

Executive 1 October 2020

Report of the Interim Head of Paid Service Portfolio of the Leader of the Council

City of York Council Recovery and Renewal Strategy – September Update

Summary

- This report provides an update on activities both directly in response to Covid-19 and the work to support recovery and renewal. This follows previous Executive decisions to approve the Recovery and Renewal Plan, which frames the Council's recovery activity for this year.
- 2. The updates in this report show positive activities which have supported the city over the summer. However, there remains significant concern about the rise in cases in York, and surrounding areas, and the availability of testing as a key tool in the management of outbreaks. An update will be given at the meeting to provide the latest information to Executive on these issues.

Recommendations

- 3. Executive is asked to:
 - a. Note the contents of the report

Background

- 4. On 25th June, Executive received a report to outline the council's 1-year Recovery and Renewal Strategy. This highlighted the need for a revised set of strategies to address the very significant and immediate impacts of coronavirus across all aspects of life in our city.
- 5. The strategy set the following principles upon which we will build our response:

- a. Prioritise the health and wellbeing of our residents, against the immediate threat of coronavirus and the consequences of changes to the way we live. Public Health guidance will be paramount in all the decisions we make.
- b. Support the economic recovery of the City, helping to create a strong, sustainable and inclusive economy for the future. Learning lessons from the challenges of coronavirus, promote a system that utilises the strengths of our city and region to the benefit of all York's residents and businesses.
- c. Protect and prioritise the City's environment and reinforce our work to mitigate and adapt to climate change.
- d. Pursue improvements in service delivery where they have been identified as part of the Response phase, creating a more efficient and resilient system.
- e. Reinforce and restore public confidence in the resilience of public agencies and resilience to future challenges and emergencies.
- Included in June's report was a One Year Transport and Place Strategy, as the first part of the economic recovery approach. A report in July supplemented this with a Business Support Plan, a Skills and Employment Plan and a Tourism Marketing Plan.

CYC Recovery and Renewal Plan (1 year)				
Economic Recovery Plan			Communities	Corporate
Business	One Year	Skills and	Recovery from	Organisational
Support	Transport	Employment	coronavirus: A	Development Plan
Plan	and Place	Plan	community-	
	Plan		based approach	
Tourism Marketing Plan				

Latest Outbreak Updates

7. Given the rapidly changing context in respect of an emerging second wave of infection, an update on the latest situation will be given verbally to the Executive at the meeting. At the time of writing, further guidance and policy changes are being announced by the Government.

Recovery Updates

Economic

- 8. The following information summarises the economic position over the past months. It is extracted from a more detailed account which was presented to the Executive Member for Economy and Strategic Planning on 22nd September.
- 9. Our economy has fared better than many other cities, with York proving a continued draw to visitors and the city centre adapting rapidly to support new ways of trading. Our pro-active response as a city has enabled our businesses to reopen and get money coming through the tills.
- 10. The end of furlough and self-employment support will be challenging for all UK businesses, and we are having to prepare for possible job-losses and business failures at a scale not seen for a generation. Unemployment has already nearly tripled in York.
- 11. The Council's economic response to lockdown has been pro-active and evidence-based, developed in partnership with the business community, with the health and well-being of York residents as its starting point.
- 12. Delivery of the first phases of this work has involved distributing over £100m of grants and funding to over 4,000 businesses, providing accurate updates to well over 1,000 businesses each week, extending footstreets in the city centre, repurposing public space to support the economy, and introducing free parking incentives.
- 13. The York economy is worth £6.5bn, and our initial analysis identified over £1bn of that as being in high-risk industries relying on face-to-face contact. This drove our initial response, detailed in reports to Executive, to focus on reopening the city centre as quickly as was safe, and to distribute the grant money provided both by Government and from Council resources. In York alone, over £250m has so far been spent on furloughing, supporting the self-employed, and providing grants to businesses.
- 14. There have been many businesses that have not been eligible for this support, and we have lobbied directly and through the LEPs for support to be extended where possible. York has distributed its funds quicker than most, with our distribution processes complete in early July, while many neighbouring Councils are still assessing applications in September. We enhanced the national funds with £1m of Council money, used to support over 1,100 small and micro businesses who were outside the rules for larger grants.

15. To reopen the city, we concentrated on adapting the transport system and city centre public realm to cope with social distancing, using York's open spaces to support local traders, and working with individual streets such as Fossgate to get the businesses trading as well as possible. Given the temporary arrangements needed and the recognition that all changes have impacts on the variety of individuals' needs and experiences of using the city, we have continued to consult with groups to ensure these needs are catered for. This includes those requiring Blue Badges to assist with accessing the city and people making deliveries into the city centre. We have provided temporary public toilets, launched the Let's Be York campaign to provide information and support for all residents, visitors and businesses, and introduced bespoke city wide signage to ensure a consistent, friendly and high quality experience for all.

City centre economy

- 16. Many of the issues that York and other city centre economies were facing prior to lockdown have been magnified significantly, with national concerns about the future of retail and the high street accelerating. The balance between retail and leisure, independents and multiples, visitors and locals have been central to our thinking, and all are thrown into even sharper contrast by the current situation.
- 17. The available data shows a gradual return of footfall to the city centre. Springboard camera counts show that footfall has returned to around 70% of expected levels. Measures from other sources most notably the High Street Recovery tracker published by Centre for Cities¹ show that footfall by the end of August is at around 90% of normal, with those visiting from outside the city back to pre-covid levels and that the amount of money being spent in our city centre is very close to 100%. The next available data, beyond the holiday period, will show whether this pattern persists. Anecdotally, trade is variable from business to business with some doing very well and others struggling to trade at sustainable levels.
- 18. Recent data covers the August period, which (although covering the summer holiday period) shows the numbers of workers travelling into York significantly reduced at around 20% with the largest reduction in those travelling from outside York. It is this intelligence which is driving our work on marketing York to visitors and residents. The primary concern is in keeping a good level of spending customers in York, with a secondary

¹ https://www.centreforcities.org/data/high-streets-recovery-tracker/

focus on continuing our work to re-engage the people of York with their city centre.

Tourism

19. The latest Tourism statistics from Visit York cover July 20202, the first month in which hotels and attractions were allowed to reopen. Numbers were significantly down for all indicators, with room occupancy at 26% and the average rate charged per room showing significant discounting at £78.28. While hotels are now open again, the requirements of social distancing and enhanced hygiene mean that room occupancy will inevitably be lower than previous years. STR³, who report on occupancy in the larger chains, suggest that York's occupancy rate has been at 75% since the end of July, with the city benefitting from the staycation market alongside Blackpool, Bath, and other smaller leisure destinations.

Unemployment

- 20. York and North Yorkshire LEP predicts unemployment to rise to 10% in York in the months ahead, which would take the count above 10,000.
- 21. Despite the sobering nature of these figures, York's economy has fared comparatively well over the summer. Notwithstanding the individual impacts of job losses on those households who have been affected, Centre for Cities have shown that York is the city with the smallest increase in claimants over the Covid period, and continues to have the lowest rate of benefit claimants of all the places that they monitor. We still have a vacancy rate below average, and we have also seen that the overall spend is holding up well. Clearly this is no time for complacency, but we should also recognise that the early measures discussed above have already helped many businesses to trade strongly over the summer, and that we have innate strength in our economy which will help York to be more resilient than most.

Communities

22. Executive were updated last month on the preparations for the return of pupils to school. All schools are now fully reopen, with the arrangements working well so far, both in allowing schools to operate a curriculum and dealing with any incidence of Covid infection.

² https://www.visityork.org/members/about-us/research-and-statistics/latest-tourism-intelligence

https://str.com/data-insights-blog/video-united-kingdom-performance-results-july-27-august-2

- 23. An ongoing concern remains the availability of Covid testing in York. Similar to the situation across the country, people with symptoms are not able to access tests quickly or easily, which constitutes a key risk to our local infection controls.
- 24. The Public Health teams are working with the national bodies responsible to push for improvements and greater access. The Leader of the Council has also written to the Secretary of State to voice concern at the current testing arrangements and capacity, and to request an increase to the capacity currently allocated to York and elsewhere nationally as quickly as possible. This will remain a key area of lobbying for the council until the situation is resolved.
- 25. Discussions are also underway with partner organisations across the city to identify ways that additional solutions can be found locally, where it is possible to do so, rather than wait for Government to remedy the existing situation. Where possible, there is a desire to utilise any facilities or resources locally to bolster the capability of the testing system and ensure York's residents have appropriate access to tests.
- 26. An update on the latest position will be given at the Executive meeting, given that this is an evolving situation.

Corporate

- 27. The latest financial context is included in the Q1 20-21 Finance and Performance Monitor report, also on this agenda.
- 28. Corporate activities continue to prioritise the health and wellbeing of staff and residents whilst ensuring service delivery. At this point, all services are operational, albeit many being delivered in different ways.
- 29. Work is also underway to re-establish the schedule of scrutiny subcommittee meetings. Since the beginning of the pandemic, Customer and Corporate Services Scrutiny Management Committee has met remotely to provide an ongoing scrutiny function, but the scheduling of individual scrutiny sub-committees will allow a return of scrutiny across a wider range of topics. The first meetings will take place in November.
- 30. Given the ongoing challenges faced to by the Council, like all authorities, at this time, the Council has stepped up regional and national lobbying efforts to urge the Government to Back York by seizing the opportunities

that are unique to York and making the city an exemplar of recovery. This has focussed on Backing York at a regional level, seeking to progress devolution discussions for our area, and nationally, promoting to Government the opportunities that exist in York to support recovery and lead a strong recovery.

Council Plan

31. The Recovery and Renewal Strategy outlines activities for the next year to allow the continued achievement of Council Plan outcomes.

Implications

- Financial The latest financial context is included in the Q1 20-21 Finance and Performance Monitor report, also on this agenda.
- Human Resources No specific impacts identified.
- One Planet Council / Equalities A principle of recovery is to ensure climate change is considered in decisions taken. The economic recovery plans recognise and respond to the unequal impact of coronavirus and the risk of increasing levels of inequality as a result.
- Legal No specific impacts identified.
- Crime and Disorder No specific impacts identified.
- Information Technology No specific impacts identified.

Risk Management

32. There remain significant areas of risk in responding to this crisis across all areas of recovery. The highest priority continues to be the health and wellbeing of residents and all planning and decisions will be taken with this in mind.

Contact Details

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Wards Affected: List wards or tick box to indicate all $\sqrt{}$

For further information please contact the author of the report

Background Reports

Update on Coronavirus Response – 7 May 2020 https://democracy.york.gov.uk/documents/s139955/Coronavirus%20Executive%20Report.pdf

City of York Council Recovery and Renewal Strategy - June https://democracy.york.gov.uk/ielssueDetails.aspx?IId=59688&PlanId=0&Opt=3#Al55501

CYC Recovery and Renewal Strategy Update – July https://democracy.york.gov.uk/mglssueHistoryHome.aspx?IId=59899

CYC Recovery and Renewal Strategy update - August https://democracy.york.gov.uk/ielssueDetails.aspx?IId=60167&PlanId=0&Opt=3#AI55914

Quarterly Economic Update https://democracy.york.gov.uk/ielssueDetails.aspx?IId=60267&PlanId=0&Opt=3#Al56031