

# RESOLUTE & RESILIENT

Safeguarding the economy  
during local lockdowns

November 2020

**ADEPT**

The Association of Directors of  
Environment, Economy, Planning & Transport

**EY**

# RESOLUTE & RESILIENT

## Safeguarding the economy during local lockdowns

This document has been developed to support you as a local place leader in supporting your local economy to survive and thrive through COVID-19 and beyond.

Colleagues from across the ADEPT membership including place directors and the LEP Network, plus the Local Government Association and central government, have worked closely with EY to develop this report. The evidenced based research included a desktop review of international best-practice and a series of interviews with local government organisations across the country. The report identifies why local areas will be affected in different ways through lockdowns based on their local economic structure, and provides place leaders with a number of recommendations to consider to support your local economies.

This work builds on the initial piece of research produced by EY for ADEPT in June, which was used to make the case to government for locally led interventions to address the economic impacts of COVID-19. We argued then that well-resourced local leadership is essential to have the best possible impact across the country because of different local economic structures. This report proves that this remains the best and most effective approach, and we will continue to make that case.

This is just the start of capturing ongoing best practice across the country in responding to the economic challenges posed by the pandemic. We hope you find this research useful. Please provide feedback on the content and any future areas you would like to see included, so we can make sure ADEPT is providing the best possible support to you, its members, in shaping places across the country.

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## **Our thanks for their insightful contributions:**

**Luton Council**

**Nottinghamshire County Council**

**Leicester City Council**

**Cheshire & Warrington LEP**

**Darra Singh, OBE (EY)**

**This report forms part of an ad hoc series of analysis papers developed in partnership by ADEPT and EY. Should you wish to explore economic recovery and financial resilience further, please contact:**

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## Introduction

**Local leaders charged with both protecting lives and livelihoods face an unenviable scenario where health statistics change quickly and steps must be taken that inevitably impact local economies.**

Informed by economic analysis and the applied experiences of Local Enterprise Partnerships (LEPs), local authorities and the private sector, this paper defines five core economic challenges (the 'grand challenges') faced by local leaders as a result of local lockdowns. To shape and inform ADEPT members facing these real challenges, we have collated a range of interventions, measures and asks of central government.

Finally, we cement the importance of bodies such as ADEPT, where members continue to refine and share the evidence base around impactful activities, that are making tangible differences on the ground in this incomparable and fast-paced context.

The five grand challenges posed by local lockdowns:

- **Economic output is reduced during lockdown with the scale of impact primarily driven by the structural economic composition of localities.**
- **Local lockdowns most acutely impact sectors that require face to face interaction to function.**
- **Local lockdowns reinforce existing economic challenges within localities.**
- **Interventions need to empower local areas, be sector specific and recognise dependencies on other forms of local and national support plans.**
- **Consumer and business confidence is fragile and responsive to pessimistic communications and business sentiment.**

These challenges demand five responses that ADEPT members are well positioned to enact to protect local economies:

- **Scope and prioritise interventions that sustain or enhance economic supply, specific to sectors.**
- **Act quickly to sustain or enhance economic demand with targeted interventions that focus on enabling demand to access supply.**
- **Local areas work in synergy within their regions to seize opportunities and collaborate around risk.**
- **Form and leverage alliances, partnerships and working groups that can rapidly broker local intelligence on business, employment and skills, and consequently expedite support and ensure synergy with other plans.**
- **Develop a coherent, well evidenced narrative for both government and business that instils confidence and trust, specific to a local area.**



## Asks of government

The power of ADEPT members' local knowledge and effective delivery can be strengthened and complemented by central government through:

- Proactive engagement at the earliest stages to understand the potential economic impact of local lockdowns, sharing of data and engagement in committed dialogue on the financial support package required.
- Empowering and trusting localities by providing the freedom, revenue and capital flexibilities to determine how this support is best employed to local areas.
- Recognising the longitudinal nature of the economic impact of local lockdowns by providing both funding certainty and the opportunity to revisit financing, as the impacts of local lockdowns bite.
- A wider group of government departments engaging in the creative redefinition of the future economy. This should include strengthening data sharing, policy development and joint commissioning of DWP, local government and skills bodies in the creation of new sustainable and safe employment.
- A Devolution White Paper that reinforces the acceleration of a wide range of powers including economy and skills to local areas, and guides core factors for local areas in developing cogent and consistent local government reorganisation messaging.

### Key Challenge 1:

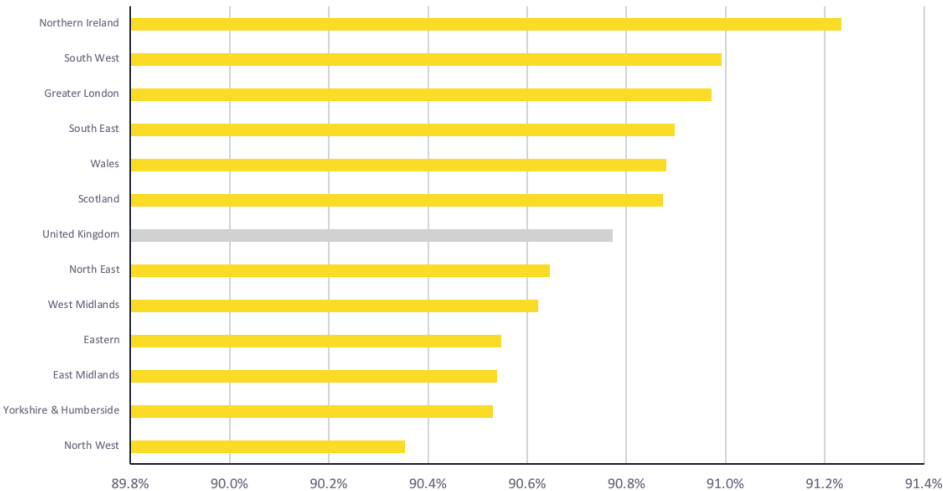
## Economic output is reduced during lockdown, with the scale of impact primarily driven by the structural economic composition of localities

As expected, lockdowns negatively impact economic output and these impacts are magnified as restrictions increase.

The impact on output has been unprecedented, with the economy shrinking by a record 19.5% in April, the first full month of the coronavirus lockdown.

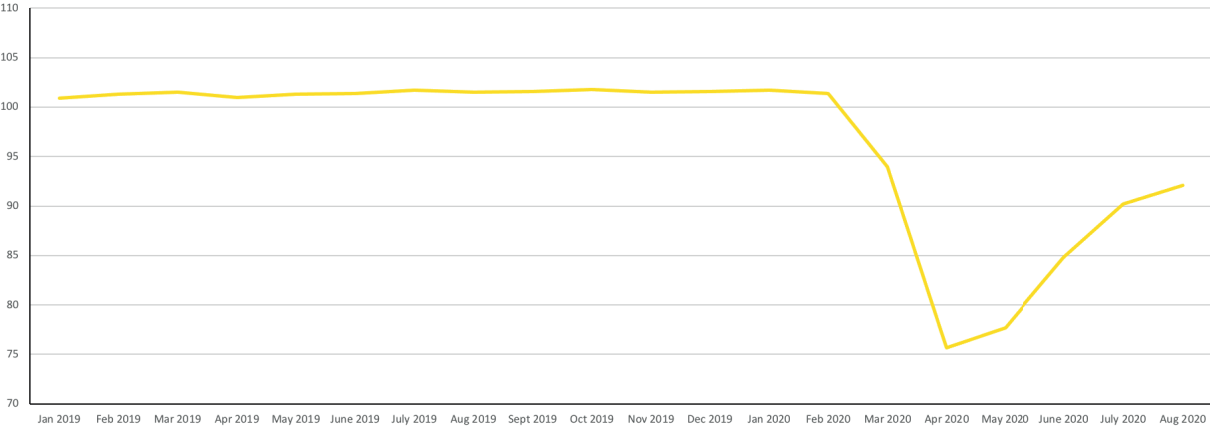
Regional impacts are varied but as at August 2020, all regions of the UK had economies that were materially smaller than they were prior to the pandemic.

Fig 1: Regional Indexed Output - August 2020



As lockdown restrictions were alleviated, there were four continuous months of positive month on month output growth, as pent up demand was released. However, this doesn't constitute the anticipated V shaped recovery, with the economy 9.2% smaller than at its pre pandemic levels. Recovery is hampered by both a lack of business and consumer confidence as well as the re-imposition of further restrictions.

Fig 2: Monthly GDP Index 2019 - 2020



Lockdowns create both supply and demand challenges, meaning that interventions need to consider both to be effective. However, it is worth noting that smaller businesses are more sensitive to short term demand challenges, with a large number of smaller businesses severely impacted at the start of the pandemic due to lack of demand, prior to any restrictions being enforced.

Due to the existing structural composition of localities there are significant differences in how the impact of lockdowns affect an economy.

The most affected local areas are forecast to experience double the reduction in economic output than the least impacted.

Most Impacted		Least Impacted	
Local Authority Area	Reduction in Output	Local Authority Area	Reduction in Output
Isles of Scilly	12.6%	Blaby	5.5%
Eastbourne	11.8%	West Somerset	6.0%
Crawley	11.7%	Cotswold	6.7%
Oxford	11.7%	Warwick	7.0%
Southwark	11.6%	Tower Hamlets	7.2%

*“The airport is not only a major employer, but a major contributor to our commercial income so the lack of a support package for the aviation sector leaves us at risk on several fronts.”* [City Council]

By reviewing the sectoral composition of these areas, it is clear that where areas are more reliant on sectors with face-to-face interaction, the impact on output has been more severe. As seen in the below table, the average size of consumer facing sectors is far higher for the most impacted local authority areas compared with those least impacted.

Consumer Facing Sectors		
Sector	Most Impacted Localities – Average Sector Size	Least Impacted Localities – Average Sector Size
Accommodation & food service	5.8%	4.2%
Arts, entertainment, recreation	1.7%	0.8%
Human health and social work	9.0%	3.9%
Other service activities	3.8%	2.0%
Education	8.8%	3.2%
Wholesale and retail trade	6.8%	9.3%
<b>Total</b>	<b>35.9%</b>	<b>23.4%</b>



## Key Challenge 2:

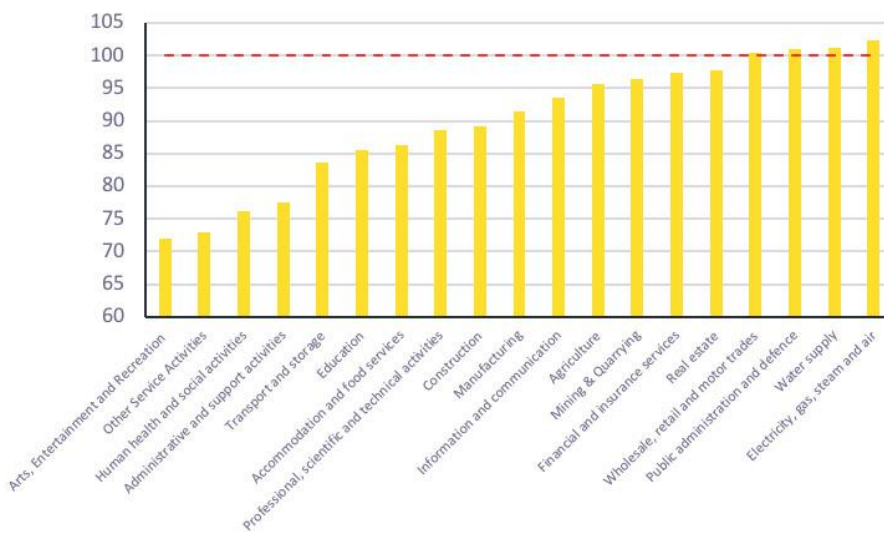
### Local lockdowns most acutely impact sectors that require face to face interaction to function

Local lockdowns impact customer-facing sectors and especially those that require face to face interaction to function.

The impact of tiered lockdowns will go beyond the direct reduction in demand in these sectors and could provide secondary supply chain shocks on wholesale, retail, motor trades, transportation and storage providers.

Due to the inter-regionality of supply chains, this means that the impacts of tiered lockdowns will not be isolated to the affected area alone.

Fig 3: Indexed Sector Performance - August Output, February = 100



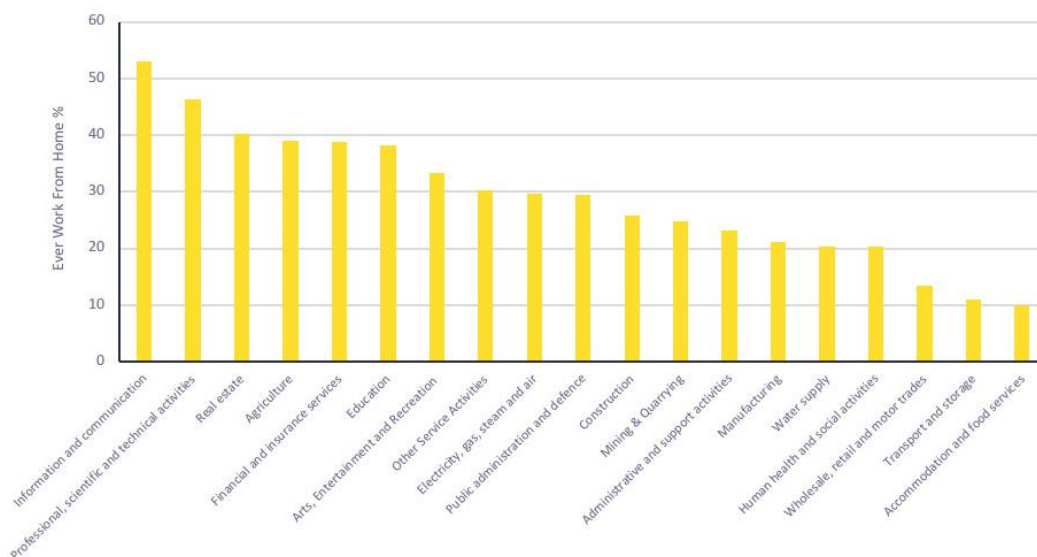
*“Tourism, arts, recreation and retail remain our hardest hit sectors, we leverage our business rates data to directly target intervention and support.”*

*[City Council]*

### Sectors with a greater ability to work from home will be more resilient to local lockdown restrictions

Certain industries are more capable of adopting home-working systems than others. A sector’s ability to work virtually often stems from the structure of the industry itself, with many requiring face to face contact in order to operate. This can be readily seen in the accommodation and food and beverage sector, a sector that requires consumer interaction and one that has been particularly hard hit by the pandemic.

Fig 4: Proportion of UK workforce home-working by industry, December 2019



### Key Challenge 3:

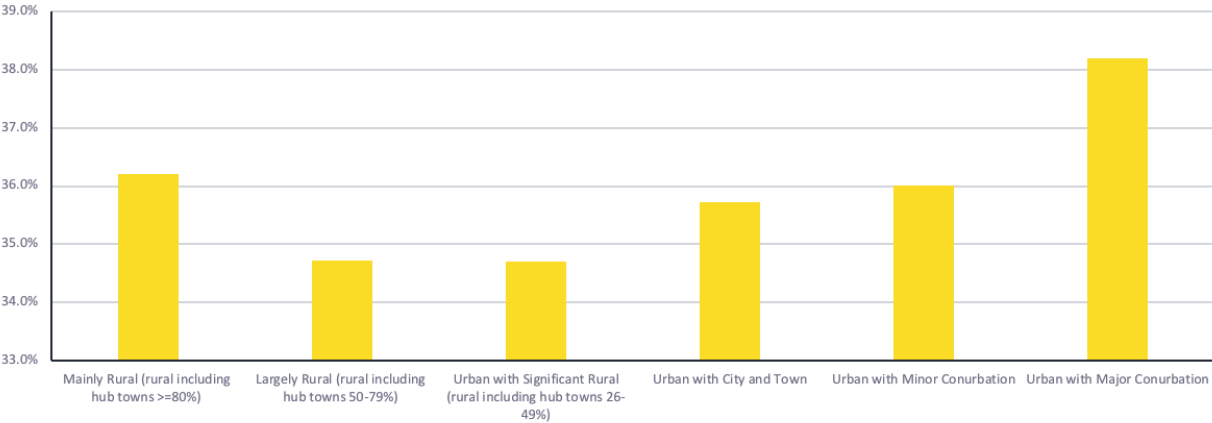
### Local lockdowns reinforce existing economic challenges within localities

Local areas where unemployment was more prevalent prior to the COVID-19 pandemic have seen higher rises in unemployment following the crisis, demonstrating the crisis has reinforced existing patterns in unemployment.

Local Authority Area	Claimant Count – February 2020	Percentage Point Change from February 2020
<b>5 Areas of Highest Unemployment Pre-Crisis</b>		
Blackpool	7.1%	5.1
Birmingham	6.7%	4.4
Wolverhampton	6.2%	4.4
Middlesbrough	6.2%	4.2
South Tyneside	6.2%	3.4
<b>5 Areas of Lowest Unemployment Pre-Crisis</b>		
Hart	0.9%	2.5
South Northamptonshire	1.0%	2.5
Waverley	1.0%	2.5
South Lakeland	1.1%	2.7
Guildford	1.1%	2.3

The economic impact appears also to be correlated to type of area, with the workforces in mainly rural and heavily urban areas being harder hit than areas between the two.

Fig 5: Proportion of workforce impacted by pandemic (either unemployment or furloughed)

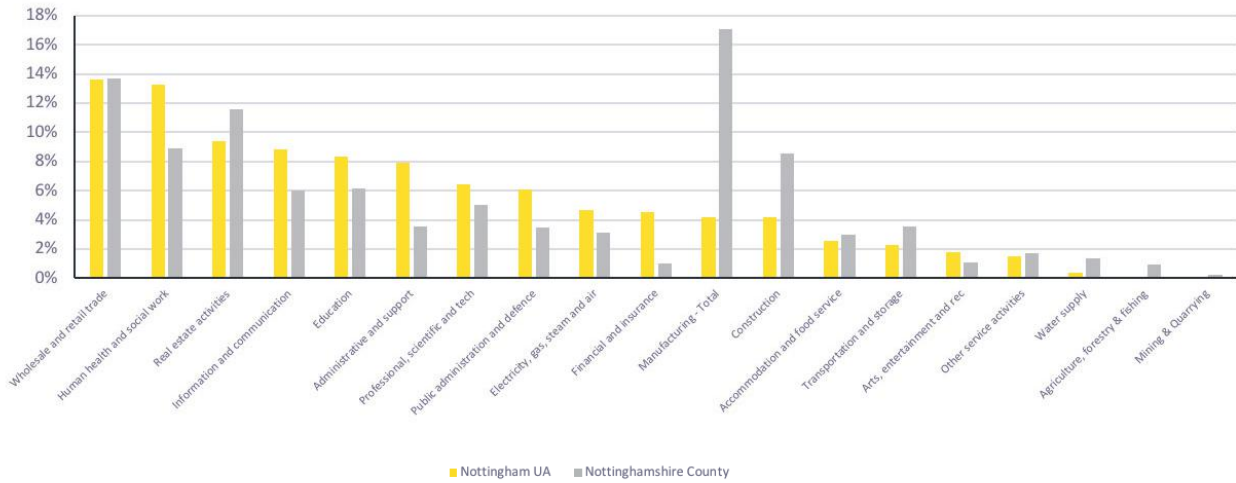


**“Geography matters; despite not having restrictions ourselves we are surrounded by areas under different tiers, with interdependent boundaries providing secondary impacts dampening our economic performance.”**  
*[Local Economic Partnership]*

**As local areas prepare for local lockdowns and government negotiation, they must go beyond regions and account for intra-regional variation.**

There are fundamental structural differences in the make-up of localities that require focused analysis to identify where targeted support is needed.

Fig 6: Sector Composition Nottingham vs Nottinghamshire - GVA



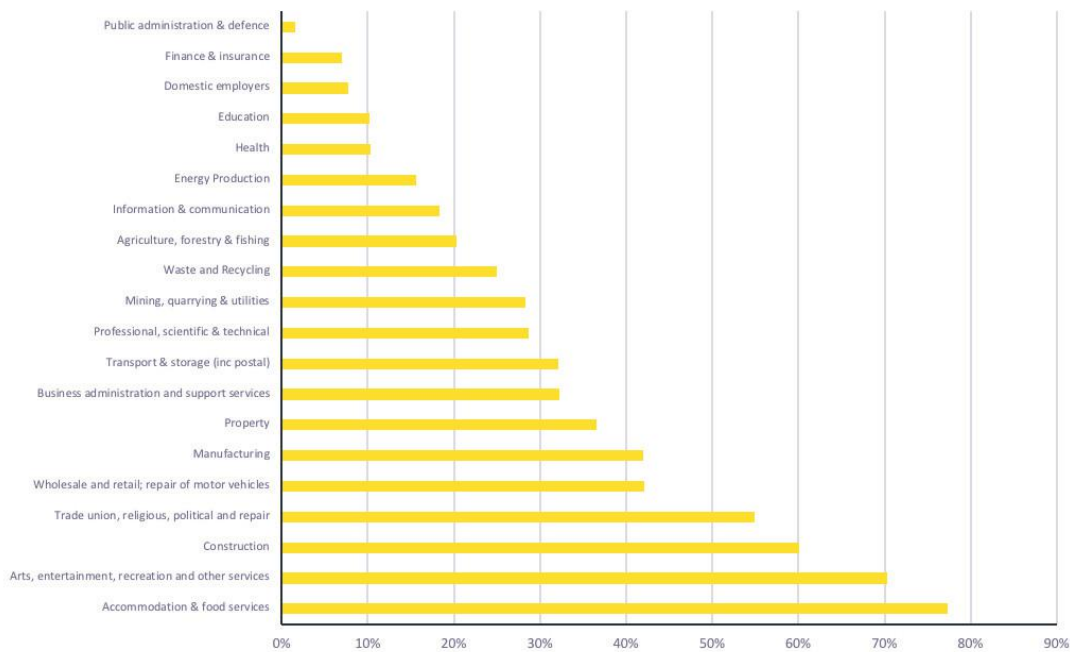
## Key Challenge 4:

### Interventions need to empower local areas, be sector specific and recognise dependencies on other forms of local and national support plans

A vital role remains for government support during local lockdowns as a means for protecting jobs across the economy.

The scale of economic challenge faced by local lockdowns is too great for local authorities to tackle without central government support. Even in August as confidence returned to the market, almost half of sectors still furloughed 1 in 3 of their staff.

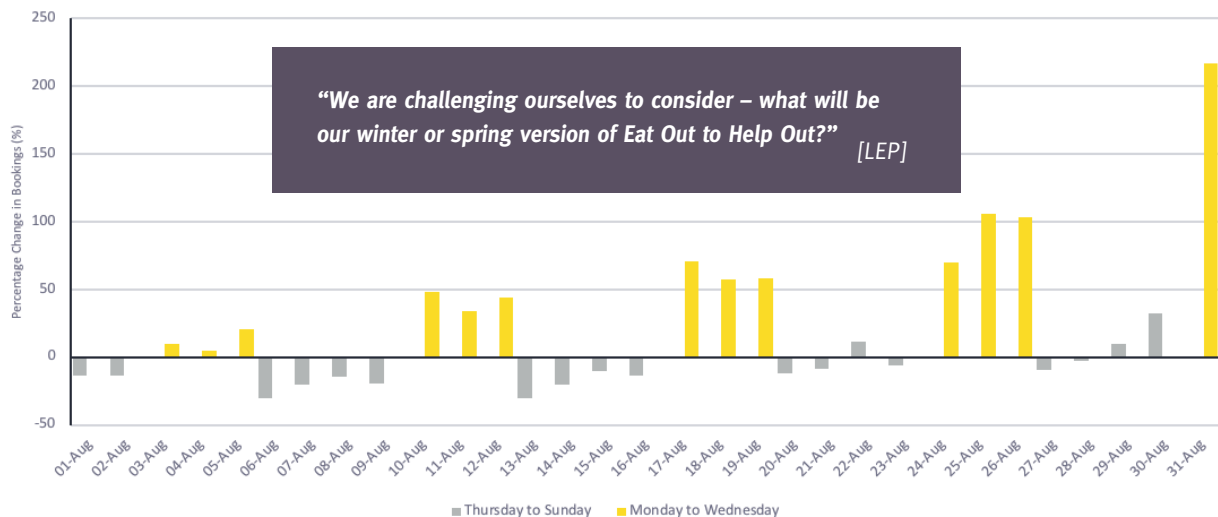
Fig 7: Furlough Take-Up Rate by Industry. Source: gov.uk - Coronavirus Job Retention Scheme Statistics: August 2020



### Sector specific initiatives and subsidies can change behaviours and stimulate demand at a local level

The well publicised ‘Eat Out to Help Out’ policy had a demonstrable impact on demand in the restaurant sector Monday to Wednesday, evidencing the importance of exploring targeted measures to restore consumer confidence. However, schemes such as these need to consider a full range of demand and supply side factors to be effective, as well as consideration towards adherence to measures designed to lessen the COVID-19 risk.

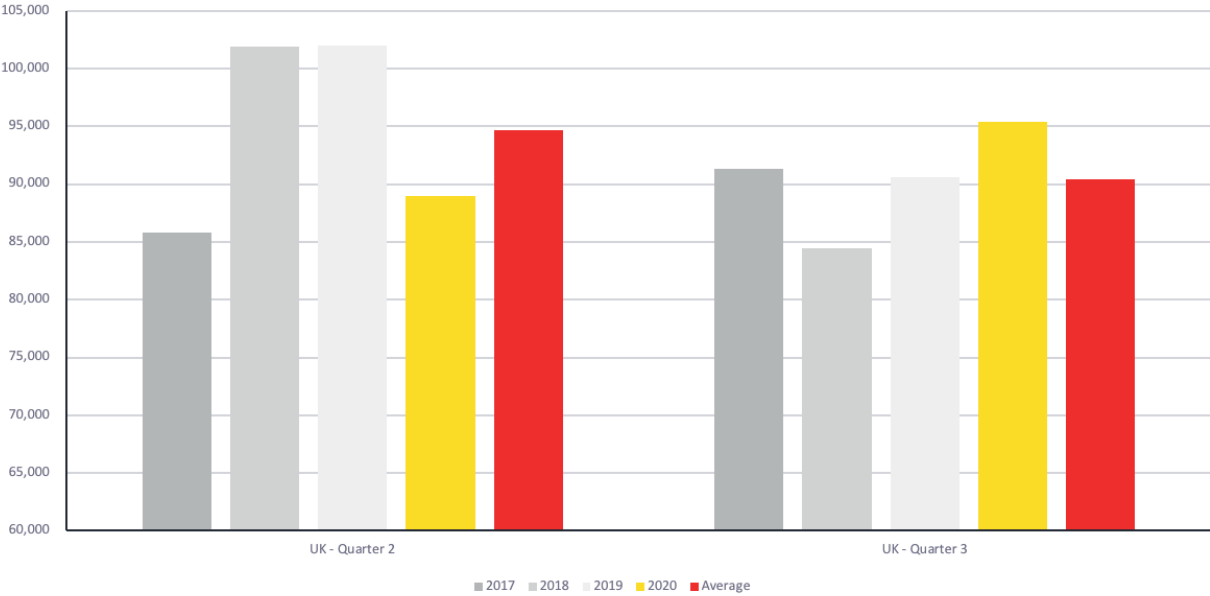
Fig 8: Seated diners at a sample of restaurants on the OpenTable UK Network. Percentage Growth August 2020 to August 2019.



**Overlapping initiatives make the importance of targeting support even more critical as resources and support becomes more scarce**

In Quarter 2, a UK wide dip was noted in business closures, in direct contrast to the Output table in Figure 1, as the CJRS scheme sustained businesses that would have closed in normal environments. There are signals this trend is reversing as support tapers.

Fig 9: Business Closures by Quarter 2017 to 2020 - UK

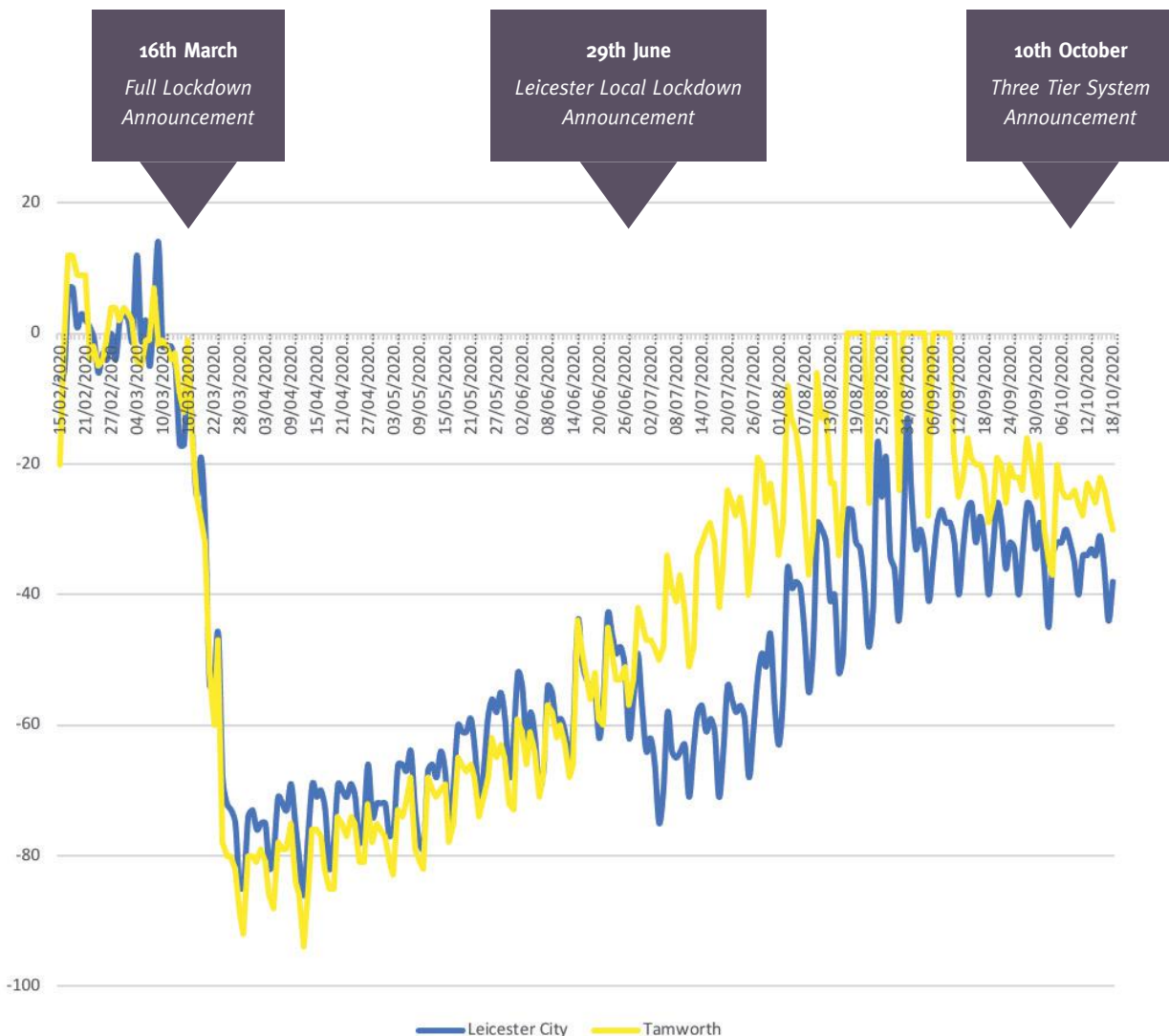


## Key Challenge 5:

### Consumer and business confidence is fragile and responsive to pessimistic communications and business sentiment

Mobility shifts significantly around lockdown announcements and behaviours change even in areas without high caseloads or local lockdown measures.

Fig 10: Mobility Data: Leicester City (Tier 3) Versus Tamworth (Tier 1)



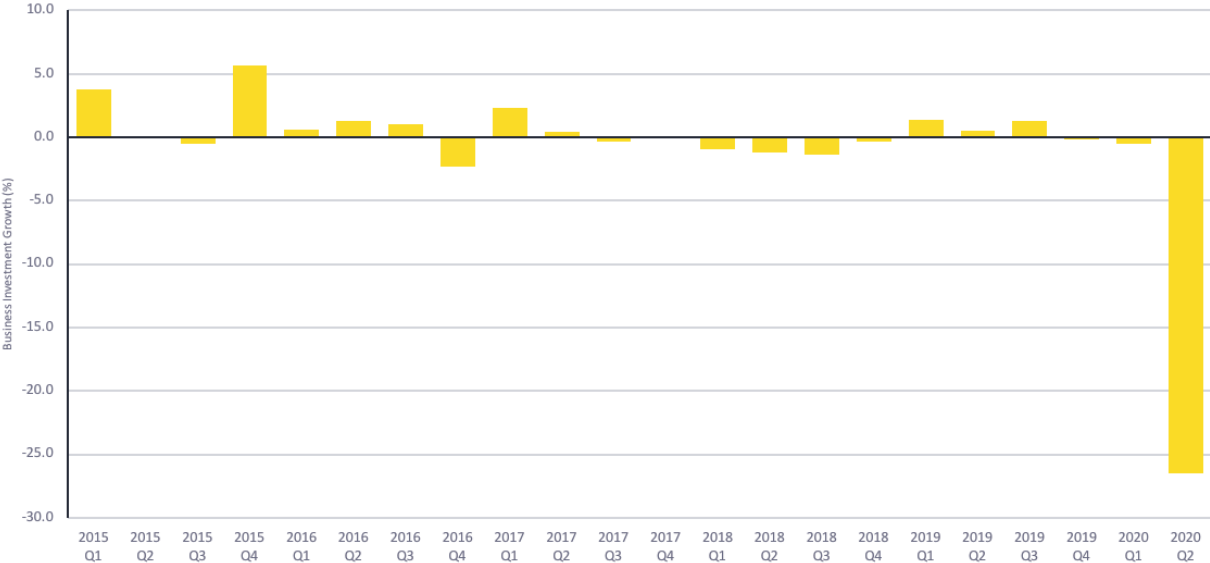
Retail and recreation mobility data within the City of Leicester provides a reliable benchmark as other areas begin to face similar challenges. Following the government announcements, mobility has persisted at 40% lower than February's indexed level.

In contrast, and matching output trends, Tamworth mobility trends reflect a growing confidence in retail and recreation since the full lockdown, even returning to indexed levels for certain days within September.

**No changes were made to Tamworth's tier classification in October. However, indexed falls in mobility of up to 37% have been experienced around announcements and UK wide caseloads increasing, demonstrating the fragility of consumers' confidence.**

**Business confidence has also been rocked by economic uncertainty and messaging.**

*Fig 11: Business Investment Growth*  
 Source: OECD Data



The spread of the virus, as well as the related lockdown announcements, has deprived many businesses of confidence due to economic uncertainties. As uncertainty has deepened, policy has been focused on response rather than recovery. It has been centred around allowing businesses to continue operating over the short-term rather than long-term planning or business redesign.

*“With trade-offs between health and economic outcomes inevitable, we worked with partners to identify a list of outcomes for our region ranging from direct health outcomes through to broader aims such as trust in public bodies and local authorities. These act as a guiding light for assessing communication, intervention and our negotiation with Government.”*

*[County Council]*



# What levers are available to local leaders in responding to these grand challenges posed by local lockdowns?

As local lockdowns are announced, citizens, businesses, and local stakeholders of all forms will turn to local government, LEPs and regional bodies to seek protection for their enterprises, livelihoods and places.

The grand challenges that have been identified require a resolute, locally led, response.

Grand Challenge	Response
<p><b>1</b> Economic output is reduced during lockdown with the structural economic composition of localities the primary driver in the scale of output impact.</p>	<p>Scope and prioritise interventions that sustain or enhance economic supply, specific to sectors.</p>
<p><b>2</b> Local lockdowns most significantly impact sectors that require face to face interaction to function.</p>	<p>Act quickly to sustain or enhance economic demand with targeted interventions that focus on enabling demand to access supply.</p>
<p><b>3</b> Local lockdowns reinforce existing economic challenges within localities.</p>	<p>Local areas need to work in synergy within their regions to seize opportunities and collaborate around risk.</p>
<p><b>4</b> Interventions need to empower local areas, be sector specific and recognise dependencies on other forms of local and national support plans.</p>	<p>Form and leverage alliances, partnerships and working groups that can rapidly broker local intelligence on business, employment and skills, and consequently expedite support and ensure synergy with other plans.</p>
<p><b>5</b> Consumer and business confidence is fragile and responsive to pessimistic communications and business sentiment.</p>	<p>Develop a coherent, well evidenced narrative for both government and business that instils confidence and trust, specific to a local area.</p>





## Response 1:

### Scope and prioritise interventions that sustain or enhance economic supply, specific to sectors

The rebound in a number of sectors and growing confidence during the summer due to the easing of measures has shown a faster than expected demand curve that highlights the importance of sustaining local supply critical to recovery.

**Measures to support supply fall into four categories:**

#### 1 - Direct Business Relief

Providing targeted fiscal relief to businesses through:

- Revenue support to business - business grants, business rate relief and commercial rent relief. There are international examples of insolvency protection and of fixed cost protection.
- Capital support to business - providing transition funding for new and resilient operating models, building improvements, and ventilation systems that are COVID-19 compliant and 'fit for the future'.
- Social value offset - subsidising business costs in return for the delivery of social value outputs.

*"We have been surprised by the level of demand for grants in the £2-5k range, these make fundamental differences to models of operation and collectively will form one of our next round of government asks." [LEP]*

#### 2 - Business Financing

Providing or facilitating access to finance to be repaid:

- Loans and loan guarantees have an evidenced impact on access to debt finance and cost of borrowing.
- Bridging finance - stepping in as lender of last resort.

#### 3 - Business Support

Providing advice and guidance to businesses in order to access funding, garner investment or incubate start-ups through:

- Virtual business advice and guidance including how to reopen safely, digital transformation and future-proof business model.
- Advising on how to access government funding, such as applications for VAT relief, CJRS and JSS.

#### 4 - Reducing bureaucracy

- Removing or reducing licencing requirements - local authorities have reduced the costs of licensing for restaurants and cafes, allowing them to expand beyond their premises and onto streets and other public places.
- Relaxing the criteria for support and implementing relaxed criterion for applying for grants so that less resources are wasted on deciding who is eligible.

*"With limited funds the discretionary measures we are designing seek to 'fill in the gaps', targeting individuals, sectors or businesses that do not meet eligibility for national criteria such as self-employed or around rental income – leveraging our local economic sector data to do so." [County Council]*

## Response 2:

### Act quickly to sustain or enhance economic demand, with targeted interventions that focus on enabling demand to access supply

The tiers of restrictions inevitably impact mobility. Communicating with clarity around what is permitted, still open and accessible is pivotal, both during lockdown and when the time comes for authorities to begin exiting local lockdowns.

**Measures adopted by local authorities to drive demand include:**

#### 1 - Encouraging mobility

- Reconfiguration of high streets to recognise the more restrictive requirements new tiers bring.
- Encouraging city centre and retail travel through car parking subsidy or cost suspensions.

#### 2 - Stimulating demand

- Locality based gift card and facilitating changes in spend distribution from cities to towns, and channels from face to face to online.
- Signposting of local business, products and services - utilising multiple channels including online, local radio and news.

#### 3 - Protect local employment

- Kickstart Scheme
- Providing redundancy triage services.
- Skills Transition Grants - targeted around sectors that are demonstrating strong growth including logistics, healthcare and utilities.
- Major employer intelligence, networking and support.
- Utilise vacancy data to broker, advertise and incentivise recruitment for high strength sectors such as freight, logistics and transport.

#### 4 - Optimising role as major purchaser in the economy

- Sustaining all existing contractual relationships.
- Re-evaluate procurement processes with a local purchasing focus.
- Revisit local employment within existing contractual frameworks.
- Capital programmes and Get Building Fund - deploying capital receipts and expenditure to prioritise projects that generate local employment, apprenticeships and promote inclusivity.

#### 5 - Optimise role as a major employer in local economy

- Convening role for anchor institutions to collectively pivot or transition workforce and local skill-base to high growth sectors.
- Internal role as apprenticeship programme.

## **Response 3:**

### **Local areas need to work in synergy within their regions to nurture opportunities and collaborate around risk**

Local lockdowns can impact economic activities well beyond the boundaries of a single local authority. It is crucial that local authorities are able to partner with regional stakeholders and councils in order to formulate a combined response that protects vulnerable areas from further disruptions.

#### **Measures adopted by local authorities include:**

#### **1 - Regional funding and support**

- Playing an active role on the Growth Hub, Business Improvement Districts, Enterprise Zone and other interfaces with the private sector. This includes broadening out the attendees and membership of these forums to new sectors or economic influences including academic and data intelligence bodies.
- Data sharing across boundaries can facilitate the identification of 'hard to reach' sectors, demographics and aspects of the economy that whilst not directly locked down, will suffer due to being travel to work area (TTWA) boundaries or supply chain and secondary contributors to locked down geographies.
- Exploring and lobbying for enhanced flexibilities around grant funding, monies and capital instruments already within the regional system to create resilience funds that protect jobs and businesses that demonstrated a benefit to the region's local economy.

#### **2 - Government Financial Packages**

- The development of a coherent and compelling narrative to government requires a recognition of the structural composition of any locality and the impacts on areas beyond these boundaries. A narrative to government that is complementary with regional strategies is imperative to securing funding.
- The development of a well evidenced and agreed position for the full region in discussion with central government, to ensure a strong and united set of expectations are presented.

#### **3 - Inclusive and Sustainable Planning**

- ADEPT members must challenge themselves to evaluate how this reshapes economic priorities for their areas and those of the region beyond the immediate lockdown period. Economic sentiment is to shift beyond a focus on output and growth alone to a more inclusive, sustainable and healthier economic future for localities. This must underpin regional debate and planning

#### **4 - Strategic Workforce Planning**

- Work with DWP, skills bodies and academic institutions to develop journey maps for at risk employee groups.

## Response 4:

### Form and leverage alliances, partnerships and working groups that can rapidly broker local intelligence on business, employment and skills, and consequently expedite support

The dynamic exploration of partnerships and alliances to garner intelligence and provide support will be an endearing feature of local lockdowns. Anchor institutions as employers, major purchasers and those holding strategic influence on local recovery policy must operate harmoniously. Without this, there is a risk of conflicting communications, overlapping initiatives or worse, areas of the economy that do not receive any support.

**Local lockdown experiences to date have typically led to three prominent alliances focused on enterprise, tourism and employment:**

#### Enterprise partners

Forums and networks for channelling support to business, sharing intelligence and developing asks of government:

- LEP
- Growth Hub
- Business Improvement District
- Enterprise Zone
- Business Rate Database
- Chamber of Commerce

#### Tourism partners

Forums for understanding the impacts on tourism, leading communication around grants and advice:

- Visit Britain - 'Good to go' marketing links
- Destination Management Organisations
- HS2 and transport bodies

*"We see restoring confidence as fundamental to our role; all major capital schemes are still progressing, inward investment has sustained and the City Centre population has doubled in a short period; whilst hard pushing a message of resilience coupled with optimism is essential"* [City Council]

#### Employment partners

##### Case Study: Cheshire & Warrington Workforce Recovery Group

A workforce recovery group has been created with the DWP, Jobcentre Plus, local authorities and the LEP with the following objectives:

- Sharing intelligence and monitoring employment data.
- Identifying emerging employment trends and risks for the area's major employers.
- Engaging early in dialogue with business, affected staff and local employment agencies.
- Developing an information portal for jobs, retraining and skills grants.
- Coordinating virtual career fairs.

**Response 5:**

**Develop a coherent, well evidenced economic narrative for government that demonstrates deliverability and strategic fit with local agendas**

Local areas must act with conviction in developing a narrative to government which is clear and evidenced in terms of local needs and how local areas are best placed to determine the support that their communities and economies require.

**Develop a response focused financial support story**

Shaping a successful negotiation with central government around the core financial support package requires a blended approach that holistically evaluates:

- Per capita evaluation to determine a high-level requirement for business support.
- Revisiting the methodology adopted for the Business Support Grant provided to local authorities in April 2020 as a yardstick for requirements.
- Developing granular sector focused analysis that assesses contribution to local economy, workforce modelling, and forecasting business deaths and births to justify intervention.
- Sharing insights captured from local business through surveys, social media and key business forums.
- Demonstrate deliverability and effectiveness at combining data sources to targeting support where it will have impact.

*“Our biggest lessons learned is the vital requirement to sustain the two-way communication with business as we negotiated with government around the support package. It is key to enlist and maintain local business support throughout the process so there is a shared understanding of outcomes.”* [LEP]

**Set the case for longer-term economic recovery**

*“Our economic vision as a LEP has shifted from Strong Growth and Productivity to a broader agenda that encapsulates inclusivity, health, sustainability and resilient, high-growth sectors.”* [LEP]

**The case for funding certainty**

With the current UK economy forecast by EY ITEM club to return to pre-pandemic levels in Q1 2023, a longitudinal funding position is needed from government to:

- Truly empower local institutions to innovate and shift the mindset of places from response to recovery and renewal.
- Ignite multi-year capital spending by LEPs, local authorities and economic stakeholders to boost business confidence and attract inward investment.

**The case for funding and regulatory flexibility**

Local areas need to demonstrate how greater funding flexibility, including the use of capital funding and receipts and additional tax and revenue raising powers, can deliver the investment and structure necessary to allow their economies to flourish in a world post Covid.

## Appendix - Covid-19 Intervention Examples (UK)

We have compiled a number of examples of interventions that local areas have developed and enacted over the course of the crisis. These aim to provide examples that other areas can compare to their own approaches and aim to work together with other localities to share lessons learnt and best practice.

### Wirral

**Name of intervention:** COVID-19 Economic Resilience Response Team

**Classification:** Supply Side

**Summary:**

- The council distributed government funds through business grants, helped support local businesses through business rate relief and offered financial support to residents.
- Distributed funding efficiently and robustly - £47m to more than 2,200 businesses within 10 days.

**Source:** [www.wirral.gov.uk/health-and-social-care/coronavirus-updates/financial-aid-businesses](http://www.wirral.gov.uk/health-and-social-care/coronavirus-updates/financial-aid-businesses)

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### Liverpool City Region

**Name of intervention:** LCR Coronavirus Support Package

**Classification:** Supply Side

**Summary:**

- Advised businesses in the LCR on how to access national Government funding.
- Launched the Sustain and Gather programmes which offered intensive online support to SMEs across all sectors of the local economy.
- Set up the LCR Innovation Fund which offered grants to businesses that were looking to innovate in the wake of COVID-19.

**Source:** [www.wirral.gov.uk/health-and-social-care/coronavirus-updates/financial-aid-businesses](http://www.wirral.gov.uk/health-and-social-care/coronavirus-updates/financial-aid-businesses)

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### Barnsley

**Name of intervention:** Enterprising Barnsley

**Classification:** Supply Side

**Summary:**

- The council's business support arm provided information to both local and national businesses during lockdown.
- The council maintained constant contact with key businesses in the area, offering them business support and helping them access funding.
- Offered live online webinars to provide economic support and guidance to start-ups and newly established businesses.

**Source:** [www.enterprisingbarnsley.co.uk/covid-19-coronavirus/](http://www.enterprisingbarnsley.co.uk/covid-19-coronavirus/)



## Solent Local Enterprise Partnership

**Name of intervention:** Pay it Forward

**Classification:** Supply Side



**Summary:**

- The Pay it Forward programmes looked to help small companies keep trading, maintain their cashflows and stay connected to their customers.
- It enabled self-employed residents and SMEs to generate sales by pre-selling their goods and services or by diversifying their offering.
- Crowdfunder also helped promote these businesses' stories and supported them with online sales, marketing and finance training.

**Source:** [www.solentlep.org.uk/crowdfunding-programme-pay-it-forward/](http://www.solentlep.org.uk/crowdfunding-programme-pay-it-forward/)

**Name of intervention:** Rural Business Resilience Funds

**Classification:** Supply Side

**Summary:**

- Allowed rural SMEs in the New Forest and the Isle of Wight to apply for grants between £2,500 and £50,000 that enabled them to take their first steps to recovery post-COVID.
- The grants covered 50% of the businesses' total projected costs.
- The aim was to create and protect jobs and businesses that demonstrated a benefit to the area's local rural economy.

**Source:** [www.solentlep.org.uk/coronavirus-support-hub/](http://www.solentlep.org.uk/coronavirus-support-hub/)

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## Harborough

**Classification:** Supply Side

**Summary:**

- Re-deployed more than 15 council staff in an effort to engage with business owners and help them access government funds.
- Businesses were asked not to contact the council to avoid un-necessary email and call traffic, and focused on proactive contact, which resulted in a smooth response process.

**Source:** [www.harborough.gov.uk/info/20021/council\\_information/325/information\\_for\\_businesses](http://www.harborough.gov.uk/info/20021/council_information/325/information_for_businesses)



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## Lambeth

**Name of intervention:** New Beginnings: Building Lambeth's Recovery

**Classification:** Supply Side



**Summary:**

- In an attempt to revitalise the economy, Lambeth offered an ambitious business support package.
- The package included rent relief for 200 businesses in council premises, business rate relief packages, and an emergency support scheme.
- The council created a business task force which mobilised resources in partnership with their seven business improvement districts.

**Name of intervention:** New Beginnings: Building Lambeth's Recovery

**Classification:** Demand Side

**Summary:**

- In an attempt to ensure that their most vulnerable residents had access to financial support, the council introduced extended financial resilience and welfare programmes.
- The council also housed over 177 individuals in emergency hotel accommodation, most of which had no previous shelter.

## Camden



**Name of intervention:** STEAM Programme

**Classification:** Supply Side

**Summary:**

- The science, technology, engineering, arts and maths (STEAM) commission looks to bring together the borough's businesses, schools and other key institutions.
- The STEAM programme highlights Camden's unique economy and the skills needed for the roles of the future, mobilises business resources, and tackles under representation.
- In response to COVID, the programme developed a Virtual Work Experience Programme to help employers put together a high-impact and engaging placement for students most affected by the pandemic.

**Source:** [www.camden.gov.uk/camden-steam](http://www.camden.gov.uk/camden-steam)

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## Solihull



**Name of intervention:** Economic Recovery Plan

**Classification:** Supply Side

**Summary:**

- Implemented national support measures for the local area.
- Helped businesses adapt to new, COVID-secure operating models; encouraged business signposting; and increased access to digital support programmes for micro-businesses and SMEs.
- Helped with business recruitments by helping local employers find the right people for their positions, helping them advertise vacancies and identify appropriate candidates.

**Source:** [www.solihull.gov.uk/news/ArtMID/820/userid/45/ArticleID/2936/Solihull-Council-launches-Economic-Recovery-Plan](http://www.solihull.gov.uk/news/ArtMID/820/userid/45/ArticleID/2936/Solihull-Council-launches-Economic-Recovery-Plan)

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## Monmouthshire



**Classification:** Supply Side

**Summary:**

- Helped over 700 frontline workers familiarise themselves with digital workplaces in an attempt to improve their digital literacy in the wake of COVID.
- Helped employers and employees with remote interviews through Microsoft Teams.
- Undertook a skills audit of their workforce in order to understand the skills that their employees need in order to progress in their careers.

**Source:** [www.monmouthshire.gov.uk/business-advice/](http://www.monmouthshire.gov.uk/business-advice/)

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## East Ayrshire



**Name of intervention:** East Ayrshire Gift Card

**Classification:** Demand Side

**Summary:**

- In an attempt to boost local shops' footfall and to encourage people to try new places, the council introduced a new gift card that can be used in participating shops, leisure and entertainment venues, cafes, and restaurants.
- The gift cards can be purchased online or on Facebook and can be loaded with between £25 to £100 pounds.
- It's argued that this initiative will keep money in circulation in the local area.

**Source:** [www.townandcitygiftcards.com/product/east-ayrshire-gift-card/](http://www.townandcitygiftcards.com/product/east-ayrshire-gift-card/)



## Leicester City



**Name of intervention:** COVID-19 Recovery Plan

**Classification:** Supply Side

**Summary:**

- Worked in partnership with key stakeholders to promote key areas of economic activity in the city centre.
- Practically supported the hospitality sector by introducing grants of up to £4,000 for outdoor furniture, which has enabled independent restaurants and cafes to continue operating in a COVID-secure manner.
- Reduced the costs of licensing for businesses, allowing these firms to expand beyond their previously agreed physical boundaries.

**Source:** [www.leicester.gov.uk/your-council/coronavirus/advice-and-support-for-businesses/coronavirus-business-support-grant-funding/street-cafe-furnishings-grant/](http://www.leicester.gov.uk/your-council/coronavirus/advice-and-support-for-businesses/coronavirus-business-support-grant-funding/street-cafe-furnishings-grant/)

**Name of intervention:** COVID-19 Recovery Plan

**Classification:** Supply Side

**Summary:**

- The council has committed to helping young residents who have been hardest hit by the pandemic.
- Being one of the largest employers in the city, the council is looking to refocus their recruitment and workforce planning by creating apprenticeship, graduate and kickstart posts.
- Invited all service managers to brainstorm what they can do to create roles that are suitable for these young residents.
- Working with other large institutions in the city to help them do the same in order to pivot and make opportunities available for young residents.
- Offered fiscal support to many small businesses in the city in order to support them through the tough periods of lockdown.
- Most retail, leisure and hospitality businesses will benefit from a 100% rate relief and will pay nothing in 2020-21.
- The council offers two grants schemes for businesses, and depending on the size of the enterprise, they can apply for up to £25,000.

**Classification:** Demand Side

**Summary:**

- The council worked closely with Highways England to create more safe routes and safe places for its residents.
- Have invested heavily to open the city up for pedestrians and cyclists; they have been able to create more than 10 miles of new cycleways.

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## Lewes and Eastbourne



**Name of intervention:** Ethical Debt Collection

**Classification:** Demand Side

**Summary:**

- With the help of Ascendant Solutions, the council introduced an ethical debt collection system which looked to relieve pressure on residents that struggle to pay council tax during the pandemic, whilst still allowing the council to receive tax receipts.
- The system was able to collect £200,000 in outstanding council tax payments which otherwise would not have been collected, whilst still ensuring that residents in financial trouble were given support.

**Source:** [www.lewes-eastbourne.gov.uk/community/covid-19/council-tax/](http://www.lewes-eastbourne.gov.uk/community/covid-19/council-tax/)

## Waltham Forest



**Name of intervention:** Economic Recovery Action Plan

**Classification:** Supply Side

**Summary:**

- Distributed small business grants to over 3,000 businesses, directly injecting funds into the local economy.
- Gave start-ups business support to help them survive during the pandemic.
- Introduced a rent holiday for business tenants in council properties to help provide security and confidence during lockdowns.

**Source:** [www.walthamforest.gov.uk/content/coronavirus-covid-19-advice-businesses-and-self-employed](http://www.walthamforest.gov.uk/content/coronavirus-covid-19-advice-businesses-and-self-employed)

**Name of intervention:** High Street Recovery Action Plan

**Classification:** Demand Side

**Summary:**

- The council has looked to encourage cycling and walking by redesigning public spaces and improving access to local high streets.
- They have also reopened their high streets, ensuring they enable social distancing and are safe for businesses and shoppers.
- Provided businesses with a toolkit of support to help them with COVID-secure re-openings.

**Source:** [www.walthamforest.gov.uk/content/covid-19-economic-recovery](http://www.walthamforest.gov.uk/content/covid-19-economic-recovery)

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## East Suffolk



**Name of intervention:** Community Fund

**Classification:** Demand Side

**Summary:**

- £1,000 from each of the 54 ward councillors' 20/21 Enabling Communities Budgets has been put towards the COVID-19 Community Fund.
- The Fund, which now totals over £120,000 looks to enable community groups and organisations to mobilise support for residents who need it the most.
- Grants of between £50 and £2,500 are available for projects which support local residents who are struggling due to the virus.

**Source:** [www.eastsuffolk.gov.uk/community/community-grants-and-funding/coronavirus-covid-19-community-funds/](http://www.eastsuffolk.gov.uk/community/community-grants-and-funding/coronavirus-covid-19-community-funds/)

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## London Borough of Havering



**Name of intervention:** Stop and Shop

**Classification:** Demand Side

**Summary:**

- A new 'stop and shop' initiative provides one hour of free parking in more than 1,000 on-street parking bays in order to boost economic activities on high streets.
- The council was one of the few local authorities to suspend parking charges as lockdown began and still allows residents to park in council car parks for free on Sundays.
- The council created a new app – RingGo – which gives a 20% discount on private car parks and uses COVID-safe contactless payments to help improve the consumer shopping experience.

**Source:** [www.havering.gov.uk/news/article/816/new\\_measures\\_introduced\\_to\\_support\\_high\\_streets\\_and\\_key\\_workers](http://www.havering.gov.uk/news/article/816/new_measures_introduced_to_support_high_streets_and_key_workers)

## Appendix - Covid-19 Intervention Examples (International)

### Washington D.C.



**Name of intervention:** Economic Recovery Team

**Classification:** N/A

**Summary:**

- The government has created this team to proactively plan, strategize and coordinate the district's response.
- The goal is to prepare the district to effectively deploy federal funds and implement long-term plans to restart social and economic activities.

**Source:** [www.dmped.dc.gov/release/mayor-bowser-launches-district-economic-recovery-team](http://www.dmped.dc.gov/release/mayor-bowser-launches-district-economic-recovery-team)

**Name of intervention:** COVID-19 Recovery Effort

**Classification:** Supply Side

**Summary:**

- In an attempt to support small enterprises in the city, the mayor has created the D.C. Small Business Recovery Microgrant programme.
- It has distributed over 7,600 grants to companies in 13 different industries and looks to cover employee wages and benefits, accounts payable, fixed costs, inventory, rent and utilities.
- Additionally, the city has implemented a hospitality and tourism industry relief package, which includes funds specifically for undocumented workers.

**Source:** [www.coronavirus.dc.gov/dc-small-business-recovery-grants](http://www.coronavirus.dc.gov/dc-small-business-recovery-grants)

**Name of intervention:** Streatery

**Classification:** Supply Side

**Summary:**

- Created the Streatery winter-ready grants programme which offers up to \$6,000 to local eateries that purchase equipment to weather proof their outdoor dining areas.
- Additionally, the city government made allowances for outdoor dining on curbs and in parking spaces as well as eliminating insurance requirements for outdoor spaces.
- These two programmes look to incentivise consumer expenditure in the food and beverage industry in a COVID-secure manner.

**Source:** [www.mayor.dc.gov/release/mayor-bowser-invests-4-million-help-small-businesses-continue-outdoor-dining-through-winter](http://www.mayor.dc.gov/release/mayor-bowser-invests-4-million-help-small-businesses-continue-outdoor-dining-through-winter)

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### New York City



**Name of intervention:** New York Forward Loan Fund (NYFLF)

**Classification:** Supply Side

**Summary:**

- The New York Government has created the NYFLF, which is aimed at supporting New York state businesses with less than 20 employees that did not receive more than \$50,000 from the US Small Business Administration Pay Check Protection Program.
- These working capital loans that give small businesses access to credit as lockdowns are lifted must be paid back over 5 years with interest.
- The Government has supplemented this by offering free webinars that look to assist businesses impacted by COVID.

**Source:** [www.esd.ny.gov/nyforwardloans-info](http://www.esd.ny.gov/nyforwardloans-info)

## Madrid

**Name of intervention:** Economic Recovery Plan

**Classification:** Supply Side

**Summary:**

- In order to help alleviate pressures on industries that are hardest hit by COVID, Madrid's government has administered tax cuts on businesses.
- These include a 25% reduction on the Real Estate Tax (IBI) which will help 109,000 businesses save more than EUR 55.6 and a 25% reduction in the Economic Activities Tax which will reduce the tax bill by an additional EUR 11m for 16,200 businesses.

**Source:** [www.ga-p.com/publicaciones/aprobadas-las-bonificaciones-del-25-en-el-ibi-y-en-el-iae-del-ayuntamiento-de-madrid-para-inmuebles-y-actividades-afectados-por-el-covid-19-que-deberan-ser-solicitadas-hasta-el-29-de-junio-de-2020/](http://www.ga-p.com/publicaciones/aprobadas-las-bonificaciones-del-25-en-el-ibi-y-en-el-iae-del-ayuntamiento-de-madrid-para-inmuebles-y-actividades-afectados-por-el-covid-19-que-deberan-ser-solicitadas-hasta-el-29-de-junio-de-2020/)



**Name of intervention:** Applaud and Special COVID-19 Aid Plans

**Classification:** N/A

**Summary:**

- These Aid Plans look to safeguard and enhance the cultural fabric of the city by avoiding closures of key cultural institutions.
- The Government looks to achieve this by distributing grants of between EUR 20,000 and EUR 100,000 to theatres, cinemas, live music venues, circus companies and other entertainment providers.
- Additionally, the minister of culture has also proposed a reduction in VAT on tickets for shows from the current 10% down to 4%.

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## Vienna

**Name of intervention:** COVID-19 Emergency Fund

**Classification:** Supply Side

**Summary:**

- In order to help SMEs in the city, the Government has created an EUR 35m emergency fund, of which: EUR 12m will help ensure the liquidity of SMEs, EUR 20m will provide emergency financial aids to SMEs that have faced a decline of 50% or greater in turnover, and EUR 3m will promote employment solutions.
- Additionally, an investment company established by the authority looks to provide further support to businesses in the form of EUR 50m worth of investments.
- Support will be provided in equity to the companies and the investment is limited to a maximum of EUR 1m per company or 20% of the company's shares and has a term of 7 years or less.
- A committee has been set up to decide which companies will be invested in.

**Source:** [www.fwp.at/en/news/blog/covid-19-bridging-insolvency-by-way-of-government-support](http://www.fwp.at/en/news/blog/covid-19-bridging-insolvency-by-way-of-government-support)



**Name of intervention:** COVID-19 Emergency Fund

**Classification:** Demand Side

**Summary:**

- In an attempt to protect their under-privileged residents, the authority has stopped the evictions of over half a million tenants in 220,000 government-backed flats in case they had difficulty paying rents.
- Additionally, they prohibited evictions in the private rental market during the month of April.
- To increase consumer activity in the city's food and beverage industry, the city spent EUR 40m on food vouchers worth between EUR 25-50 to every household.

**Source:** [www.bloomberg.com/news/articles/2020-05-13/vienna-opens-50-euro-tab-for-every-family-to-promote-eating-out](http://www.bloomberg.com/news/articles/2020-05-13/vienna-opens-50-euro-tab-for-every-family-to-promote-eating-out)

## Barcelona



**Name of intervention:** Emergency Response Coordination Centre

**Classification:** Supply Side

### Summary:

- In order support the city's economic as well as foster employment and entrepreneurship during the pandemic, the municipality created a EUR 25m fund, which will include the payment of EUR 300 to every self-employed person.
- The city also surrendered the payment of rent for over 12,000 tenants, including 400 commercial properties to help alleviate pressures on these residents; these payments will be incorporated gradually over the next 18 months.
- The city also created an executive response team that will help forecast and monitor the future economic situation in the city.

**Source:** [www.barcelona.cat/infobarcelona/en/tema/information-about-covid-19/new-fund-with-25-million-euros-to-reactivate-the-citys-economy\\_938977.html](http://www.barcelona.cat/infobarcelona/en/tema/information-about-covid-19/new-fund-with-25-million-euros-to-reactivate-the-citys-economy_938977.html)

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