

# ***Report to the Council***

**Committee:** Cabinet

**Date:** 29 October 2020

**Subject:** Finance and Economic Development Portfolio

**Portfolio Holder:** Councillor John Philip

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## **Recommending:**

**That the report of the Finance and Economic Development Portfolio Holder be noted**

## **Finance**

Since my last report to council the focus of Finance Portfolio has continued to be on understanding and managing the impacts of COVID-19 on the Council's budget. The impact has been significant, both in terms of cost pressure and in terms of lost income. In addition, Covid-19 has resulted in large variances on individual budgets, as the focus of budget holders has shifted in response to the demands placed on the Council by the Pandemic.

For example, the Council was unable to deliver some services because of restrictions, has had to re-align resources in other areas to focus on the response effort, had new cost pressures associated with local response impacts but also the wider national economic, social and community impacts and saw significant reductions in income receipts from key income generating activities.

This has made keeping track of the budget especially difficult this year and the Finance Team have been working hard with budget holders across the organisation to understand the impact on the council's finances.

As reported to cabinet earlier this month, even after government support (currently forecast as £3.4 million) the pandemic will still result in a large cost to the Council that will be unfunded and will need to be taken from the Council's general fund working balances. Our current best estimate is that this might be close to £2 million, but with such uncertainty surrounding the ongoing and lasting impacts of the continuing virus threat it is likely the true figure at the end of the year may vary significantly from this estimate.

Fortunately, through sound financial planning over previous years the council has sufficient General Fund working balances to cover the estimated cost of the Covid-19 event during 2020/21. This will avoid the Council from needing to take in-year budget action, as has been seen in some other councils.

This leads on to the development of the budget for next year and the medium-term financial plan for the next three years. With so much uncertainty surrounding the ongoing and lasting impact of the virus on the Epping Forest District it is particularly difficult to plan financially over this time frame. Key to understanding the financial implications will be knowing when the virus will cease to become a threat and what the lasting impacts on the economy, the community and the finances of the district area are. Additionally, at this stage it is unknown what further support will be forthcoming

from the government and therefore what quantum of savings the council will need to plan for in the budget planning time frame.

With these uncertainties likely to continue beyond the point where the Council will need to set its budget, the budget plans will need accommodate multiple scenarios. More information will be provided to members for their consideration as part of the budget development process over the next few months.

## **Economic Development**

**Town Centre Regeneration:** Business Consultants Studio 3 Ltd have been appointed to lead work on the regeneration of our five main towns including; Waltham Abbey, Ongar, Buckhurst Hill, Loughton and Epping.

Waltham Abbey was identified as the initial priority for work and an appraisal has already been undertaken by Studio 3, which includes details such as high street vacancies, levels of footfall and opportunities for a range of quick and low-cost improvements that can be applied. Consultation has also been undertaken at weekends and in evenings with local stakeholders, residents and visitors additionally meetings with local businesses are underway.

It is anticipated that some of the work carried out in Waltham Abbey will serve as a model which can be modified where necessary and then applied to the other towns under consideration. A report with recommendations for Waltham Abbey, will be presented to Cabinet in November.

**Civic Office Commercialisation:** Savills and Derrick, Wade, Waters have been appointed as Commercial Agents to market space available within the Civic Offices. This includes an area on the second floor of the building and a café space on the ground floor.

In addition, officers are working with colleagues from the community and voluntary sector with a view to co-location of services in the Civic building and visits have been made to the site to assess potential for this.

It is anticipated that interest may come forward from companies hoping to move out of London, due to the significant switch to people working successfully from home.

**Essex + Herts Digital Innovation Zone (DIZ):** Following a public vote and ahead of the final award ceremony on 15<sup>th</sup> October, the DIZ is now listed in the Digital Leaders DL100 2020 List, as one as one of the Top 3 organisations for collaboration in the UK.

The DIZ project to deliver a fibre broadband infrastructure across Essex & Herts to directly support partners in the health sector is now progressing through the final stages of the planning process with construction hopefully commencing well before the end of the calendar year. The project will deliver fibre broadband to around 80 GP and primary care sites and is due to complete by end of March 2021.

The DIZ is also exploring the potential to use existing CCTV systems to provide footfall analysis of town centres, which could be used to promote the safe return of shoppers to the high streets. The DIZ is working in conjunction with Newcastle Digital and the Urban Observatory at Newcastle City Council on this project as a result of funding made available by MHCLG to explore this repurposing of CCTV. It is hoped to run a pilot project within Epping Forest district.

The DIZ has also recently launched the discovery phase of a project to address digital inclusion through the provision of new and reusable ICT equipment including laptops and mobile devices plus the provision of connectivity and mobile data. Working with partners from the Voluntary & Community Sector, our Council, other local authorities and health sector organisations, it will aim to support families and individuals facing digital exclusion, perhaps for the first time, as a result of COVID-19.

The DIZ has also added new Digital Training resources for employability to its website at <https://diz.org.uk/job-smart/>. These videos and downloadable templates have been developed by DIZ partners at Broxbourne BC, East Herts DC and CVSBEH and will be publicly available to all residents across the DIZ area, including Epping Forest. The resources are targeted at those who may have been recently made redundant due to COVID-19 and who may need support to return to the employment market in an increasingly digital world.

**Local Land and Property Gazetteer:** Officers have been working to develop a robust and current inventory of businesses operating in the Epping Forest area in order to support more effective service delivery and local procurement. Nearly 8000 names of business, address and post have been secured; the address information is geospatially accurate with each business containing a Unique Property Reference Number (UPRN is a 12-digit reference used nationally to link properties by GIS locations).

Officers are now looking at ways to incorporate GDPR/data protection compliant digital contact information, as currently, 90% of the businesses listed have only postal address information. The capture of electronic address information will support economic development across the district providing performance and environmental evidence for data analysis and investigation by geospatial location.

**Employment and Skills:** Officers are working to develop employment and skills support for local people using government schemes including Kickstart which was launched in September. Apprenticeship roles will start November and will continue through to December 2021. The Council has submitted an expression of interest in being an Intermediary. Intermediaries make joint applications of 30+ placements on behalf of small local businesses and officers are in discussion with Harlow and Uttlesford about joint working to create a West Essex scheme. We already have applications for this.

**Visitor Economy:** The move during lockdown towards increased take up of countryside access and outdoor spaces/activities, remains high. North Weald Market has enjoyed unprecedented online interest and growth in stalls and footfall.

'Staycations' have generated interest in our district for camping/glamping/caravan sites plus hospitality outlets and attractions/events. However, several attractions remain closed, are only able to partially open or are running at low capacity due to social distancing, but the tourism website is seeing an increase in visitor numbers peaking at 7,000+ a week during the summer.

The Tourism and Visitor Board is running an online Tourism Conference on Friday 6<sup>th</sup> November.