

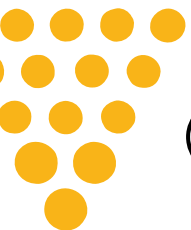


**CORNWALL  
COUNCIL**  
*one and all • onen hag oll*

# Economic Impact of COVID-19 and emerging Recovery Plan

(Ver.9 - 28.09.20)

Economic Growth Service

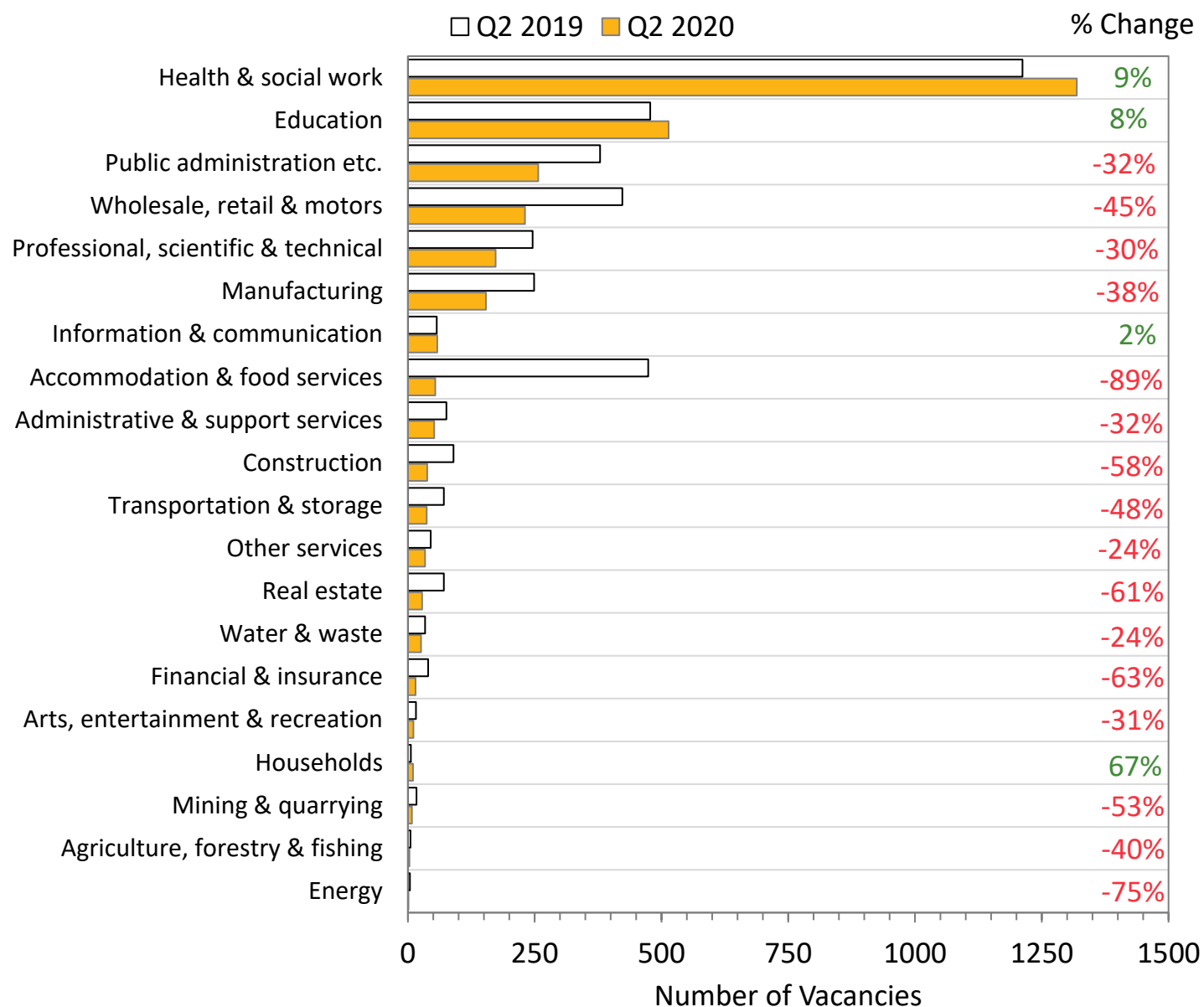


[www.cornwall.gov.uk](http://www.cornwall.gov.uk)



# Vacancies in Cornwall

## Vacancies by Sector Q2 2019 Compared to Q2 2020



The vast majority of vacancies available in Cornwall during Quarter 2, 2020 were in the sectors of Health and Social Work, Education and Public Administration.

The majority of sectors have seen declines in vacancies available when compared to Quarter 2, 2019.

Cornwall in Q2 2020 had **4,260 job vacancies** this is a fall of **1392 vacancies** when compared to Q2 2019.

# DWP – People on Universal Credit

## CC Analysis of UC Data for March to August 2020

### Largest Percentage Increases – Top 5 LSOA's in Cornwall IoS

MSOA		MARCH 2020	AUGUST 2020 (P)	CHANGE	
Code	Name	No's	No's	No's	%
Isles of Scilly 001A	Isles of Scilly	24	136	112	466.7%
Cornwall 054C	St Ives Alexandra Road and Porthmeor	29	139	110	379.3%
Cornwall 033C	Bolingey and Callestick	25	91	66	264.0%
Cornwall 007B	Port Isaac and St Kew	33	119	86	260.6%
Cornwall 054D	St Ives Treloyhan and Carbis Bay Counthouse	38	137	99	260.5%

### Largest Numerical Increases – Top 5 LSOA's in Cornwall IoS

MSOA		MARCH 2020	AUGUST 2020 (P)	CHANGE	
Code	Name	No's	No's	No's	%
Cornwall 018B	St Columb Minor and Lane	174	407	233	133.9%
Cornwall 020A	Newquay Fistral and Headland	200	427	227	113.5%
Cornwall 021C	Newquay Narrowcliff	185	390	205	110.8%
Cornwall 020B	Newquay Town Centre	219	408	189	86.3%
Cornwall 024B	Roche North	146	310	164	112.3%

### Universal Credit in Cornwall

 **95.8%** Between March and August 2020

Statistics from the DWP for August provide a stark contrast with the pre-lockdown figures in March. Overall, across Cornwall and Isles of Scilly numbers rose from 24,901 in March to 48,765 in August, up by 23,864 or 95.8%.

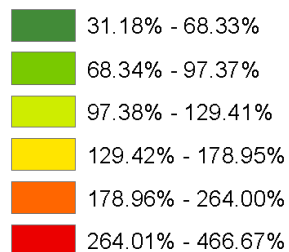
This increase highlights significant stress in the labour market. It must however be seen in the context of unemployment being at very low levels pre crisis.

# DWP – People on Universal Credit

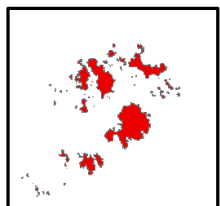
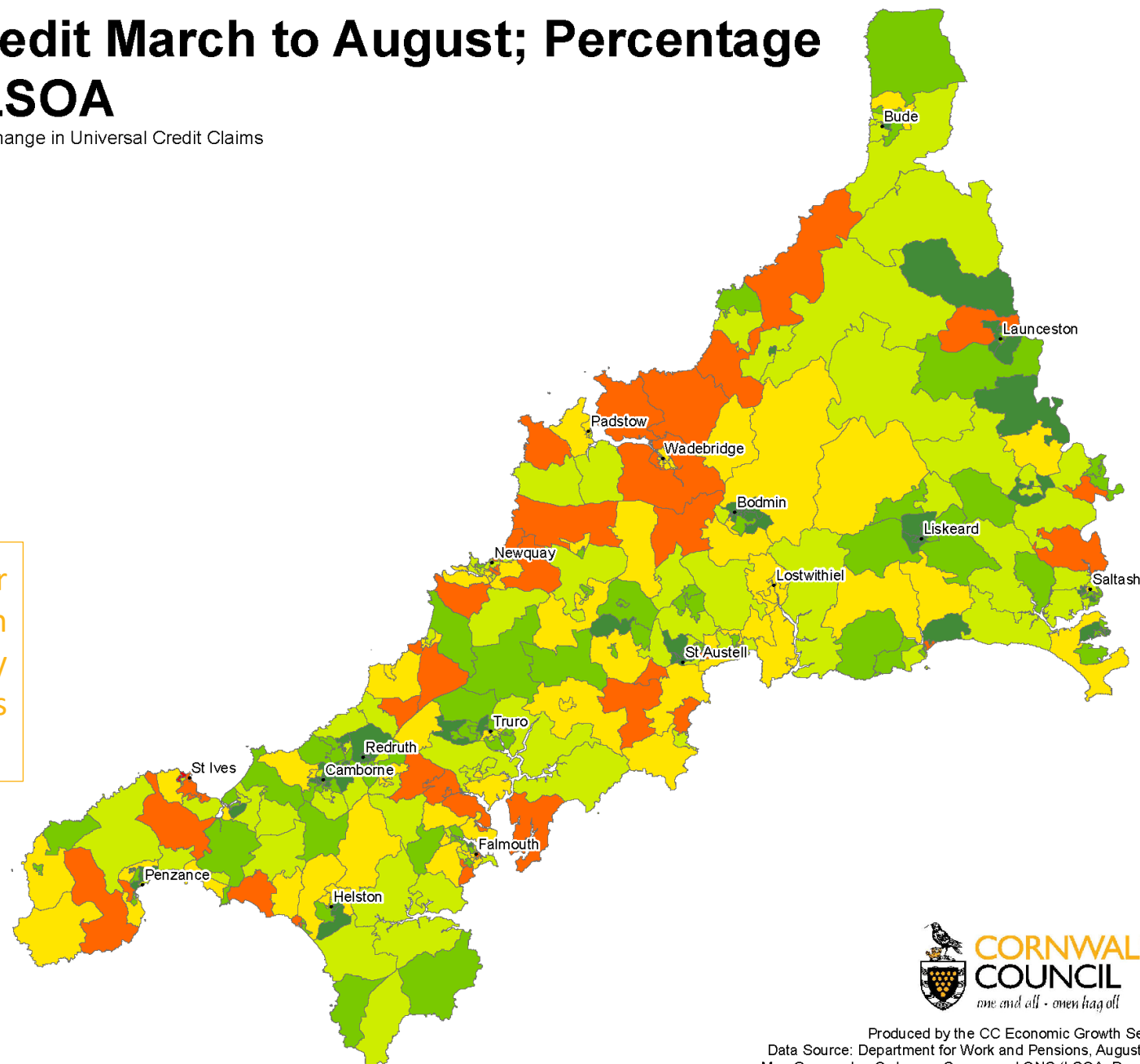
## Universal Credit March to August; Percentage Change by LSOA

March to August 2020 Percentage Change in Universal Credit Claims

### March to August Change



Rural areas have seen larger percentage increases than urban areas which typically had higher levels of UC claims before the pandemic.



Produced by the CC Economic Growth Service  
 Data Source: Department for Work and Pensions, August 2020  
 Map Geography: Ordnance Survey and ONS (LSOA, Dec 2011)



# Coronavirus Job Retention Scheme

## Cornwall and Isles of Scilly – Breakdown 30 June

Please Note: All figures are rounded to the nearest 1%.

Figures are cumulative therefore they don't show the current number of jobs furloughed.

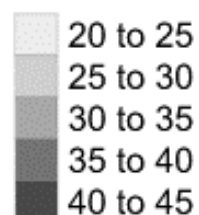
**Cornwall and IOS  
Take Up Rate**

**37%**

**of Eligible Employments.**

**Cornwall and Isles of Scilly has one of the highest furlough take up rates in the United Kingdom.** Pointing to a greater economic impact.

Take-up (%)



# Coronavirus Job Retention Scheme

## Cornwall and Isles of Scilly – Breakdown 30 June

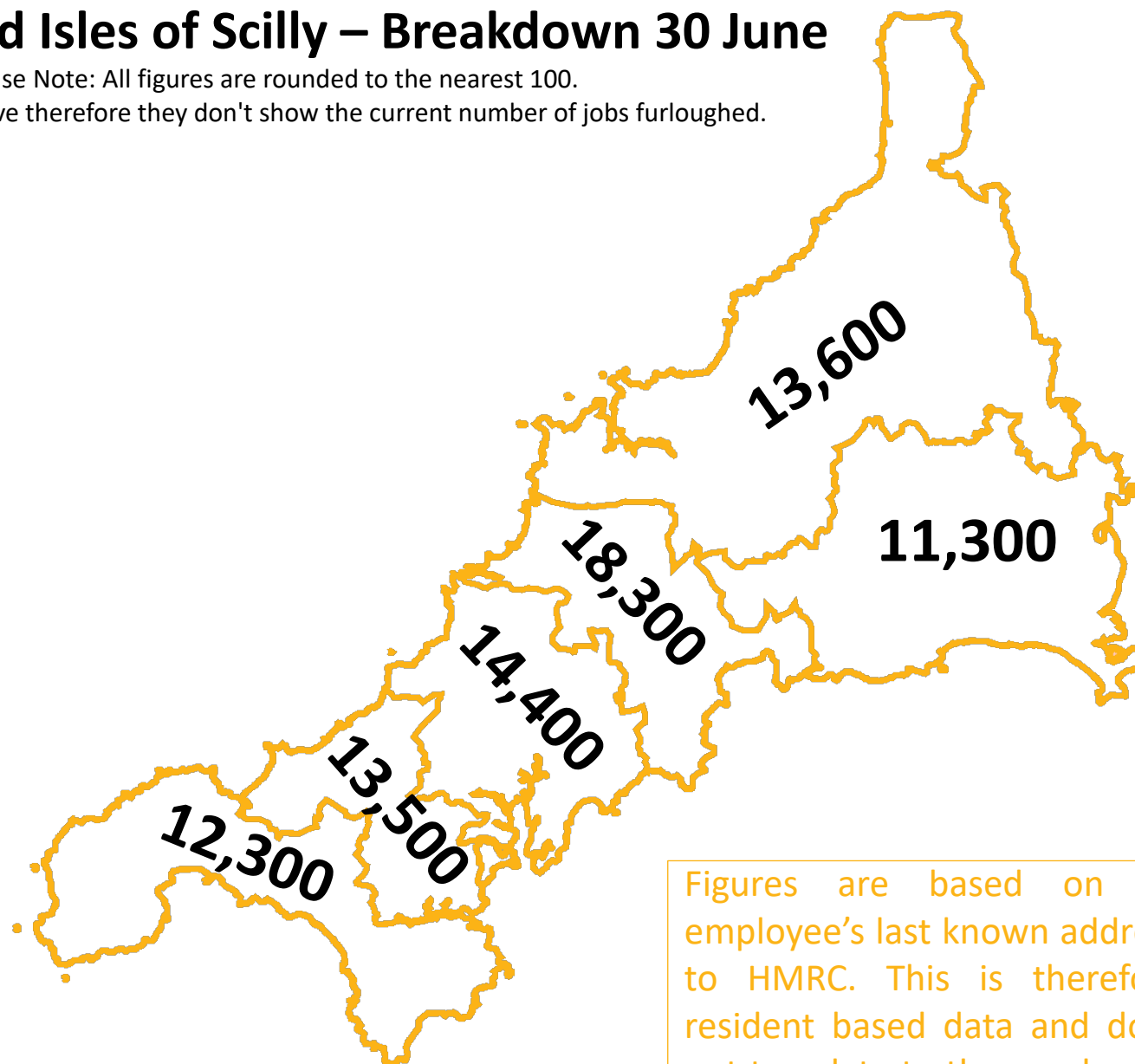
Please Note: All figures are rounded to the nearest 100.

Figures are cumulative therefore they don't show the current number of jobs furloughed.

Number of Jobs Supported

# 84,300

Across Cornwall and Isles of Scilly up to 30 June 2020



Figures are based on an employee's last known address to HMRC. This is therefore resident based data and does not translate to the employees usual place of work.

# Self-Employment Income Support Scheme

## Cornwall – Breakdown 31 July

Please Note: All figures are rounded to the nearest 1%

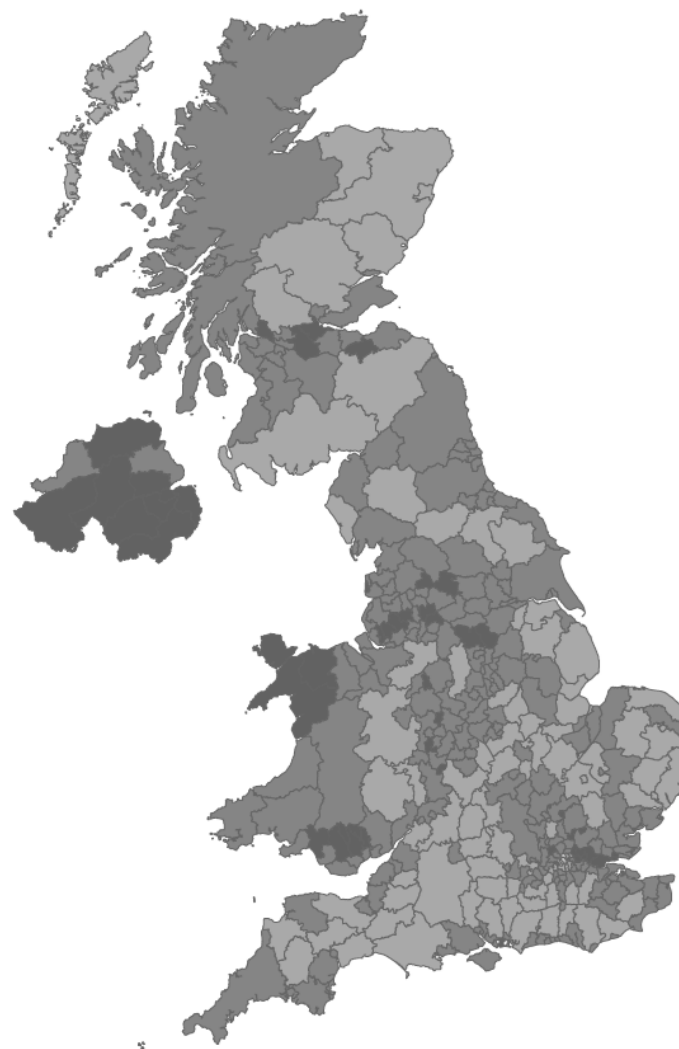
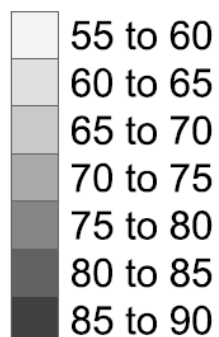
### Cornwall Take Up Rate

# 77%

of Eligible Population.

Cornwall has one of the higher SEISS take up rates in the United Kingdom. Pointing to a greater economic need for support in Cornwall's self-employed workforce, than other areas.

### Take-up (%)



### London



# Self-Employment Income Support Scheme

## Cornwall – Breakdown 31 July

Please Note: All figures are rounded to the nearest 100 , £100,000, £100 and nearest 1%

### Potentially Eligible Population

**40,300**

People Across Cornwall Potentially  
Eligible when the Scheme Launched

### Number of Claims

**30,900**

Claims in Cornwall to  
the 30 June 2020

### Total Value of Claims

**£86.3m**

Claimed by Self Employed in  
Cornwall as 30 June 2020

### Average Value of Claims

**£2,800**

Average Value of Claims in  
Cornwall as 30 June 2020



# Business Support Grants

Grant Schemes Delivered by Cornwall Council following guidance from Central Government.

## Small Business (SBGF) & Retail, Hospitality and Leisure Grant Funds (RHLG)

Total Grant Funding Paid Out

**£235m** Original budget of £281m.

Businesses Supported

**20,500+**

Businesses eligible for the Small Business Grant received a payment of £10,000. Businesses eligible for the hospitality, retail and leisure grant received £25,000.

## Local Authority Discretionary Fund

Total Grant Funding Paid Out

**£13.45m** Allocation over subscribed.

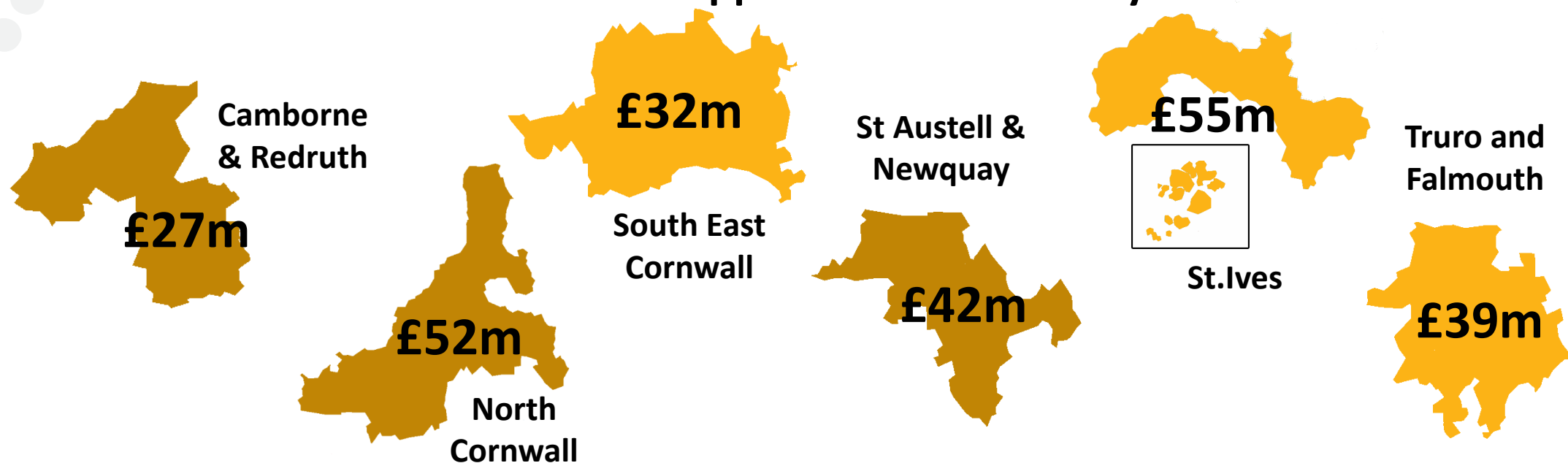
Businesses Supported

**1,345** With a £10,000 grant.

Following lobbying from Local Authorities across the country, the discretionary grant fund was explicitly created to plug the gaps in the original scheme e.g shared business premises, B&Bs paying council tax, market traders and charities in receipt of charitable business rates. **The total budget for this discretionary grant was capped by government and in Cornwall demand for the scheme exceeded the available budget with approximately £27m of demand.**

# Business Support Grants

Total Grant Support Paid Out – 5 July



Figures are rounded to the nearest million and are for all three grant schemes (SBGF, RHLGF & LADG)

PARLIAMENTARY CONSTITUENCY	SMALL BUSINESS GRANT	TOTAL VALUE	RETAIL, HOSPITALITY & LEISURE GRANT	TOTAL VALUE	DISCRETIONARY GRANT	TOTAL VALUE
Camborne and Redruth	1796	£17,960,000	446	£7,055,000	189	£1,890,000
North Cornwall	3698	£35,000,000	943	£15,490,000	183	£1,830,000
South East Cornwall	2192	£21,920,000	576	£8,790,000	116	£1,160,000
St Austell and Newquay	2579	£25,790,000	810	£13,365,000	232	£2,320,000
St Ives	3698	£36,980,000	1068	£16,155,000	270	£1,961,245
Truro and Falmouth	2424	£24,240,000	748	£12,985,000	207	£2,070,000

# Business Support Grants

## Parliamentary Constituency Comparison – 5 July

RANK	PARLIAMENTARY CONSTITUENCY	GRANT PAYMENTS (excluding discretionary grant)	ENTERPRISES	GRANT VALUE PER 1000 ENTERPRISES
1	St Ives	£53,135,000	3,840	£13,837,240
2	Scarborough and Whitby	£50,325,000	3,720	£13,528,226
3	North Norfolk	£46,765,000	3,500	£13,361,429
4	Blackpool South	£31,955,000	2,460	£12,989,837
5	Clacton	£27,865,000	2,230	£12,495,516
6	Berwick-upon-Tweed	£37,140,000	3,500	£10,611,429
7	Great Yarmouth	£29,840,000	2,830	£10,544,170
8	St Austell and Newquay	£39,155,000	3,865	£10,130,660
9	North Thanet	£29,920,000	2,970	£10,074,074
10	Isle of Wight	£46,315,000	4,620	£10,024,892
12	North Cornwall	£50,490,000	5,185	£9,737,705
34	Camborne and Redruth	£25,015,000	3,045	£8,215,107
42	South East Cornwall	£30,710,000	3,835	£8,007,823
45	Truro and Falmouth	£37,225,000	4,680	£7,954,060
524	Putney	£10,995,000	4,995	£2,201,201
525	Croydon South	£12,040,000	5,525	£2,179,186
526	Wokingham	£12,680,000	5,860	£2,163,823
527	Luton South	£10,545,000	4,920	£2,143,293
528	Chipping Barnet	£13,585,000	6,480	£2,096,451
529	Holborn and St Pancras	£52,610,000	25,280	£2,081,092
530	Harwich and North Essex	£8,345,000	4,230	£1,972,813
531	Harrow East	£12,300,000	6,465	£1,902,552
532	Cities of London and Westminster	£89,600,000	69,060	£1,297,423
533	Sheffield, Hallam	£3,185,000	2,775	£1,147,748

St Ives parliamentary constituency had the highest value of grants paid per 1000 enterprises in England at the beginning of July. Analysing the figures in this way removes the total number of enterprises in an area as a variable allowing direct comparisons.

**Cornwall's Constituencies are in the top fifty for value of grants per thousand enterprises.** This analysis points to high levels of need, greater levels of small business/eligibility for the SBGF and strong delivery of the grant support. The RHLGF is not a significant driver of the high rankings.

# Business Interruption Loan Scheme (CBILS)

## Cornwall and Isles of Scilly – Breakdown 2 August

### CBILS Loans by Parliamentary Constituency – Loans per 1000 Enterprises

RANK OUT OF 650	CONSTITUENCY	NUMBER OF ENTERPRISES	NUMBER OF LOANS	LOANS PER 1000 ENTERPRISES
63	Truro and Falmouth	4,680	108	23
68	St Austell and Newquay	3,865	88	23
254	Camborne and Redruth	3,045	55	18
385	St Ives	3,840	59	15
456	North Cornwall	5,185	72	14
522	South East Cornwall	3,835	48	13

CBILS is a scheme for small and medium-sized business providing access to loans and other forms of finance up to a value of £5 million. The government guarantees 80% of the finance to the lender and pays interest and any fees for the first 12 months.

### Coronavirus Business Interruption Loans in Cornwall and Isles of Scilly

**430** Up to the  
2 August

# Bounce Back Loan Scheme (BBLS)

## Cornwall and Isles of Scilly – Breakdown 2 August

### BBLS Loans by Parliamentary Constituency – Loans per 1000 Enterprises

RANK OUT OF 650	CONSTITUENCY	NUMBER OF ENTERPRISES	NUMBER OF LOANS	LOANS PER 1000 ENTERPRISES
156	St Austell and Newquay	3,865	1798	465
269	St Ives	3,840	1591	414
274	Camborne and Redruth	3,045	1258	413
277	Truro and Falmouth	4,680	1930	412
347	South East Cornwall	3,835	1479	386
404	North Cornwall	5,185	1847	356

BBLS is a lending scheme for small and micro businesses, providing loans from £2k up to a maximum loan of £50k.

The BBLS enables businesses to obtain a six-year term loan at a government set interest rate of 2.5% a year. The government will cover interest payable in the first year.

**Bounce Back Loans in  
Cornwall and Isles of Scilly**

**9903** Up to the  
2 August





# Initial Impact and Estimated Impact

Early Estimates of the Impact of  
COVID-19 on the Economy of Cornwall.

**Please Note: Early estimates were based on the best available information at the time. The situation continues to change and therefore figures should be considered in this context.**

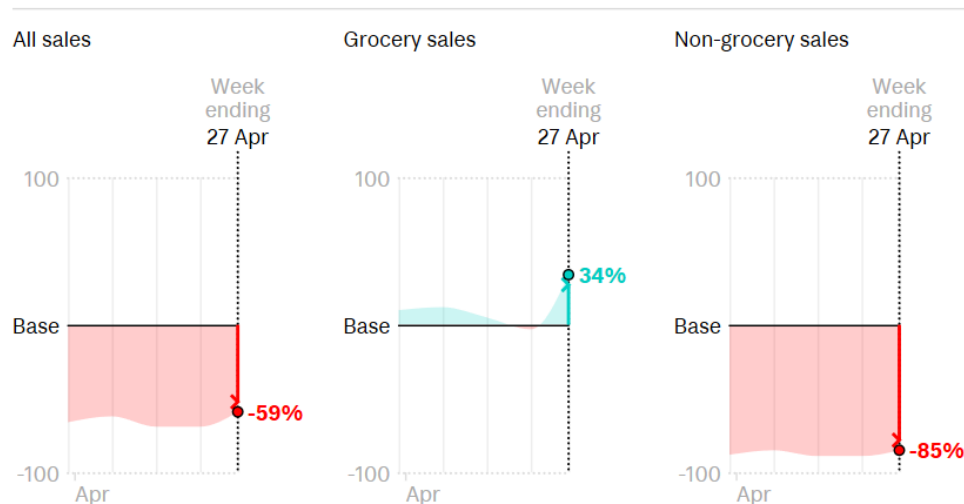




# Tortoise Media – Sales Impact (April 2020)

## Tortoise Media Consumer Spending Analysis – 27 April

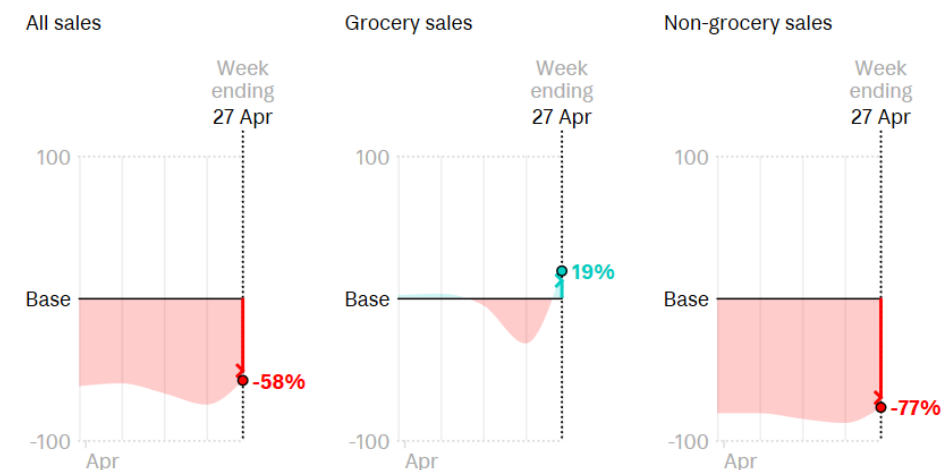
### Penzance



**“The challenge now is not just to ‘level up’ but to rebuild our social infrastructure in the communities that need it most.”**

**“Cornwall may be the biggest economic British loser from the lockdown”**

### Wadebridge



# Tortoise Media – Sales Impact

## Tortoise Media Consumer Spending Analysis – 22 June

Tortoise Media during the lock down undertook some research looking at the impact of the COVID-19 on consumer spending across England and Wales. The data compares sales with the equivalent week in the previous year. Ongoing analysis has continued to identify a number of Cornish towns experiencing significant drops in sales and therefore an ongoing economic impact due to COVID-19. **The last update at the end of June showed many Cornish towns moving up the rankings even as the impact begins to ease. This points to a slower recovery compared to other towns in England and Wales.**

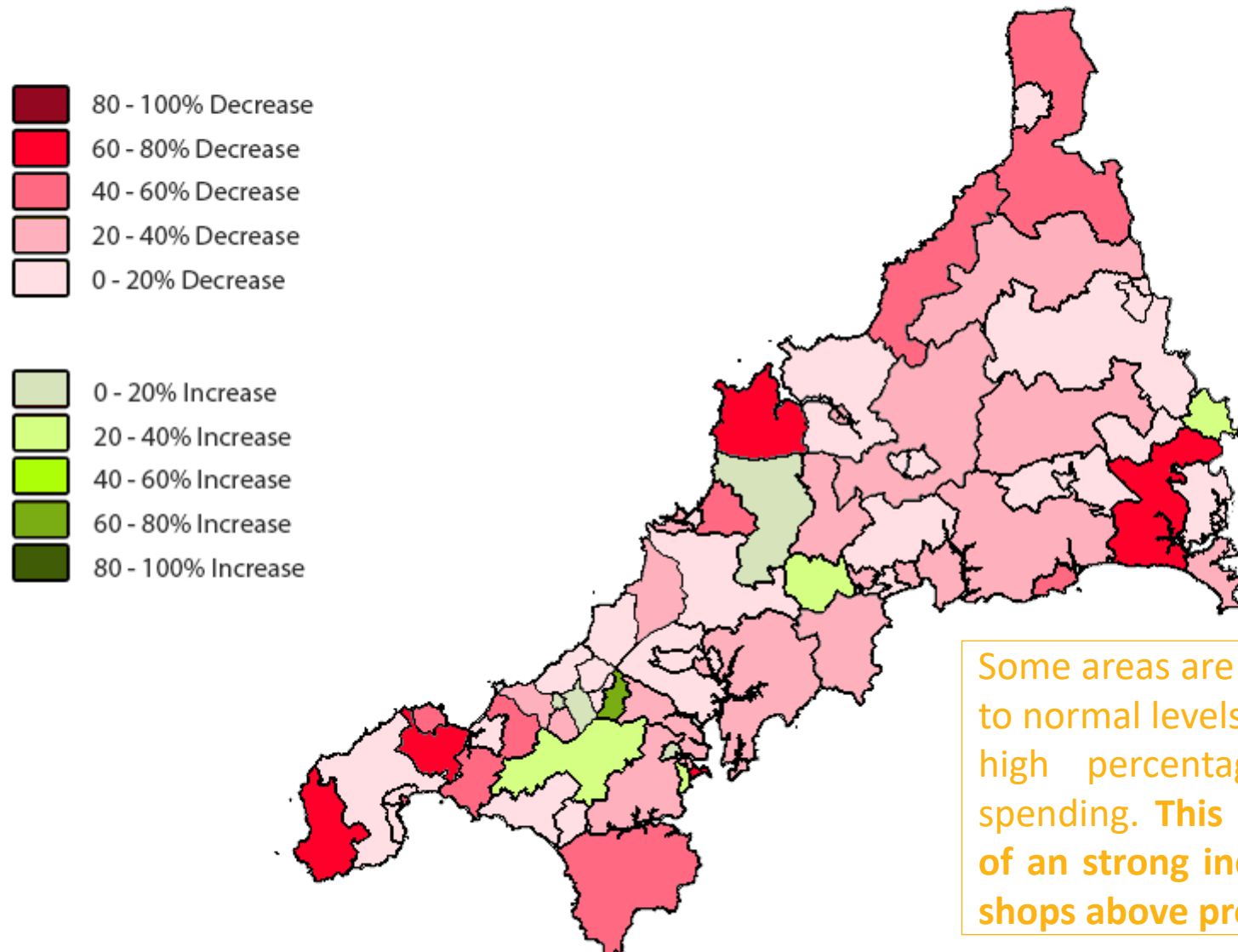
### Percentage change in sales compared with same week in 2019

TOWN OR CITY (TTWA)	Wk.end - 14 April		Wk.end - 22 June		RANKING (PREVIOUS RANK)
	ALL SALES	NON-GROCERY SALES	ALL SALES	NON-GROCERY SALES	
Wadebridge	-67%	-85%	-51%	-55%	1 (3) ↑
Penzance	-69%	-89%	-42%	-57%	2 (2) -
Redruth and Truro	-56%	-73%	-20%	-30%	17 (22) ↑
Liskeard	-45%	-73%	-17%	-33%	26 (80) ↑
St. Austell and Newquay	-48%	-71%	-17%	-29%	31 (59) ↑
Falmouth	-54%	-77%	-14%	-25%	39 (29) ↓
Bude	-46%	-67%	-11%	-27%	52 (70) ↑
Launceston	-42%	-66%	-8%	-20%	81 (98) ↑

# Imfoco – Sales Impact

## Total Sales Change - Compared with Previous Year - June 2020

Percentage Change in Sales June 2019 vs June 2020



Some areas are seeing increases compared to normal levels of spending driven by very high percentage increases in grocery spending. This pattern is likely the result of an strong increased reliance on corner shops above pre pandemic levels.

# CC – Job Impact Estimates (May 2020)

## Net Impact on Jobs – CC Estimates Using ISER Research

Employee:

**-58,700**

Lost: -68,000

Gained: 9,300

Total Net Change:

**-72,800 Jobs**

27% of Cornwall's  
Total Employment

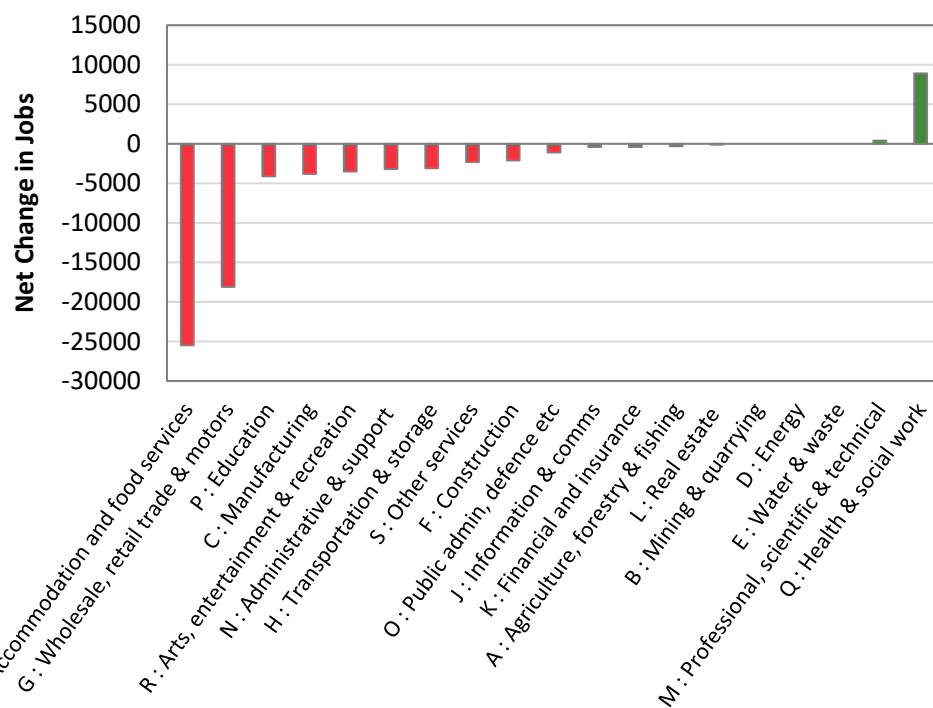
Self-Employed:

**-14,100**

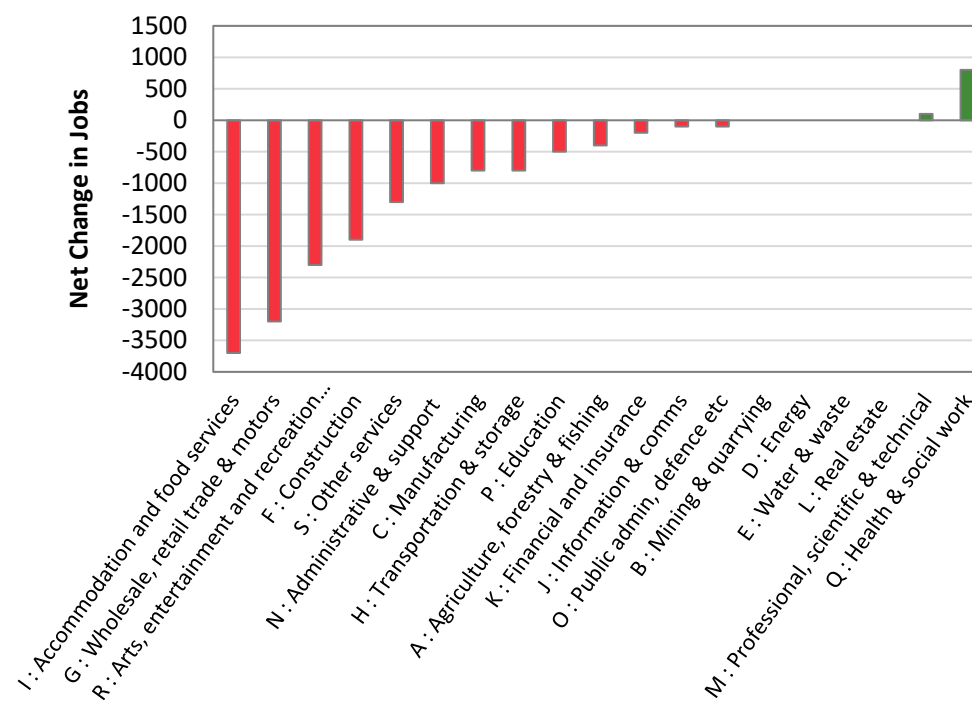
Lost: -15,000

Gained: 900

Estimated Employee Job Impact by Sector



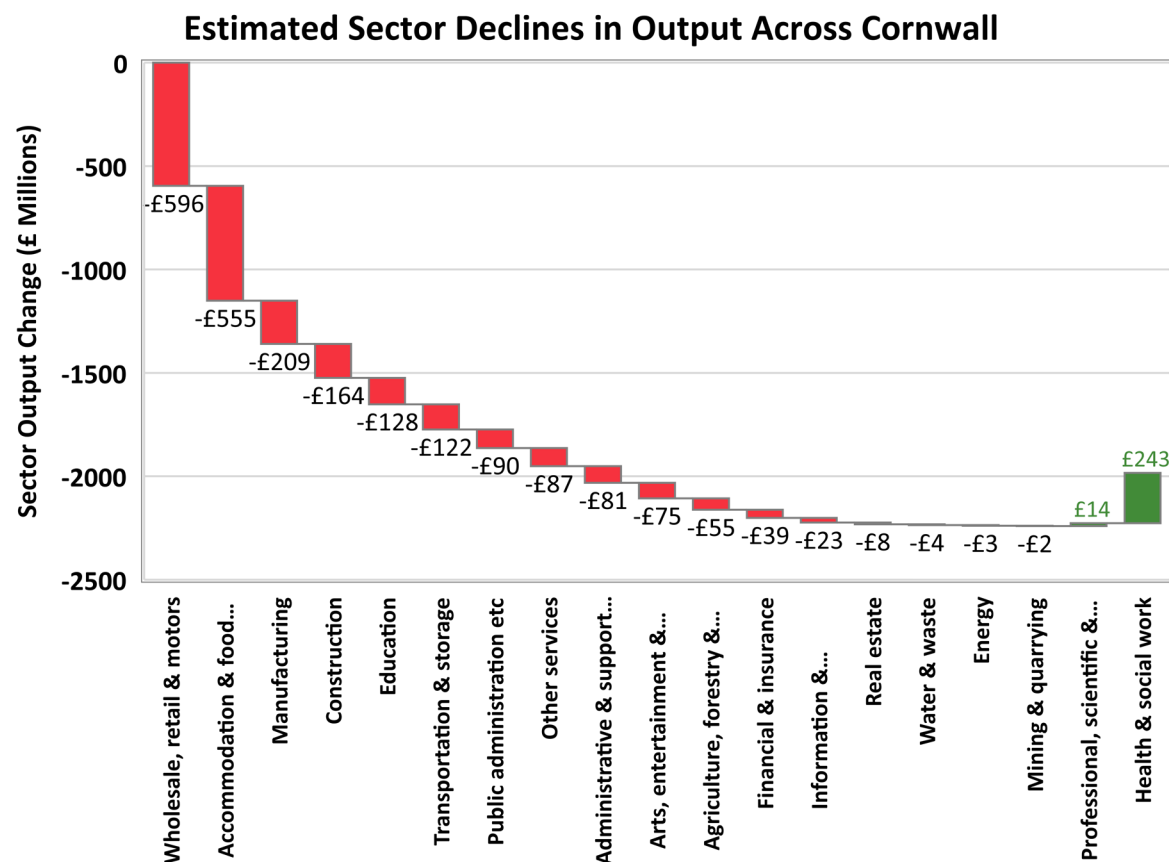
Estimated Self-Employed Job Impact by Sector



# CC & CPP – GVA Estimates (May 2020)

## CC GVA Estimates Using ISER Research

Assuming that changes in output also mirrored changes in employment as the ISER analysis suggested the **estimated potential loss to Cornwall's GVA was £1,984 million**, had the lockdown lasted a year. The most significant impacts would have been felt in the Wholesale, Retail and Motors and Accommodation and Food Services sectors.



**Annual GVA:**

**↓ -22%**

If the lockdown was to last a year.

## Centre for Progressive Policy Analysis

The CPP estimated Local Authorities quarter two GVA.

**Quarter 2 GVA:**

**↓ -34%**  
UK: -35%

276 out of 382 Local Authorities.

# Centre for Towns – Exposure (May 2020)

## Centre for Towns – Sectoral Exposure to COVID-19

### Towns with the Highest Sectorial Impact from COVID-19

TOWN	REGION	% EMPLOYED IN SHUTDOWN SECTORS
Newquay	South West	56.2
Skegness	East Midlands	54.7
Whickham	North East	52.8
Cleveleys	North West	48.2
St. Ives (Cornwall)	South West	48.0
Minehead	South West	48.0
Aberystwyth	Wales	47.1
Whitby	Yorkshire and The Humber	46.9
Ilkley	Yorkshire and The Humber	44.7
Kingsteignton	South West	44.5
Mablethorpe	East Midlands	44.5
Swanage	South West	44.2
Sidmouth	South West	43.4
Porthcawl	Wales	43.0
Penzance	South West	42.2
Llandudno	Wales	40.9
Falmouth	South West	40.6
Kinmel Bay	Wales	39.8
Sandown	South East	39.6
St. Blazey	South West	39.3

### Identified At-Risk Sectors:

- Accommodation;
- Art and Leisure;
- Non-food Retail;
- Pubs and Restaurants.

The Centre for Towns identified the towns (in England and Wales) with the highest proportion of employees working in each at risk sector and therefore expected to see a high impact from COVID-19.

**Newquay** has the highest combined employment in the at-risk sectors identified by the Centre for Towns, making it the most exposed town in England and Wales.





# Recovery Plan 2020 to 2021 - DRAFT

**Please Note: Recovery Plan still work in progress and is being presented to Economy Overview and Scrutiny Panel on 13<sup>th</sup> October. Therefore it is not yet agreed by CC. In addition a long term recovery plan is being developed in conjunction with the LEP and other stakeholders.**



# Initial 18 month Recovery Plan – focuses on what CC can do from own resources



## COVID-19 Economic Recovery Plan

2020 - 2021



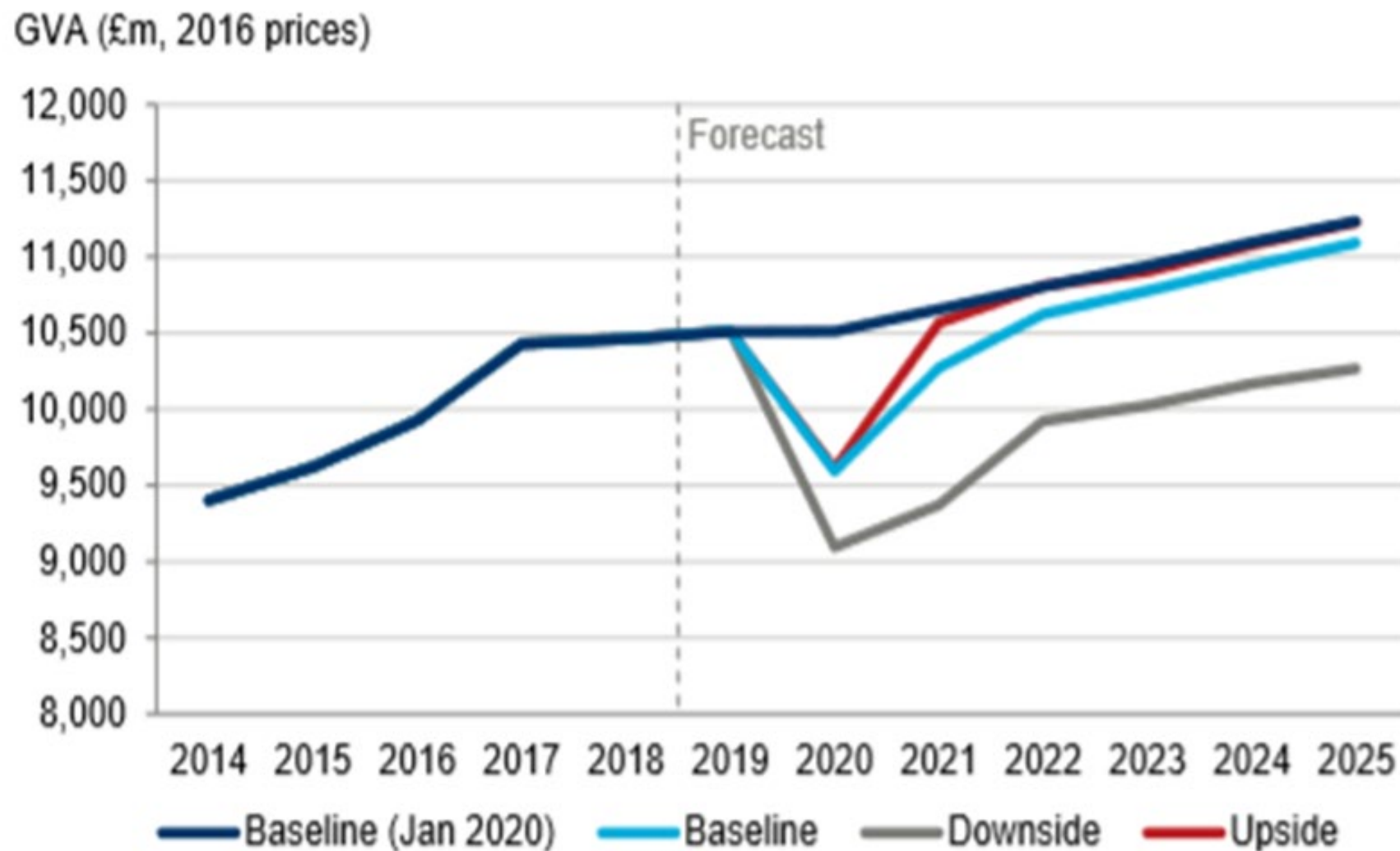
# Key Principles

**The economic recovery of Cornwall is likely to be characterised by four phases – Respond, Reopen, Recover, Renew. These phases will not be distinct and certain services, infrastructure and business sectors will be at different stages at different points. Therefore, the diagram below can be used to summarise our proposed recovery response.**

As place leaders and given the fluid nature of the situation, Cornwall Council will need to regularly update our latest impact modelling to ensure our response remains current and responsive. This Recovery Plan is therefore designed to identify what Cornwall Council can do from our existing resources to assist and will predominantly support the “respond and re-open” phases of the above diagram. We will continue to work with the Local Enterprise Partnership and other external stakeholders on the longer-term recovery plans that will identify new activity and new resources to focus on the “recover and renew” phases.



# Key Principles



Source: ONS, Oxford Economics



# Example Actions

## People

**1 Drive improved skills leadership** – by refreshing the membership of the Employment and Skills Board and developing a Skills Action Plan and devolution ask that will see funding from the UK Shared Prosperity Fund and other government skills funding devolved to local level in order to deliver improved employment and skills provision.



**2 Through the Cornwall and Isles of Scilly People Hub provide support to residents across Cornwall, during these uncertain times.** Advisers on hand to provide free confidential advice and support regarding work, employment, furlough, redundancy and training.

**3 Establish a multi-agency redundancy task force comprising of key agencies** (e.g. DWP, People Hub, Citizens Advice Bureau, National Careers Service and key employers) to co-ordinate intelligence and support organisations facing large scale redundancy situations.

**4 Support a collaborative Cornwall-wide initiative aimed at supporting 1000 of those most disadvantaged people who face multiple and complex barriers to employment,** such as poverty, exclusion and violence, that prevent them accessing education, training or employment to build trust and confidence, acquire soft and basic skills and/or to enable them to progress into employment or wider employability programmes.



# Example Actions

## Business

**1** Maximise the uptake and reach of the remaining EU programmes and work with Government to successfully deliver specific COVID-19 recovery funds. This will include maximising the drawdown of the remaining funding as well as the successful delivery of approved schemes/projects.

**2** Secure additional funding for the Growth Hub to provide enhanced business support. This includes Kickstart business support grants, delivery of Peer Networks and additional business support advisor capacity.



**3** Working with the Local Enterprise Partnership to maximise the budget secured from the government's "Getting Building Fund" and successfully deliver the funding to support growth. This will include the delivery of £14.3 million of funding to seven projects across Cornwall.

**4** Continue to lobby government to expand the Business Rate Discretionary Grant budget and other Government support funds to businesses in Cornwall. This will ensure that businesses that have missed out on government support to date can be supported and that any further funding available is distributed to businesses in Cornwall to help them through the economic downturn.



# Example Actions

## Place

**1** Develop submissions to secure a successor programme to replace the EU Programmes under the UK Shared Prosperity Fund. This will include developing a devolved delivery model that secures a £700 million ("no worse off") single pot budget to be delivered over a 7-year allocation period (plus an extra 3-year delivery period) with local decision making that is less bureaucratic, cheaper to deliver and that focuses on outcome delivery.

**2** Develop a new Devolution Prospectus, building on the success of our Devolution Deal from 2015, to seek further delegation and decentralisation of powers and funding to ensure more effective local delivery of funding and services. This will help to bring decision making closer to the people and places delivering greater impact and accountability.

**3** Revise the Local Industrial Strategy to take account of COVID-19 impacts and build on this work to develop a CioS Economic Recovery Plan. This will include reviewing the draft Local Industrial Strategy and restarting discussions with Government to gain their support for its implementation.



# Example Actions

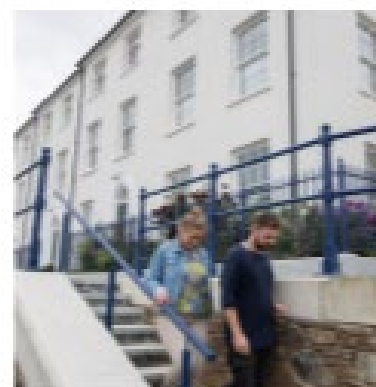
## 4 Accelerate support to encourage Town Centre and High Street recovery. This will include the following activity:

- a Make contact with key High Street national chains (e.g. M&S, Boots, High Street banks, etc) at board/Chief Executive level to see what Cornwall Council can do to reduce the impact on Cornwall of their announcements regarding national closures/redundancies.
- b Ensure successful submission and delivery of the Future High Street Fund in Penzance (worth up to £25 million), the Heritage High Street Funding in Redruth

(worth up to £5 million), the Towns Fund submissions for St Ives, Penzance, Truro and Camborne (potentially worth up to £100 million) and Cornwall Council's Town Centre Revitalisation Fund (worth up to £4 million).

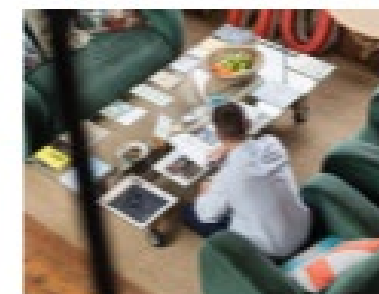
- c Cornwall Council to consider the positive/negative economic impact that possible changes to the CC property estate will have on Town Centres in order to inform investment decisions.
- d Evidencing the significance of hyper local and community focused cultural projects, that will enable our towns to build their confidence and vitality.

## 5 Engage with Treveth to ensure that the Cornwall Investment programme can be used to help support/fund recovery actions. This will be to ensure that the Cornwall Investment Programme (worth up to £600 million) is aligned to COVID-19 recovery objectives where possible.



## 6 Utilise any changes to planning policy to facilitate alternative uses for vacant buildings in Town Centres e.g. Housing and shared working areas.

This will be to ensure that our town centres remain vibrant with a wider and more diverse range of uses and more people living in them in accordance with the Town Renewal Policy and Priorities Assessment and emerging Climate Change DPD.

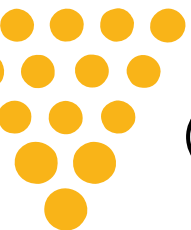




**CORNWALL  
COUNCIL**  
*one and all • onen hag oll*

# Thank You/Meur Ras

If you have any questions please contact:  
[economicdevelopment@cornwall.gov.uk](mailto:economicdevelopment@cornwall.gov.uk)



[www.cornwall.gov.uk](http://www.cornwall.gov.uk)

