks to supply high quality feed to the UK's racehorse industry.



The Warwickshire-based, 3rd generation farming partnership has invested in the GSHP to dry Lucerne hay, which is in demand from the UK's equestrian industry where it is used to provide energy, good quality protein and a source of fibre to the specialist diet of performance racehorses.

Sixty acres of Lucerne seed has been planted already which is scheduled for harvest in August. The heat produced by the new GSHP will also be used to produce organic dairy grade Lucerne hay as well as other forms of straw and hay.

The project means AW Brandreth & Sons qualify for the commercial Renewable Heat Incentive (RHI), a government financial incentive to promote the use of renewable heat.

Mr Brandreth added: "Businesses switching to heating systems that use eligible energy sources can help the UK reduce its carbon emissions and meet its renewable energy targets – so we are delighted to be able to play our part in that through this project, financed by Shawbrook."

AW Brandreth & Sons is a family-run farm business consisting of almost 600 acres of owned and rented land. The farm has 140 dairy cows producing organic milk with a long-term milking contract. Its other main income is driven through its hay and straw business, where they produce swathes of hay which is then baled and stored then sold to clients in the UK and Europe. The farm is home to one of the largest storage sheds in the area, covering an acre and holding the equivalent of 440 bales in length and 90 bales wide.

## 4. Sector Spotlight – Rural

For the purpose of this sector spotlight we have been focusing on the local rural economy. A large part of our region's population and businesses are based in rural Warwickshire. **169,000 residents and 37% of the County's businesses were recorded to be based in the rural areas** (cf. [WCC's Warwickshire Rural Growth Plan 2017](#)).

Whilst there is a general idea that a rural business is equivalent to agricultural-sector business (e.g. Warwickshire Police Rural Crime Team – focuses on supporting agricultural businesses) a lot of the below insights refer to businesses based in rural areas.

We are framing the “rural” CWLEP Growth Hub business insights we are defining Rural as per the **2011 Rural-Urban Classification from the Government Statistical Service** – this classifies postcode areas as either “Urban city and town”, “Rural town and fringe”, “Rural hamlets and isolated dwellings” and “Rural village”. In 4.1. we have focused on the three rural categories to get an insight on how businesses that form part of the rural economy that the CWLEP Growth Hub has supported since March 2020 have both been affected by COVID-19 but also have adapted.

Whilst this postcode approach means it does not include Coventry City Council area businesses – it is important to put into context that **employees of city-based businesses form a vital part of the population of rural Warwickshire and vice versa (larger number of commuting into North Warwickshire than out, high number of commuters from Nuneaton & Bedworth into Coventry, etc. ([more info](#)))**– and the **urban-rural value chains are significant with manufacturers based in the city supplying key products into rural businesses.**

The CWLEP Growth Hub has also worked closely with **Warwickshire Rural Hub and Warwickshire County Council to [proactively reach out to businesses](#)** that define themselves as rural by conducting an in depth survey. The results give valuable insights into businesses with a **focus on their attitude and activities towards mitigating risk, driving innovation and diversification** in their business. This has also increased an understanding into how additional socioeconomic and environmental factors have impacted their business (cf. 4.2). This resilience and adaptability provides a **positive picture of how rural businesses are likely to continue operating and innovating** where they can over the coming months. Looking further ahead, EU-Exit adds uncertainty to future trade prospects and legislations for rural businesses.

In terms of **supporting rural digital infrastructure the CSW Broadband project** is continuing to increase the number of premises able to access superfast (30 Mbps) fibre broadband, enabling delivery of full fibre infrastructure to rural areas via the Government's Rural Gigabit Connectivity (RGC) programme, and delivering **full fibre infrastructure to 224 public buildings in Warwickshire** as part of the Government's Local Full Fibre Network (LFFN) programme.

CSW Broadband's aim is to extend the roll-out of superfast broadband into areas of Coventry, Solihull and Warwickshire (CSW) where commercial providers had no plans to do so. It is funded by Government, local authorities and the European Regional Development Fund – and led by Warwickshire County Council.

Before the CSW Project began, **superfast broadband coverage across the whole of Warwickshire was at 73.2%**. By the end of CSW's Contract 3 deployment programme (Dec 2021) this will have risen to around **98%**.

Only **45.4% of Stratford district and 48.4% of North Warwickshire** had superfast coverage before CSW started work. By December 2021, we forecast that our project will have helped to bring superfast broadband **to 95.6% of Stratford District and 99.4% of North Warwickshire**.

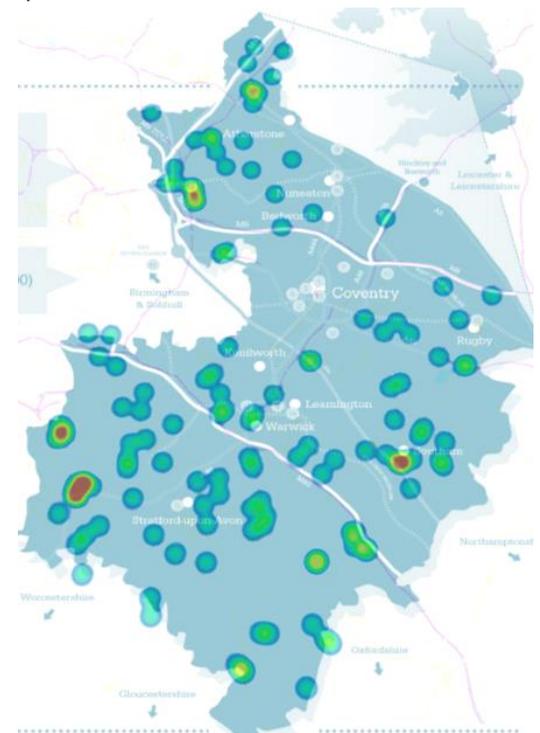
CSW's work in extending the local fibre network **will have brought superfast broadband to nearly 70,000 residential properties and businesses** across Warwickshire by the end of 2021.

## 4.1 CWLEP Growth Hub Business Insights – Rural

Exactly **a third of our business engagements (33.3%) since March 2020 were with businesses that are based in rural postcodes**. This roughly reflects the urban-rural split of Warwickshire's businesses, as 37% of the county's businesses are located in areas classed as rural. Of businesses supported by the Growth Hub since March 2020, **41% are based in "rural town and hamlet"-classified areas, 23% are in "rural villages", 36% are in "rural hamlets and isolated dwellings"** and as the heatmap shows were distributed across all boroughs and districts of the county.

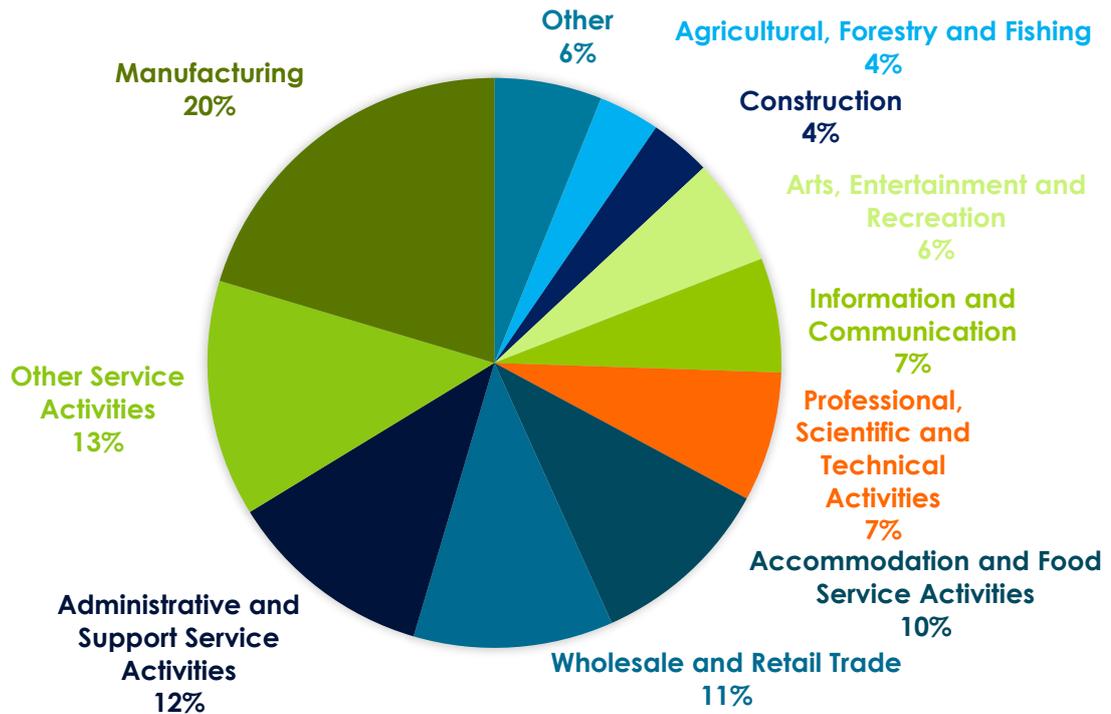
The businesses we supported across the rural areas were from diverse industries. The below pie chart shows that **most work Manufacturing**, ranging from the manufacture of food and drink to "traditional craft" (including carpentry, weaving). However, the **majority operate in high precision engineering & manufacture**, including medical technology. Out of these businesses engaged, 21.5% were sole employees, 49% were micros (2-9 employees), 24% were small (10-49), 5% were medium (50-249) and 0.5% were large (250+) businesses.

In [WCC's 2014 Rural Profile data](#), it is shown that manufacturing accounts as the **top employment sector across the County's rural economy (10.3%) – this includes Jaguar Land Rover's employment figures across Warwickshire**. The **wholesale & retail sector comes in 2<sup>nd</sup> at 9.9%** - Similarly the same data shown the dependence on the tourism sector which accounts for 9.7% of employment across the rural areas. – With these figures roughly reflected in our business profile this also **draws attention to the risk to employment and the dependence of the rural economy on these sectors**.



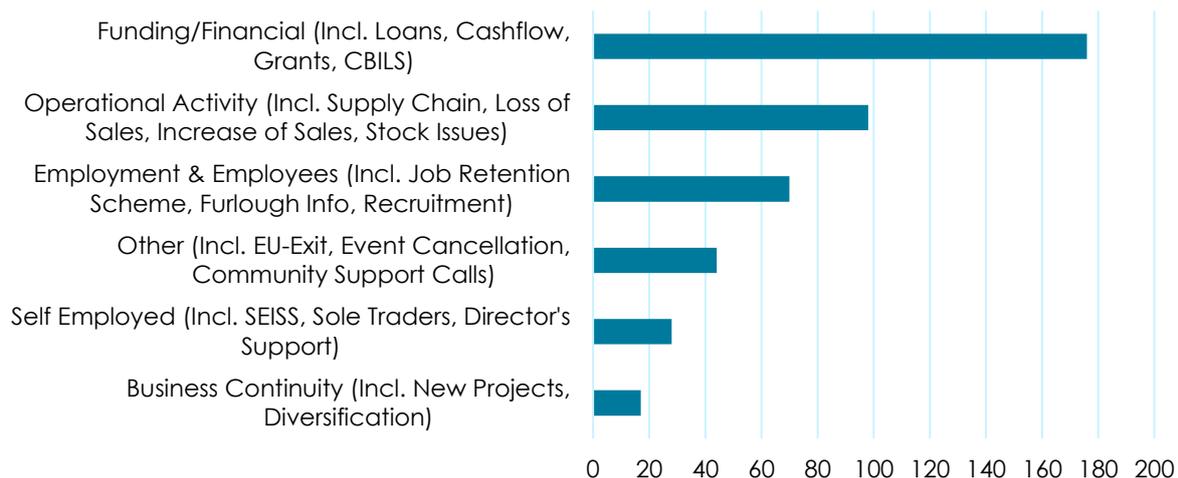
*1 Heatmap showing where rural businesses are located that sought CWLEP Growth Hub support since March 2020*

## RURAL BUSINESSES SUPPORTED BY INDUSTRY



Next to the need for Financial and Funding support – support needs with Operational Activity (including loss of sales, supply chain and stock issues) were those most selected by businesses. A trend across all industries shows that businesses have **experienced difficulties with accessing the grant support schemes**. The reason generally being that they exceeded the rates threshold. Measures rural businesses took to mitigate impact of COVID-19 on businesses **included closing business premises, resorting to working from home where possible and halting non urgent payments or cancelling direct debits**. Whilst retail businesses have started to open up, the rural accommodation and food industry is more hesitant to open up. Businesses **are faced with unclarity around regulations but also with the uncertainty around the visitor economy and consumer confidence** in general.

## What Support Does The Business Need?



Rural businesses are **most affected by decreased sales and bookings and cash flow issues**. With a large amount of accommodation & food and leisure businesses, the **restrictions on business travel and events cancellations** have also had a severe impact.

However, businesses have stated that there are still other factors that pose threats to their business, **including EU-exit and environmental** factors such as the winter floods experienced across the county. On the other hand, there is a general sense that businesses in the rural sector have **been very adaptable and innovative**. This **included food businesses and cafes refocusing to offer takeaway and delivery services** or supporting community projects. Likewise, the **rural manufacturing industry has stepped up to support with the manufacture of PPE** when it was most needed.

### How is COVID19 Affecting Your Business?



## 4.2 Warwickshire Rural Hub

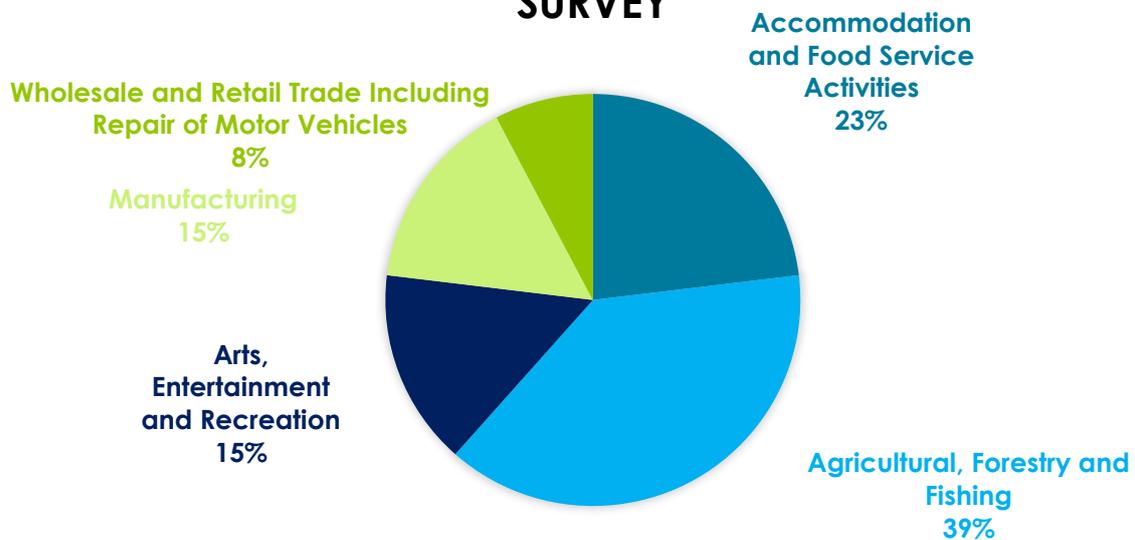
The COVID-19 Impact survey ran from 12<sup>th</sup> May – 15<sup>th</sup> June 2020 and was targeted at 1,300 businesses in Warwickshire County's rural areas.

The [Warwickshire Rural Hub](#) is an organisation that offers free membership to farming businesses and other rural businesses. The Rural Hub was established in 2003 and is **recognised as an example of best practice for practical rural delivery**. The organisation also provides specialist support and **expertise to the farming sector and throughout COVID-19 has been engaging with its membership** by communication the latest information on changes affecting businesses. **Podcasts and webinars have also been offered to support farming businesses throughout this time**.

The survey was initiated by the Rural Hub in collaboration with CWLEP Growth Hub and WCC to **identify challenges that specifically affect rural businesses** – specifically around resilience and access to business support.

The results of the survey has shone **a positive light on the rural sector** as respondents have shown resilience and adaptability throughout the lockdown. 95% of businesses have stated that COVID-19 has adversely affected the business, with the majority of respondents being farming businesses.

## SECTOR PROFILE OF RESPONDENTS TO RURAL HUB SURVEY



- **Business profile of respondents:**
  - 53% are sole traders
  - 37% are micro businesses
  - 5% are small businesses
  - 5% are medium businesses
- **95%** say Covid-19 has adversely affected their business
- **58%** have accessed the Covid-19 financial support schemes
- **58%** says the EU exit had not affected their business
- **58%** are exploring new markets
- **69%** are undertaking innovation in their business
- **58%** do not have a skills gap in their business

The **top three areas for most useful support to them were financial support and advice, easy to access information and access to insurance advice**. These were closely followed by links into local businesses, support with succession planning and mental health and wellbeing support.

The **top three areas for how COVID has impacted their business were loss of income, complete halt to trading and closure of usual trading premises**. This was closely followed by other areas including reduced access to customers abroad, reduced productivity and reduced access to customers in the UK.

### Key issues

- **EU-Exit legislation** – affecting clarity around the future imports of cattle and sheep and other farming product, also exports
- **Broadband connectivity** – some areas are still faced with connectivity issues – whereas other rural areas may have excellent connectivity but gaps are still there – could affect a percentage of businesses and make the difference between enabling businesses to “go digital”, and build their online presence and sales and going under
- **Mental Health and Wellbeing** – key issues have been identified around this area – with business owners and employees facing loneliness and impact of uncertainty and reclusiveness on their mental health
- **Workforce & Skills** – respondents quoted uncertainty around future workforce and skills as less of an issue

## 5. Recommendations

The following recommendations have been derived off the back of careful analysis of macro-economic and business-level data that we have collated from Coventry & Warwickshire-based stakeholders.

### 5.1 Short Term

#### 5.1.a

Short-term recommendations of Central Government-led initiatives that businesses would benefit from:

- Recognising the **interdependency of rural businesses with the hospitality & leisure / food & drink, and arts & culture sectors**. Any delays to supporting the restart of these sectors, will put rural businesses at risk.
- Support consumer confidence through messaging, for example issuing “Do’s and Don’t’s” and **encourage businesses to communicate guidelines for visitors, both through signage and online to create a comfortable visitor experience.** → “Safecation” communications for
  - Conference tourism
  - Small scale family tourism
- Support rural businesses through the **building of digital skills, including digitisation and ICT training to build their web presence.**
- Support **COVID-safe PR exercise to encourage consumer confidence in rural tourism**

#### 5.2.

Short term recommendations of locally led and centrally endorsed initiatives business could benefit from:

- **Double down on efforts to ensure public sector procurement is fully accessible to small businesses during the recovery.** The demand for Personal Protective Equipment (PPE) and hand sanitiser will remain high for the remainder of the year. **If a small firm is in a position to support the national effort by providing PPE that meets all necessary standards, and in sufficient numbers, then public procurement processes need to be accessible to them.** The public sector has made important progress in disaggregating large contracts into smaller lots and this work needs to continue at pace. → On a local scale stakeholders should endorse the use of local procurement, [FinditinCW platform](#) could support these areas.
- Support needed **to allow tourism businesses to put measures in place for “Safecation”**
  - WMCA plan looking at longer term rather than short and medium term  
→ Promote immediate support for tourism
- Support [Buy and Eat Local Food campaign](#)
- Reset of local rural services, **rethinking how we use village shops, village pubs (as outlets of local produce, food and drink, experience destinations)**  
→ As a reset and rethink of how we use spaces – link into innovation offer and bringing superfast broadband into more rural, inaccessible locations
  - Includes supporting businesses with business-friendly rates and planning policies

- Work regionally – monitor state of play in sectors where most workers are furloughed, also with a district by district breakdown to enable us to come up with **targeted measures to support businesses to reopen and minimise how many furloughed workers end up being made redundant**. Particular distinction between sectors that are not yet allowed to reopen 4<sup>th</sup> July and those that are still adjusting to their reopening → **July and August could be key “pressure months”**
- **Prioritise Short-term support for tourism businesses** → Provide short-term solutions to support the sector now

## 5.2 Medium Term

### 5.2.a

Raise **awareness of local collaborations and opportunities** to further strengthen local supply chains → Back local initiatives such as [FinditinCW](#) to support this

### 5.2.b

End of **furlough scheme to be supported by enabling businesses to access further bounce back loans** where this contributes to businesses likely to survive.

- Potential additional “spot checks” or due diligence needed to ensure loans are directed to the right businesses at a specific “health” stage

### 5.2.c

Ensure a **smart, sustainable recovery by providing additional incentives for innovation**, including support for digitalisation and energy efficiency initiatives

### 5.2.d

**Flex and accelerate business support to rural businesses**, through additional resources.

### 5.2.e

Provide certainty around **future trading terms affecting businesses due to the EU-Exit**.

### 5.2.f

**Address and champion the “elephant in the room” around mental health** – affecting people living in isolated areas as much as it does across the region and all industries.

### 5.2.g

**Relax planning laws** to enable businesses and spaces in rural areas to deliver experience tourism, sell local produce and become community hubs etc.

## 5.3 Long Term

### 5.3.a

Accelerate investment in fast and **reliable full fibre broadband and 5G infrastructure** that will act as an **important enabler for future economic growth**, as well as complementary support services to enable businesses to utilise ICT effectively in

maximising their competitiveness. Government should also provide successor funding to Local Growth Fund to deliver transport infrastructure projects that will **accelerate the development of priority commercial sites.**

### **5.3.b**

A **global supply chain resilience programme with key economic partner countries** to maintain current trade flows and remove administrative restrictions

### **5.3.c**

**Investment in the business support infrastructure** (including Growth Hubs, International Trade and Inward Investment) is maintained longer-term to marshal a sustained recovery, and that successful local business support schemes are maintained and enhanced once EU Structural Funding expires.

### **5.3.d**

Longer-term, businesses could benefit from further financial support to stimulate **innovation in key sectors, with additional incentives for rural businesses**