



GFirst LEP Business Groups Update: June 2020

The following Business groups met 'virtually' in June 2020:

Agri, Food & Rural Business | Visitor Economy & Tourism | Business Group Chairs

- **The Business Group Chairs met virtually on Monday 29th June.** GFirst LEP's CEO, David Owen gave an update on the activities of the LEP including the Economic Recovery Plan for Gloucestershire, responses to the Growth Hub's Business Intelligence Survey and outbound business calls to the largest 200 businesses in the county. The update also included various collaboration activities: partnering with [Glosjobs.co.uk](https://glosjobs.co.uk), and supporting Punchline with their Business Champions feature.
- Nine of the ten business group Chairs were present at the meeting, and each gave an update on the current state of affairs in their sector. The main areas of concern following COVID-19 were:
 - a reduction of up to 40% in the demand from civil aerospace industry
 - Unemployment and re-training will be major issues over the next 3-12 months as businesses fail to recover
 - The cyber and digital industry is stronger than ever before, and is relevant to all sectors
- David Owen thanked the Chairs for their support in the development of the Economic Recovery Plan. The LEP and its business 'voice' is all the more richer with a diverse, knowledgeable support network, and by feeding this knowledge into the *economic* recovery plan, we have created a business-rich report which will compliment the *place-based* recovery plans being produced by the local authorities and will collectively support Gloucestershire to move forward.

The date of the next Business Group Chairs Meeting will be early September 2020 date to be confirmed.



Advanced Engineering & Manufacturing

- The Advanced Engineering and Manufacturing Business Group met virtually on Thursday 21st May. Chair Rob Loveday welcomed Nick Holyoake to the meeting who will be assisting GFirst LEP on their Economic Recovery Plan.
- Elizabeth Weaver gave an update on the work of GFirst LEP at this time: We continue to issue regular updates in relation to support for businesses and all of this information is available in bite size chunks on our website. We have had over 570 Growth Hub Business Impact Surveys completed as of beginning of May. As of 18th May this has been re-issued to include questions on more of a recovery theme. To date more than £114million of business grant payments to Gloucestershire businesses have been confirmed by our six Local Authorities and to help counter the impact, assisting more than 10,600 businesses in the county. Nick Holyoake is continuing his work with GFirst LEP to co-ordinate the county's recovery plan. The aim is to develop an economic recovery plan for Gloucestershire that reflects the county's character, business needs and economic priorities as informed by stakeholder consultation. Nick will be attending the business group meeting as a guest in order to support his work to gather relevant, timely stakeholder recovery plans. Delivery of the final report will be by early July 2020.
- Members were asked 'round the table' to share with the group how the pandemic has impacted on businesses, how they have coped / adapted, and their plans for recovery:
 - More flexibility in relation to furloughing staff would help the productivity levels in this industry – if staff can put on / off furlough as the skills set requirements change, this would help with continuation on production lines.
 - Majority of production lines have remained open fulfilling current supply chain orders as well as adapting to make component parts for ventilators. Surprisingly offering voluntary furlough resulted in several younger members of the workforce and apprentices accepting it (instead of the older age group) which could lead to a high rate of youth unemployment in the future.
 - Some organisations are seeing a monthly reduction in orders of up to 70% compared to last year
 - Investment and funding has already been pulled on some major projects (some out of county) which will have a longer term impact on bottom line.
 - Businesses that work to longer lead times (including Defence projects) are not yet feeling the effects (from a supply chain production viewpoint), however this will impact in 3-6 months time, just as businesses are recovering and government support is being withdrawn
 - Adapting non-manufacturing staff to work remotely has caused issues with IT departments: (remote working licenses / confidential discussions over zoom?). Changing attitudes to remote working and implementation of shift patterns are being accepted as the new normal.
 - Whilst several companies can continue to produce and to ship, often the supply chain is not ready to receive the goods, causing delays.
 - Aerospace industry one of the hardest hit and some companies have reduced their staff levels to compensate for this knock-on effect already

*The date of the next Advanced Engineering and Manufacturing meeting will be **Monday 6th July 2020**.*

For questions about the group, or if you would like to be considered to become a member, please contact Karen Campbell karen.campbell@gfirstlep.com



Agri-Food & Rural Economy

- The Agri Food & Rural group met virtually on Wednesday 3rd June. Chair of the group, Jo Price welcomed Sinclair Brown from Business West, James Cox County Chair of the NFU and guest speaker Luke Halsey from Farm491.
- Elizabeth Weaver gave an update on the work of GFirst LEP during the lockdown period to date. We continue to issue regular updates in relation to support for businesses and all of this information is available in bite size chunks on our website. GFirst LEP has appointed a project lead (Nick Holyoake) to co-ordinate the county's recovery plan, who will help to review data, advice, suggestions and feedback already received and help with the next steps. The aim is to develop an economic recovery plan for Gloucestershire that reflects the county's character, business needs and economic priorities as informed by stakeholder consultation, the Local Industrial Strategy and the Skills agenda. Delivery of the final report will be by mid July 2020.
- Luke Halsey gave an update on the work of Farm491 in Cirencester. They were concerned that the pandemic may lead to a drop-off in membership, however it has had the opposite effect – April and May were two of their busiest months for membership applications. Members are coming up with new and exciting ways to help the Agri sector deal with flooding, drought and staff shortages experienced in the last couple of months alone. Collaboration with international members as well as Hartpury (Tech to plate) is working well too.
- The COVID-19 pandemic has not only affected food supplies (excess milk, meat and barley due to closure of wholesalers/hospitality sectors) but also farmers who have diversified into other businesses such as B&Bs, event venues, farmers markets etc. This additional income has vanished. Mental health and wellbeing is of real concern in this sector and work is being done to offer advice and support to rural businesses.
- Now that funding has been awarded to the University of Gloucestershire CCRI in collaboration with the University of Newcastle, the aim is to set up a Rural Enterprise Innovation Centre, looking especially at farm diversification and adaptability.
- From an academic perspective, students are looking at returning to campus in September. They are currently benefitting from a blended approach to learning and this may continue beyond September. The students and staff are keen to get back up to speed as quickly as possible and to have face to face contact.
- A discussion on the wider rural economy to include rural tourism will be considered at the next meeting.

*The date of the next meeting is on **Thursday 9th July 2020.***

For questions about the group, or if you would like to be considered to become a member, please contact Karen Campbell karen.campbell@gfirstlep.com



Banking & Finance

- The group met 'virtually' on Tuesday 19th May. Chair, Mark Wilton welcomed John Peters from South West Investment Group (SWIG) Finance.
- Elizabeth Weaver gave an update on the work of GFirst LEP at this time: We continue to issue regular updates in relation to support for businesses and all of this information is available in bite size chunks on our website. We had over 570 Growth Hub Business Impact Surveys completed as of beginning of May. As of 18th May this has been re-issued to include questions on more of a recovery theme. To date more than £114million of business grant payments to Gloucestershire businesses have been confirmed by our six Local Authorities to help counter the impact, assisting more than 10,600 businesses in the county. Nick Holyoake is continuing his work with GFirst LEP to co-ordinate the county's recovery plan. The aim is to develop an economic recovery plan for Gloucestershire that reflects the county's character, business needs and economic priorities as informed by stakeholder consultation. Nick will be attending the business group meeting as a guest in order to support his work to gather relevant, timely stakeholder recovery plans. Delivery of the final report will be by early July 2020.
- Members were asked 'round the table' to share with the group how the pandemic has impacted on businesses, how they have coped / adapted, and their plans for recovery:
 - Agri-business banking** – general agricultural business is holding up well, however arable and livestock farmers are struggling. Furloughed staff has meant farmers are having to work twice as hard with fewer staff. The pandemic combined with a wet autumn and dry Spring has hit crop production very hard.
 - Commercial banking** – cashflow is the biggest issue businesses have identified. Have seen a huge increase in number of businesses looking for advice on how to stay afloat.
 - Wholesale food business** – supply lines have all closed: schools, airlines and football stadiums. Have taken a further 25% off 2021 projections. We have moved forward 2 years in 2 months. Online delivery and working from home have been the biggest changes in this short timescale, and businesses that can adapt to accommodate this new way of working/living will have the most success. An industry guess would be that up to 20% of businesses would go bust as a result of COVID-19.
 - British Business Bank** – they are looking to have a scheme to help up to 96% of SMEs find the funds they need to survive. The CBILS loan scheme has now increased from £50m to £200m.
 - Highstreet Bank** – a complete change of business model will be required moving forward. Liquidation of businesses 3-6 months from now and issues repaying loans are the main areas of concern that they are encouraging businesses to consider in the long-term.
 - Growth Hub finance guide** – demand for office space has reduced, as firms look to reduce overheads and as more people work remotely/from home. Larger companies are looking further ahead whereas smaller companies are struggling to keep afloat
- John Peters gave an update on **SWIG finance** – offering small business loans to businesses in the South West from £50,001 - £100,000 and businesses up to £250,000 in Cornwall and Isles of Scilly. Funds are designed for those who are unable to secure all their requirements from traditional sources. SWIG Finance can often lend when the bank can't. Have had enquiries of £30 million in first week of CBILS launch. Currently lending approx. £300,000 per month. On average 8 out of 10 applications are being approved <https://www.swigfinance.co.uk/>

The next Banking & Finance meeting will take place on Tuesday 13th October, with a Finance clinic to be held at the end of June 2020.

For questions about the group please contact Karen Campbell karen.campbell@gfirstlep.com



Business & Professional Services

- The group met at the Gloucester Growth Hub on Wednesday 2nd October 2019. An update was given on the timeline of the planned Growth Hubs: Forest of Dean is due to open in Spring 2020. Stroud have decided to complete the work in stages. They plan to open officially in February 2020. Cheltenham is planned to open in late 2020. [Hub8](#), an incubation space for cyber-tech startups, has now opened in the Brewery Quarter, providing Cheltenham with a co-working space. Tewkesbury, Cirencester and Gloucester are going from strength to strength, with Gloucester considering reaching out to businesses with a view to sponsorship, enabling start-ups to use the office space for free.
- Members were also advised to inform businesses about the Growth Hubs, to continue to spread the word about the services that they offer for free. It was mooted that current networks and larger private digital companies could be encouraged to use the Growth Hub spaces for their events which would raise the Growth Hub profile, as a solid digital infrastructure is important.
- Katie Jenkins, Director of Local Industrial Strategy (LIS) gave an overview of where we are with feedback following the launch of the draft LIS. To summarise, the members thought that the draft LIS was a good synthesis of the strengths and of the opportunities in the county. A key theme that emerged was that we need to be able to offer easy access to upskilling, to ensure businesses of all sizes are equipped for challenges and changes for an increasingly digital economy with cyber-tech protection capabilities. The group's feedback has been sent to the GFirst LEP LIS team.

*The next Business & Professional Services meeting will take place on **Wednesday 8th July 2020**
For questions about the group please contact Karen Campbell karen.campbell@gfirstlep.com*



Business Membership Groups

- The group met 'virtually' on Monday 18th May 2020. Chair, Ian Mean welcomed NFU Gloucestershire County Chair James Cox to the group.
- Elizabeth Weaver gave an update on the work of GFirst LEP at this time: We continue to issue regular updates in relation to support for businesses and all of this information is available in bite size chunks on our website. We had over 570 Growth Hub Business Impact Surveys completed as of beginning of May. As of 18th May this has been re-issued to include questions on more of a recovery theme. To date more than £114million of business grant payments to Gloucestershire businesses have been confirmed by our six Local Authorities to help counter the impact, assisting more than 10,600 businesses in the county. Nick Holyoake is continuing his work with GFirst LEP to co-ordinate the county's recovery plan. The aim is to develop an economic recovery plan for Gloucestershire that reflects the county's character, business needs and economic priorities as informed by stakeholder consultation. Nick will be attending the business group meeting as a guest in order to support his work to gather relevant, timely stakeholder recovery plans. Delivery of the final report will be by early July 2020.
- Members were asked 'round the table' to share with the group how the pandemic has impacted on businesses, how they have coped / adapted, and their plans for recovery:

NFU – the government support fund for businesses who have seen a drop in income of more than 25% is having a huge impact on the dairy industry – many farmers have seen a fall in income of between 1-24% so do not qualify for this funding. Farmers that have diversified (into B&B/cafes) are really struggling to keep both afloat. It's really important now more than ever that the public buy local and British.

Glos Chamber/Business West – businesses awaiting the new furlough levels as this will have an impact on levels of redundancies. There seems to be little work done in terms of recovery and impact of redundancies. Some companies have less than 6 months cashflow.

Wootton Chamber – noticing a return to shopping locally which has reinvigorated the small high street. Most small traders have claimed their small business grants from Stroud DC. Some sole traders struggle to get online and support from the Growth Hub on how to get sole traders online would be helpful.

Cheltenham Chamber – several shops are offering delivery service now. 150 businesses in Cheltenham fall outside of the rateable value bracket (over £51,000) to qualify for government support. Commercial vehicles businesses are taking off however coach hire companies are struggling (no school contracts or excursions taking place). The Chamber is concerned about reliance on foreign goods and is encouraging people to buy British.

- Looking to the future, more general concerns included the potential demise of apprenticeship schemes, employment for those out of education as they compete with those who will have been made redundant.
- The group will continue to feed into the Recovery Plan.

*The next meeting will take place on **Thursday 2nd July 2020.***

For questions about the group please contact Karen Campbell karen.campbell@gfirstlep.com



Cyber-tech

- The group met on Monday 20th April via Zoom. Due to the Coronavirus outbreak we have decided to hold the business group meetings virtually where possible. It is vital that we continue to hear the voice of businesses in the county, now, more than ever, and to disseminate messages up to central Government. Likewise, it's vitally important that we keep the lines of communication open, to filter down information from central Government to businesses. During this time, the meetings took place for one hour, and members were asked to share with the group how the pandemic has impacted on businesses, how they have coped / adapted, and their plans for recovery.
- Madeline Howard, Director of CyNam gave an update on Cyber First: connecting cyber businesses with students and encouraging schools to get involved with teaching cyber skills. They are planning an event later in the year with over 1,000 students and are keen to get more businesses involved.
- Brian Fowler gave an update on Gloucestershire College's first Cyber degree apprenticeship programme which launched online in April. The University of Gloucestershire also hold a professional cyber security degree apprenticeship level 6.
- Since the outbreak of Coronavirus, businesses have seen an increase in the number of phishing and spam emails, aimed not just at businesses, but to individuals who have for example claimed free school meals. CSA (Cyber Security Associates) together with GFirst LEP have sent out a handy guide on staying safe online, especially with so many people now working from home.
- Cheltenham Borough Council will be formally launching the search for a development partner for Cyber Central in early May. The launch will be via the OJEU portal on the basis of a competitive dialogue process, with the initial expressions of interest phase open until 10th July. The promotional website is up and running at: www.goldenvalleyuk.com

*The next meeting of the Cyber Security Business Group is on **Monday 21st September 2020 at C11 Cyber Security & Digital Innovation Centre, Berkeley.***

For questions about the group please contact Karen Campbell karen.campbell@qfirstlep.com



Construction and Infrastructure

- The group met virtually on Wednesday 13th May. Chair, Stephen Limbrick welcomed guests Hannah Millman, to update the group on the Joint Core Strategy, and Nick Holyoake who is working on the county's recovery plan.
- Elizabeth Weaver gave an update on the work of GFirst LEP at this time: We continue to issue regular updates in relation to support for businesses and all of this information is available in bite size chunks on our website. We had over 570 Growth Hub Business Impact Surveys completed as of beginning of May. As of 18th May this has been re-issued to include questions on more of a recovery theme. To date more than £114million of business grant payments to Gloucestershire businesses have been confirmed by our six Local Authorities to help counter the impact, assisting more than 10,600 businesses in the county. Nick Holyoake is continuing his work with GFirst LEP to co-ordinate the county's recovery plan. The aim is to develop an economic recovery plan for Gloucestershire that reflects the county's character, business needs and economic priorities as informed by stakeholder consultation. Nick will be attending the business group meeting as a guest in order to support his work to gather relevant, timely stakeholder recovery plans. Delivery of the final report will be by early July 2020.
- The Gloucestershire Local Development Plan refresh is out for consultation. The group will respond to this, as they have concerns over the potential doubling up of contributions to education from CIL and S.106 contributions.
- Nick explained the recovery work that the LEP is working on, and the importance of contributions from businesses to impact this. The Barriers to Development work that this group has developed, will look at recovery in its next phase. Several Planning departments have been closed during COVID-19 which is further delaying planning processing.
- Business impact comments included:
 - Planning officers need to continue to make decisions to move forward with developments.
 - Virtual planning meetings/systems and consultations could work, however authorities need to have the tech in place to move forward quickly and not be hindered by outdated Terms.
 - Extension of working hours and use of shift patterns to keep the work on whilst maintaining social distancing is one solution
 - The LEP have an opportunity to feed information through quickly and to feedback solutions for this industry. Government have spent a considerable amount of money on this sector to ensure they can return to work safely.
- The next JCS consultation will be out for review by end of 2020. There were concerns as to the speed of the development of this plan compared to other local plans which will be completed by the end of the year, however as this is a full review, it means the process is a longer one, especially as it will need to take into consideration impacts on the Local Transport Plan from COVID-19.

*The next meeting of the C&I group is on **Wednesday 15th July 2020.***

For questions about the group please contact Karen Campbell karen.campbell@gfirstlep.com



Energy

- The group met on Tuesday 21st April via Microsoft Teams. Due to the Coronavirus outbreak we have decided to hold the business group meetings virtually where possible. It is vital that we continue to hear the voice of businesses in the county, now, more than ever, and to disseminate messages up to central Government. Likewise, it's vitally important that we keep the lines of communication open, to filter down information from central Government to businesses. During this time, the meetings took place for one hour, and members were asked to share with the group how the pandemic has impacted on businesses, how they have coped / adapted, and their plans for recovery.
- The group welcomed Dr Jon Furley to the group who will be the University of Gloucestershire's new Sustainability Officer going forward and will be representing the group at meetings.
- SGS Berkeley has now moved to online teaching for all courses and only key workers remain in the building. They possibly have more student engagement now than they had before lockdown which will lead to a blended approach moving forward.
- Domestic energy demand has increased due to more people working from home, however commercial /industrial demand has crashed. Wind power cannot be stored which meant a lot of this was lost over March/April.
- Several calls to energy agencies due to financial difficulties with energy usage through the roof as we spend more time at home.
- Businesses are seriously re-considering their working patterns post lockdown, especially travel plans, with as few as 1 in 5 meetings planned to be face to face – this will have a positive impact on the carbon footprint, but a negative one for the travel sector.
- Andy Slaney has started his new business in Exeter and as a result, has decided to step down as Chair of this group. GFirst LEP on behalf of the group thanked Andy for his hard work and noted that Andy has been instrumental in aiding the many achievements of the group thus far. Pete Barrett represented Berkeley GREEN on Andy's behalf.
- A South West Energy Hub meeting was held virtually the following week, with plans to look at the sustainability of the Hubs moving forward, and funding for the next three years.

The next meeting will take place on Tuesday 15th September 2020 – venue to be confirmed.
For questions about the group please contact Karen Campbell karen.campbell@qfirstlep.com



Retail and High Street

- The Retail and High Street Business Group met virtually on Wednesday 27th May 2020. Chair, Nigel Jobson welcomed Steve Gardner-Collins and Nick Holyoake as guests.
- Elizabeth Weaver gave an update on the work of GFirst LEP at this time: We continue to issue regular updates in relation to support for businesses and all of this information is available in bite size chunks on our website. We had over 570 Growth Hub Business Impact Surveys completed as of beginning of May. As of 18th May this has been re-issued to include questions on more of a recovery theme. To date more than £114million of business grant payments to Gloucestershire businesses have been confirmed by our six Local Authorities to help counter the impact, assisting more than 10,600 businesses in the county. Nick Holyoake is continuing his work with GFirst LEP to co-ordinate the county's recovery plan. The aim is to develop an economic recovery plan for Gloucestershire that reflects the county's character, business needs and economic priorities as informed by stakeholder consultation. Nick will be attending the business group meeting as a guest in order to support his work to gather relevant, timely stakeholder recovery plans. Delivery of the final report will be by early July 2020.
- As the majority of High Street stores look to re-open on 15th June, the group went 'round the table' to share their thoughts:
 - Cheltenham BID:** Safety must come first for a phased re-opening. With social distancing to be implemented there are concerns over queues onto the pavements, with partial pedestrianism of some areas being investigated by local authorities to prevent overspill into roads.
With localism on the increase, small independent shops seem to be doing well, however several are not equipped for online orders – a good case study for the Growth Hub on how to get your business online would be Wooton
 - John Lewis:** Sport, lifestyle, wellbeing and tech have been the most popular selling items online and this is set to continue as the high street re opens. Strong signage/screens in store with plenty of staff and a deliver-to-car collection service, a corporate decision has been made to re-open on 18th June.
 - Gloucester City:** A slow increase in footfall is predicted which is manageable, with the shopping centre being perceived as a 'safe' place to shop with no queues.

A challenge is managing cashflow with opening times, and adapting the jobs of the existing workforce instead of reducing staff numbers altogether.
Some shops have adopted an 'appointment only' service, such as Specsavers, Vision express, and Scarrots Shoes, as well as several retailers on St Oswalds retail part (carpet and sofa shops)
- Steve Gardner-Collins was invited to illustrate how closely linked the visitor economy industry is with the high street, and despite visitor economy being slightly behind the high street in terms of recovery / re-opening, to encourage the two to work more closely together. www.visit-gloucestershire.uk now has over 400 partners and 25 ambassadors supporting it.

The date of the next meeting is Thursday 16th July 2020

For questions about the group please contact Karen Campbell karen.campbell@gfirstlep.com



Tourism and Visitor Economy

- The group met virtually on Thursday 18th June 2020. Chair, Steve Gardner-Collins welcomed several guests to the meeting, including Nick Holyoake, who is drafting the LEP's Economic Recovery Plan for the county.
- Karen Campbell gave an update on the work of GFirst LEP at this time: We continue to issue regular updates in relation to support for businesses and all of this information is available in bite size chunks on our website. GFirst LEP has appointed a project lead (Nick Holyoake) to co-ordinate the county's recovery plan, who will help to review data, advice, suggestions and feedback already received and help with the next steps. The aim is to develop an economic recovery plan for Gloucestershire that reflects the county's character, business needs and economic priorities as informed by stakeholder consultation, the Local Industrial Strategy and the Skills agenda. Delivery of the final report will be by mid July 2020.
- The Dept for Digital, Culture, Media and Sport (DCMS) have issued a Coronavirus Business Impact Survey with summarized findings as follows:
 - 68% of operators thought the Coronavirus outbreak was a threat to the viability of their business (80% for tourism businesses).
 - Even with Government support packages, 27% of respondents said that their business would not be viable within 3 months (32% for tourism businesses), while 56% said that their business would not be viable within 6 months (62% for tourism businesses).
 - 42% of respondents said that their business was generating no revenue at all (68% for tourism businesses), while 74% said that their revenue had decreased by more than half (92% for tourism businesses) and only 10% said that revenue had stayed the same or increased (2% for tourism businesses)
 - 54% of businesses have accessed Government support of any type (31% for tourism businesses)
- The Cotswold Conservation Board and Cotswolds AONB are re-branding and will be replaced with a single name and logo - Cotswolds National Landscape. More information including launch timings will be communicated shortly.
- The Growth Hub has recently launched a bespoke support service package for the tourism industry – this package of Tourism campaign assets has been sent to local authorities and DMOs so that they have what they need to help their marketing campaigns. This included a selection of images and text, so they can put together the most appropriate messaging depending on their target audience (B&B, outside attractions, tea/retail shops etc). This support package will be reviewed at the next meeting.

*The date of next meeting is **Monday 13th July 2020***

For questions about the group please contact Karen Campbell karen.campbell@gfirstlep.com