

	<p>West London Economic Prosperity Board</p> <p>3 July 2020</p>
<p>Title</p>	<p>West London Economic Recovery – Evidence and Emerging Action Plan</p>
<p>Report of</p>	<p>Niall Bolger – Chief Executive, LB Hounslow</p> <p>Cath Shaw – Deputy Chief Executive LB Barnet & Programme Director, West London Economic Recovery</p> <p>David Francis – Director, West London Alliance</p>
<p>Status</p>	<p>Public</p>
<p>Sponsor</p>	<p>Cllr Stephen Cowan, Leader, LB Hammersmith & Fulham and Chair, West London Economic Prosperity Board</p>
<p>Urgent</p>	<p>Yes</p>
<p>Enclosures</p>	<p><i>Annex A: How might coronavirus affect the West London Economy?</i> – Oxford Economics</p>
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<p>Summary</p>
<p>This report sets out the key findings from the Oxford Economics work we commissioned to inform the economic recovery of West London, along with the latest London Economic Outlook published by the Greater London Authority and the most recent data on the economic impacts of Covid-19 locally, regionally and nationally.</p> <p>The report also outlines progress on defining and developing a draft economic recovery plan for West London and proposes next steps for endorsement by this Board, including work to further develop and deliver the plan in consultation with key stakeholders.</p> <p>It asks the Board to note key emerging proposals in relation to seven key themes: Growth Sectors; the Green Economy; Housing & Infrastructure; Skills & Employment; Microbusinesses & Self Employment; Town Centres; and Heathrow.</p>

It further asks the Board to comment on and endorse the emerging 'offers and asks' for the subregion, including flexibility around existing funding streams, investment in digital and transport infrastructure, reskilling residents and the low carbon economy; measures to revitalise town centres; and support for local communities affected by the COVID-19 impacts on the aviation industry.

Recommendations

Leaders are asked to:

- 1. Note the actual and forecast economic impact of Covid19 on West London;**
- 2. Consider and agree the direction of travel for the West London economic recovery planning work;**
- 3. Endorse the emerging package of 'offers and asks' outlined below, and delegate authority to officers of the West London Alliance and member boroughs to work with partner organisations to refine this package and seek to influence Government and others to ensure its effective delivery.**

1. WHY THIS REPORT IS NEEDED

- 1.1 This report sets out the devastating impact that Covid19 has had on the West London Economy, reflected in current economic data and articulated in Oxford Economics' report "*How Might the Coronavirus Impact on the West London Economy?*" (attached as Annex A) and GLA Economics' "*London's Economic Outlook*" forecast.
- 1.2 The impact on communities of these economic changes cannot be underestimated. However, Covid19 also provides a once in a generation opportunity to re-think our long-term aspirations for West London, kickstarting the low carbon economy, taking advantage of permanently altered working patterns to revitalise our town centres, and tapping into the entrepreneurial spirit of West London. In creating the conditions for this transformation, through investment in infrastructure and skills, we will need to ensure that the damage to communities is limited and growth opportunities are widely shared.
- 1.3 To this end, WLA and West London borough officers have undertaken a theme-based review of the analysis to inform an emerging economic recovery plan. Each theme establishes short, medium and long-term objectives relating to economic recovery and provides a series of suggested 'offers' of what boroughs and partners could do to address emerging needs and accompanying 'asks' (e.g. of central or London government for funding, policy flexibilities or devolution) to enable economic recovery in West London which will also drive recovery across the UK.
- 1.4 The workstreams (and lead boroughs - each overseen by a lead director and sponsoring Leader) are as below:

Workstream	Borough
Growth sectors	Hammersmith & Fulham
Green economy	Ealing (supported by Paul Walker, LB Harrow as Chair of West London Environment Directors Group)
Housing and infrastructure	Brent
Skills and employment	Hounslow
Micro businesses and self-employment	Harrow
Town centres	Barnet
Heathrow	Hounslow

1.3 Each of these workstreams has begun to map relevant stakeholders and has drawn together initial ideas on further research/analysis requirements to inform future interventions or policy asks.

1.4 In tandem with the above, WLA and borough officers have worked with GLA/TfL colleagues to respond to a call for proposals from MHCLG for capital projects, which could be accelerated to support economic recovery. These capital projects (listed in Appendix One), which together are an important contributor to the immediate recovery, were selected in part on the basis of their ability to be delivered within the 18-month timeframe. They include important strategic priorities such as the roll out of digital infrastructure, as well as significant local projects that will make a real difference to communities. Even greater impact would be delivered by focusing on longer term priorities such as the West London Orbital rail line, Hammersmith Bridge and the emerging proposals for West London orbital rapid bus network.

2. OXFORD ECONOMICS REPORT: HOW MIGHT THE CORONAVIRUS IMPACT ON THE WEST LONDON ECONOMY?

2.1 Oxford Economics (OE) were commissioned by WLA to examine the potential local economic impacts of the Covid-19 pandemic. Their final report was issued on 8th June. It deals with the national and pan-London background, the situation in West London and issues for each West London borough in turn.

2.2 OE's baseline forecast is an 8% fall in **United Kingdom** GDP in 2020, followed by a 7% rebound in 2021; with a 3% fall in employment this year and unemployment peaking at about 6.5%. This is based on restrictions on the economy being lifted according to the timetable announced earlier this month – which so far they largely have. On this basis the UK economy will return to its Q4 2019 size in early 2022. If, however, restrictions on economic activity have to be reintroduced, or if confidence remains severely depressed, then this year's GDP fall could easily be 13%.

2.3 OE consider that economic activity reached a trough in April and then began to recover in May - but even this assumes a fall in UK GDP by close to 15% in

Q2. This is a smaller decline than the 35% and 25% falls estimated respectively by scenarios published by the Office for Budget Responsibility and Bank of England in April and May, but these both assumed a lockdown going beyond that actually put in place and do not reflect the easing in restrictions since mid-May. They also have differing estimates of the impact of the lockdown on activity (the Bank has since noted that although there is considerable uncertainty about the economic outlook “emerging evidence suggests that the fall in global and UK GDP in 2020 Q2 will be less severe than set out” in their May economic scenario) .

2.5 OE have provided two scenarios for **West London**:

- A baseline scenario, with a 9% contraction in GVA in 2020 (compared to a decline of pan-London of 7%), and a fall in workplace employment of 41,000 jobs (4%, compared with pan-London job loss of 2.8%). The accommodation and food; wholesale and retail; and transport and storage sectors account for the majority of WLA job losses. OE forecast that these sectors, like most others, will experience a rebound in 2021 as lockdown measures ease, leading to jobs growth of 2% in 2021. Between 2019 and 2025, total employment is forecast to increase by 0.5% annually, resulting in an additional 34,000 workplace jobs. This rate of job growth is expected to be only around half that of the London average (0.9% per year) over the six-year period.
- A downside scenario with a fall of 14% in GVA in 2020. Again, the hospitality, leisure and education sectors would experience the strongest rates of decline because of the extended lockdown assumptions. This scenario sees a more severe downturn in 2020, with a much weaker recovery in 2021 at 3%, and a 4.5% contraction in workplace employment in 2020, with no return to growth until 2022. The severity of the contraction combined with a later recovery would mean that the rate of job growth in the local economy would be a third of London as a whole - only adding 13,600 jobs in the six years to 2025.

It is worth noting that additional data detailed further in sections 3 and 4 below suggest the more pessimistic of the two scenarios outlined above could be more likely.

2.6 The sectoral structure of the local economy is a major reason for West London being forecast to do less well than London as a whole. The subregion accounts for two out of every five transport and storage jobs in London; a quarter of its wholesale and retail jobs; and a third of manufacturing jobs. It also has more small and micro sized businesses, and higher levels of self-employment, both of which, while normally strengths, increase the sub-region’s economic challenges. However net outward commuting, especially to jobs in central London, may provide a degree of resilience, especially since these jobs tend to be better paying than local ones. A large number of West London residents are in professional, associate and especially managerial jobs; many of these may be able to work at home (although this may be less true for managerial jobs at Heathrow Airport, which account for a significant proportion of such jobs). Indeed, the near-closure of Heathrow is a huge issue

for much of West London given its importance as an employer and its supply chains; other West London “anchor” institutions (like universities) have been impacted by the crisis. Finally, OE forecast a real terms fall in household spending of 11% this year; this will be substantially felt by local shops, cafes, bars, restaurants and service providers.

2.7 OE identify a number of common challenges and priorities, and suggest some areas for action that could be considered:

- The most important immediate challenge is the near-closure of Heathrow airport. They suggest working with the airport management and its major tenants to provide information and temporary relief to local businesses.
- The importance of helping to reduce job losses and business failures, helping rebuild the confidence of local businesses, by active interventions at the very local level.
- OE acknowledges the major impact of the pandemic on young people; however, the report cautions against the view that young people should be the main focus of concern at the expense of other groups (such as older workers who might find it difficult to find new jobs), recognising the wider groups in West London likely to be disproportionately affected. The pandemic has also emphasised the importance of preventing unemployment from leading to increased homelessness.
- The importance of supporting small businesses and the self-employed, for example encouraging local shopping/trading (e.g. local marketing campaigns) and a focus on high streets and parades of shops (e.g. providing resources for, and helping local businesses to adjust to social distancing requirements).
- There is a need to rethink high streets. Given the importance of strong local economies to strong high streets the report suggests considering ways of boosting local office markets that in turn will support the retail and hospitality sectors.
- The likely need to protect regeneration schemes, given the possibility that the economic situation could put delivery of large-scale regeneration schemes across west London’s opportunity areas at risk. The report suggests discussion with developers and central government – and remaking the economic case for West London, including the case for transport and other infrastructure investment.
- The importance of protecting education, culture, sport and the universities.

3. GLA ECONOMICS: LONDON’S ECONOMIC OUTLOOK

3.1 GLA Economics have published medium-term projections looking over the period to 2022. They forecast a marked fall in London output this year, but with strong growth in 2021 before moderating somewhat in 2022. Recovery in employment is forecast to be slower – while London GVA is forecast to return to pre-crisis levels in Q4 2021, workforce jobs would do in Q4 2022. The forecast assumes that some of London’s local characteristics might become a

	2019	2020	2021	2022
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comparative advantage in this crisis; some of London's main sectors – financial services, real estate, professional and technical activities and information and communications – have been hit less severely by lockdown restrictions and have a relatively greater proportion of workers being able to work from home. These positive effects might be offset by other features, such as the high reliance of London workers on public transport and major impacts on tourism and international student numbers.

3.2 The GLA forecast suggests that:

- The pandemic could lead to a fall of -16.8% in London real GVA. Growth is then expected to rebound to 17.2% in 2021, before returning to more normal figures in 2022 (4.5%).
- London is projected to see an unprecedented fall in the number of workforce jobs in 2020 (-7.0% in annual terms), which will be slowly recovered through positive growth rates in 2021 (1.4%) and 2022 (4.9%).
- London's household income and expenditure are both projected to decrease significantly in 2020 before starting to grow again in 2021 and 2022.

The table below compares the GLA Economics and Oxford Economics forecasts:

3.3 The GLA forecasts suggest a larger fall in GVA and jobs in 2020 than OE, but a faster recovery in GVA terms and a slower one in jobs terms. One reason for the difference is that the GLA have based their work on the assumptions made by the Bank of England and Office for Budget Responsibility referred to in paragraph 2.3.

Borough	May	February	May	Change	Change
GLA Economics London forecast	2019	2020	2020	2/20- 5/20	5/19- 5/20
GVA (£bn)	457.8	388.1	446.4	446.4	466.6
% change (y-o-y)	4.6	-16.8	17.2	17.2	4.5
Change in workforce jobs change (000s)	130	-420	70	70	280
% change (y-o-y)	2.2	-7	1.4	1.4	4.9
OE West London Baseline					
GVA (bn)	74.1741	67.5024	72.48529	72.48529	75.2377
% change (y-o-y)	0.82	-8.9	7.4	7.4	3.8
Change in resident jobs (000s)	-1	-38	26.	26.	31.6
% change (y-o-y)	-0.1	-3.4	2.6	2.6	3.3
OE West London Downside					
GVA (£bn)	74.1741	63.8061	65.836	65.836	70.0718
% change (y-o-y)	0.82	-14	2	2	6.4
Change in resident jobs (000s)	-0.01	-47.7	-10.8	-10.8	50.1
% change (y-o-y)	-0.1	-4.4	-1	-1	4.8

4. OTHER ECONOMIC DATA

- 4.1 The full impact of the pandemic at local level has yet to show through in official data. GDP estimates from the Office for National Statistics suggest that the UK economy flatlined in Q4 2019, and shrank by -2.0% in Q1 2020. The largest fall in GDP was in the last two weeks in March, as the process of lockdown came into effect. For the whole month GDP fell by 5.8%, reflecting falls in the services, production, and construction sectors. ONS data for April suggests that UK GDP may have declined by more than 20% in that month alone, reflecting the imposition of lockdown measures – with particular impacts on accommodation and food services (responsible for 101,000 jobs in West London), where output fell by 40.9%; other services (27,000 West London jobs) fell by 20.5%, and transport and storage (115,000 West London jobs), Construction (79,000 jobs) and Education (89,000 jobs) all saw output fall by more than 18%.
- 4.2 One indicator that is available is the numbers of benefits claimants, showing the position as of May 2020. This shows a 200% increase in West London claimants over the same time in 2019, with 106,930 claimants across the seven WLA boroughs. Unsurprisingly, most of this increase followed the start of the pandemic response:

Barnet	5225	6455	17560	11105 (212.5%)	12335 (236%)
Brent	6025	7690	20550	12860 (213.4%)	14525 (241%)
Ealing	7235	8015	19990	11975 (165.5%)	12755 (176%)
Hammersmith and Fulham	4520	4695	10120	5425 (120%)	5600 (124%)
Harrow	2750	3480	10425	6945 (252.5%)	7675 (279%)
Hillingdon	3780	4660	13155	8495 (224.7%)	9375 (248%)
Hounslow	6105	6615	15130	8515 (139.5%)	9025 (148%)
TOTAL WL	35640	41610	106930	65320 (183.3%)	71290 (200%)

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ng before the pandemic, and it is interesting to note that those boroughs seeing the largest pre-pandemic increases have also seen the highest levels since – it may be that the current crisis has accelerated some pre-existing trends.

- 4.4 A second indicator is the numbers of residents who have been furloughed – 282,700 across the seven WLA boroughs, with Brent, Ealing, Barnet, Hounslow and Hillingdon all in the top ten London boroughs by numbers of recipients being second, third, fourth, sixth and tenth (Harrow is 20th and Hammersmith and Fulham is 27th). The picture is starker if allowance is made for borough working age populations:

Rank by per 000 working population	Borough	Total numbers furloughed	Per 000 working age population
1	Hounslow	42500	237.7
2	Brent	49900	226.4
3	Haringey	42100	222.9
4	Ealing	49600	221.3
5	Newham	53200	215.3
6	Waltham Forest	38800	208.3
7	Hillingdon	39500	199.9
8	Southwark	39200	198.4
9	Enfield	42000	196.6
10	Barnet	48500	192.5
11	Harrow	30300	191.3
21	Hammersmith and Fulham	22400	169.8

- 4.5 Nationally, there are some early signs of cautious recovery following relaxation of restrictions. Springboard, who monitor footfall in town centres, reported a 45% increase in footfall in the week following the reopening of

“non-essential” shops. (but still 45.2% down on the same week last year). The June IHS Markit/Chartered Institute of Purchasing and Supply Purchase Managers’ Index suggests at least a bottoming out of the downturn, with an increase in manufacturing output but continued decline in the service sectors. Their cross-sector composite index showed that overall performance was continuing to decline - the index is at 47.6 for June, up 17.6 points on May (below 50 signals a decline in business). Service sector output was held back by business closures in the hotels, restaurants and catering sector and further decline among business-to-business service providers and there was a further sharp drop in staffing numbers across the service economy, despite some companies reporting a restart to recruitment activity and phased returns to work from furloughing. Those reporting falls in employment often commented that sharply reduced workloads had meant redundancy measures were operating in tandem with furloughing. For manufacturing, partial plant reopening had increased output, but new orders continued to decline in June, with firms often commenting on shortages of new sales to replace completed contracts - particularly in the automotive and aviation sectors.

- 4.6 There are also some indication of limited improvement at London level. The business activity index at London private firms rose to 30.8 from 13.4 in April and 31.5 in March, again showing some improvement, although still indicating a decline as less than 50. The PMI New Business Index in London went up in May (29.7) from its lowest point in the recorded series (14.9) in April. This is the first increase in three months. The PMI Employment Index for London rose to 30.8 in May after a fall between February (52.9) and April (23.6).
- 4.7 The GfK index of consumer confidence (which reflects people’s views on their financial position and the general economy over the past year and in the next 12 months - a score above zero suggests positive opinions) was at -14 in June, having registered a big fall between March and May (from 2 to -26). This still represents one of the lowest levels in seven years. Sentiment for the UK as a whole remained lower than in London (-30).

5. OUTLINE ‘OFFERS AND ASKS’

- 5.1 Each themed workstream approaches the challenges in its respective area from the perspective of what can already be done within existing resources and powers to address recovery (the offer) and what more would be required to address recovery at the necessary scale and pace (the ask) – either in terms of policy flexibilities, repurposing of existing funding or provision of additional funding e.g. from central or London government.
- 5.2 These themed workstreams build on the objectives agreed at the West London Leaders Board on 2nd June for our overall approach to economic recovery:
 - 5.2.1 3-6 months - *Support West London economy to bounce back quickly & safely from the current restrictions*

- 5.2.2 Next 6 months - *West London's enterprises & workers supported through recovery & reform*
- 5.2.3 12 months + - *A more inclusive and sustainable economy, setting a UK & world leading example*
- 5.3 The priority offers drawn from the seven workstreams outlined above set out activities either underway or which are within boroughs' collective resources and powers to deliver in support of recovery. A summary of the offer is provided at Appendix Two, presented as three themes: People, Business and Place. Further work is needed to understand what can be delivered within existing capacity, and what would need additional resource.
- 5.4 The priority asks have been drawn from work undertaken across the themed workstreams. While further rationalisation with borough officer and Leader input is still required to generate a tighter, focused list of 6-8 priority asks, the current 'long shortlist' is presented for consideration at Appendix Three. Work is also underway to cost our asks and demonstrate the recovery plan business case in terms of jobs, economic growth and reduction in negative social and health impacts.
- 5.5 The emerging asks recognise the importance of building on West London's unique economic strengths and its role as the world's gateway to Britain, as well taking advantage of existing public service infrastructure, scaling it up where needed. They also recognise that at a time of multiple demands on public spending, it is crucial to have maximum flexibility to spend existing funding to best effect, with specific proposals for allowing the Apprenticeship Levy, Community Infrastructure Levy, unspent s106 funding to be redirected to recover priorities; and aviation related income streams such as Heathrow's proposed Low Emissions Charge to be deployed in support of aviation communities.
- 5.6 Utilising our existing assets and flexibility over existing funding will not, however, be sufficient, and the Appendix also sets out emerging priorities for investment in transport and digital infrastructure, the low carbon economy, reskilling our communities, growth sectors and revitalising our town centres.
- 5.7 Leaders' views are sought on both the asks set out at Appendix Three and the priorities for further development in partnership with the business community, our higher education institutions, colleges and skills providers, and other stakeholders.

6. REASONS FOR RECOMMENDATIONS

- 6.1 Given the current and potential future impact of the Covid-19 outbreak on West London's economy as detailed in sections 2-4 above, there is a pressing need for intervention to mitigate these impacts both on the economy and on West London's disadvantaged communities. The evolving economic recovery plan sets out initial thinking on how this can be addressed jointly at the sub-regional level, complementing individual boroughs' and wider partners' efforts.

7. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 7.1 The Board could choose to rely on Borough level interventions, or work at a London-wide scale. Both of these will be important elements of the response, but risk failing to tackle the unique challenges faced by the West London Economy and missing the opportunity for West London to lead the way in the UK's overall recovery.

8. POST DECISION IMPLEMENTATION

- 8.1 Subject to Leaders' approval of the approach economic recovery and views on the package of offers and asks for West London, next steps are to:

- To refine the proposals and develop plans for implementation, working in partnership with businesses and other stakeholders.
- To quantify the resources needed to deliver the agenda set out above.
- To present these in a succinct "Build and Recover" Plan
- To establish more structured programme governance arrangements to support delivery.
- To develop a co-ordinated approach to influencing government and others.

9. IMPLICATIONS OF DECISION

9.1 Corporate Priorities and Performance

- 9.1.1 This report relates directly to the delivery of West London Growth Priorities which have been agreed by members of the West London Alliance, taking into account the impact of the Covid-19 outbreak on West London and on the need to address economic recovery in order as a pre-requisite of resuming growth.

9.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

- 9.2.1 Costs incurred to date have been absorbed within boroughs' and WLA's existing budgets. More detailed costings, including in relation to the 'asks' as outlined in para. 5.4, will be developed in due course. Any proposals relating to funding of related work in the future will be presented on a case by case basis.

9.3 Social Value

- 9.3.1 Social and economic inclusion is a cross-cutting theme woven into the development of the evolving economic recovery plan.

9.4 Legal and Constitutional References

9.4.1 This work falls within the following sections of the WLEPB's Functions and Procedure Rules:

- Representing the participating local authorities in discussions and negotiations with regional bodies, national bodies and central government on matters relating to economic prosperity for the benefit of the local government areas of the participating authorities.
- Representing the participating authorities in connection with the Greater London Authority, London Councils and the London Enterprise Panel, for the benefit of the local government areas of the participating authorities, in matters relating to the economic prosperity agenda.
- Representing the participating local authorities in discussions and negotiations in relation to pan-London matters relating to economic prosperity.

9.4.2 The Joint Committee's role and purpose on behalf of the Participating Boroughs relates to ensuring appropriate, effective and formal governance is in place for the purposes of delivering the West London Vision for Growth and advancing Participating Boroughs' aspirations for greater economic prosperity in West London, including promoting "the Economic Prosperity Agenda", in partnership with employers, representatives from regional and central government, and education and skills providers.

9.4.3 The purpose of the Joint Committee will be collaboration and mutual cooperation and the fact that some functions will be discharged jointly by way of the Joint Committee does not prohibit any of the Participating Boroughs from promoting economic wellbeing in their own areas independently from the Joint Committee. The Joint Committee is not a self-standing legal entity but is part of its constituent authorities. Any legal commitment entered into pursuant of a decision of the Joint Committee must be made by all of the Participating Boroughs.

9.5 Risk Management

9.5.1 This report will support the West London Economic Prosperity Board to make decisions on how best to shape an economic recovery plan for West London

9.6 Equalities and Diversity

9.6.1 Both the pandemic itself and the measures taken to address it affected different groups disproportionately. West London has been particularly hard-hit by the disease; Brent has the highest mortality rate from Covid-19 of any local authority in England and Wales; Harrow had the fourth and Ealing the tenth. There is clear evidence that in terms of experiencing more severe symptoms and higher rates of death, the disease particularly affects older people, those from some ethnic groups, men and those with pre-existing health conditions.

- 9.6.2 Oxford Economics notes that Public Health England's "Beyond the Data: Understanding the Impact of COVID-19 on BAME Groups" (June 2020) confirmed that among confirmed cases, after accounting for the effect of sex, age, deprivation and region, people of Bangladeshi ethnicity had around twice the risk of death from the disease when compared to people of White British ethnicity. People of Chinese, Indian, Pakistani, Other Asian, Caribbean and Other Black ethnicity had between 10 and 50% higher risk of death when compared to White British. Oxford Economics quotes ONS population survey data showing that 46% of the WLA population aged 16 and over belonged to an ethnic minority group in 2019—almost ten percentage points higher than the London average. Much of this is due to a relatively large Indian community residing within west London, accounting for 17% of the total. Public Health England suggests that this grouping had between 10% and 50% higher risk of death when compared to the white British grouping. People from Black ethnic groups were identified as most likely to be diagnosed with Covid-19 and had some of the highest death rates. This group is underrepresented in West London relative to the capital as a whole, accounting for 8% of the population aged over 16, compared to 12% across London.
- 9.6.3 As the Oxford Economics Report notes, the pandemic-related restrictions are likely to impact on sectors like hospitality, entertainment and non-essential retail sectors - sectors tend to employ disproportionate numbers of younger people. Workers in these sectors are relatively more likely to have been furloughed during the lockdown and it is as yet unclear how many of these jobs could be lost permanently. West London's population is relatively young compared to that of the UK overall; in 2019 those aged 20-39 accounted for 30% of the WLA population. The report also highlights concerns that older residents will also face challenges in the current crisis, especially those with lower qualifications who lose their employment and who might find it more difficult.
- 9.6.4 This paper outlines a number of initiatives and approaches intended to provide people from all backgrounds across West London affected by the pandemic with the support they need to ensure their wellbeing, prosperity and inclusion. The proposals in this paper should therefore have positive impacts on all groups in society, including those with protected characteristics under the Equality Act 2010. Any specific projects arising from future development of the proposed economic recovery plan will have their equalities impacts considered on a case by case basis.

9.7 Consultation and Engagement

- 9.8 While there have been elements of engagement with key external stakeholders in developing the evolving economic recovery plan, extensive engagement is planned as part of the proposed next steps.

10. BACKGROUND PAPERS

Annex A: '*How will the coronavirus affect the West London economy?*', Oxford Economics, June 2020

London's Economic Outlook: Spring 2020 – The GLA's Medium-Term Planning Projections GLA Economics, June 2020

London's Economy Today: Issue 214, Greater London Authority, June 2020

APPENDIX 1

WEST LONDON ALLIANCE - BOROUGH CAPITAL PROJECT PROPOSALS

Barnet

Finchley – Colindale cycle route (new)

Town Squares - Finchley and Colindale (new)

Brent

Picture Palace, Harlesden (new)

Kensal Corridor High Street Public Realm (new)

60 Neasden Lane – acquisition of workspace for Enterprise Hub (new)

Transport recovery programme (new)

Ealing

Energiesprong – net zero retrofit of social housing stock (to accelerate)

Supporting Southall's Recovery - new spaces and connections to get Southall back to work (new)

Live West Ealing / West Ealing Liveable Neighbourhood (new)

Hammersmith and Fulham

Ed City - educational and mixed use scheme at White City (to accelerate)

A4 Safer Cycle Pathway (to accelerate)

Harrow

Harrow Arts Centre (to accelerate)

Wealdstone Liveable Neighbourhood (new)

Wealdstone Town Centre Improvement Scheme (new)

Energy Efficiency programme (new)

Cultural Centre acquisition (new)

Grange Farm (new)

Hounslow

Brentford-Southall line (to accelerate)

APPENDIX 2 – PRIORITY OFFERS

1. PEOPLE

- a) **Enhance co-ordination with local partners to develop framework for a ‘single front door’ approach** for those seeking work or re-skilling/upskilling.
- b) **Focus and co-ordinate existing borough job brokerage** on most affected groups, using the **Work & Health Programme** for any eligible groups with health/disability issues.
- c) **Improve sharing of labour market and skills needs data across the sub-region, to enable skills providers (esp. FE)** to tweak provision dynamically in response to need.
- d) **Adapt Skills Escalator model** to support those newly unemployed back into work through skills interventions.
- e) Support employers to take on apprentices and utilise levy **to enable in-work progression / upskilling.**
- f) Work with **FE providers to encourage investment in green and digital skills**
- g) **Work with construction industry partners to secure job opportunities/apprenticeships**, including through improved collaboration across boroughs to ensure levers via s106 agreements are used to best effect.
- h) Explore scope for boroughs’ existing Adult Education Budget-funded provision to support a reskilling offer.

2. BUSINESS

a) Use our **c£8m investment in digital connectivity** so businesses can innovate with 5G and cloud computing.

b) Support HEIs to invest in supporting business growth

- Set-up a WL **Growth Sectors Steering Group** with an active involvement of businesses / HEIs
- Extend the impact of UK Research and Innovation programmes by opening up access to borough assets, services, data and supply chains for innovators to test, trial and develop emerging technologies and business models at scale.

c) **Connect microbusinesses and entrepreneurs** to the help they need to start, pivot and grow businesses

- **Promote government business support provision and increase capacity of local agencies**
- Deliver **training to develop the skills and knowledge of businesses to survive and grow.**
- **Provide ESOL support for self-employed and owner managers** of micro businesses
- **Provision of workspace** to test new uses within high streets

3. PLACE

1. Infrastructure

- a. **Ensure commitment to delivery of the West London Orbital continues, so as to** to accelerate housing delivery.
- b. **Accelerate shovel ready infrastructure projects** aligned with growth sector ambitions and skills and training initiatives to re-skill a workforce in green infrastructure projects

2. Planning

- a. **Reassess land use and development opportunities around Heathrow**
- b. **Identify and tackle barriers to development at a West London level** through greater engagement with landowners, developers and **construction industry**
- c. **Make planning and other regulatory services more responsive** and make the most effective use of benefits secured through the planning system (e.g. training/skills opportunities secured through s106 including on housing sites).
- d. Strong sub-regional support for ensuring **up-to-date local plans based on robust evidence, jointly commissioned where appropriate**, and a willingness to explore new approaches (e.g. zoning, sub-regional development framework)

3. Town Centres

- a. **Curation of the town centre offer to improve the mix of uses in town centres, and encouragement of active travel and public transport options.**
- b. **Re-define town centres and high streets as low carbon economic hubs** where everyone can live, work and meet their needs within a 20-minute bike or walk, using communication channels to promote this vision.
- c. **Bring forward existing schemes in main town centres**, establishing new delivery partnerships to bring forward town centre developments.

APPENDIX 3 – PRIORITY ASKS

1. BUILD ON OUR STRENGTHS

- a) Increase support for entrepreneurs and microbusinesses:
 - Promote take up of existing business support schemes to micro-businesses and self-employed
 - Scale up accelerator and incubator programmes (e.g. using UK Shared Prosperity Fund)
 - Develop a West London led programme of place-based Small Business Research Initiative (SBRI) challenges to create opportunities for business innovation in growth sectors, including in the green economy.
 - Secure flexibility for micro-businesses e.g. in deadlines for filing returns and paying tax bills, accept estimates more this year with actuals to follow;

- b) Investment in key growth sector locations such as White City, Wembley, Old Oak Common/Park Royal, Brent Cross, Southall and the Great West corridor among others to bring forward development and support stakeholders to introduce a series of initiatives aimed at: kick starting the economy, creating jobs, creating inclusive growth and increasing UK's global competitiveness

- c) Widen the current aviation taskforce to include local authorities to reflect the impact on airport local communities for the recovery programme.

- d) Scale up employment support built on existing local authority services including job brokerage (recognising that HMG will identify additional funding and making the case for evidence showing the effectiveness of delivery at local level, co-ordinated sub-regionally)

2. FLEXIBILITY OF EXISTING FUNDING STREAMS

- a) Flexibility of Apprenticeship Levy (including for use as a wage subsidy and to support wider upskilling/reskilling interventions) and devolution of Apprenticeship Levy underspend to West London.
- b) Flexibility on uses of Community Infrastructure Levy (e.g. to allow for revenue spend on skills / employment programmes)
- c) Allow pots of unspent s106 funding to be reallocated to fund skills and employment programmes, rather than repaid to developers.
- d) Make a proportion of all aviation-related carbon offsetting schemes (e.g. BA, Heathrow, other airlines) to be invested in communities local to the airport. Could be mandatory or a voluntary code.
- e) Make mandatory a proportion of Heathrow airport's proposed low emission zone / access charge ringfenced to pay for sustainable transport interventions and/or green economy interventions in West London.

3. INVEST IN THE FUTURE

- a) Invest in reskilling
 - Scale-up / roll-out skills escalator model
 - Increase provision of ESOL support for owner managers of microbusinesses;
 - Secure policy flexibility on devolved Adult Education Budget to support boroughs' reskilling and employment support offer
- b) Speed up Fibre roll out and secure a 5G investment fund to digitise and streamline wayleave processes to provide access to assets (such as street furniture) and co-invest with the private sector in West London scale deployments of 5G use cases such as real time logistics and traffic management and remote healthcare applications
- c) Evaluate the success of the Future Fund, providing government loans to high-growth companies reliant on equity investment, improving access where possible and extending fund open period
- d) Work with Innovate UK and private sector partners (inc. venture capital) to identify gaps in finance and provide a range of funding initiatives to fill them.
- e) Invest in key infrastructure projects such as the West London Orbital– and identifying and prioritising those which are most quickly delivered, and make available a flexible pot of gap, loan and equity funding boroughs can deploy to sites in partnership with developers to finance key regeneration sites and restore viability
- f) Secure Funding for a retrofitting package for social / other housing to help develop retrofitting supply chain, a supportive tax policy, flexibility around local government finances that can allow authorities to support retrofitting schemes and development of private sector investment options for the wider retrofitting industry
- g) Explore the establishment of a privately backed Distressed Town Centre Assets Fund

- h) Ensure government support for aviation, retail, hospitality conditional on supporting re-skilling and minimising job losses
- l) Work with HM Treasury and business leaders to identify current fiscal policy impediments to delivering low carbon jobs, growth and investment.