

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

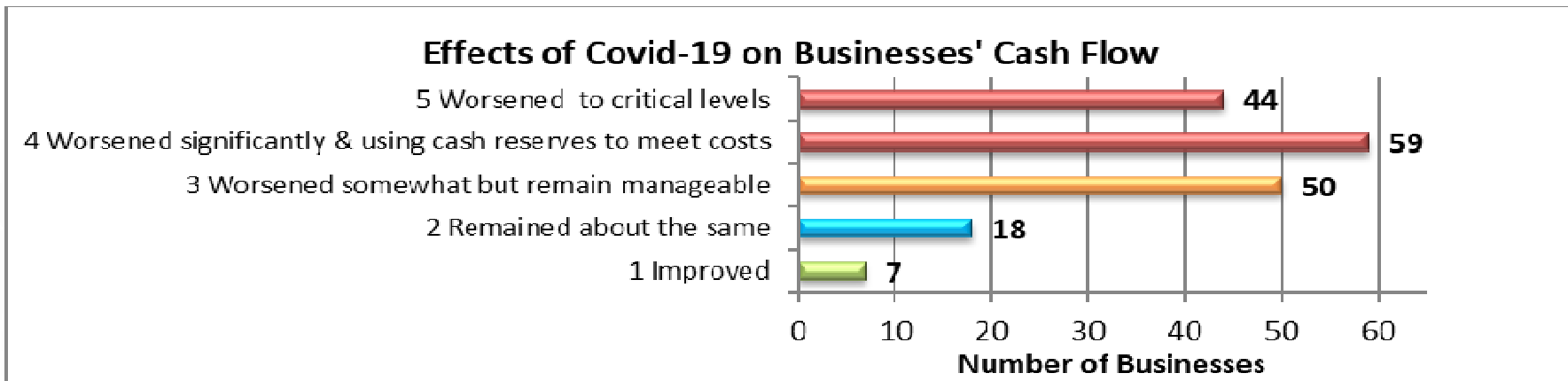


Business Impacts

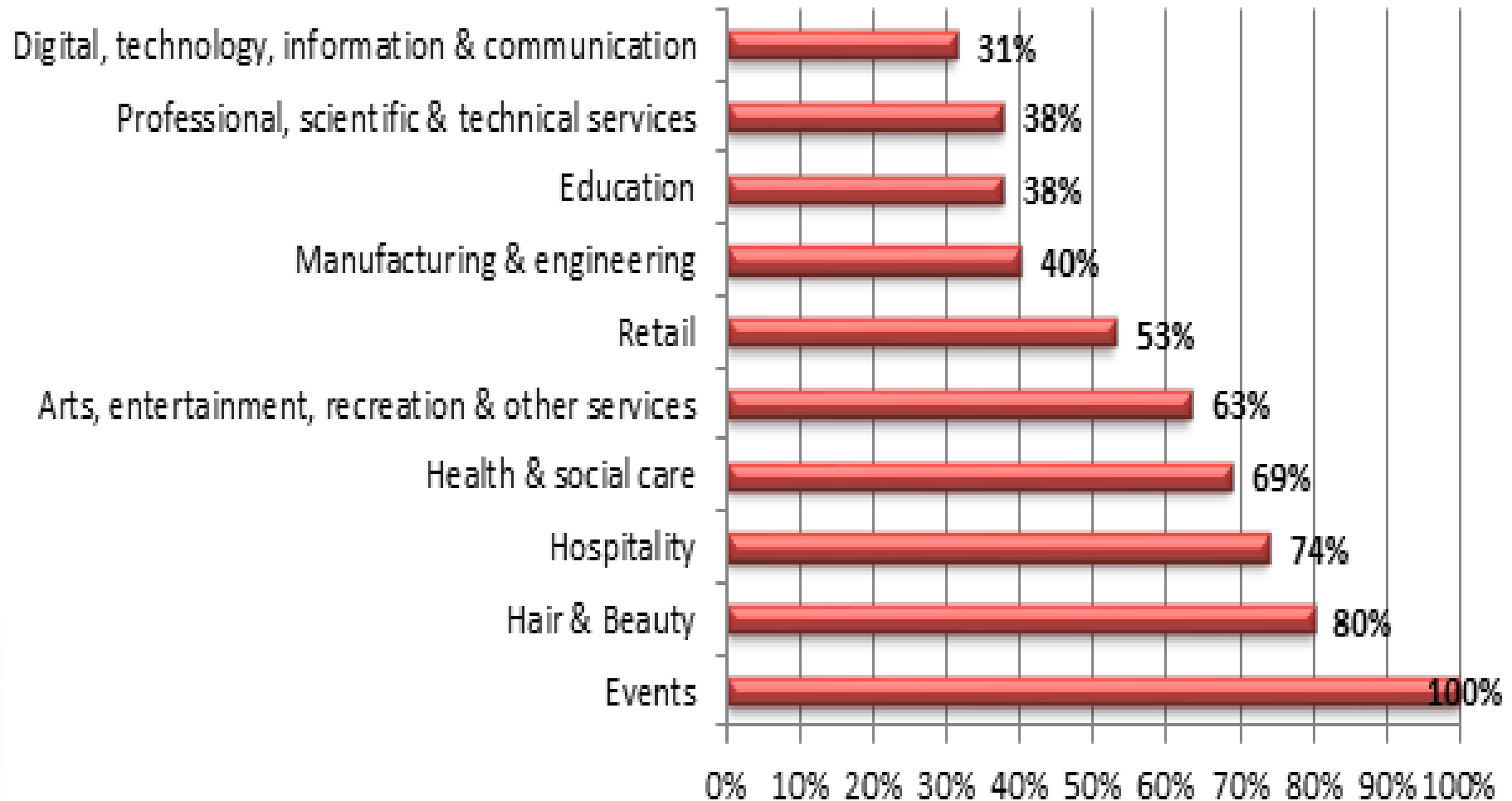
- We make it a priority to hear from businesses directly throughout the pandemic.
- We have undertaken 2 business surveys, led by the BRG, created by the economic strategy team (3rd being planned for Feb).
- We have a constant feedback loop from advisors and 1-2-1 sessions from large companies and consultation.
- 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

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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%
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 Tax 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

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

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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