

PERTH AND KINROSS COUNCIL

31 March 2021

ECONOMIC WELLBEING PLAN

Report by Head of Planning and Development
(Report No. 21/37)

PURPOSE OF REPORT

This report seeks approval of the Economic Wellbeing Plan, co-produced by a number of enterprise support network organisations to assist economic recovery as a result of the impact of Covid-19. The plan summarises the progress in supporting businesses and individuals as well as the economic impact on the local economy to date.

1. BACKGROUND

- 1.1 The Council noted at its meeting of 30 July 2020, the initial economic response to the pandemic. It also outlined a draft version of our proposed Economic Wellbeing Plan for consultation with the local business community, wider partnership and other relevant organisations (Report No. 20/125 refers).
- 1.2 Over the past year, the Council has continued to support businesses and individuals in a wide range of ways, including:
 - establishing and coordinating a Business Task Force comprising the Council, the Perthshire Chamber of Commerce, the Business Gateway, Growbiz, Federation of Small Businesses, Perthshire Tourism Partnership and the Perth Traders Association.
 - providing advice and guidance directly by phone, email and through our website – to both businesses and individuals affected.
 - administering multiple Scottish Government business grants totalling £57m (as of 12 March) to almost 9000 successful applicants.
 - publishing a regular Business Bulletin which is circulated to over 1000 businesses.
 - carrying out two Business Barometer surveys to gauge the impact on businesses, with a third scheduled for April 2021.
 - providing employability support to individuals made redundant to support them to find new jobs.
 - regularly monitoring local economic indicators to establish the on-going impact of the recession on the economy.

- 1.3 The attached Economic Wellbeing Plan (Appendix 1) outlines, in more detail, the various actions taken by the Council and other partners to date. It also sets out the Business Task Force's recommended way forward principally based on a programme of actions under the 3 main headings of support for People, Business and Place. Sub-groups have been established to take forward projects and actions, and to monitor impact.
- 1.4 There are a wide range of interventions that economic development practitioners across the partnership believe are required to help the local economy recover. These include short term response measures supporting business survival and keeping people in employment; medium term measures extending support to key sectors with catalytic investment projects to generate employment and confidence; and long-term measures geared towards the decarbonisation and digitisation of the economy.
- 1.5 The overall cost of delivering the Economic Wellbeing Plan between now and 2024 is estimated to be in the order of **£490m** (with capital expenditure beyond 2024). This is broadly allocated as follows:
- People actions (£15m)
 - Business actions (£250m)
 - Place actions (£225m)
- 1.6 The capital expenditure identified in the plan is already largely secured through the Council's current budget, the Tay Cities Deal and other sources; the principal exception being the Perth Eco-Innovation Park. It is also recognised that a significant part of the proposed revenue expenditure remains wholly unfunded, and this is identified in the Plan (Appendix 1). The Task Force partners will endeavour to secure as much external funding as possible, and any remaining shortfall may be considered by the Council as part of the revenue budget setting process in future years. £1.525 million of non-recurring revenue expenditure to support a prosperous, inclusive and sustainable economy was approved by the Council at its budget setting meeting on 10 March 2021. The projects allocated funding are:

People

- Perth and Kinross Skills Passport £250,000 (over two years)

Business

- Business investment crowd funding £175,000
- Microbusiness grants £200,000

Place

- Adapt your property £350,000
- Open for business property improvement fund £200,000

- Marketing and visitor management £250,000
- Car park charging freeze £100,000

2. CONSULTATION PROCESS

2.1 In line with the principles of the Perth and Kinross Offer, the plan has been co-created by the Business Task Force Partners. Both editions of the Business Barometer also collated concerns and suggested actions from local businesses. The draft plan was circulated to other partners, the wider business community and the public for feedback and comment during August and September 2020. The plan was the subject of a briefing to all elected members on 22 February 2021 and reviewed in a workshop on 16 March 2021. Throughout the consultation process, there has been consistent feedback on the issues and required responses. These are summarised below including the key feedback from the recent workshop with elected members:

- the emphasis on digital skills and business digitalisation is positively supported.
- the role of the third sector and the need to take account of fairness and equality, particularly when supporting people, were highlighted. In response to this, it is the intention to carry out an Equality Impact Assessment on this final version of the plan.
- the importance of public transport and active travel to help recovery was highlighted, as well provision of safe spaces for people to use for leisure or work.
- the plan's emphasis on clean growth was positively supported, as well as support for business innovation.
- the importance of natural assets including biodiversity to support the local economy such as tourism or food and drink. In response to this, an additional action has been incorporated to support investment in natural assets.
- the importance of cultural attractions both in Perth City and the rural areas in supporting the visitor economy and tourism sector has been recognised.
- there were some concerns expressed that the projects within the plan were perhaps too Perth centric; however, additional rural projects are now included and, overall, around 70% of all the projects included in the plan will impact across the whole of Perth and Kinross.
- the impact of the Tay Cities Deal is now highlighted within the plan as an opportunity to focus on several key transformational projects for Perth and Kinross and the wider region.
- the plan needs to be agile and capable of responding to new data or the currently unknown economic consequences of the pandemic.

- the plan needs to be evidence-based, and performance monitored to learn from experience and adapt.

3. CONCLUSION AND RECOMMENDATIONS

- 3.1 The Economic Wellbeing Plan sets out the Council and its economic development partners' proposed response to the economic downturn and recession caused by Covid-19. It is a bold and ambitious plan that officers recognise must continually be adapted to respond to the situation on the ground. The plan must also align with, and complement, future support from the Scottish and UK Governments and their agencies. Officers also recognise that full implementation will require additional revenue and capital resource to be considered as part of bids for external funding and, potentially, the Council's future budget setting process.
- 3.2 Following consideration by the Council, the plan will be designed and published online for use by all the partners. The Business Task Force will undertake regular monitoring with update reports submitted to the Community Planning Partnership and the Strategic Policy & Resources Committee.
- 3.3 It is recommended that the Council:
- notes the progress made to date in supporting local businesses and individuals through the pandemic.
 - agrees the integrated programme of activities recommended by the partners as set out within the Economic Wellbeing Plan, along with the monitoring arrangements outlined in section 3.2.
 - notes that £1.525 million of non-recurring expenditure to support economic recovery has been approved as part of the Council's 2021/22 revenue budget.
 - notes that the plan's full implementation will require additional revenue and capital expenditure to be made by the Council, partners and other external agencies.

Author

Name	Designation	Contact Details
David Littlejohn	Head of Planning & Development	dlittlejohn@pkc.gov.uk

Approved

Name	Designation	Date
Barbara Renton	Executive Director (Communities)	23 March 2021

If you or someone you know would like a copy of this document in another language or format, (on occasion, only a summary of the document will be provided in translation), this can be arranged by contacting the Customer Service Centre on 01738 475000.

You can also send us a text message on 07824 498145.

All Council Services can offer a telephone translation facility.

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 significant financial implications to implement the Economic Wellbeing Plan. Some additional new projects and actions have been identified for which no budget is currently available. This will be considered the budget setting process in future years.

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 implementation the Economic Wellbeing Plan.

Asset Management (land, property, IT)

- 2.3 There are no direct Asset Management implications arising from this report. However, some potential actions in the 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 version of the plan once the resource issue has been resolved. The focus of the plan is on Economic Wellbeing and officers will ensure that implementation can benefit 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 sub-set/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.

Legal and Governance

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

Risk

- 3.5 The development of the Economic Wellbeing Plan for Perth and Kinross is a significant piece of work, which will 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 Executive Officer Team and 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 Wellbeing Plan. The plan was also subject of a workshop with elected members.

External

- 4.2 The proposed approach to Recovery and Renewal has been discussed with the Community Planning Partnership, and the draft Wellbeing Plan was circulated for comment. The draft Economic Wellbeing Plan was subject to consultation with a wide variety of partner organisations, the wider business community, and the general public during August/September 2020.

5. Communication

- 5.1 The communication arrangements will be developed through a Communications Plan which has 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 Report No. 20/125.

3. APPENDICES

- 3.1 Appendix 1 - Economic Wellbeing Plan