

# **Author/Lead Officer of Report:** Diana Buckley, Head of Strategy and Commissioning, City Growth

Tel: diana.buckley@sheffield.gov.uk

Report of:	Laraine Manley, Executive Dir	ector, Place	
Report to:	Cabinet		
Date of Decision:	21st October 2020		
Subject:	Sheffield COVID Business Re	covery Plan	
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Is this a Key Decision? If Yes, rea	son Key Decision:-	Yes No x	
- Expenditure and/or saving	s over £500,000		
- Affects 2 or more Wards			
Which Cabinet Member Portfolio does this relate to? Cabinet Member for Business and Investment			
Which Scrutiny and Policy Development Committee does this relate to? Economic and Environmental Wellbeing			
Has an Equality Impact Assessme	ent (EIA) been undertaken?	Yes x No	
If YES, what EIA reference number has it been given? 800			
Does the report contain confidential or exempt information?  Yes No x			
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-			
"The ( <b>report/appendix</b> ) is not for publication because it contains exempt information under Paragraph ( <b>insert relevant paragraph number</b> ) of Schedule 12A of the Local Government Act 1972 (as amended)."			

## **Purpose of Report:**

This report sets out the priorities of the Sheffield COVID Business Recovery Plan which has been developed by the Sheffield Business Response Group – a cooperation between the Cabinet Member for Business and Investment and the business community in Sheffield. The report seeks Cabinet endorsement of the plan and notes the new approach to collaboration between the Council and the business community, which will continue as the plan is delivered.

#### **Recommendations:**

Cabinet is asked to:

- note the role of the Council in developing the Sheffield COVID Business Recovery Plan as part of a collaboration with the Sheffield Business Response Group
- 2. endorse the Sheffield COVID Business Recovery Plan as a framework for action to help address the economic impacts of COVID
- 3. note and acknowledge the role the Council will play in delivering elements of the plan as part of the Business Response Group, with the plan informing the city's bids for COVID relief and recovery funding
- 4. note the collaborative approach taken to develop the action plan, creating the basis for a new long-term relationship with the private sector in Sheffield, working together to help to shape the city's long-term economic strategy

#### **Background Papers:**

<u>Sheffield City Council Report to Cabinet on the 20<sup>th</sup> May 2020 - COVID 19:</u> <u>Sheffield"s Response and Recovery</u>

Sheffield City Region Renewal Action Plan

Lea	Lead Officer to complete:-		
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	Finance: <i>Tim Hardie</i>	
		Legal: Sarah Bennett	
		Equalities: Annemarie Johnston	
	Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.		
2	EMT member who approved submission:	Laraine Manley	
3	Cabinet Member consulted:	Cllr Mazher Iqbal, Cabinet Member for Business and Investment	
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Decision Maker by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.		
	Lead Officer Name: Diana Buckley	Job Title: Head of Strategy and Commissioning, City Growth	
	Date: 9th October 2020		

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1.	PROPOSAL
1.1	The economic environment is very challenging for most businesses as a result of the COVID pandemic. Those in sectors most reliant on social interaction or visits deemed non-essential, such as retail, hospitality and culture have faced dramatic reductions in demand, with many closing temporarily or operating at significantly reduced levels. The demand for support has been vast; the Council has distributed £100 million in grant funding whilst Business Sheffield has responded to over 6000 calls and provided 3000 1-2-1 business advisor sessions since March to support businesses to remain solvent through lockdown. Any period of local lockdown will also require a continuation in fast, clear help and support for our businesses.
1.2	As the economy opens up and people learn to live within the restrictions that keep the city COVID-safe, the nature of the economic challenge is evolving: for some businesses, support is required to just to survive and adjust and for others there are opportunities to explore new markets and deliver new products.
1.3	Supporting businesses through this period is essential to help retain jobs and incomes. Immediate action at city and district level is required, to promote consumer confidence, help businesses to adapt and survive and ensure that the foundations for economic renewal are not eroded during this unprecedented time.
1.4	The Sheffield Business Response Group was established at the beginning of the COVID crisis, it brings key organisations together who can work collectively to develop solutions to key issues arising from COVID 19. It is made up of Sheffield's leading business networks and support organisations, who are working together to help address the issues local businesses are facing now and into the future. The membership includes:  Chamber of Commerce Sheffield Property Association Sheffield Digital The Company of Cutlers The Culture Consortium Unight Sheffield The University of Sheffield Sheffield Hallam University
	Sheffield Hallam University Sheffield City Council  In addition, a number of shadow groups were created to feed into the core group. This has facilitated wider engagement with the business

		community across the city.
	1.5	One of the first actions of the Business Response Group was to undertake a city-wide business survey to understand the experiences of businesses. The first of which was conducted in May with a follow up survey in July. The results of these surveys suggested that businesses were concerned about cash flow, falls in demand and the impact of social distancing. There was also a desire for support and information to reflect local conditions. Many businesses were demonstrating resilience and determination to adapt to the changing conditions, expressing a positive willingness to explore new opportunities, markets and ways of working to ensure their businesses remain viable.
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The COVID Business Recovery Plan provides a framework for action across 6 priorities identified by the BRG and informed by business survey responses. Against these 6 priorities, the plan highlights areas for immediate action (RELIEF), recommends ideas for short term interventions to help businesses adjust to the new economic environment (RECOVERY) and articulates key challenges for long term economic success (RENEWAL).

# 1. Stimulating demand in the local economy

COVID 19 has undermined consumer confidence; even as the economy re-opens demand remains low. Stimulating demand, improving consumer confidence and identifying new market opportunities will be essential in the short term to keep businesses trading and maintain jobs.

2. Opening our city and district centres safely and securely

To enable people to re-engage with the city, staff and consumers need to feel safe. This relies on our businesses and infrastructure operating in a COVID-safe way. Ongoing support is required to enable businesses and transport providers to put appropriate measures into place. Without intervention and in the absence of a high quality vaccination programme, people will continue to feel unsafe for years.

# 3. Developing our skills base as a city to help communities get back to work

COVID 19 has disrupted existing training and education, and it will inevitably lead to significant levels of unemployment as Government job retention schemes wind down. This priority puts forward some short-term steps to alleviate these issues whilst also looking ahead to a longer term strategic response to skills.

## 4. Helping to stimulate the conditions to encourage more startups in the city

Our business density is historically low compared to other major cities and while new start-ups in Sheffield tend to be successful, there aren't enough of them. If there is to be a legacy from this pandemic it should be more start-ups and scale ups in this new environment, taking every

	opportunity to build further resilience into our economy.
	5. Stimulating investment in culture to help rebuild confidence and visitor numbers  The culture and hospitality sectors have been most affected by COVID, leaving a lot of businesses vulnerable. The sector is integral to our city's vibrancy and attractiveness; as such we must identify ways for the broader business community in Sheffield to get behind its recovery.
	6. Working with business leaders on a longer-term economic strategy for Sheffield
	As we learn about the wholesale economic effects of COVID we will need to refocus our plans to tackle systemic economic challenges, both old and new, through a new economic plan. This will require creating a new economic partnership, to maintain private sector collaboration.
1.7	This framework will inform Sheffield's bids for relief and recovery funding and help to shape the city's long-term economic strategy. The interventions set out in the action plan could inform any Sheffield City Council COVID 19 Recovery Funding. Any proposals for funding will be subject to a separate, appropriate approvals.
1.8	Many of the interventions suggested within the plan will also complement and work in conjunction with the recently published <a href="Sheffield City Region Renewal Plan">Sheffield City Region Renewal Plan</a> which is bidding for recovery funds. The BRG were consulted on the SCR Renewal Plan and SCC officers are now working closely with Sheffield City Region to develop the interventions in more detail.
2.	HOW DOES THIS DECISION CONTRIBUTE ?
2.1	The Sheffield COVID Business Recovery Plan aligns with a number of Council strategies: it supports the Corporate Plan priorities for a strong economy and thriving neighbourhoods and communities. It also links to the delivery of Sheffield's Transport Strategy and Green City Strategy, particularly in its emphasis on encouraging active travel and the economic growth opportunities arising from the city's response to climate change.
2.2	The Business Recovery Plan also forms part of the Council's response to the COVID pandemic. A report to Cabinet in May 2020 on 'COVID 19: Sheffield's Response and Recovery' summarised Sheffield City Council's five core principles in its approach and the decisions the Council makes for the city's COVID recovery
	<ol> <li>Keep people safe and well</li> <li>Protect the most vulnerable people</li> <li>Support people to get back to school and work safely when the time is right</li> </ol>

4. Follow Government and scientific lead and help people with the difficult decisions they are having to make 5. Support the city's economic recovery The plan supports all five principles but in particular contributes to supporting the city's economic recovery. 3. HAS THERE BEEN ANY CONSULTATION? 3.1 The COVID Business Recovery Plan is the result of collaboration between the Council, the two universities and the business sector. As well as the core Business Response Group, shadow groups have fed into the drafting process and the plan was also informed by the findings of Sheffield Business COVID survey. The first survey was completed by over 450 businesses. 4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION 4.1 Equality of Opportunity Implications 4.1.1 The overall impact of the plan is positive for everyone, but particularly benefits people with all affected protected characteristics. As the plan is high level and individual projects and actions will follow, it will be important that these projects, which are not likely to need Cabinet approval, take into account the needs of those with protected characteristics, and work to further their interests. This should also benefit the economy of the city by enabling the full economic potential of the city. 4.2 Financial and Commercial Implications 4.2.1 There are no direct financial implications arising from the recommendations in this report. Proposals for funding activity associated with this plan will form part of separate approval processes. For example, an upcoming Leader's Report deals with the decision on £2million of funding for the overall recovery fund scheme. Proposals from this plan may be submitted to this fund. 4.3 Legal Implications 4.3.1 There are no legal implications arising directly from the recommendations in this report. However, implementation of the Plan will require further decisions in due course and the implications of the specific proposals being recommended will need to be considered at that time. 4.4 **Public Health Implications** 4.4.1 Good work is recognised as one of the wider determinants of health, and a strong local economy which provides good, secure, work for people is key to health and well-being in Sheffield. Work carried out by the Council in its response to Covid-19 and included

in the Business Recovery Plan has included supporting businesses to keep employees and customers safe from Covid-19 in line with public health guidelines, with a commitment to support the city to stay safe and to support the economy to stay open. The plan also seeks to enable the city to build back better, including increasing active travel and reducing car journeys and reducing the city's carbon footprint. Both these priorities will have positive benefits on health and well-being. 5. ALTERNATIVE OPTIONS CONSIDERED 5.1 Do nothing: The Council had the option of not collaborating with the Business Response Group to produce an action plan and instead solely relying on the SCR Renewal Action Plan for its response to COVID. However, this approach would have several disadvantages: 1. It ignores the issues affecting businesses at a city level which a regional approach may not always be able to reflect. 2. It ignores the vital role that anchor institutions and business networks play in the economy, not only in the more 'traditional' economic sphere of business support, transport, infrastructure and skills but also addressing inequalities, public health and environmental sustainability which are intrinsically linked to the economy. 3. The opportunity to build a refreshed, more collaborative relationship with the business community would have been missed. 4. The process of developing the city's own plan for business has informed our discussions with Sheffield City Region and allowed the city to better articulate what it needs from the regional plan: this opportunity would have been lost under a 'do nothing' approach. 6. REASONS FOR RECOMMENDATIONS 6.1 The COVID pandemic has presented a number of challenges for businesses and the economy which, if not addressed, could lead to longterm issues in terms for employment, business and wages with knock-on impacts on health inequalities and people's wellbeing. The Sheffield COVID Business Recovery Plan sets out the priorities for the city in addressing these issues and creates a framework for the Council to work alongside the business community to support the city's recovery, protecting jobs and businesses.