

TITLE OF REPORT: **Impact of Covid – 19 on businesses and the local community**

REPORT OF: **Peter Udall – Strategic Director, Economy, Innovation and Growth and Colin Huntington, Housing, Environment and Healthier Communities**

Purpose of the Report

1. This report provides an update on the support provided by the Council and its partners to local businesses, job seekers and the wider community affected by the Covid -19 pandemic and in particular the Omicron variant.

Background

2. Council previously agreed each Overview and Scrutiny Committee will receive regular reports and updates setting out the impact of the Covid-19 pandemic on areas relevant to the remit of the committee.
3. The following update covers support provided to the local business community and support provided to residents who have requested help due to the impact of Covid-19 and in particular the Omicron variant or as an indirect affect such as poverty or vulnerability.

Supporting Businesses

4. The Council continues to provide support for businesses and self-employed including:
 - Advice on business compliance and safe trading
 - Dedicated web pages, online resource and newsletter circulated to over 3,600 small businesses.
 - 1-2-1 Advice, help and guidance in relation to grant entitlement, discounts and other financial support
 - Self-employment and business start-up advice
5. By 31 December 2021 the Council had paid out over £76.6m to around 5,000 businesses and awarded over £77m in Retail Discount rate relief to 1,200 businesses. This includes £6.8m Additional Restrictions Grant (ARG) awarded at the Council's discretion to support businesses impacted by COVID restrictions. This support has provided a vital lifeline to many local businesses protecting livelihoods and jobs.
6. In November it was agreed that Additional Restrictions Grant monies would be used to fund measures that support businesses through the recovery phase of the pandemic, in particular Economy Development Strategy policy objectives of:

- Visitor Economy - Re-imagining culture and tourism in a post COVID world
- Local Economy - Creating the conditions for a strong local economy that maximises the Gateshead pound, and
- Green Economy - Tackling climate change and environmental degradation

7. Proposals for grant were received in December and six schemes have now been funded.
8. The rapid spread of the Omicron variant in December 2021 and January 2022 impacted many businesses, in particular the hospitality and leisure sectors that saw an increase in cancellations and reduced footfall as people responded to the rise in cases, and staff shortages due to isolation reducing capacity, over the festive period, often their most profitable month, and beyond.
9. In response the Chancellor announced a package of measures and further support for businesses impacted by the Omicron variant. This included three schemes administered at a local authority level - COVID-19 Additional Relief Fund (CARF), Omicron Hospitality and Leisure Grant (OHLG) and a third ARG top up.

COVID-19 Additional Relief Fund (CARF)

10. Throughout the pandemic businesses have still been required to pay business rates. The CARF scheme is intended to support those businesses affected by the pandemic but that are ineligible for existing business rates discount schemes, principally the Extended Retail Discount (covering Retail, Hospitality and Leisure) and the Nursery Discount scheme.
11. Gateshead has been allocated £4,068,697 and is required to design its own discretionary relief scheme. Guidance encourages the Council to support ratepayers who have been adversely affected by the pandemic and have been unable to adapt. Proposals are under development and awards must be allocated by the end of September 2022.

Omicron Hospitality and Leisure Grant

12. The OHLG is administered by the Council to support hospitality, accommodation and leisure sector ratepaying businesses that experienced difficulties because of the Omicron variant, and the dual impact of staff absences and lower consumer demand. Grants of up to £6k are awarded to eligible businesses subject to the rateable value of the property.
13. Gateshead was allocated £1,416,078. Government has confirmed it will meet the full cost of this scheme if the Council overspends as a result of additional eligible businesses being identified and paid the grant.
14. An application portal on the Council website went live on 12 January 2022. Applications must be received and determined by 18 March 2022 and all funds must be defrayed by 31 March 2022.

Addition Restrictions Grant (ARG)

15. A third top up to ARG of £233,168 was received to enable the Council to provide discretionary support to businesses severely impacted by the Omicron variant.

16. The Council has discretion regarding the scope and level of the support to be provided using the funds provided through the ARG.
17. Consistent with the utilisation of funds in earlier rounds the Council agreed to use ARG support hospitality and leisure business (using the same definition as that set out for OHLG) that are not on the ratings list, so that they are not disadvantaged, and also direct suppliers to hospitality and leisure businesses which otherwise would not be eligible for grant support but are nevertheless still impacted by the spread of Omicron.
18. Given the limited funds allocated by Government funds were prioritised for business with property overheads and that and eligible businesses are required to demonstrate on going fixed property costs.
19. All ARG funds must be defrayed by 31 March 2021. Any unspent funds will be returned to government.

Support to People

20. Working Gateshead continues to deliver individualised, person-centred employment support and is available to all resident regardless of their employment status. It fills gaps in mainstream provision where eligibility criteria can prevent people accessing the help they need at the right time.
21. Working Gateshead operates proactively in the community, with a presence in community venues and at partnerships events across the borough. Strong relationships have been forged with Community Hub Managers to connect and engage residents in localities. The service has benefited from a comprehensive communications plan and the Working Gateshead webpage has been accessed over 2800 times in the last 18 months.
22. Since Working Gateshead was mobilised in July 2020, in response to the employment impact of the pandemic, there have been 1553 contacts from residents seeking help to prepare for work, return to work, deal with redundancy or change jobs. All of these residents have had the opportunity to benefit from an information advice and guidance session
23. Intensive one-to-one employment support has been provided for 670 of these and 350 have been helped into work.
24. To help tackle youth unemployment, the Council continues to act as a Department for Working & Pensions (DWP) Kickstart 'Gateway' to help businesses access funding to create job placements for 16-to-24-year-olds receiving Universal Credit (UC). The Council has helped 28 business create 103 job placements and, to date, 46 of these have been filled by young people at risk of long-term unemployment. This has generated over £360,000 of investment in employers and young people.
25. The Council has created 18 Kickstart job placements directly; 16 within Adult Social Care and 2 within Education Schools and Inclusion. Working Gateshead is helping young people apply and supporting the recruitment and selection process.
26. The European Social Fund Building Better Opportunities project, Wise Steps, has helped 51 care experienced young people move closer to or into work since March

2020. Targeted at those most in need with multiple and complex barriers to employment, the support has led to 11 young people starting work. Seven of these were helped into subsequent jobs when their first job ended, preventing them from becoming unemployed.

27. In partnership with Gateshead Older People's Assembly (OPA), the Council established the Gateshead 50+ employability hub in summer 2021 to help people over 50 access employment, training and health & wellbeing opportunities. The hub has brought together the OPA, LearningSkills, Working Gateshead, DWP (Jobcentre Plus), the National Careers Service, and Gateshead College to promote the breadth of support on offer. Since the hub was launched 30 residents have benefited from partner support.

28. The January 2022 UC Claimant Count for Gateshead shows a very slight rise on the previous month, however, this does reflect seasonal trends. Gateshead now stands at 6,525 residents or 5.1%. This compares to a pre-pandemic level (March 2020) of 5,860 (4.6%).

29. In response to this, the Council is working with DWP to help people into work sooner, providing early support once they have made a claim for UC. The aim is to help reduce the risk of long-term unemployment and the challenges this can bring for residents and their families.

Community Support

30. The Council commenced its emergency community support in March 2020. Whilst initially this was put in place to support residents who were shielding and/or self-isolating, it has subsequently developed into an ongoing response to poverty and complex lifestyles. This is exacerbated further by energy price hikes and cost of living increases.

31. Since their inception, the Community Hubs have now responded to over 13,000 requests for help from Gateshead residents throughout the pandemic to access a range of services including:

- Emergency food
- Help with utility bills
- Emergency financial help, e.g. prepaid cards, vouchers
- Routine shopping
- Social welfare advice
- Counselling and emotional support
- System/service navigation
- Low level personal care
- Problem solving e.g. dog walking, travel to essential appointments

32. More specifically the Council and its partners have supported just under 7,000 households requesting help with food and provided almost 30,000 emergency food parcels (the disparity accounted for by multiple parcels for larger households and repeat requests).

33. Over the two years, support requests have changed to become less about emergency support associated with self-isolation towards more complex issues associated with poverty, mental health, addictions and the spirally cost of living (particularly energy costs).

34. In addition to this work the hubs have supported a wide range of initiatives to include but not limited to:

- Writing to over 36,000 residents to check they were okay
- Telephoning almost 27,000 residents (in addition to the call centre)
- Spoken to 11,000 Clinically Extremely Vulnerable residents (in addition to the call centre)
- Continue to connect volunteers to help out where required
- Made up, distributed, and delivered
 - 2,265 cook n eat boxes
 - 1400 school meal pack lunch parcels
 - 865 Christmas hampers
- Continue to oversee the distribution of additional support vouchers as part of the Council's Household Support Grant offer.
- Provided financial support to Gateshead's four local food co-ops in Felling, Bensham (x2) and Lobley Hill via Covid Support funding.
- Directly issued over 1,300 prepaid cards to households experiencing extreme hardship
- Delivered 59 essential oxygen monitors to residents suffering from covid

Community Vaccinations

35. In addition to the community vaccination pop ups reported to this committee before Christmas in those communities where intelligence showed vaccine take up was low. The following pop ups have been held or are planned:

- Between January/February 2022 the Council assisted with the delivery of 5 vaccination pop-ups at Gateshead College sites (Team Valley, Baltic & Gateshead Stadium) as well as at Saltwell Park & Trinity Square. All pop-ups were delivered with the use of the council's mobile unit (the former Youth Bus).
- The Council is working with NHS partners to arrange recurring monthly pop-ups in 5 areas spread across the borough in low take up areas – it is hoped the recurring fixed dates/venues will be agreed in early March & the pop-ups will commence as soon as possible thereafter.
- In addition to the above, there are plans to revisit Gateshead College sites & potentially the Metrocentre too.

36. Since November 2020, cumulatively 3,100 individual volunteers have come forward with requests to help, made up of:

- 500 individual volunteers registered centrally
- 200 requests for corporate volunteer days (average of 10 people per request), however, the volunteer activities have not been possible due to the Pandemic but the relationships have been maintained and will be utilized as we emerge.
- 50 (average of 12 people per group) from environmental groups

37. After the initial overwhelming influx of volunteers to help in the early months of the Pandemic there has gradually been a reduction in demand for many of the routine daily tasks initially performed by volunteers. The majority of Mutual Aid groups within Gateshead have stopped offering such support and dispersed, however, many of the volunteers continue to offer support and fit into other volunteer roles still available.

38. Up to date information continues to be communicated on the Council's website about how to keep safe during the pandemic for both people wanting to volunteer and those who are vulnerable and needing support. Volunteering in Gateshead should

return closer to the pre-pandemic norm as restrictions have now eased although some degree of caution is still being advised.

39. As we emerge from the Pandemic the amount of people wanting to become a volunteer continues to increase – up 50% from the previous year.

40. Greater collaboration with Connected Voice will see further improvements in the support, guidance and opportunities offered to volunteers. This will benefit the networks of community organisations and volunteers engaged across Gateshead, building on the links and relationships further established throughout the Pandemic.

Gateshead Call Centre

41. Having created a new IT system and established a Covid Call Centre team for contacting residents the Council took on additional responsibility for Test and Trace to help central Government get in touch with Gateshead residents

42. From July 2020 the Council has been contacting residents both registered with and referred through Test and Trace. In addition, the Call Centre has made frequent welfare calls to clinically vulnerable residents and those at greatest risk across the borough.

43. From 3rd July to 6 January 2020, the Covid Call Centre team contacted and advised 10,136 cases through Test and Trace and made 2,116 support/welfare calls to our most vulnerable residents. Where required ongoing support was secured through onward referral to hubs across Gateshead. From 7 January, a further 1,170 welfare cases have since been dealt with by the Council's regular Customer Support Team, who will continue to offer support and referral, enabling the Covid team to return to their substantive posts as we emerge from the Pandemic.

Recommendations

44. The Housing, Environment and Healthier Communities OSC is recommended to:

- i) Note the update on the impact of the Covid-19 pandemic on the areas relevant for this committee

Contact: Gary Carr, ext 2043 and Andrew Tate, ext 2084