

PERTH AND KINROSS COUNCIL

30 July 2020

UPDATE ON THE ECONOMIC RECOVERY PLAN

Report by Interim Chief Operating Officer (Report No. 20/125)

This report provides a brief update on the development of an Economic Recovery Plan, and outlines the various actions taken by the Council and its partners in responding to the economic downturn as a result of the Covid 19 outbreak. The draft plan for consultation is attached as an appendix. The final draft will be brought to the first meeting of the Council, following the review of the revenue budget and setting of the capital budget at the end of September 2020.

1. BACKGROUND

- 1.1 COVID-19 and the consequential lockdown is unprecedented because of its significant simultaneous impact on the economy globally, nationally and locally. Restrictions on business operations have severely disrupted all business sectors, but in particular retail, hospitality and tourism which are very important to the Perth and Kinross economy.
- 1.2 Economic recovery will take many months and possibly years, and some businesses may not survive the ongoing requirement to maintain physical distancing that will severely reduce their revenues and profitability. The Council, working in partnership with the Scottish Government, Scottish Enterprise, Skills Development Scotland and private and third sector business support organisations, will do all it can reasonably do to protect business and jobs. The scale of the challenge should not be underestimated, and the impacts of job loss are already being experienced by many individuals and families across Perth and Kinross.
- 1.3 During the early stages of lockdown from mid-March to the end of April, the Council received over 500 enquiries from businesses looking for support and advice. The majority of these related to information on the various business grants and loans that were rapidly introduced and administered on behalf of the Scottish Government by the Council. Some 3538 businesses have received grants to date (totalling £36.32M).
- 1.4 A Covid-19 Business Task Force was established comprising the Council, Business Gateway, Scottish Enterprise, Perthshire Chamber of Commerce, Growbiz, Federation of Small Businesses, Perthshire Tourism Partnership and the Perth Traders Association. This Task Force has continued to meet weekly during the response phase.
- 1.5 The Council also developed additional website pages highlighting the support available for Businesses ([Business Support web link](#)), and continues to produce a [Business Bulletin](#) which is circulated to over 1000 businesses and

250 other individuals. Further detail is also included in Report 20/124 also on the agenda for this Council meeting.

- 1.6 The attached DRAFT Recover/Grow Economic Wellbeing Plan outlines, in detail, the various actions taken by the Council and other partners to date. It also outlines a proposed way forward, developed by the Business Task Force, which includes a programme of actions under 3 main headings of support for People, Business and Place. There are a range of interventions that are required to ensure recovery of the local economy. These include short term response measures supporting business survival and keeping people in employment; medium term measures extending support to key sectors and catalytic investment projects to generate employment and confidence; and long-term measures geared towards the decarbonisation and digitisation of the economy.
- 1.7 On 22 June 2020, the Scottish Government published a report ***“Towards a robust, resilient, wellbeing economy for Scotland”*** developed by their Independent Advisory Group on Economic Recovery. The report outlined 25 recommendation and includes a ***“call to action”*** to the Scottish Government, the public sector and our private and third sector partners. Our draft plan is our initial response to that report.

2. DRAFT PLAN CONSULTATION PROCESS

- 2.1 The draft plan will be circulated to partners and the wider business community for feedback and comments during August. We also plan to issue a further Business Barometer in mid August to gauge how businesses are coping now that lockdown measures are easing and the majority of businesses are now able to trade. The feedback from both exercises will feed into a final draft which will be considered by the Council in October 2020.

3. CONCLUSION AND RECOMMENDATION(S)

- 3.1 The report and the appendix attached summarise our response to the sudden and devastating economic downturn caused by Covid 19. Our Draft Recovery Plan will now be subject to wide consultation to shape the final version for approval by Council..
- 3.2 It is recommended that the Council:
 - (a) notes the progress made to date, in terms of our response to the pandemic in supporting local businesses and the economy.
 - (b) notes the draft Economic Wellbeing Plan, and agrees to the proposed Consultation process.
 - (c) requests that a final draft is brought to the first meeting of the Council, following the the review of the revenue budget and the setting of the capital budget at the end of September 2020.

Author(s)

Name	Designation	Contact Details
Alison Seggie	Employability, Skills & Special Projects Manager	01738 475000

Approved

Name	Designation	Date
Karen Donaldson	Interim Chief Operating Officer	24 July 2020

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1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

Strategic Implications	Yes / None
Community Plan / Single Outcome Agreement	Yes
Corporate Plan	Yes
Resource Implications	
Financial	Yes
Workforce	Yes
Asset Management (land, property, IST)	Yes
Assessments	
Equality Impact Assessment	Yes
Strategic Environmental Assessment	Yes
Sustainability (community, economic, environmental)	Yes
Legal and Governance	Yes
Risk	Yes
Consultation	
Internal	Yes
External	Yes
Communication	
Communications Plan	Yes

1. Strategic Implications

Community Plan/Single Outcome Agreement

- 1.1 The proposals relate to the delivery of the following objective as set as within the Perth and Kinross Community Plan:-

- “Promoting a prosperous, inclusive and sustainable economy”.

Corporate Plan

- 1.2 The proposals relate to the achievement of all the following priority as set out in the Council’s Corporate Plan:-

- “Promoting a prosperous, inclusive and sustainable economy.”

2. Resource Implications

Financial

- 2.1 There are no direct financial implications of this specific report regarding the consultation draft, however the final draft that will be brought forward for approval first meeting of the Council, following the review of the revenue budget and the setting of the capital budget at the end of September 2020 will also have a funding column/table which will outline the financial implications and requests for additional funding.

Workforce

- 2.2 The recommendations in this report do not have any direct implications for the Council's workforce. However, it is likely that some staff may be required to undertake different duties to allow us to implement the Economic Wellbeing Plan. Additional staff or staff re-tasked from other council services may be required to help us implement the final plan. This may be considered as part of the revenue and capital budget process.

Asset Management (land, property, IT)

- 2.3 There are no direct Asset Management implications arising from this report. However, some potential actions in the draft plan could have implications for Council assets.

3. Assessments

Equality Impact Assessment

- 3.1 Under the Equality Act 2010, the Council is required to eliminate discrimination, advance equality of opportunity, and foster good relations between equality groups. Carrying out Equality Impact Assessments for plans and policies allows the Council to demonstrate that it is meeting these duties. An Equality Impact Assessment will be carried out on the final draft plan. The focus of the plan is on Economic Wellbeing and we will ensure that it will consider the implications for all groups in society.

Strategic Environmental Assessment

- 3.2 The Environmental Assessment (Scotland) Act 2005 places a duty on the Council to identify and assess the environmental consequences of its proposals. An Environmental Impact Assessment will be undertaken for the overarching Recovery Plan of which the Economic Wellbeing Plan is a subset/workstream, and as such should not require its own Assessment.

Sustainability

- 3.3 Under the provisions of the Local Government in Scotland Act 2003, the Council has to discharge its duties in a way which contributes to the achievement of sustainable development. Under the Climate Change (Scotland) Act 2009, the Council also has a duty relating to climate change and, in exercising its functions must act:
- in the way best calculated to delivery of the Act's emissions reduction targets;
 - in the way best calculated to deliver any statutory adaptation programmes; and
 - in a way that it considers most sustainable.
- 3.4 Addressing Climate Change is a priority for Perth and Kinross and the Council will deliver on its duties in this regard as recovery and renewal plans are

developed and drafted. Again as per the Environmental Assessment the overarching Recovery and Renewal Plan will undertake a review of how it will contribute to sustainable development and climate change. The Economic Recovery Plan is a sub-set of the overall Plan and therefore it will be covered by that wider assessment. Addressing Climate Change and low carbon are themes already identified within the draft Economic Wellbeing Plan.

Legal and Governance

- 3.5 The Head of Legal and Governance has been consulted on this report.

Risk

- 3.6 The development of the Economic Wellbeing Plan for Perth and Kinross is a significant piece of work, which could cover a long period of time and effect what the Council and its partners do. There will be some risks associated with this work and these will be identified and managed using recognised risk management approaches.

4. Consultation

Internal

- 4.1 All members of the Council's Corporate Management team have been consulted in the preparation of this report. In addition the Council's Recovery Member Officer Group have been consulted on the draft Plan.

External

- 4.2 The proposed approach to Recovery and Renewal has been discussed with the Community Planning Partnership, and the attached Strategy has been distributed for comments. It will be essential that external consultation and the views of all stakeholders are gathered in the preparation of any recovery and renewal plans or proposals. The draft Economic Wellbeing Plan will be subject to consultation with a wide variety of partner organisations and the wider business community.

5. Communication

- 5.1 The communication arrangements will be developed through a Communications Plan which is still to be drafted, and will feed into the consultation and engagement plan for the overall Recovery and Renewal Plan.

2. BACKGROUND PAPERS

- 2.1 None

3. APPENDICES

- 3.1 Appendix A - Draft Economic Wellbeing Plan