

Economic Recovery & Renewal post COVID-19

May 2020

Introduction

We ran the survey over 5 days (11-15 May). It was sent out to Directors of Place, LEPs, Combined Authorities, Sub-national Transport Bodies and Corporate Partners.

The purpose of the survey was to build a better understanding of the planning assumptions ADEPT members are making in COVID-19 recovery planning, to inform the work of the ADEPT Economic Recovery & Renewal Task Force. The Task Force is focused on ensuring economic recovery planning considers the whole place system agenda and goes further than recovery into the 'clean and green' renewal and transformation of economies and places.

The survey covered behaviour change, the impact on key sectors and local strategies and opportunities, and we asked questions about investment, levelling up, key priorities, local economic impacts, housing developing and transport usage patterns.

There were 38 responses:

Local authorities	32
Corporate partners	4
STBs	1
LEPs	1

Impact on local economy

Most respondents describe the impact on the local economy as 'significant' with growing levels of unemployment and high levels of furloughed workers.

The areas hardest hit are broadly the same across geographic regions; tourism, hospitality and leisure, non-food retail, SMEs and construction. In some areas manufacturing is also suffering. Many respondents also highlighted the acceleration in the decline of the high street during this time.

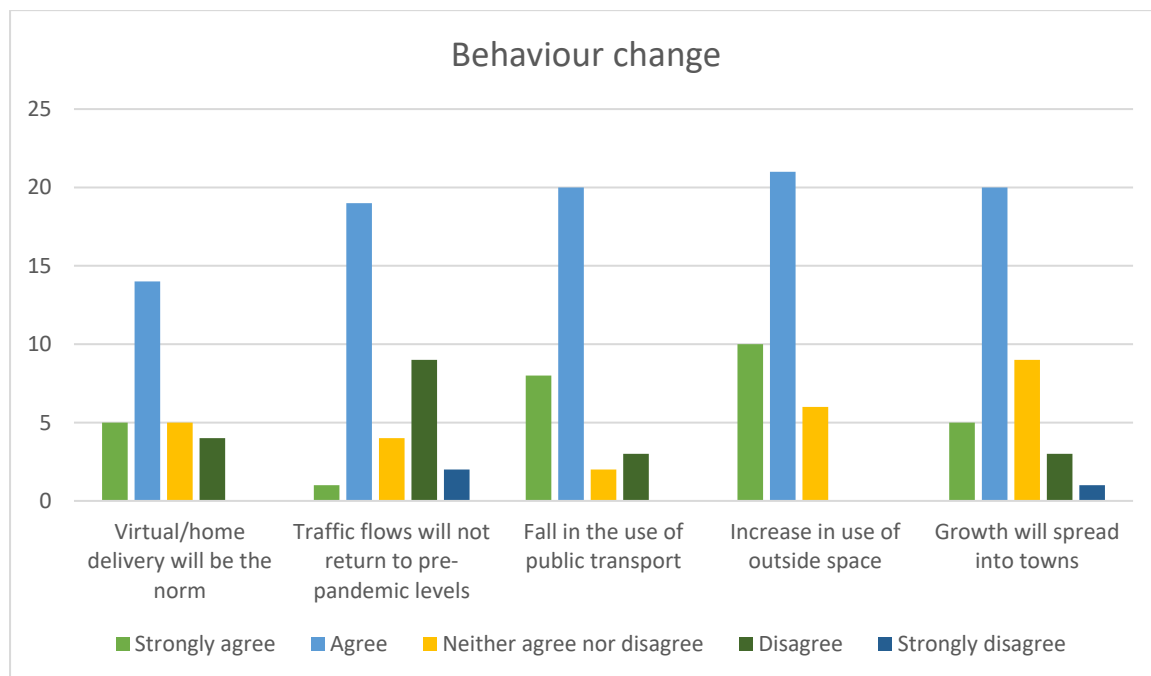
Those respondents based to the west of the M25 report a lower economic impact due to a large percentage of the local economy being with office-based employers. This, combined with a good provision of superfast broadband, has meant many people can work from home.

Some sectors have seen growth. Food retail, food production, logistics, and health and social care are all reported by multiple respondents as areas that have not been adversely impacted by the pandemic. Some SMEs have also diversified into PPE and hand sanitiser production, although this does not appear to represent growth for these businesses.

No authorities thought that the economy will return to pre-Covid levels in less than 6 months. Three (8%) think this will happen in 6-12 months' time, 24 (63%) think it will take more than 18 months, while 11 (29%) think it will be more than 3 years before we see full recovery.

Behaviour change

This section of the survey examined our members' views on how they think public behaviour patterns will change as a result of the pandemic.



The majority of respondents feel that virtual retail and home delivery will be the norm and we will not return to pre-Covid retail patterns.

Strongly agree	5	18%
Agree	14	50%
Neither agree nor disagree	5	18%
Disagree	4	14%
Strongly disagree	0	
Total responses	28	100%

More than half of responding authorities agreed with the statement that traffic flows and congestion will not return to pre COVID-19 levels of growth, with more people working from home and/or commuting at different times and shopping through local delivery, although a significant one-third of respondents disagreed with this statement.

Strongly agree	1	3%
Agree	19	54%
Neither agree nor disagree	4	11%
Disagree	9	26%
Strongly disagree	2	6%
Total responses	35	100%

The majority agreed that there will be a fall in the use of public transport due to a drop in public confidence.

Strongly agree	8	24%
Agree	20	61%
Neither agree nor disagree	2	6%
Disagree	3	9%
Strongly disagree	0	
Total responses	33	100%

Likewise, the majority of respondents agreed that there will be an increase in the public desire to use outside spaces to improve physical health and wellbeing.

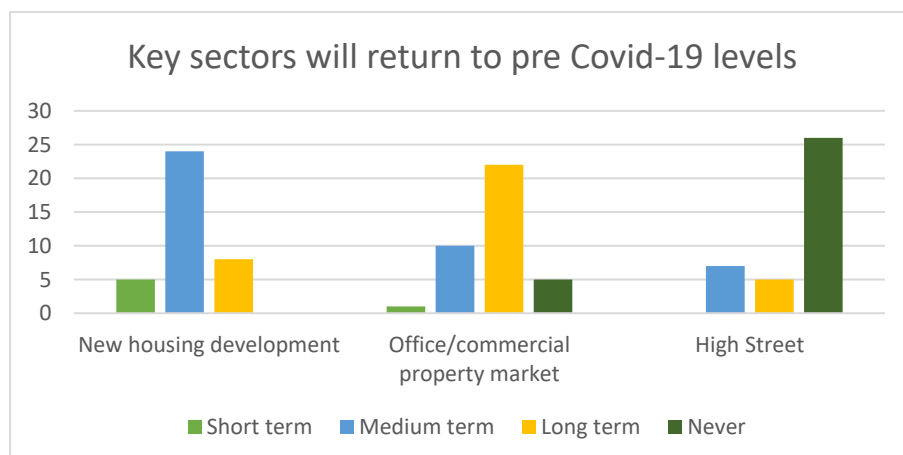
Strongly agree	10	27%
Agree	21	57%
Neither agree nor disagree	6	16%
Disagree	0	
Strongly disagree	0	
Total responses	37	100%

Respondents also broadly agreed that in future growth will spread into towns rather than cities as people choose to live in a more distributed way.

Strongly agree	5	13%
Agree	20	53%
Neither agree nor disagree	9	23%
Disagree	3	8%
Strongly disagree	1	3%
Total responses	38	100%

Impact on key sectors

We looked at the impact on three key sectors for Place: housing development, the office and commercial market, and the high street.



There was an optimistic response in relation to new housing development, with the majority of authorities and partners stating that levels will return to pre COVID-19 levels in the medium term.

Short term	5	14%
Medium term	24	65%
Long term	8	21%
Never	0	
Total responses	37	100%

The general consensus was that it will take longer for the office and commercial property market to recover.

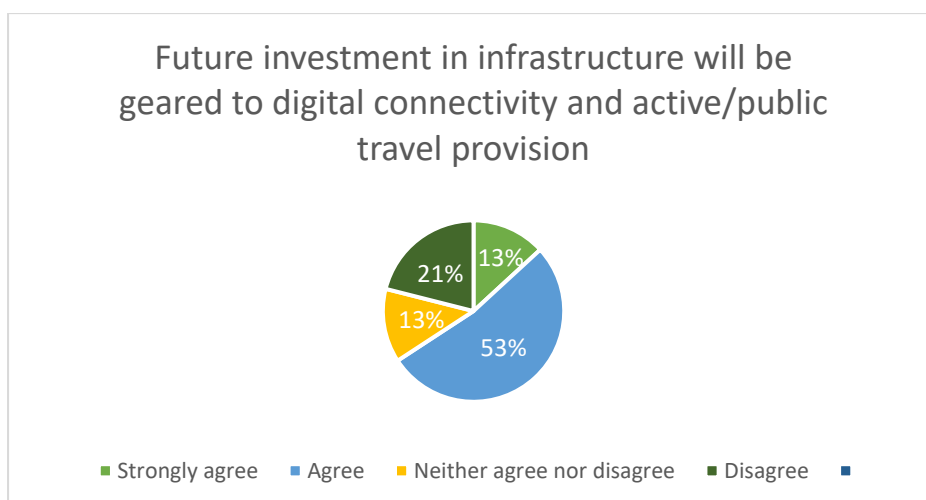
Short term	1	3%
Medium term	10	26%
Long term	22	58%
Never	5	13%
Total responses	38	100%

The outlook for the high street is much more pessimistic, with around two-thirds of authorities and partners believing the high street will never return to 'business as usual'.

Short term	0	
Medium term	7	18%
Long term	5	13%
Never	26	68%
Total responses	38	100%

Future investment

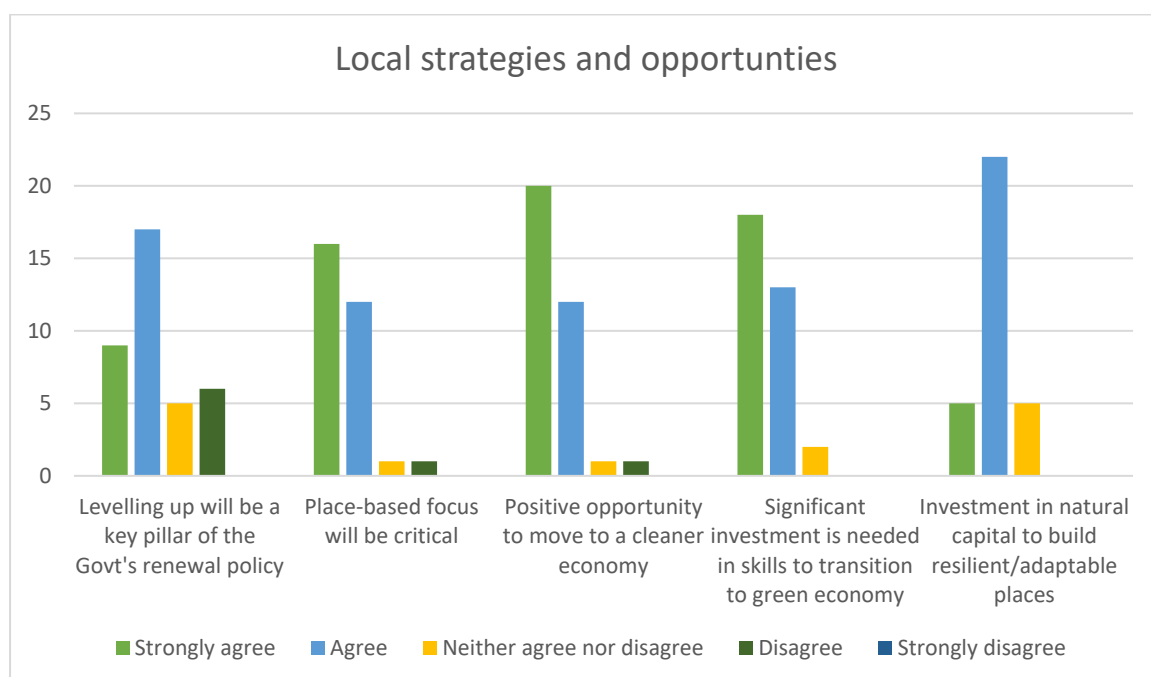
Almost two-thirds of respondents think that future investment in infrastructure will be geared to digital connectivity and active/public travel provision rather than road, rail and aviation infrastructure, with a large (one-fifth) minority disagreeing with this statement.



Strongly agree	5	13%
Agree	20	53%
Neither agree nor disagree	5	13%
Disagree	8	21%
Strongly disagree	0	
Total responses	38	100%

Local strategies and opportunities

This section of the survey looked at our members' views on strategies for renewal and key priorities coming out of the COVID-19 crisis.



The majority of respondents think that levelling up will be a key pillar of the Government's economic renewal policy, with 70% in favour of this.

Strongly agree	9	24%
Agree	17	46%
Neither agree nor disagree	5	14%
Disagree	6	16%
Strongly disagree	0	
Total responses	37	100%

More than 90% agreed or strongly agreed that a place-based focus will be critical to ensuring an inclusive and sustainable renewal of the economy, with local solutions delivered as part of a national framework.

Strongly agree	16	54%
Agree	12	40%
Neither agree nor disagree	1	3%
Disagree	1	3%
Strongly disagree	0	
Total responses	30	100%

It was encouraging to see that a similar number see renewal and recovery as a positive opportunity for transformation and moving to a 'clean and green' economy.

Strongly agree	20	59%
Agree	12	35%
Neither agree nor disagree	1	3%
Disagree	1	3%
Strongly disagree	0	
Total responses	34	100%

Likewise, almost all respondents agreed that significant investment is needed in new and updated skills to support the transition to a low-carbon economy.

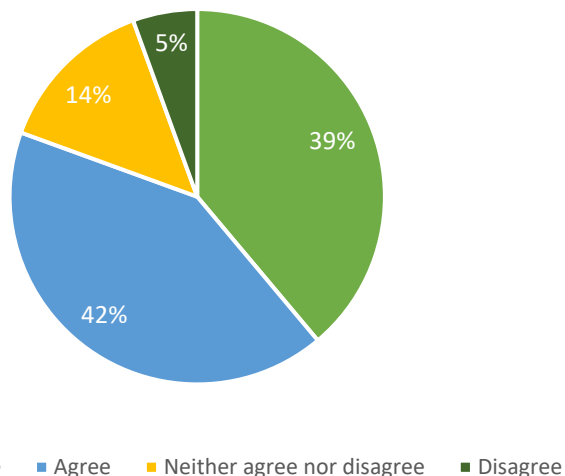
Strongly agree	18	55%
Agree	13	39%
Neither agree nor disagree	2	6%
Disagree	0	
Strongly disagree	0	
Total responses	33	100%

Most authorities and partners will look to invest in natural capital to help build more resilient and adaptable places.

Strongly agree	5	16%
Agree	22	68%
Neither agree nor disagree	5	16%
Disagree	0	
Strongly disagree	0	
Total responses	32	100%

The response to the statement that the key priorities of Local Industrial Strategies and local economic policies will need to be redefined in light of COVID-19 followed the trend for this section of the survey, with the majority of respondents (81%) agreeing or strongly agreeing with the statement.

Key priorities of Local Industrial Strategies/local economic policies will need to be redefined



Strongly agree	14	39%
Agree	15	42%
Neither agree nor disagree	5	14%
Disagree	2	5%
Strongly disagree	0	
Total responses	36	100%

Key priorities to help drive economic recovery and renewal

The survey ended by asking our members what they see as the key priorities to help drive economic recovery and renewal. The responses to this question were varied, however some strong common themes emerged:

- More investment/focus on digital technology
- Investment and focus on green/clean growth and the drive for a low or zero carbon economy
- Increased support for small businesses, including financial support, access to advice and support in relation to skills and innovation
- Investment in infrastructure
- Focus on a safe return to the workplace to avoid a recurrence of the pandemic.