

Economic and Environmental Wellbeing Scrutiny and Policy Development Committee

Tuesday 23 February 2021 at 4.30 pm

To be held as an online video conference

The Press and Public are Welcome to Attend

Membership

Councillors Denise Fox (Chair), Ian Auckland (Deputy Chair), Neale Gibson, Dianne Hurst, Alan Hooper, Abdul Khayum, Bryan Lodge, Mohammed Mahroof, Barbara Masters, Ben Miskell, Moya O'Rourke, Sioned-Mair Richards, Chris Rosling-Josephs, Martin Smith and Paul Turpin

Substitute Members

In accordance with the Constitution, Substitute Members may be provided for the above Committee Members as and when required.

PUBLIC ACCESS TO THE MEETING

The Economic and Environmental Wellbeing Committee exercises an overview and scrutiny function in respect of the planning, development and monitoring of service performance and other issues in respect of the area of Council activity relating to planning and economic development, wider environmental issues, culture, leisure, skills and training, and the quality of life in the City.

A copy of the agenda and reports is available on the Council's website at www.sheffield.gov.uk. You can also see the reports to be discussed at the meeting if you call at the First Point Reception, Town Hall, Pinstone Street entrance. The Reception is open between 9.00 am and 5.00 pm, Monday to Thursday and between 9.00 am and 4.45 pm. on Friday. You may not be allowed to see some reports because they contain confidential information. These items are usually marked * on the agenda.

Members of the public have the right to ask questions or submit petitions to Scrutiny Committee meetings and recording is allowed under the direction of the Chair. Please see the website or contact Democratic Services for further information regarding public questions and petitions and details of the Council's protocol on audio/visual recording and photography at council meetings.

Scrutiny Committee meetings are normally open to the public but sometimes the Committee may have to discuss an item in private. If this happens, you will be asked to leave. Any private items are normally left until last. If you would like to attend the meeting please report to the First Point Reception desk where you will be directed to the meeting room.

If you require any further information about this Scrutiny Committee, please contact Deborah Glen, Policy and Improvement Officer on 0114 27 35065 or [email deborah.glen@sheffield.gov.uk](mailto:deborah.glen@sheffield.gov.uk)

FACILITIES

There are public toilets available, with wheelchair access, on the ground floor of the Town Hall. Induction loop facilities are available in meeting rooms.

Access for people with mobility difficulties can be obtained through the ramp on the side to the main Town Hall entrance.

**ECONOMIC AND ENVIRONMENTAL WELLBEING SCRUTINY AND POLICY
DEVELOPMENT COMMITTEE AGENDA
23 FEBRUARY 2021**

Order of Business

- 1. Welcome and Housekeeping Arrangements**
- 2. Apologies for Absence**
- 3. Exclusion of Public and Press**
To identify items where resolutions may be moved to exclude the press and public
- 4. Declarations of Interest** (Pages 5 - 8)
Members to declare any interests they have in the business to be considered at the meeting
- 5. Minutes of Previous Meeting** (Pages 9 - 18)
To approve the minutes of the meeting of the Committee held on 19th January, 2021
- 6. Public Questions and Petitions**
To receive any questions or petitions from members of the public
- 7. Covid Business Response and Recovery Planning** (Pages 19 - 40)
Report of the Director of City Growth
- 8. Draft Work Programme 2020/21** (Pages 41 - 46)
Report of the Policy and Improvement Officer
- 9. Date of Next Meeting**
The next meeting of the Committee will be held on Tuesday, 23rd March, 2021, at 4.30 pm

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ADVICE TO MEMBERS ON DECLARING INTERESTS AT MEETINGS

If you are present at a meeting of the Council, of its executive or any committee of the executive, or of any committee, sub-committee, joint committee, or joint sub-committee of the authority, and you have a **Disclosable Pecuniary Interest** (DPI) relating to any business that will be considered at the meeting, you must not:

- participate in any discussion of the business at the meeting, or if you become aware of your Disclosable Pecuniary Interest during the meeting, participate further in any discussion of the business, or
- participate in any vote or further vote taken on the matter at the meeting.

These prohibitions apply to any form of participation, including speaking as a member of the public.

You **must**:

- leave the room (in accordance with the Members' Code of Conduct)
- make a verbal declaration of the existence and nature of any DPI at any meeting at which you are present at which an item of business which affects or relates to the subject matter of that interest is under consideration, at or before the consideration of the item of business or as soon as the interest becomes apparent.
- declare it to the meeting and notify the Council's Monitoring Officer within 28 days, if the DPI is not already registered.

If you have any of the following pecuniary interests, they are your **disclosable pecuniary interests** under the new national rules. You have a pecuniary interest if you, or your spouse or civil partner, have a pecuniary interest.

- Any employment, office, trade, profession or vocation carried on for profit or gain, which you, or your spouse or civil partner undertakes.
- Any payment or provision of any other financial benefit (other than from your council or authority) made or provided within the relevant period* in respect of any expenses incurred by you in carrying out duties as a member, or towards your election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.

*The relevant period is the 12 months ending on the day when you tell the Monitoring Officer about your disclosable pecuniary interests.

- Any contract which is made between you, or your spouse or your civil partner (or a body in which you, or your spouse or your civil partner, has a beneficial interest) and your council or authority –
 - under which goods or services are to be provided or works are to be executed; and
 - which has not been fully discharged.

- Any beneficial interest in land which you, or your spouse or your civil partner, have and which is within the area of your council or authority.
- Any licence (alone or jointly with others) which you, or your spouse or your civil partner, holds to occupy land in the area of your council or authority for a month or longer.
- Any tenancy where (to your knowledge) –
 - the landlord is your council or authority; and
 - the tenant is a body in which you, or your spouse or your civil partner, has a beneficial interest.
- Any beneficial interest which you, or your spouse or your civil partner has in securities of a body where -
 - (a) that body (to your knowledge) has a place of business or land in the area of your council or authority; and
 - (b) either -
 - the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or
 - if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which you, or your spouse or your civil partner, has a beneficial interest exceeds one hundredth of the total issued share capital of that class.

If you attend a meeting at which any item of business is to be considered and you are aware that you have a **personal interest** in the matter which does not amount to a DPI, you must make verbal declaration of the existence and nature of that interest at or before the consideration of the item of business or as soon as the interest becomes apparent. You should leave the room if your continued presence is incompatible with the 7 Principles of Public Life (selflessness; integrity; objectivity; accountability; openness; honesty; and leadership).

You have a personal interest where –

- a decision in relation to that business might reasonably be regarded as affecting the well-being or financial standing (including interests in land and easements over land) of you or a member of your family or a person or an organisation with whom you have a close association to a greater extent than it would affect the majority of the Council Tax payers, ratepayers or inhabitants of the ward or electoral area for which you have been elected or otherwise of the Authority's administrative area, or
- it relates to or is likely to affect any of the interests that are defined as DPIs but are in respect of a member of your family (other than a partner) or a person with whom you have a close association.

Guidance on declarations of interest, incorporating regulations published by the Government in relation to Disclosable Pecuniary Interests, has been circulated to you previously.

You should identify any potential interest you may have relating to business to be considered at the meeting. This will help you and anyone that you ask for advice to fully consider all the circumstances before deciding what action you should take.

In certain circumstances the Council may grant a **dispensation** to permit a Member to take part in the business of the Authority even if the member has a Disclosable Pecuniary Interest relating to that business.

To obtain a dispensation, you must write to the Monitoring Officer at least 48 hours before the meeting in question, explaining why a dispensation is sought and desirable, and specifying the period of time for which it is sought. The Monitoring Officer may consult with the Independent Person or the Council's Audit and Standards Committee in relation to a request for dispensation.

Further advice can be obtained from Gillian Duckworth, Director of Legal and Governance on 0114 2734018 or email gillian.duckworth@sheffield.gov.uk.

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SHEFFIELD CITY COUNCIL

Economic and Environmental Wellbeing Scrutiny and Policy Development Committee

Meeting held 19 January 2021

(NOTE: This meeting was held as a remote meeting in accordance with the provisions of The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020.)

PRESENT: Councillors Denise Fox (Chair), Ian Auckland (Deputy Chair), Neale Gibson, Dianne Hurst, Alan Hooper, Abdul Khayum, Mohammed Mahroof, Barbara Masters, Ben Miskell, Moya O'Rourke, Sioned-Mair Richards, Chris Rosling-Josephs, Martin Smith and Paul Turpin

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1. APOLOGIES FOR ABSENCE

1.1 An apology for absence was received from Councillor Bryan Lodge.

2. EXCLUSION OF PUBLIC AND PRESS

2.1 No items were identified where resolutions may be moved to exclude the public and press.

3. DECLARATIONS OF INTEREST

3.1 In relation to item 7 on the agenda (Sheffield Local Plan), Councillor Ben Miskell declared a personal interest as Cabinet Adviser for Business and Investment.

4. MINUTES OF PREVIOUS MEETINGS

4.1 The minutes of meetings of the Committee held on 27th November and 15th December 2020, were approved as correct records.

5. PUBLIC QUESTIONS AND PETITIONS

5.1 Brian Holmshaw raised the following question - In one recent local planning application, 'substandard living conditions' were not considered to be grounds for refusal. In another application for 'student residential accommodation', the developer defended tiny room sizes as not being intended for 'long-term student occupation'. This is not acceptable for the wellbeing of current or future residents. Why have Sheffield City Council never put minimum space standards for housing in place and are they going to do it now?

5.2 In response, Simon Vincent (Service Manager, Strategic Planning) stated that the Government had introduced nationally prescribed space standards in 2015, which were to replace all locally set standards, but in order to apply these nationally set

standards, local authorities would have to have a local plan. Therefore, until the new Local Plan had been formally adopted, the Council was unable to apply the nationally set standards until that time. The nationally set standards were available for inspection on the Government website.

6. UPDATE ON THE SHEFFIELD PLAN

- 6.1 The Committee received a report of the Interim Executive Director, Place, providing an update on progress in preparing the Sheffield Plan (the City's new statutory Local Plan).
- 6.2 Present for this item were Councillor Julie Grocutt (Cabinet Member for Transport and Development), Colin Walker (Interim Head of Planning) and Simon Vincent (Service Manager, Strategic Planning).
- 6.3 Colin Walker introduced the report, providing a background on the production of the Sheffield Plan, which had commenced in 2015, and referred to the timetable and process, the issues and options, consultation and the responses received as part of the consultation, details of which were both appended to the report. Mr Walker stated that considerable progress had been made in connection with the Plan since 2015, which had included simplifying both the document, following comments from Council Members and partners, and the process, by taking advice and guidance from the Government. The new Plan would be informed by a Central Area Residential Strategy, that would provide a framework for accelerating delivery of sustainable residential growth across the city centre and surrounding areas.
- 6.4 Simon Vincent reported that officers were currently processing the comments received as part of the issues and options consultation. Due to the Covid-19 pandemic, the consultation had been run wholly online, with a number of effective sessions being held with various groups and organisations, and that the Council had received 575 comments. In terms of timescales, he reported that it was hoped that a draft Plan would be submitted to the Cabinet in September 2021, then Full Council shortly after, for final approval.
- 6.5 Members of the Committee raised questions, and the following responses were provided:-
- The issue of a shortage of housing, particularly affordable housing, was a national issue. Compared with other areas in the United Kingdom, Sheffield had a reasonably good record in terms of housing delivery. The Council had done the best it could particularly to working within the numerous Government restraints, and would often have to deal with challenges from developers regarding the provision of affordable homes. The Council would look to be more innovative in terms of requiring developers to provide more affordable housing, whilst working within existing Council policy and Government restraints.
 - The Council planned to work more closely with partners and investors in

looking at residential developments on a range of sites in the city, particularly with regard to freeing up those sites that had been approved for development, but where development had not yet commenced. The Council was aware that there were a number of such sites in the City that needed such intervention. The plan was to talk to potential investors, such as Homes England, on this issue.

- Details of the number of planning applications currently in the system, where permission had been granted, but where development had not yet commenced, would be forwarded to Members.
- Compulsory Purchase Orders and land-banking tended to occur more in suburban sites in the city, and not within the city centre area. A number of developers would acquire development sites, then control supply over a period of time, so as not to increase supply, which would affect the price. Land-banking was a national issue, and the Council was aware of a number of sites where development could be brought forward, although the processes for doing this were very difficult. The Council would continue to work closely with developers and landowners on this issue.
- Sheffield's rate of development in terms of new build was not particularly lower than in other comparable cities in the UK, apart from the South and South East. Whilst the 10 years and nature of other schemes may differ, Sheffield was not behind in terms of completion dates. The Council had actually achieved 110% of the Government's target for residential development over the last three years and 95% of units built over the last 10 years had been on brownfield sites.
- The Council had identified the fact that there was a high proportion of residential units for students in the city, and was looking to address this, both through the Local Plan, the Central Area Residential Strategy, as well as under any possible interim strategy which starts to address the location and types of tenures before the final adoption of the Local Plan.
- The policy regarding standards of residential units and spaces was very difficult to implement, maintain and enforce, but the Council would continue to work closely with developers to ensure that the size, standard and type of units were suitable. In order to encourage demand in terms of people wanting to live in the city centre area, the Council needed to ensure that such standards were suitable. Planning was a semi judicial process, governed by a number of very strict rules and legislation and, at any stage, decisions on applications and the process was open to legal challenge. The Council needed to be very mindful that it was following due process at every stage. Officers had been asked to provide a report specifically on the process and progress regarding the Local Plan, and not on the merits of the options set out in the report.
- The process regarding local plans was lengthy and complex, and had been designed this way to ensure that it encompassed a number of public

consultation stages. Every effort had been made to streamline the process where possible, but this would still mean that the Plan would not be formally adopted until 2023. It was proposed that the draft Plan would be submitted to the Cabinet in September 2021, and would give a very clear indication to the investment market, as well as to Sheffield residents, as to what the Plan would look like. As the Plan progressed further, it would gather further weight, and could start to be used to make decisions, meaning that the Council would not have to wait until the final adoption stage in 2023.

- Officers had worked very closely with colleagues in Central Government in presenting a clear view that the Council had a process which was in place, working effectively, and on track to be delivered on time. It was believed that the Council had a good relationship with the Government on the planning side, and that the Government was reasonably confident in the Council. It was hoped that this confidence would be reflected by Government agencies, such as Homes England, investing in the Council in connection with the future delivery of key development sites in the city.
- Until the Local Plan was finally adopted, there would always be a risk of challenge to both planning applications and the Local Plan process, thus highlighting the need for the Council to be very mindful as to how it dealt with the process. The Council regularly took legal advice and counsel advice in this regard, at the appropriate stages of the process. The Council could look at using interim policies and/or supplementary planning documents. Whilst there was still a lack of clarity in terms of the contents of the Government's white paper, it was envisaged that there would be substantial changes to the planning process in the future. The Council was in a position where it could be flexible in terms of dealing with any changes set out in the white paper. It was expected that, as and when the Government introduced the new reforms, it would introduce some transitional arrangements for those local authorities which had reached, or was close to reaching, the point at which the Local Plan was to be submitted to the Government for public examination.
- There had been two calls for sites undertaken, in 2014 and 2019, and whilst the Housing and Economic Land Availability Assessment (HELAA) had not been updated to include the 2014 sites, it now included the sites put forward in 2019. It was proposed that an updated HELAA would be published later in 2021, which would include all sites put forward.
- The planning process, through the relevant guidance provided within the National Planning Policy Framework (NPPF), requires that the Council takes account of climate change in each planning application. Policy formulation was a key consideration for the Local Plan, which formed a key part of all the Council's options and choices in moving forward with the Local Plan. That would be a range of different measures and solutions depending on the nature of the development, with schemes on brownfield sites in the city centre area being more sustainable in terms of carbon footprint. The issue of climate change was being considered by all Council Services, as well as the

Council's external partners, who were all required to operate within specific guidelines regarding carbon reduction requirements.

- As an example as to how the Council took climate change into account, as part of the planning process, using a development of 100 homes, an assessment would be undertaken as to whether the development was on a brownfield or greenfield site, with brownfield obviously being more favourable. The Council would also look at a number of other issues, including accessibility to transport, shops and other facilities, such as GP surgeries and education. In some cases, the Council would enter into negotiations with developers regarding a commuted sum in terms of the number of the likely increase in expected car journeys to and from the site, or a contribution towards the cost of public transport. The Council could only operate within existing legislation, meaning that, at the present time, it would be very difficult for the Council to be more punitive on developers in terms of recouping some of the carbon costs. With regard to the impact of some building materials, officers believed that the Government could have gone much further in terms of requiring developers to comply to much stricter guidelines regarding carbon reduction/insulation.
- There was currently no process for measuring the total carbon cost of every development against a set of carbon reduction criteria. Whilst the Council tried to address the issue around supporting more carbon efficient developments, it did not measure or record information such as travel times to and from development sites. It was not likely that many local authorities would do this, but this was something the Council could look at in the future.
- There were currently around 15,000 homes within the city centre area.
- Now the Council was still at the options stage of the Local Plan process, there were no details as to the exact numbers of new homes proposed in the city centre area. Whilst there had been considerable preparatory work undertaken, the Council was still not in a position to confirm proposals in terms of such numbers. If the Council chose the option of providing 20,000 new homes in this area over the next 20 years, this would represent a major challenge, part of which would be having to ensure that there was a good offer in terms of the types of units, as well as ensuring that there were attractive areas and spaces in between such homes. The safety, accessibility and usability of such spaces would be very important to residents. There were plans to develop more definable neighbourhoods in the city centre area. The work undertaken under the Grey to Green Project within the city centre area had helped to enhance the appearance and character of the area, making it a more attractive place to live, and it was hoped that such work could be expanded on.
- The Council could set space standards if it chose to do so, but such standards would have to meet the current Government criteria.
- Employment land formed a very important aspect of the Local Plan in

ensuring that sites continued to be available. There were a specific number of sites which, had not been included in the old Plan, but did feature in the new Plan. The city needed around 8-10 hectares of employment land a year, and the latest review had indicated that there was a 12/13 year supply of employment land currently identified. Additional sites would come forward through “churn” of land within existing employment areas. The Council was confident that it could demonstrate sufficient employment land to the end of the Local Plan, in 2038. The Council was in discussion with neighbouring local authorities as to whether there were certain types of use, such as warehouses or distribution centres, which may be more appropriately provided within such neighbouring districts. Some areas were better located in terms of transport networks, as well as being more suitable for specific types of use.

- The Council was in line with other local authorities with regard to the timescales involved, and costs incurred, in the development of the Local Plan. Some local authorities had decided to pause development of their Plans in the light of the emerging Government legislation. It was appreciated that it had taken some time, but it had been considered that the work undertaken over the last few years had not been reflective of the changing circumstances in terms of changes in the housing market, as well as the Council being mindful of the emerging changes from the Government. Considerable progress had been made in terms of where the Council was two years ago, and it was believed that the Council was in a much stronger position to be able to produce a Plan which provided a confident, strategic and spatial vision for the city, and which had the potential to lever in billions of pounds of investment over the next 10 to 20 years.
- The Covid-19 pandemic had presented major issues for all Council staff and had resulted in delays in the development of the Local Plan. There were clear timescales set out in the report regarding the development of the Plan, and the Cabinet Member for Transport and Development, working with colleagues and officers, would make every effort to ensure that the Plan was delivered within these timescales, as well as ensuring that it meets the expectations of the public.
- Officers believed the city centre was a vibrant place to live, but the Council needed to do more to make the area an even more accessible, attractive and safer place to live. There was a need to influence demand so that more people would come to live in the area. More work was required in order to create more neighbourhoods within the city centre, by investing in key catalyst areas and sites. The Council was currently moving towards an over-arching strategy and strategic view that would connect all these various areas together, which would then hopefully attract further investment.
- There was a lack of clarity at the present time on the levels of re-purposing of existing buildings required in connection with the target of providing 20,000 more homes in the city centre area. There was a mixture in terms of the quality of conversions to residential property in the city centre, so it was likely

to be a mix of re-purposing and new development. The Council needed to work with developers to ensure that, within existing guidelines, new developments offered a degree of flexibility in terms of the reconfiguration of the internal layout.

- Officers worked very closely with colleagues at the Sheffield City Region, at all levels, and met with them on a regular basis to discuss progress on the respective local authorities' Local Plans and cross-boundary issues. The local authorities had published a statement of common ground, which set out a number of agreed positions on planning issues across the region. Sheffield would also have to produce a similar statement as part of producing the Local Plan, setting out details of any cross-boundary issues.
- There was little likelihood of the Government stepping in at the present time to take over the preparation of the Local Plan, as had been the case in the past. This had not yet happened in any local authorities' areas, although the Government had required a number of local authorities to produce action plans to show how they intended to progress their Local Plans. In 2019, the Government was very keen that the Council set up a Local Development Scheme, which had been completed in November 2019, and this had satisfied the Government in terms of the Council meeting its criteria. Officers were working very closely with the Planning Advisory Service (a body appointed by the Government to support local authorities on planning matters), and considered that the Council had a good working relationship with the Government's advisors.
- A considerable amount of work had been undertaken on the Central Area Residential Strategy, and the information regarding the evidential base for the development of the 20,000 new homes in the City Centre area was available on the Council website. A further piece of work would then be commissioned, in order to produce an investment prospectus, focusing on which sites could be identified for development, which would then produce a strategy for a specific area and would guide development.
- The Council, as with all other Councils in the UK, was constrained by strict planning legislation, and if it did not abide by such legislation, its Local Plan was likely to fail. Developers would look for every opportunity to challenge the process.

6.6 RESOLVED: That the Committee:-

- (a) notes the contents of the report now submitted, together with the comments now made and the responses to the questions raised;
- (b) thanks Colin Walker, Simon Vincent and Councillor Julie Grocutt for attending the meeting and responding to the questions raised; and
- (c) requests the Interim Executive Director, Place, submits (i) a report to a meeting to be held in summer 2021, containing a further update on

progress in preparing the Sheffield Plan and (ii) an update on the Central Area Residential Strategy.

(NOTE 1: The votes on the resolution were ordered to be recorded, and were as follows:-

- | | |
|----------------------------|---|
| For the resolution (9) | - Councillors Denise Fox, Neale Gibson, Dianne Hurst, Abdul Khayum, Ben Miskell, Moya O'Rourke, Sioned-Mair Richards, Chris Rosling-Josephs and Paul Turpin |
| Against the resolution (5) | - Councillors Ian Auckland, Alan Hooper, Mohammed Mahroof, Barbara Masters and Martin Smith.) |

(NOTE 2: Prior to the passing of the above resolution, an amendment moved by Councillor Ian Auckland, and seconded by Councillor Martin Smith, to replace paragraphs (a) and (b) with the following, was put to the vote and negatived:-

- (a) notes the report now submitted, and thanks officers for their presentation;
- (b) requests officers to consider the issues raised together with the comments made and responses to questions at this meeting;
- (c) calls on Central Government to abandon those planning "reforms" set out in the White Paper 'Planning of the Future' which will effectively cut out local Councillors and communities from deciding many individual planning applications;
- (d) is concerned that the Council, as the local planning authority, may not have up to date policy in place to resist unwelcome developments or combat the climate emergency;
- (e) condemns the slow rate of progress made in completing the 'Sheffield Plan' and the waste of resources implicit in this and is concerned about the possibility of Government intervention if the present timetable is not met; and
- (f) calls for officers to submit written bi-monthly progress reports to this Committee.)

(NOTE 3: The votes on the amendment were ordered to be recorded, and were as follows:-

- | | |
|---------------------------|--|
| For the amendment (6) | - Councillors Ian Auckland, Alan Hooper, Mohammed Mahroof, Barbara Masters, Martin Smith and Paul Turpin |
| Against the amendment (8) | - Councillors Denise Fox, Neale Gibson, Dianne Hurst, Abdul Khayum, Ben Miskell, Moya O'Rourke, Sioned-Mair Richards and Chris Rosling-Josephs.) |

7. DRAFT WORK PROGRAMME 2020/21

- 7.1 The Committee received and noted a report of the Policy and Improvement Officer (Deborah Glen) containing the draft Work Programme for 2020/21.
- 7.2 RESOLVED: That the Committee notes and agrees the draft Work Programme for 2020/21 now submitted.

8. DATE OF NEXT MEETING

- 8.1 It was noted that the next meeting of the Committee would be held on Tuesday, 23rd February 2021, at 4 30 pm.

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Report to Economic and Environmental Wellbeing Scrutiny & Policy Development Committee

Report of: Edward Highfield (Director of City Growth)

Subject: COVID Business Response and Recovery Planning

Author of Report: Diana Buckley (Head of Economic Strategy and Commissioning)

Summary:

The attached slide briefing gives an update and overview of the COVID Business Response and work to prepare for recovery. It covers:

- **Recap:** Setting the context of key changes since our last scrutiny discussion
- **Business Impacts:** Highlighting some of the key issues for businesses and impacts on our City Centre
- **Grant Support Overview:** Overview of the national grant schemes and how these are being administered locally.
- **Communications and Dissemination:** Overview of our work to ensure we reach as many businesses as possible.
- **Wider Critical Business Support:** Overview of the wider business support provided during COVID
- **Business Recovery Planning:** Development of the key areas of intervention needed to prepare for opening and recovery
- **Reflections:** Discussion points on the possible longer term economic implications of COVID

The presentation has been requested by Scrutiny to provide an update on the impact of COVID on the city's business and SCCs critical response.

Type of item: The report author should tick the appropriate box

Reviewing of existing policy	
Informing the development of new policy	
Statutory consultation	
Performance / budget monitoring report	
Cabinet request for scrutiny	
Full Council request for scrutiny	
Call-in of Cabinet decision	
Briefing paper for the Scrutiny Committee	x
Other	

The Scrutiny Committee is being asked to:

Consider the information provided and provide views, comments, and recommendations.

Background Papers: None

Category of Report: OPEN

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COVID Business Response and Recovery Planning

Economic and Environmental Wellbeing
Scrutiny and Policy Development Committee Feb 2021



Overview

- **Recap:** Setting the context since our last scrutiny discussion
- **Business Impacts:** Highlighting some of the key issues for businesses and impacts on our City Centre
- **Grant Support Overview:** Overview of the national grant schemes and how these are being administered locally.
- **Communications and Dissemination:** Overview of our work to ensure we reach as many businesses as possible.
- **Wider Critical Business Support:** Overview of the wider business support provided during COVID
- **Business Recovery Planning:** Development of the key areas of intervention needed to prepare for re-opening and recovery
- **Reflections:** Discussion points on the possible longer term economic implications of COVID

Recap:

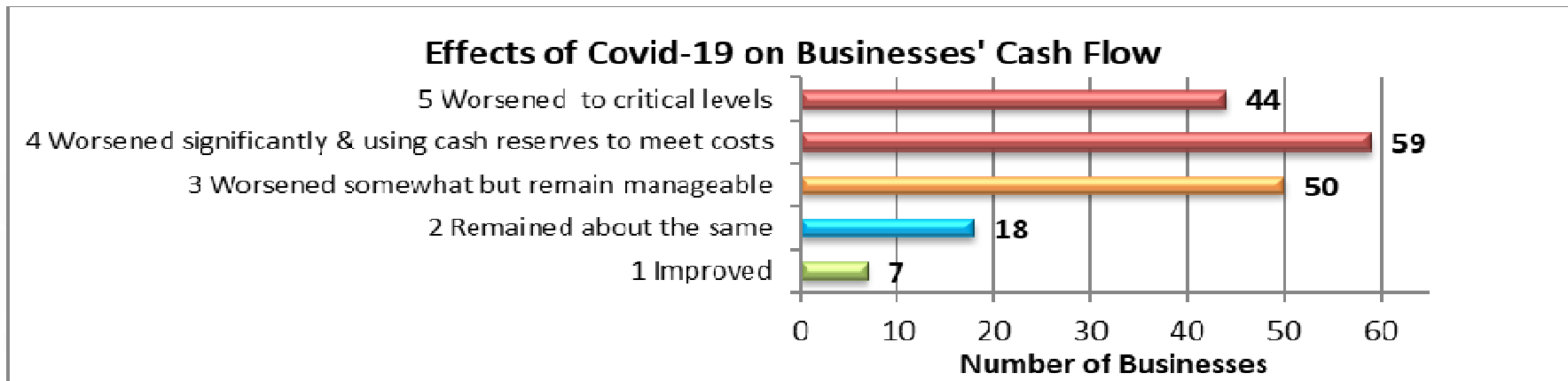
- First Lockdown – The team distributed almost 9000 grants of £10,000 - £25,000
 - 8,244 Business Rates grants worth £98,080,000
 - 660 Discretionary grants worth £5,510,748
- Short period of opening up July – October
- Last session we brought Business Recovery Plan, co-authored with the Business Response Group.
- October – Current: Local restrictions tier system



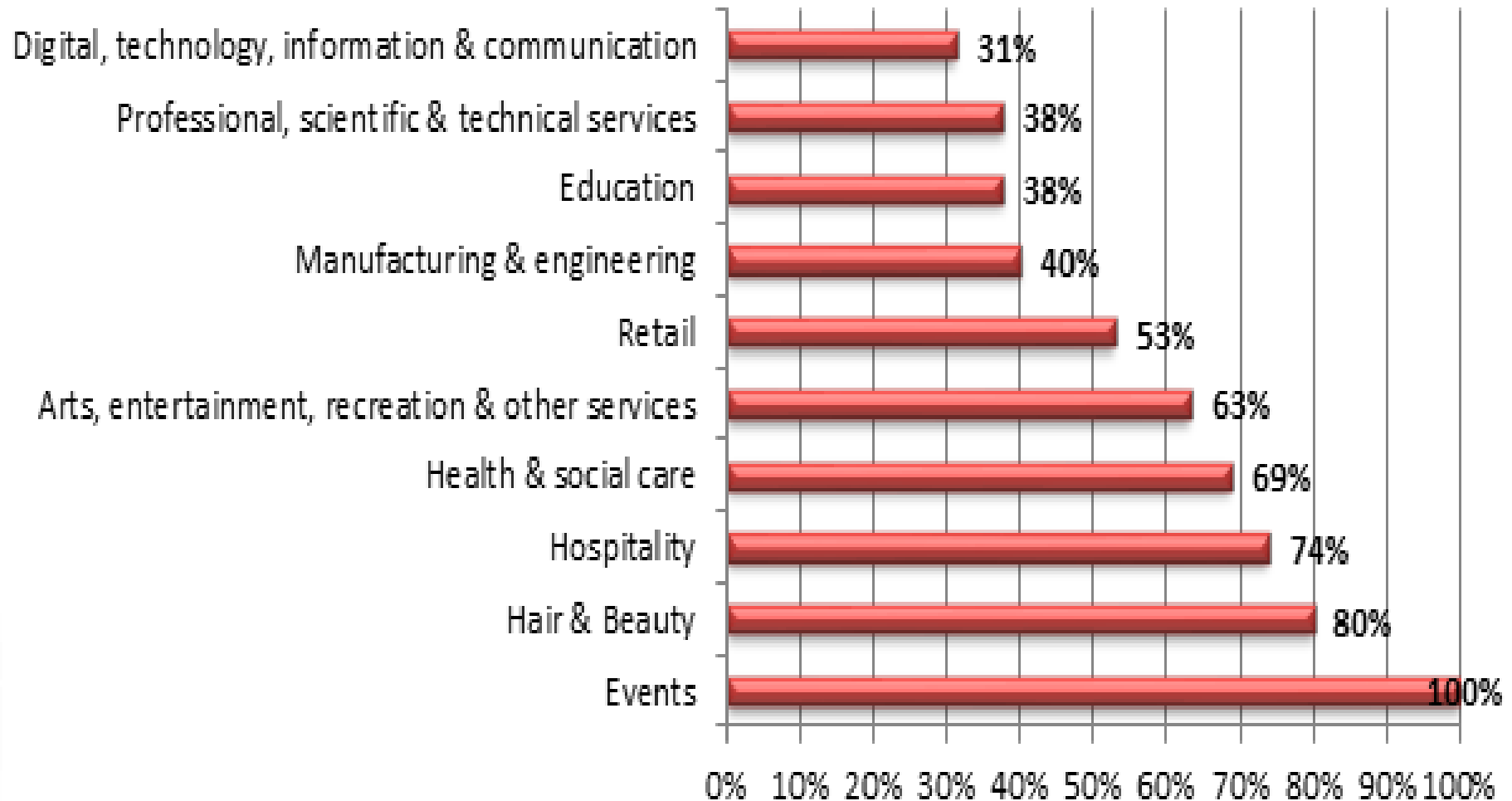
Business Impacts

- We make it a priority to hear from businesses directly throughout the pandemic.
- We have undertaken 2 business surveys, led by the BRG, created by the economic strategy team (3rd being planned for Feb).
- We have a constant feedback loop from advisors and 1-2-1 sessions from large companies and consultation.
- Critical issues clear from businesses; reduction in sales and demand, cash flow, managing workforce and furlough
- Sector impact – closed sector and those most dependent on social interaction most impacted

Number of staff affected	Number of businesses using the job retention scheme	Number of businesses using flexible part-time return option
1 to 9	72	59
10 to 49	20	10
50 to 249	8	5
250+	3	1
Totals	103	75



Proportion of businesses by sector operating at critical Sales and Bookings levels



City Centre Impacts

- Footfall for January is -72.4% down compared to the same period last year which is around the same as the regional and national picture

Dashboard % Change						
	Year to Date %		Year on Year %		Month on Month %	
	2021	2020	2021	2020	Jan 21	Dec 20
Sheffield	-72.4%	0.4%	-72.4%	0.4%	-63.2%	93.7%
North & Yorkshire	-69.2%	0.0%	-69.2%	0.0%	-57.4%	-19.3%
UK	-72.7%	-1.6%	-72.7%	-1.6%	-54.4%	-17.3%

- Vacancy rates are still relatively ok at 12.9% (lower than the regional average). Risk as businesses are able to reopen and grants/furlough etc cease which may force more business to cease trading
- 47.2% of our retail and night time businesses are independent which does give some resilience and a point of difference post COVID.
- The Moor Market has remained open throughout for essential retail
- The closure of key stores such as Debenhams and Burton's will have an impact although the property owners are looking at options around repurposing them
- We have worked closely with Sheffield BID, SYP and our CCTV room to protect premises from a heightened risk of theft. Ambassadors have worked throughout the lockdown to provide reassurance and COVID guidance
- Still the biggest risk is the short term loss of commuters but also the long term impacts as offices look to down size space for a more flexible way of working.

Grant Overview

The Local Restriction Tier System and associated grants scheme created complexity. Below are the national grants available, which needed to be administered locally:

- LRSG Closed- For business forced to close due to national lockdown restrictions and local Tier 3 restrictions
- LRSG Open – For businesses impacted by local restrictions (T2/T3) but not required to close. Instead of a separate application from for this national scheme, SCC will calculate and top up eligible businesses through there LRSG closed application.
- LRSG Sector – For nightclubs forced to close throughout. SCC have identified these businesses and implemented an offline process.
- Christmas support for wet led pubs- For pubs primarily serving alcohol rather than providing food that have been severely impacted over the festive season due to temporary local restrictions (T2/T3) SCC have identified and paid one off payments to these businesses without an open application process.
- Closed Business Lockdown Payment – Announced post-Christmas to support Hospitality, Accommodation and Leisure businesses.

Grant Overview – Sheffield Restrictions

In Sheffield the following local restrictions and national lockdowns have applied:

- Tier 2 restrictions - 14th -23rd October
- Tier 3 restrictions- 24th October - 4th November
- National Lockdown - 5th Nov - 1st Dec
- Tier 3 restrictions- 2nd Dec - 4th Jan
- National Lockdown - 5th Jan to current

The sectors impacted by Tier 2/3 and national lockdown are: Hospitality, Accommodation, Leisure and Sports Facilities, Non-essential Retail, Entertainment and Tourism and Personal Care

£30m Additional Restrictions Grant to Sheffield City Region

Guiding Principles in Sheffield, fed into SCR. Scheme should be developed:

- **To protect jobs** – supporting businesses in a way that compliments national schemes, and allows businesses to retain as many staff as possible
- **To minimise insolvency risk for viable businesses** - Those with fixed costs are prioritised because these fixed costs continue to occur even if the company is not making any revenue. Cash flow crisis, debt accumulation and ultimately insolvency result without support.
- **To fill gaps in government schemes** where the above priorities are not being fulfilled – non-rate payers, night time economy etc.
- **To focus on sectors that are hardest hit by the restrictions**
- **To minimise business failures more broadly**

Developed Schemes across South Yorkshire

- **Non-rate payers Closed** – mirrors the national scheme for non-rate payers
- **Non- rate payers Open** – mirrors the national scheme for non-rate payers. Administered through top-ups via their closed application
- **Supply chain grant-** For rate payers and non-rate payers that supply goods or services in the hospitality, accommodation, leisure and entertainment. A separate Taxi grant within this scheme.
- **Hospitality, Accommodation, Entertainment Top Up for Christmas period**
- **Essential Open Grant** – For rate payers and non-rate payers that have been allowed to remain open to provide in-person but are experiencing significantly reduced income

In addition, a local discretionary scheme is now live in Sheffield:

- **Self employed and small business grant (discretionary grant scheme)-** For homebased businesses, business with low or no property costs, new start-ups, and self-employed that have not been able to access significant support from SEIS.

Sheffield Application Process

- Sheffield aimed to streamline the application process so businesses only need apply once as a rate payer or non-rate payer, and all the eligible grants will be paid to them. <https://www.sheffield.gov.uk/home/your-city-council/coronavirus-hub/support-for-business#grants>
- This took time but it improved the customer experience / journey – this approach differs from local authorities.
- As such live grants on our website are:
 - Local Business Lockdown Grant (rate payers)
 - Discretionary Local Business Lockdown Grant (non-rate payers)
 - Supply Chain Business Support Grant
 - Low / No property costs discretionary Grant
 - Essential Open grant

Grants Communications and Dissemination

Grants and Business Support

- Weekly Media Releases on latest Grant Schemes, recaps
- Direct Mail to 9K businesses
- BRG updates harnessing their networks
- Business case studies to support grant messages via social
- Grants summary postcard- hard copy and digital (distribution via business advisors/ RHSS officers/Health Protection/LRCT)
- BBC Radio Sheffield interviews
- Hallam FM Radio ads- 2 weeks campaign Nov 2019 and 3 week campaign 1st Feb
- Guidance docs on Tier restrictions
- Member /MP Covid bulletin
- Translated key business material

Critical support for Retail and Hospitality

- Direct Mails to hospitality sector
- Live Hospitality Q&As around changing restrictions
- Sector specific forums
- Q&A at Hotelier Association meetings
- Conference Team host drop in zoom chat sessions for hospitality businesses
- Conference Team host 2 weekly 'Large venues' forum
- Critical High Street Recovery Seminar series with Clare Bailey and Roger Smith - Dec 19 and Jan 20 with watch again web portal
- Critical High Street recovery blog series (tips) Nov/Dec 19 with Clare Bailey
- BBC Radio Sheffield interview with Clare Bailey on retail and high street recovery Dec 19
- MYAH Buy local campaign/ Make Yourself at Home this Christmas

Upcoming Feb 2019

- Grants flowchart in development
- Weeklong 'Cutting through the confusion' grants campaign with Business response Group
- Direct Emails to intermediaries (accountants etc)
- Hallam FM Radio advertising campaign
- Development of workshop programme to focus on critical hospitality series as well as retail
- Focus now on the web platform

Business Support - Critical Interventions

Business Sheffield Helpline - First line point of contact for businesses, often distressed, diagnosing needs and providing up front information about grants and referring to a Business Advisor for support.

Business Advisor Critical Intervention Support - Extended the Business Sheffield Advisor team to 10 from 6 at the peak of the pandemic. Core support issues:

- Access to financial measures including all the grant regimes administered by the Council for businesses, CBIL's and BBIL's.
- Furlough and job retention support
- Providing practical advice on pivoting and diversifying the business and most importantly cash flow
- Assistance on opening, social distancing working with colleagues across the Council including Environmental Health, Licensing, Housing and Property Services
- The barometer of the business community feeding into new grant discussions, sector support

COVID critical 1-2-1 expert advisors	
Month	Advisor Support to businesses 1-2-1
Mar-20	395
Apr-20	869
May-20	919
Jun-20	474
Jul-20	354
Aug-20	195
Sep-20	173
Oct-20	194
Nov-20	443
Dec-20	139
Jan-21	125
Totals	4280

Business Sheffield Helpline				
Month	Calls offered	% calls answered	Average Wait Time	Average Handling Time
Mar-20	750			
Apr-20	1750			
May-20	1035	92.46%	02:19	13:10
Jun-20	985	91.78%	02:39	08:16
Jul-20	795	97.86%	03:27	07:51
Aug-20	505	94.65%	00:59	07:15
Sep-20	384	89.32%	01:16	07:13
Oct-20	645	89.15%	01:00	08:48
Nov-20	1,251	86.81%	00:33	07:37
Dec-20	679	91.16%	00:28	06:02
Jan-21	1028	83.95%	00:33	06:18
Totals	9,807	90.79%	01:28	08:03

Business Support - Critical Interventions

Large companies support - Weekly Key Account Management contact points, tailored redundancy support and supply chain support. Barometer of impacts across key companies and sectors gathered.

Hospitality, Accommodation and Leisure – Business Conferencing Team redeployed to focus on business support across the sector. Weekly contacts including webinars and Q&A sessions (subjects such as Tier regulations, reopening guidance, national accreditation schemes etc), Presentation to monthly hoteliers meeting (open Q & A), Bi-weekly ‘Large meetings venues’ forum and monthly ‘Drop in’ session for venues, hotels, smaller hospitality and suppliers, Reopening Hospitality Guidance document and Tier Q&As produced and distributed each time regulations have changed, 1 to 1 calls to top 60 hospitality

Business Response Group (BRG) – Worked with Sheffield Chamber to bring together business organisations across the city, with universities and key stakeholders. Initial focus on support grant dissemination and comms, and opening up. Co-authored the Business Recovery Plan.

Recovery Planning

- We will plan around the Governments opening up Road Map on the 22nd Feb. However, we are expecting a gradual relaxation from spring onwards, with a lag in reopening for hospitality. Potentially Tier 2 by mid Summer, if tier system retained.
- Hotels and events are not expected any international trade to return this year and events and conferences Autumn at earliest.
- There are some predicted cliff edges, particularly around Furlough ending
- We need to be aware that as we open up many of our businesses will be debt laden and it will take time for full recovery.
- When safe to do so, there is a vital function to stimulating demand - vibrancy and demand drivers will be so important to city centre recovery and across district centres
- We are preparing for reopening and looking to deliver the recovery aspects of the business recovery plan (presented to Scrutiny at our last discussion)

Grant support going forward

- This is will informed by announcements due on the 22nd February.
- We expect some simplification and re-set of the current system
- We are raising key gaps with Government in any simplified system:
 - Don't forgot about non rate payers
 - Sectors impacted by household restrictions, alongside tier restriction – in the main hospitality, accommodation, leisure and entertainment (HALE) will require continued support
 - To aid HALE recovery we need their supply chain to be intact
 - Night clubs and some Night Time Economy Businesses will need support until the economy is fully opened

Hospitality and Culture Reopening

1. Opening Up safely: We are working closely with all businesses on reopening when we come out of lockdown on being COVID secure and helping their business stay resilient.

- Floor stickers for queues
- Lamp post signs on social distancing
- Information officers and city centre dedicated retail and hospitality officer
- Comprehensive reopening guide

2. Outdoor spaces for alfresco hospitality via pavement cafes schemes and parklets, and semi permanent outdoor hospitality zones. This also includes looking at outdoor seating and extending the current policy of fast track applications, free hire of barriers, free and floor stickers on social distancing and queueing.

3. Stimulating Consumer Confidence – A critical part of opening up will be to build confidence to engage with hospitality and cultural experiences / facilities again. As trialled in the summer

4. Night Time Economy – Working with Unight to prepare for reopening (as above). Working with the sector to market the individuality of the Sheffield scene.

5. Events – Medium to long term critical element to help bring back Sheffield's vibrancy, encouraging local, regional audiences and attracting visitors back to the city.

Opening district centres and city centre safely

- Information Officers working across Sheffield district centres (Reopening the High Street Safely Project). Helping businesses be COVID secure, providing pivotal advice on their viability and survival.
- 2,000 business visits across the city centre to offer advice on COVID Security set to continue
- Buy local campaign to support independent business across the city
- High Street Survival Workshops – recorded live and sent out to 1000's of businesses delivered by nationally recognised retail and hospitality experts <http://www.welcometosheffield.co.uk/makeyourselfathome/high-street-business-survival>
 - Retail Success Series: Customer Engagement, Range and Price, 10 Steps to Retail Success
 - Generating Sales for Hair and Beauty during Lockdown
 - Click and Collect the Basics
 - Customer Experience in the Covid Era
 - How to increase Footfall

£2m Economic Recovery Fund

£2m Fund to aid reopening and recovery in our district centres

The fund will be looking to collaborate and co-invest in projects with partners and the private sector:

- To support local economic recovery, helping our businesses and our retail and hospitality centres to rebuild and grow.
- To help businesses open safely and remain viable – building resilience to future economic changes.
- To protect jobs and businesses, particularly in hardest hit sectors.
- To generate demand, to bring back customers and promote consumer confidence – encouraging people to shop locally and buy from Sheffield independents.

Wider Economic Implications

- Pre-COVID job growth in Sheffield and SCR was dependent on the Hospitality sector. Is this unlikely to return in the next 12-18 months as the sector reopens with restrictions. Need to look at where we can stimulate growth – ICT and Education?
- COVID has accelerated global trends in automation and digitisation – can our skills system respond?
- Inequalities across the city, which were ingrained, are deepening – What can we do to protect people's life chances?
- Youth unemployment – we cannot accept a 'lost generation'
- City Centre – Vital to support consumer confidence and return of the vibrancy of the city centre. Events and cultural activity needs to play a significant role.
- District centres – COVID has connected people with their local areas again, need to support future diversity and offer in local centres going forward.
- Magnet City – Sheffield recognised the character, culture and vibrancy which made the city unique and helped attract talent. Many of these are at risk of being undermined by COVID; Music, Brewing, Art, Creative and digital ecosystem and The Outdoor City.
- Office Market change – remote working has permanently changed the office market. Demand is changing to more hybrid, flexible office space of a higher quality.

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Report to Economic and Environmental Wellbeing Scrutiny & Policy Development Committee Tuesday 23rd Feb 2021

Report of: Policy and Improvement Officer

Subject: Work Programme 2020/21: Economic and Environmental Wellbeing Scrutiny & Policy Development Committee

Author of Report: Deborah Glen, Policy and Improvement Officer
deborah.glen@sheffield.gov.uk

The Work Programme is attached at Appendix 1 for the Committee's consideration and discussion. It aims to focus on a small number of issues, in depth. This means the Committee will need to prioritise issues to be included on formal meeting agendas. Where an issue is not appropriate for inclusion on a meeting agenda, but there is significant interest from Members, the Committee can choose to request a written briefing paper.

The Work Programme will remain a live document and will be brought to each Committee meeting. The work programme for this year is specifically focusing on Covid 19 and the implications of this for relevant services.

Type of item: The report author should tick the appropriate box

Reviewing of existing policy	
Informing the development of new policy	
Statutory consultation	
Performance / budget monitoring report	
Cabinet request for scrutiny	
Full Council request for scrutiny	
Community Assembly request for scrutiny	
Call-in of Cabinet decision	
Briefing paper for the Scrutiny Committee	
Other	X

The Scrutiny Committee is being asked to:

- Consider and comment on the committee's draft work programme
- Identify, prioritise and agree topics for inclusion in the work programme

Background Papers: [Sheffield Council Constitution](#)

Category of Report: OPEN

Appendix 1:

Economic and Environmental Wellbeing Scrutiny and Policy Development Committee

WORK PROGRAMME 2020/21

Last updated: 15/02/21

Please note: the work programme is a live document and so is subject to change.

Economic and Environmental Wellbeing		Tuesday 4.30 – 6.30 pm	
Topic	Reasons for selecting topic	Lead Officer/s	Style of scrutiny
Tuesday 8th September			
Sheffield City Trust – Leisure facilities during lock down and since	Issue carried forward from last year, Committee requested further information on Sheffield City Trust following the call in from last year. They also requested the report in response to community and residential concerns about the re-opening of facilities following lock down, particularly Ponds Forge.	Eugene Walker, Executive Director Resources Lisa Firth, Director of Culture, Parks and Leisure	Agenda Item

Tuesday 24th November 20			
Sheffield Covid Business Recovery Plan	Brought to the Committee as a call in	Edward Highfield, Director Alexis Krachai Interim Executive Director, SCCI	Call in
Work Programme 2020/21		Deborah Glen, Policy and Improvement Officer	Standing Item
Tuesday 15th December 20			
Update on bus services in light of Covid 19	Verbal item to include SYPTE, Sheffield City Region, First Bus and Stagecoach		Agenda Item
Work programme 2020/21		Deborah Glen, Policy and Improvement Officer	Standing Item
Tuesday 19th January 21			
Sheffield Local Plan	An ongoing issue of interest for the committee. To be confirmed		Agenda Item
Work programme 2020/21		Deborah Glen, Policy and Improvement Officer	Standing Item

Tuesday 23rd February 21			
Update on Business Recovery and City Centre in light of Pandemic	Recommended as a result of Call in November 2020 and work programme discussion December 2020.	Edward Highfield Richard Eyre	Agenda Item
Work programme 2020/21		Deborah Glen, Policy and Improvement Officer	Standing Item
Tuesday 23rd March 21			
Waste, fly tipping and littering	An item of ongoing interest to the Committee.	Gillian Charters	Agenda Item
Work Programme		Deborah Glen, Policy and Improvement Officer	Agenda Item
Potential Items:			
Transport Strategy – Role of cycling	Progress report requested by Committee in 2018/19		
Climate Change			
City Centre Development/Growth			

Employability/Inclusive and Sustainable Economy			
Scrutiny Review Group:			
Leisure Services – Active Sheffield	A review of the new Leisure Strategy at drafting stages and the potential impact on City Council services. Requested at the meeting held on the 8/9/20.		Task and Finish Group