

### **Hearing Statement for Matter 3**

A recently published document outlines the response of Flintshire CC Economic Recovery Group on March 9, 2021: [Economic Recovery.pdf \(flintshire.gov.uk\)](#) This new document is an important one for full discussion of **Matter 3: Strategic Growth**. It helps to underpin the assessment of whether the LDP is coherent, realistic and appropriate given the available evidence. Here is a summary of some key points:

#### **FCC acknowledge the vulnerability of Flintshire economy to the combined ongoing forces of Brexit and Covid:**

- Nearly all economic modelling shows reduced economic growth for many years
- Grant Thornton (consultants to FCC) estimate that the Flintshire and Wrexham economic area could lose £300m annually in trade. This excludes consequential effects upon supply chain companies as the impact of lost trade income “ripples” through them.
- A disproportionate proportion on Flintshire businesses are not owned locally, making them more vulnerable to disinvestment decisions made elsewhere.
- There is a higher proportion of Flintshire residents with low skill levels compared to the Wales average. Typically, those with the lowest skills are most at risk of redundancy and longer term unemployment.
- The tourism and hospitality sector has been disproportionately affected and businesses in the sector are less likely to have the cash reserves needed to survive.
- Critical sectors such as aerospace, automotive and advanced manufacturing have made considerable use of the furlough scheme which is masking the impact of Covid upon those sectors.

#### **Grant Thornton noted that the Hatch study (for the North Wales Economic Ambition Board) identified that businesses are rethinking their long term intentions:**

- rethinking premises and physical footprints;
- reducing overheads and building resilience;
- diversification;
- shifting to greater online activity.

#### **For Flintshire, the Economic Recovery Group recognise that corporate risks include:**

- Corporate risk PE03 Unable to regenerate Town Centres through implementation of the Town Centre Strategy due to insufficient resources and the compound economic consequences of the emergency situation
- Corporate risk PE04 & PE19 Failure to prepare and deliver Growth Deal projects due to potential realigning of capital