

Chelmsford's Economic Renewal Plan October 2020



Our short-term plan responding to the coronavirus crisis and supporting Chelmsford's recovery and renewal

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Foreword

Coronavirus has had an unprecedented effect on the economy at both a national and local level, and here at Chelmsford City Council, we recognise that there are still uncertain times ahead for our businesses.

Throughout this pandemic, we have listened to the needs of businesses and worked hard to provide the support that they require to navigate the difficult challenges faced daily. In response, our businesses have demonstrated their strength, adaptability and resilience in the face of the challenge. Despite this, business closures and job losses have unfortunately been unavoidable.

Further challenges lay ahead for Chelmsford; the longer-term economic impacts of coronavirus will be wide-reaching and difficult to predict. We also recognise that responding to the impact of coronavirus is not the only challenge that our economy faces. Challenges brought about by Brexit and climate change, whilst overshadowed for a time by the pandemic, cannot be ignored.

We know that the coming months and years may be tough. Putting businesses at the heart of economic renewal is essential for Chelmsford to continue to thrive. We also recognise that in responding to this pandemic, opportunity exists to not just revert back to how we were before, but to strive for a better way of being and to come back better and stronger.

We have therefore developed this economic renewal plan, setting out how we will support our businesses and economy to move forward.



Cllr Mike Mackrory
Cabinet Member for
Sustainable
Communities



Cllr Simon Goldman
Cabinet Deputy for the
Economy and Small
Business

The context



Essex's first city

Chelmsford forms the heart of Essex, covering an area of 133 sq miles (344 sq km), and supporting a population of 178,400.

One of Chelmsford's key strengths is its location and direct accessibility to the rest of the county, East of England, London and the rest of the UK. Chelmsford is only 35 minutes away from London by train and up to ten trains per hour connect Chelmsford with London Liverpool Street. More than 20% of the UK's population can access Chelmsford within an hour's drive. Stansted airport can be reached by car in 25 minutes and an hourly bus service integrates Chelmsford's public transport interchange directly to the airport.

In terms of Chelmsford's economy, its strength lies in its breadth of sectors; it is not over dependent on one or two major employers or sectors, but rather supports a balanced economy across a variety of sectors and job types. Major international companies that have a significant presence in Chelmsford include Teledyne e2v, Visteon, Battelle, BAE Systems and Global Marine.

Chelmsford's resident population is well educated and highly skilled. Over a third (35.6%) of the working age population (108,400) is qualified to degree level (NVQ 4) or above, higher than both Essex (30.6%) and the region (33.6%).



178,400 residents



15,000 are employed in wholesale and retail



Weekly earnings by residence at £640 for full time workers



93,300 economically active



15,000 are employed in human health and social care



£4.5 billion total Gross Value Added (GVA)



9,485 businesses



7,000 are employed in professional, scientific, and technical activities



Over 30,605 commute to Chelmsford for work from other areas



30 businesses employing 250+ people



39,400 residents have an NVQ4 qualification or above

**Economic Headlines
for Chelmsford**

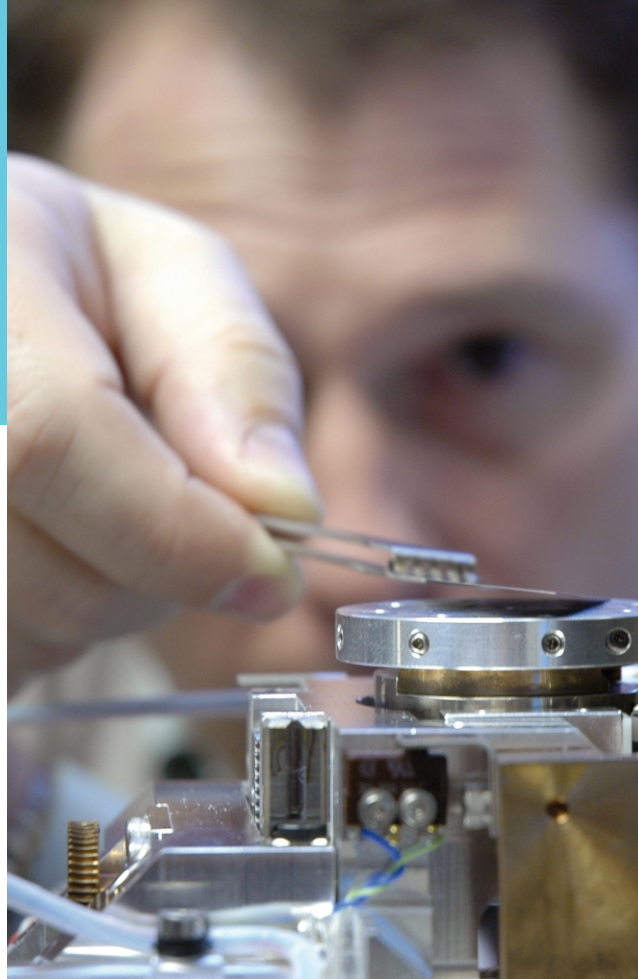
September 2020

The challenge of the crisis

Like many places, coronavirus has impacted significantly on Chelmsford's economy. The pandemic will have far reaching consequences and the long-term impact is extremely difficult to predict.

A Business Recovery Survey conducted by Chelmsford City Council in May 2020 found that from the 416 responses, 93.5% felt that coronavirus has negatively affected their business, with lost income, cash flow issues, premises closures and reduced productivity being cited as some of the key issues. Concerningly, at this point 43% of respondents described their business as being in 'crisis' and 45% were unsure if they would still be operating in 12 months' time.

The South East Local Enterprise Partnership (SELEP) conducted a similar survey, in June 2020 and found that 91.1% of respondents reported being negatively affected by coronavirus, with 31.7% unsure if they would be operating in 12 months' time. The ONS national Business Impact of coronavirus Survey (BICS) September results, found that 54% of businesses were owed outstanding invoice payments as a result of coronavirus and that one in ten businesses reported being at moderate or severe risk of insolvency. BICS also found that of the businesses currently trading, 43% experienced a decrease in profits compared



with what is normally expected for this time of year. It was also found that online job adverts remained around 55% of their 2019 average.

Chelmsford has already seen several business closures, both of small independents and larger chains and franchises. Retail, hospitality, leisure, construction, manufacturing and transport sectors have all been particularly hard hit.

With a historically strong record of low unemployment rates, Chelmsford is already seeing an increase in the number of people claiming unemployment benefits. Chelmsford's claimant count is currently at 5% (5,460 - September 2020), compared to 1.9% (2,085) in March 2020 and that figure is only expected to increase further. The current claimant count sits at a level that has not been seen since 1994.

Responding, recovering and renewing

Initially Chelmsford City Council's focus was on responding to the immediate crisis and supporting our economy to recover. This involved enabling businesses to get back to 'normal'.

Interventions have been made to help support and minimise the economic impact of the pandemic at both a national and a local level and as such, the recovery of Chelmsford's economy is already well underway. To date Chelmsford City Council has:

- Distributed over £30 million in Government grants to nearly 2,500 eligible business
- Supported businesses to make sense of the array of advice and guidance that needed to be followed
- Conducted a business recovery survey, receiving over 400 responses to help understand how best to support local business
- Provided signs and information posters to the retail sector

- Issued parking dispensations for food delivery services
- Worked closely with the Business Improvement District (BID) to safely reopen the High Street
- Held our first virtual jobs and skills fair in partnership with Celsius and Network Essex – supporting residents to find jobs and training opportunities

However, it is important to recognise that what was normal before may not be possible or desirable in the future. There are opportunities that have arisen which can assist the development of Chelmsford's economy, to improve ways services are delivered and build upon the new arrangements put in place. The most obvious being the positive environmental impacts being brought about by the general reduction in travel and the greater prevalence of home working. Therefore there is a sense of renewal; an opportunity to return to something better and make the most of future opportunities to create a stronger future.

Recovery



Mitigating the negative impacts of the coronavirus crisis

Renewal



Supporting adaption, innovation and new ideas, renewing the economic environment for a more productive economy

Our priorities

This renewal plan responds to the priorities set out in the council's Our Chelmsford: Our Plan, document, specifically linking to priorities L1, L2, M1 and M2. This renewal plan provides the next level of detail for implementation; setting out the actions that Chelmsford City Council will take to address both the challenges and opportunities that have been presented by the coronavirus crisis.

This renewal plan also aligns with the work that is being carried out with our partner authorities, including the North Essex Economic Board (NEEB), consisting of Braintree District Council, Colchester Borough Council, Maldon District Council, Tendring District Council and Uttlesford District Council.

This plan will support Chelmsford's economy to recover and will help to position Chelmsford to renew post pandemic into a new, stronger and more competitive economy, ensuring that everyone in Chelmsford has access to good jobs and shares the benefits of economic growth.

Successfully navigating these unprecedented challenges will require us to work in an ever more joined up way. Key partners that we will continue to work with include Essex County Council (ECC), Visit Essex, the Business Improvement District (BID), Anglia Ruskin University, Writtle College University, Chelmsford College, business support partners (including BEST Growth Hub, Colbea, Back to Business Essex), the



Chelmsford Business Board, the NEEB, Success Essex and the South East Local Enterprise Partnership (SELEP).

Our key priorities are to:

- Support existing businesses; helping them through the current crisis and enabling businesses to emerge stronger, more diverse and resilient.
- Position and promote Chelmsford; as a place for investment whilst maximising the impact of new growth opportunities, such as innovation, digital and environmental. Encouraging new business start-ups and the creation of new jobs.
- Identify skills gaps; ensuring our workforce and residents are provided with the support they need to access good quality learning, improving their prosperity and well-being and that of the wider economy.

What we will do

1. Support existing businesses

a Advice and support – we will ensure that through effective communication, every existing business or start-up can access the financial advice and business support they need. We will continue to work closely with our business support partners, BEST Growth Hub, Colbea and Let's do Business Essex, in order to deliver this. We will work with our partners within the NEEB to develop and deliver a further programme of business support.

b Funding for business – we will keep up to date with available funding opportunities and grants for business and communicate these to our businesses. We will administer grants and provide financial support to those eligible.

c Monitor impacts – we will continue to monitor the impacts of the pandemic on businesses and use economic data alongside anecdotal data sourced from businesses and from the Chelmsford Business Board to understand the impacts across the different sectors. We will use this intelligence to tailor our interventions.

d Procurement – we will use our newly adopted procurement strategy to ensure that council procurement positively impacts our economy,



community and environment. We will look to strengthen local spend and support local supply chains.

e Supporting the city centre – we will work closely with the BID, to rebuild consumer confidence and to rethink the way in which the city centre functions. We will support local businesses through these challenging times by running a 'shop local' promotional campaign.

f Greening business – We will support businesses to reflect on their sustainable practices and understand how some of the environmental benefits seen as a result of the recent change in working practices can be continued and built upon.

g Brexit – We will work in partnership to help prepare businesses for the UK's withdrawal from the European Union.

What we will do

2. Position and promote Chelmsford

- a** Business destination of choice – We will create a strong unifying brand and identity to help promote Chelmsford as a key business location within Essex and the South East.
- b** Employment land and commercial opportunities – we will encourage economic growth through the allocation of key sites in the Local Plan for employment use and ensure that we have suitable sites and premises available so that we can take advantage of future business investment opportunities. We will work to promote the range of existing commercial opportunities available in Chelmsford.
- c** Investing in infrastructure – we will continue to invest in infrastructure projects to help stimulate the local economy and provide employment opportunities, whilst making the city better connected and enhancing Chelmsford's offer.
- d** Sector support – we will continue to work with our partners, including the Tech Ambassadors Network, to develop and grow opportunity sectors in Chelmsford with a focus on the technology sector, research and manufacturing sector and the clean growth sector.



- e** Funding – we will work in partnership with NEEB and Success Essex to position ourselves to make the most of funding opportunities. We will develop a list of priority projects that will be used to identify projects suitable for Government / SELEP funding.
- f** Sustainable city – we will work to position Chelmsford as 21st century sustainable city. We will invest in sustainable transport methods, encourage low carbon developments and implement initiatives that reduce the city's carbon emissions.
- g** Digital city – we will work with our digital infrastructure providers to ensure that Chelmsford has the infrastructure required to effectively operate digitally.

What we will do

3. Identify skills gaps

- a** Skills gaps – we will work with businesses and educational partners, including Celsius to identify local skills gaps and develop initiatives to provide learning opportunities which meet the changing needs of businesses and the aspirations of individuals.
- b** Information and guidance – we will ensure residents and workers have access to information about opportunities to support unemployment, redundancy and upskilling. We will work with the NEEB and ECC to develop a one stop information and guidance portal.
- c** Digital Skills - Lockdown has demonstrated the importance of being able to access and use online facilities. We will work in partnership with the South East Local Enterprise Partnership (SELEP) to ensure that individuals have essential digital skills to build their online business presence and to improve productivity through the better use of technology.
- d** Addressing unemployment – we will work with a range of partners to support individuals to find work. Working with partners including DWP, Celsius, NEEB, ECC, SELEP we will run virtual jobs fairs and explore opportunities of creating a job



matching service / employment opportunity platform.

- e** Apprenticeships and Kickstart – working with ECC and NEEB we will promote apprenticeships, the Kickstart scheme and work experience opportunities and will promote the new Essex-wide Apprenticeship Hub. Working with Celsius we will recognise apprenticeship week and work to help businesses develop a better understanding of the apprenticeship levy.
- f** Career pathways – we will continue to work closely with schools and businesses to help young people understand their career pathways. We will explore opportunities for alternatives for the Council's Skills Festival.
- g** Mental health and wellbeing – coronavirus and the linked regulations of social distancing and self-isolation can affect an individual's mental health and wellbeing. We will provide signposting to local organisations, support groups and information in relation to mental health and wellbeing.

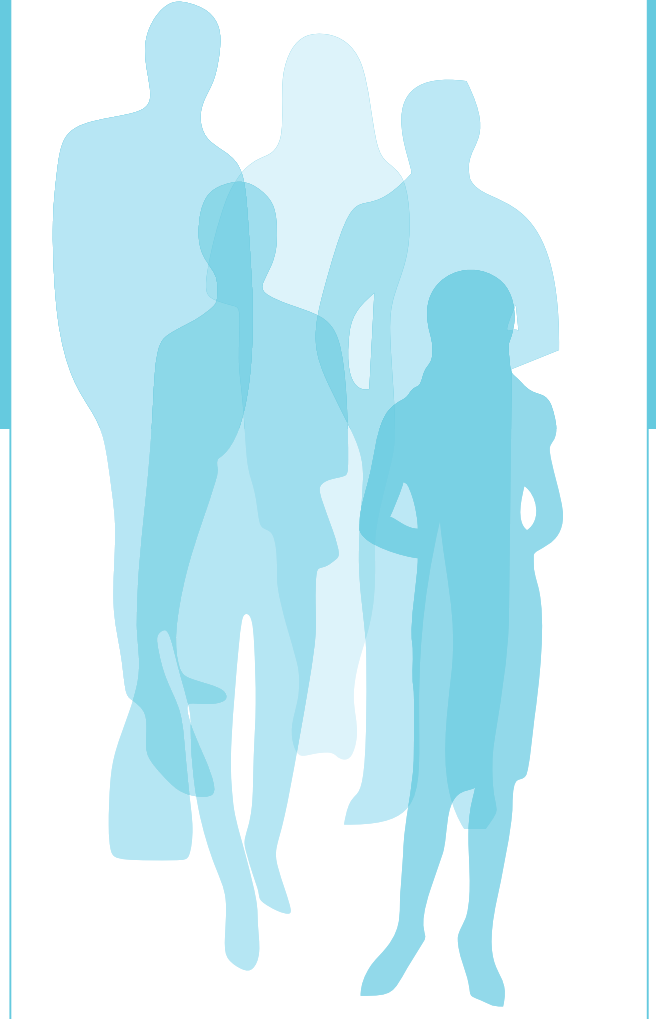
Monitoring performance

This plan has been written in a rapidly changing landscape and as such it will be regularly reviewed to ensure that it remains responsive to changes at the global, national and local level.

Detailed performance metrics will be dependent upon the specific actions and will be set out in supporting documents.

There are however a small number of general metrics that will be monitored throughout;

- Growth Hub support metrics
- Regular performance metrics to understand the state of the local economy including;
 - Job losses
 - Claimants
 - Job vacancies



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