

Coronavirus: Phase 2 delivery plan

August 2020



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For further information please go to
www.humberlep.org/coronavirus

Key used in this document

* Subject to bid outcome

** Subject to expected Government funding

HEY Hull & East Yorkshire only

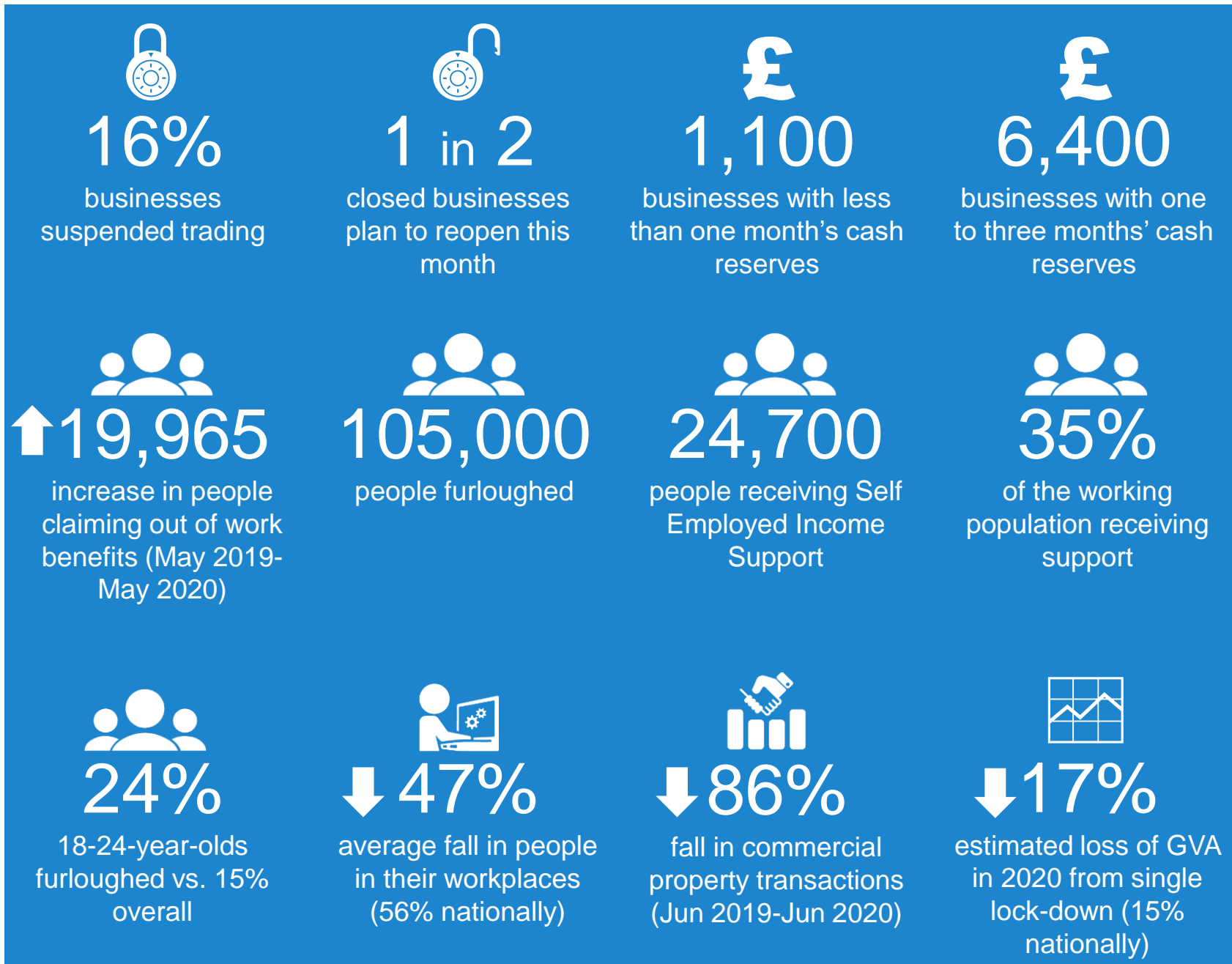
The coronavirus pandemic has had an unprecedented impact on economies around the world.

While the initial economic impact on the Humber of the UK-wide lockdown that began on 23 March is now becoming clearer, its implications will be felt for years to come.

The Humber's critical industries – including the ports, energy generation, oil refining, chemicals production, agriculture and food manufacturing – operated throughout lockdown, serving the nation with power, food and essential goods.

So too did businesses providing essential services such as care, food retail and telecommunications, and many other businesses found a way to adapt to keep trading, whether by implementing social distancing in factories or introducing homeworking on a scale never seen before.

However, a great many businesses were forced to temporarily close, and across the Humber over 105,000 people were placed on furlough.



Organisations across the Humber came together to support businesses and residents through the coronavirus pandemic.

In the first phase, the Humber emergency response was co-ordinated through two groups working closely together:

- The **Humber Local Resilience Forum (LRF)**, a multi-agency partnership made up of representatives from local public services, the emergency services, local authorities, the NHS, the Humber LEP, Environment Agency and others. It has been enabling a systematic, planned and co-ordinated approach to responding to all aspects of the Covid-19 response in the area, strengthening local resilience through multi agency collaboration.
- The **Humber Economic Resilience Group (HERG)**, convened by the Humber LEP and including business membership and support organisations and local authorities, co-ordinated the economic response. HERG helped more businesses find support and guidance, redirected local resources to help businesses most in need, and gathered intelligence on the economic impact of the crisis to share with local decision-makers and Government.

As part of this, HERG brought together OneHumber week – a programme of over 30 free events organised by 17 organisations at the beginning of June 2020 that enabled hundreds of businesses to come together and share knowledge to support them to rethink and rebuild together.

The Humber LEP also worked with partners to launch the Humber Jobs Fuse service, matching people with vacancies, and a support portal for businesses to offer help to the local emergency response – backed up by warehousing capacity donated by two local businesses.

The Humber Business Growth Hub kept local organisations up to date with 101 different identified sources of Government and local support, and informed Government of 276 issues raised by individual firms.

At the local level, in addition to their role in managing the public health emergency, Humber local authorities have so far distributed over £181m of Government grants to 16,000 businesses and – as partners in the Humber Business Growth Hub – were on the front line in responding to thousands of business enquiries.

Despite the unprecedented economic impact coronavirus had on our economy during this time, businesses across the Humber stepped forward to help the emergency response – donating PPE equipment and food to those most in need, innovating to rapidly manufacture new PPE equipment to address supply shortages, and working hard to support the communities they serve, including keeping essential businesses open.

This help from businesses complemented the exceptional work done by people in our local NHS and care services, local authorities, emergency services, military, charities and other organisations, together with countless individual volunteers, to keep us as safe as possible in extraordinary times.



196

offers to help with PPE and other key supplies via the LEP's portal



3,130

items of PPE donated via the central hub



3,000

Easter Eggs donated and distributed to key workers and food banks



10,607

enquiries handled by the Growth Hub



120

Growth Hub grants, worth £332,980, made to support SME home working



1,239

participants in 51 Growth Hub coronavirus recovery webinars

Nobody knows how long we will have to live with coronavirus. As Government releases the lockdown, our economy is adapting again so more businesses can trade and people can work while the virus is tackled.

More businesses are now able to reopen if they implement measures to be Covid-Secure. However, it will not be viable for all of them to do so. Demand is likely to take some time to recover and the costs of adaptation will need to be borne. Many Humber businesses have taken on new debt, including through Government-backed schemes, and in time this will also need to be repaid.

The economic damage from coronavirus is only beginning and we are likely to see many more business closures and people made unemployed in the months ahead.

The Humber's response to this second phase will be as important as to the first.

Previous economic downturns have hit our region hard and it has taken us longer to recover than elsewhere. Before the crisis we were growing – but more slowly than many parts of the UK.

Analysis by Hatch for the Humber LEP shows that, based on an estimated 17% loss of Gross Value Added (GVA) in 2020, the region would need to treble its historic growth rate of 1% over the last nine years in order to recover lost ground by 2023 – an enormous challenge, even without a second peak in the virus.

The economic response and the health response are interconnected. People who are in work are likely to be healthier, happier and live longer than those who are unemployed. Employee wellbeing supports productivity. Protecting jobs and creating new ones is important for health, wellbeing and reducing inequality, as well as economic output.

Before the pandemic struck, the Humber was making good progress. We had recently experienced record employment levels. Over recent years, our region had welcomed a series of major business investments, from international R&D centres to new manufacturing, and had become established as the UK's leading hub for the growing offshore wind sector. The Energy Estuary had a bright future ahead in making an essential contribution to the UK's goal of achieving net zero carbon emissions by 2050.

The coronavirus pandemic has not changed the long-term potential of the Humber economy or its strategic importance to the UK.

Throughout lockdown, work has continued on business investments and public infrastructure projects that will help to transform our future. As they come to fruition, they will also now help to stimulate our economic recovery from this crisis.

The strategic vision the region set out together in the draft Humber Local Industrial Strategy – for more clean growth and new manufacturing linked to our ports – is still the right one and we are still working towards it.

However, in the short term we need to work hard together to support the economy we have today and prepare the ground for the future.

This plan sets out how the Humber LEP will prioritise existing resources to work with our partners to help the Humber's businesses and people through this next phase. It is a live document that we will update as circumstances change and our response evolves, guided by the input of the Humber Economic Resilience Group, our Board and sub-boards and our partners.

Alongside this, we will continue to work with our partners on the longer term strategic opportunities for the Humber, and develop the plans and projects that will accelerate our future growth.

Later this year, when Government will publish a white paper on the local recovery and carry out a Spending Review, we will set out how we intend to move forward with our Local Industrial Strategy to build a cleaner, more productive and more inclusive local economy.

We welcome feedback on this plan and want to work with organisations across the region to deliver it. You can contact us at covid19@humberlep.org and visit our website at www.humberlep.org/coronavirus for the latest information.

By continuing to work hard together, we aim to ensure that our economy emerges from this crisis in the best possible shape for the future.

Objective: To ensure businesses can access the guidance and support required to reopen/continue trading in the next phase, and to make necessary adjustments to ensure their longer term viability

Issues to address	How the LEP will add value		
<ul style="list-style-type: none"> • Social distancing impact • Lower & uncertain demand • Liquidity • Supply chain disruption • Redundancies 	Existing delivery	New delivery	Future options
<p>Partner delivery</p> <ul style="list-style-type: none"> • Business intelligence and comms led by HERG • Range of Government-backed financial support • Range of membership organisation services • Local authority grants, advisors and city/town centre reopening plans 	<ul style="list-style-type: none"> • Comms to raise awareness of guidance and support • 1:1 Growth Hub advice • Growth Hub #GrowMySME webinar programme • Growth Hub #GrowMySME grants for consultancy • Humber Jobs Fuse – recruitment/redundancy support • Supply Chain Network (part-funded by Growth Hub) • Regulator engagement through BBfA Humber 	<p>Starting in 2020/21</p> <ul style="list-style-type: none"> • £1-3k consultancy / minor equipment grants for SMEs via the Growth Hub (£143k visitor economy + £358k general) • Modification of Humber High Street Challenge Fund to support city/town centre adaptation • Growing Hull & East Yorkshire capital grant scheme (£1.5m over 18 months) <small>HEY</small> 	<ul style="list-style-type: none"> • Some sectors may take longer to recover – advocate extended/bespoke support • Ongoing exploration of supply chain development and innovation opportunities

Objective: To encourage and support the increased creation of new businesses, and provide ongoing support for start-ups to improve longer term survival rates

Issues to address	How the LEP will add value		
<ul style="list-style-type: none"> Lower than average start-up, scale-up and survival rates in the Humber Likely increased interest in starting businesses Shortage of start-up support in some areas 	Existing delivery	New delivery	Future options
	<p data-bbox="17 822 642 889">Partner delivery</p> <ul style="list-style-type: none"> Advisors in some local authorities, e-Factor & Sirius Start-up Loans & support (Acorn Fund, BEF) New Enterprise Allowance (DWP) Peer support (FEO) 	<ul style="list-style-type: none"> Resources on Growth Hub website Growth Hub ICT Business Start Up Grants of £1,000 for businesses under 12 months old Pre-start support not currently eligible under Growth Hub contracts 	<p data-bbox="1274 439 1903 496">Starting in 2020/21</p> <ul style="list-style-type: none"> New Growth Hub start-up advisors (4) Programme of start-up webinars and peer support sessions Start-up toolkits and digital resources Marketing campaign to encourage start-ups Promotion of new start-ups in partnership with media
<p data-bbox="1274 1196 1903 1253">2021+</p> <ul style="list-style-type: none"> Continue the above if funding is available 			

Objective: To ensure Humber SMEs can access impartial business advice and appropriate funding options to support their growth and productivity

Issues to address	How the LEP will add value			
<ul style="list-style-type: none"> Existing lower than average growth rates Limited take-up of alternative finance Limited availability of support for productivity improvements 	Existing delivery	New delivery	Future options	
	<ul style="list-style-type: none"> Core Growth Hub advice and signposting service Growth Hub #GrowMySME programmes (business growth, finance & ICT) – general & specialist advisors, workshops, grants and sector, scale-up & supply chain development – funded until 2021/22 Business Loan Fund (for capital activity) Growing the Humber capital grant programme – nearly fully allocated Humber Enterprise Zone 	Starting in 2020/21		<ul style="list-style-type: none"> Potential to explore alternative funding structures and sources in the future
		<ul style="list-style-type: none"> Peer to peer productivity programme pilot Growing Hull & East Yorkshire capital grant scheme (£1.5m over 18 months) <small>HEY</small> 		
<p>Partner delivery</p> <ul style="list-style-type: none"> Advisors in local authorities, e-Factor & Sirius Range of support available from membership organisations, consultants & Government agencies Northern Powerhouse Investment Fund 		2021+		

Objective: To support Humber SMEs to upskill, reskill and expand their workforces

Issues to address	How the LEP will add value		
<ul style="list-style-type: none"> • Lower than average skills levels in the region • Need for upskilling to support digitalisation and productivity improvements • Likely displacement of workers in the recession • Leadership & management skills gap 	Existing delivery	New delivery	Future options
	<p style="text-align: center;">Partner delivery</p> <ul style="list-style-type: none"> • Range of commercial training services available • Skills for Growth programme (Hull) 	<ul style="list-style-type: none"> • Humber Jobs Fuse – support to promote vacancies and respond to redundancies • Skills Support for the Workforce (SSW) Programme – fully funded upskilling training and development (funded by Humber ESF) • Growth Hub #GrowMySME workforce development workshops 	<p style="text-align: center;">Starting in 2020/21</p> <ul style="list-style-type: none"> • New Growth Hub workforce development advisor • Leadership & Management, Digital and 50+ skills support (subject to outcome of recent ESF calls)* • 50% expansion of existing SSW contract
<p style="text-align: center;">2021+</p> <ul style="list-style-type: none"> • Extension of Growth Hub workforce development advisor role* 			

Objective: To support large businesses to grow, reinvest and recruit, and to encourage the development of local supply chains

Issues to address	How the LEP will add value		
<ul style="list-style-type: none"> Exposure to global decisions and Brexit impact Skills shortages, recruitment issues and reduction in apprenticeships 	Existing delivery	New delivery	Future options
	<p>Partner delivery</p> <ul style="list-style-type: none"> Local authority key account management Bespoke training and recruitment response to major investments 	<ul style="list-style-type: none"> Relationship approach Business Loan Fund Humber Jobs Fuse – support to promote vacancies and respond to redundancies Humber Enterprise Zone incentives Single Conversation approach to planning on major developments Supply Chain Network 	<p>Starting in 2020/21</p> <ul style="list-style-type: none"> Additional Key Account Management capacity for foreign-owned businesses New Growth Hub workforce development advisor* New Growth Hub consultancy framework <p>2021+</p> <ul style="list-style-type: none"> Extension of the above*

Objective: To support people in work to progress, upskill and retrain where necessary to maximise the current and future workforce

Issues to address	How the LEP will add value		
<ul style="list-style-type: none"> • Low skills and low pay levels of Humber workforce in comparison to national data • Recruitment challenges to fill new roles • Unspent Apprenticeship Levy • Physical and mental health 	Existing delivery	New delivery	Future options
	<ul style="list-style-type: none"> • SAP data analysis and workshops provided to influence skills provision, linking to growth sectors • Current ESF programmes e.g. SSW 	Starting in 2020/21	<ul style="list-style-type: none"> • Apprenticeship/T Level matching service to maximise levy funding • Potential delivery of the Mid-life MOT pilot 2 • Use of UKSPF to address new training needs • Potential funding for mental health support for individuals/employers
		<ul style="list-style-type: none"> • Leadership & Management, Digital and 50+ skills support (subject to outcome of recent ESF calls)* 	
Partner delivery			
<ul style="list-style-type: none"> • T level roll out from Sept 2020 • Institute of Technology – new level four provision • Higher and Degree level apprenticeships delivery • Action to improve workplace health 			

Objective: To support those looking for work by minimising individuals’ gaps in employment, upskilling longer term benefit claimants and encouraging employers to consider a more diverse workforce

Issues to address	How the LEP will add value		
<ul style="list-style-type: none"> Rise in unemployment, including youth unemployment and people aged 50+ ESA, people with disabilities, physical and mental health conditions and other disadvantaged groups Low skills levels including digital exclusion, skills and confidence 	Existing delivery	New delivery	Future options
		Starting in 2020/21	
	<ul style="list-style-type: none"> CEC careers programmes, linking careers to Humber sectors for young people entering the workforce this year, supporting high quality careers education ESF current programmes e.g. YEI, Springboard & SSW Humber Jobs Fuse – careers advice/promotion of vacancies Local Digital Skills Partnership pilot 	<ul style="list-style-type: none"> Leadership & Management, Digital and 50+ skills support (subject to outcome of recent ESF calls)* New Growth Hub workforce development advisor will help to promote apprenticeships, traineeships subsidies and T levels 	<ul style="list-style-type: none"> Funding for extension of Humber Jobs Fuse to full matching service, working with existing & new partners UKSPF funds to deliver interventions to targeted groups e.g. supporting people with disabilities, health conditions and other priority groups. Lobby for more flexibility with provider use of AEB. Funding for extension of Local Digital Skills pilot
Partner delivery			
<ul style="list-style-type: none"> JCP - new and enhanced programmes and community based Youth Hubs A ‘Plan for Jobs’ initiatives and subsidies NCS adult career advice Health and wellbeing sector action to address barriers to work 			

Objective: To maximise the education and skills levels of people in education or training to support people into good jobs with positive career prospects

Issues to address	How the LEP will add value		
<ul style="list-style-type: none"> GCSE English and Maths achievement levels low No of Humber people qualified to Level 4+ Employer understanding/use of Apprenticeship Levy 	Existing delivery	New delivery	Future options
	<p>Partner delivery</p> <ul style="list-style-type: none"> Institute of Technology Range of higher and degree level apprenticeships A 'Plan for Jobs' - employer subsidies for apprenticeships and traineeships Health and wellbeing sector action to address barriers to education and training 	<ul style="list-style-type: none"> Apprenticeship Working Group seeking Government policy flexibilities CEC work to raise awareness of Humber sectoral opportunities (to 2021) Growth Deal Skills Capital Programme 	<p>Starting in 2020/21</p> <ul style="list-style-type: none"> New Growth Hub workforce development advisor (apprenticeships, traineeships and T levels) Work Experience – increasing capacity of SMEs to provide placements for schools and colleges (ESF in appraisal, potentially to start Autumn 2020/21)*

Objective: To support investment that improves the quality of infrastructure in the Humber and supports continued employment in the construction sector

Issues to address	How the LEP will add value		
<ul style="list-style-type: none"> • Coronavirus disruption to construction schedules • Congestion, transport network resilience and access to employment • Availability of sites and premises • Flood risk • Housing market renewal • City and town centre regeneration 	Growth Deal	Getting Building Fund ^{HEY}	Other activity
	Under construction during 2020/21	Starting in 2020/21	<ul style="list-style-type: none"> • Feasibility funding for Ferriby/Melton Parkway station • Single Conversation process for major developments • Project pipeline development • Ongoing partnership activity with local authorities, Transport for the North and Environment Agency to progress major projects
	<ul style="list-style-type: none"> • River Hull flood defences • Cleethorpes and Grimsby regeneration • Stoneferry Road corridor highways improvements • A180 improvements • Delivering Housing Growth in Hull 2 • Priory Park road upgrade 	<ul style="list-style-type: none"> • Hull and East Yorkshire Highways Resilience Programme • RaisE Business Centre and Innovation Hub, Goole • Ings accelerated housing delivery • Wawne 2 accelerated housing delivery • Hull & East Yorkshire Cycle Route Delivery Programme Phase 1 	
Partner delivery	<ul style="list-style-type: none"> • Humber High Street Challenge Fund • Brough Relief Road Ph. 3 • Skills capital projects 	<ul style="list-style-type: none"> • Managed workspace programme (Beverley and Hull) 	

All projects are delivered by partners, alongside their wider capital programmes

Below are some of the priority wider actions we are taking in 2020/21 to deliver on the strategic opportunities outlined in the draft Humber Local Industrial Strategy.

Clean Growth

- Working with CATCH to develop a roadmap for decarbonising the Humber industrial cluster, which could lead to new Carbon Capture & Storage and hydrogen production
- Working with the offshore wind sector to develop a prospectus for the next stage of its development in the Humber

Ports & Manufacturing

- Developing a response to the Government's consultation on freeports, with a view to leading a bid for a Humber Freeport
- Supporting the Supply Chain Network through the Growth Hub

Knowledge Economy

- Supporting the expansion of C4DI in Hull through our Growth Deal (currently under construction)

Below are some of the priority wider actions we are taking in 2020/21 to support the foundations of growing the Humber economy, as outlined in the draft Humber Local Industrial Strategy.

Ideas	<ul style="list-style-type: none">• Supporting the Spark Fund, Aura Innovation Centre and Flood Innovation Centre delivered by the University of Hull through the Humber ERDF programme
People	<ul style="list-style-type: none">• Growth Deal investment in new training facilities for construction, engineering, process industries and energy• Partnership activity to deliver the Employment and Skills Strategy
Infrastructure	<ul style="list-style-type: none">• Ongoing Growth Deal investment• Project pipeline refresh

Business Environment

- Ongoing delivery of the Humber Business Growth Hub, Growing the Humber grant programme and Business Loan Fund
- Growth Deal investment in new business space in North East Lincolnshire
- Support for a range of business support activities and the Northern Powerhouse Investment Fund through the Humber ERDF programme
- Partnership work with regulators and planning authorities through Better Business for All Humber and the Single Conversation

Places

- Growth Deal investment in priority city and town centre locations through the Humber High Street Challenge
- Growth Deal investment to enable new housing in Hull
- Growth Deal investment in Grimsby and Cleethorpes regeneration projects
- Working with local authorities to support Town Deal proposals for Grimsby, Scunthorpe and Goole