



# THE WAY FORWARD

A POST COVID-19 RECOVERY PLAN



Greater Manchester  
Chamber of Commerce

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## A post Covid-19 recovery plan

### INTRODUCTION

The Covid-19 pandemic has had unparalleled global impact. Across the world communities, businesses and people have all been affected. Some more than others either personally, financially or both.

The severity of the disease and the potential impact on health services necessitated a drastic response by the UK government.

Following the announcement of “lockdown” on 23<sup>rd</sup> March huge sections of the economy have been put on hold and whilst business has continued it is at a reduced level.

The Chamber’s Business Monitor has tracked, weekly, the economic impact and scale of the economic contraction and has also recorded business response to the various support measures put in place by government. The impact on the economy has been nothing short of brutal with sales and demand at all-time lows and business confidence at similar levels. Cash has consistently been the biggest issue raised, with many businesses, even with government help, rapidly using their cash reserves in a hope to survive this period.

With the release of “Our Plan to Rebuild” by the government, during May some measures will start to be lifted and guidance in place for business to ensure health measures are met whilst aiming to kick-start the economy.

This will present several significant challenges – financially, physically, logistically and behaviourally.

This period also presents a huge number of opportunities too. The immediate and ongoing period will present ways to review how people work, how they travel and commute and offer the chance to explore other health and environmental benefits.

This period has been one of forced innovation with changes across all areas of society and work. Some beneficial others less so.

Prior to Covid-19 some businesses were reluctant to try homeworking as a viable model. The enforced usage of video conferencing technology – Zoom, Teams etc. in this period has made many review their previous business models and also evaluate future demand and requirements for office space. In the resumption and recovery phase, not all sectors and businesses can resume operations at the same time. It is also likely that a small number of businesses will never reopen, while others will need additional support to restart. The revival of normal business activities is predicated on various factors such as implementing infection, prevention measures within offices and in public transport, the availability of sufficient transport capacity and restoring confidence.

This paper sets out, in four themes, some key considerations and actions that should form part of what the future could and should look like. It is based on direct feedback from members, the wider

GM business community, current government action and guidelines and that which is expected in the future alongside local conditions and requirements.

It also contains a list of actions that the Chamber will commit to that will ensure ongoing support to keep businesses informed and engaged so that we can help guide policy and decision makers in ensuring that the right decisions are taken.

Any crisis brings opportunities and this crisis is no different. No doubt, the disruption will have raised questions about the reliance on international supply chains, preparing for uncertainty and building business resilience. At the same time, we should not forget or fail to consider the human cost. We should not be blinkered into looking at how long it will take, or the ways of getting back to where we were before; but how, by using new work models, new technology, new ways of doing things we can be better and do better in business and for our communities.

By its very nature this will change over time however it is useful to have a starting point in place to build on. This paper supplements the Chamber's Campaign for Business 2020. In recovering from the pandemic, the focus will understandably be on the short-term but the long-term challenges with issues like infrastructure, skills and creating a better business environment remain as relevant as ever, if not more.

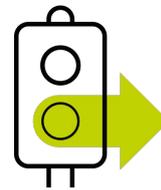
*This paper has 4 themes for discussion, feedback and action:*

- 1. Transport – Getting Moving Safely**
- 2. Health – Staying Safe**
- 3. The Economy – Staying Strong and Resilient**
- 4. Our Communities – Stronger and Better**

*Each section is followed by relevant, up to date government guidance, where available; a series of issues for discussion; key questions and, finally a summary of further and ongoing action for the Chamber to deliver.*

*This document will change and be updated as the situation develops and issues become clearer meaning the input and engagement with businesses and others in Greater Manchester will play a crucial part in this action now and in the future.*

**Chris Fletcher**  
**Director of Policy, Campaigns & Communications.**  
**27th May 2020**



## TRANSPORT – GETTING MOVING SAFELY

Any successful return to work will need confidence in public transport systems to be regained coupled with a practical approach to capacity availability as regards social distancing requirements. If the 2m gap is to be maintained, then this would have a huge restriction on transport capacity. What was once seen as a “normal” commute will take time to return because people’s reluctance to be back in confined spaces with other people will need to be overcome.

As problematic as this is the question of how to safely move people around will have to be resolved if the economy is to be fully functioning again.

It is anticipated that in the short-term car usage will go up, reflecting advice around not using public transport. But to offset this, numbers of people required to be in work and commuting could be low if businesses continue with now established and successful ways of working from home. It is difficult at present to ascertain exactly what this could look like. Though initial lower public transport patronage is a certainty.

Greater use of cycling and walking is anticipated and initial plans have been worked up to look at the practical implementation of this, though for longer commutes this would not be practical for most people. Freight and logistics companies have seen volumes decrease but an increase in efficiency and times due to there being less traffic on the roads.

In other parts of the world use of public transport is predicated on passengers wearing masks, temperature testing and other measures none of which are current government policy, though face coverings are advised.

Greater use of technology and apps, both health related and for transport services, payments, tickets etc may be required.

Current Transport Guidance for Passengers can be found [here](#).

### **ISSUES TO CONSIDER:**

- **How to fully integrate the role of all transport in a safe recovery for GM, its people and its businesses?**
- **How to rebuild confidence in using public transport – right across the community?**
- **How to make it safe whilst having limited capacity – can your employees travel to work safely?**
- **Impact of fewer people in work on town centres/city centre – what economic damage will be caused and what opportunities could come out of this?**
- **Reducing congestion/clean air policy – how realistic and achievable is this in the short term and longer term can measures be taken now to prevent a return to pre-Covid levels?**



## HEALTH – STAYING SAFE

This is primarily a health-related crisis caused by Covid-19. Social distancing and restrictive measures on movement, work and social contacts were put in place to stop the spread of what has proven to be a highly contagious and lethal virus. Extra measures have been placed to protect those most at risk, the clinically extremely vulnerable through “shielding”, in addition to ongoing strict self-isolation rules for those showing symptoms.

The continuation and “loosening” of these measures will ultimately drive and inform any subsequent recovery activity. Guidelines are in place to inform what will need to be done in workplaces across all sectors – though it should be noted that some businesses have continued to work through the lockdown period observing social distancing measures where possible.

The confidence in being safe and staying safe will impact on how a return into work is actioned.

The primary guidance is that for those people that can, are able to and have been working at home to continue to do so. Vulnerable people and those with a range of other conditions will continue to undertake strict shielding and isolation measures.

Strict distancing guidelines will be put in place in all workspaces and for all sectors. Including entry/exit points, one way flows in public areas/corridors, lifts and guidelines around meetings.

Those businesses that have had to be closed primarily in the hospitality and leisure sectors shall remain closed until otherwise told by government. In these circumstances an extension of the furlough scheme is a necessity.

Above all it is vital that a second wave of the virus is avoided.

Workplace Guidance documents are accessible here – [“Working Safely Through Coronavirus”](#)

[Coronavirus Outbreak FAQs; What you can and can't do](#)

### **ISSUES TO CONSIDER:**

- **Decision making and planning around what levels of workforce do you need in/can you operate with? Is home working a long term viable option? What are the implications on office/workspace?**
- **How do you tackle the levels of confidence in public transport and people's commute? It shouldn't feel like you are running the gauntlet it has to be overtly safe.**
- **What liability will employers and business owners have following the undertaking of an effective risk assessment and implementation of guidelines?**
- **Enforcement of guidelines and constant monitoring – changes cannot be a one off done at the start of a return to work but will they have to be managed on an ongoing basis?**
- **Should there be dispensation for in work testing and access to health care?**
- **There may be costs of buying in PPE/structural changes/office layout and other necessary actions to implement the guidelines - who should fund these? Does there need to be clearer definition of the role of building owners/landlords?**
- **Shielded/vulnerable staff – how can they be effectively employed safely?**

## THE ECONOMY – STAYING STRONG AND RESILIENT



Whilst many businesses have continued to trade through this period with reduced staff and/or home working, overall demand and business confidence has slumped to record lows with huge numbers of businesses facing a cash crunch.

Government support has been swift and expansive with several hundred billion promised either in direct cash support or through loan guarantees aimed at preserving income for business and preserving people's jobs. The Job Retention Scheme saw the first ever use of direct government financial support for businesses to encourage the furloughing of staff and has been widely used and praised as a success. Grant monies have been distributed via local authorities to those sectors hardest hit especially around hospitality, leisure and tourism with further funds announced. Charities have been able to access grant funding where possible to allow for the drop off in donations.

Gaps still exist in several areas but gradually these are being taken care of with fine-tuning of existing initiatives and new schemes being announced such as the Bounce Back Loans.

It is safe to say that we have reached the end of the first stage of financial support with the immediate response and reaction now taking effect. It is vital though that as we transition into the ending of restrictions and encouragement to "restart the engines of industry" that this support is maintained – adapted where necessary – otherwise a liquidity crisis could quickly become an insolvency crisis in Q3 or Q4 2020.

### **ISSUES TO CONSIDER:**

- Some sectors will return to full work at later stages than others and will therefore need a different approach to one-size-fits-all financial support. Changes have already been made to the Furlough scheme with an extension to its original June end date and changes to allow part time furlough of staff later in the scheme. What other considerations are needed for a strong financial support mechanism?
- Businesses will need to be fully aware of any future liabilities created by deferring payments to HMRC or others as well as commencement of full repayments on loan schemes where interest has been deferred. How can this be built into any future systems to make sure businesses don't face a cliff edge of liabilities?
- Where any existing grant monies exist from underspend in local authorities what are the best ways to put these to use in supporting business through innovative measures?
- Funding should not just be used to get businesses through the next trading period but should be increasingly aimed at job retention/workforce training; recruitment of new staff and wider business investment focussed on local needs. What could this job/labour-led activity look like?
- Revisit local taxation and business rates in particular which is long overdue for a complete rethink and reshape. Upfront taxation has always placed a burden on business how can this new look local taxation mechanisms be brought in and what should their funds be spent on?
- If there are to be delays for increases in taxation to repay government borrowing until the economy is robust enough to stand it, how long should these be for and at what stage should tax increases be introduced?
- How can low-paid (critically important) jobs be protected, and a serious effort made to improve working conditions and wage levels?



## OUR COMMUNITIES – STRONGER AND BETTER

One overriding element of this crisis has been the coming together to support community activity. There is now better recognition of the great work already going on as well as the huge gaps that exist in social wellbeing, care, education and health and wellbeing.

The very real danger is that, as a result of economic conditions there will be additional unemployment in potentially record numbers, young people in particular, and even less funding all adding to the strain on existing and newly vulnerable groups of society.

This has to, and can, be avoided.

Greater Manchester has a thriving social enterprise sector, has a history of innovative working, and recognises the importance of social value, adding back into communities and protecting those in need. In the immediate recovery period this approach to working may be more influential and necessary than ever before.

The lockdown period has forced many to consider how they shop and there has been a surge in businesses changing their models quickly to fill gaps and address demand as well as restart the idea of local delivery for local produce, an example has been the sudden spike in demand for milkmen. Local businesses and people working right at the heart of communities.

This period may see greater national government involvement than anticipated across a range of areas and sectors. The government has already proven that it is willing to step in where necessary to avert crises and offer direct help. At a local level, strong leadership, focussed on where help is most needed, will be crucial in ensuring that long term damage is limited. Local on-the-ground guidance and support will be crucial in helping deliver recovery measures swiftly and efficiently.

During the current lockdown period much has been made around the environmental impact, with fewer vehicles on the roads and more people walking and cycling this has created a good opportunity to revisit the low-carbon work being done in Greater Manchester. This was an area that was a priority prior to Covid-19 and one that offers not just health benefits now but growth opportunities for business too with the associated benefits for residents and others in the city region.

There exists a short window of opportunity to use the consequences of the crisis to embed a way of “normal” working net-zero, green practices that beforehand could have proven too disruptive.

It is vital that whatever comes out of this is for all of GM not just the city centre. There must be an underlying awareness of what is realistic and achievable.

### **ISSUES TO CONSIDER:**

- **How could office/workspace that is left vacant through downsizing or business failure be best utilised and converted for community use? How could rebuilt/repurposed local centres deliver engagement with the wider communities (following health guidelines).**
- **Is there opportunity to use the changes to how people shop and the impact on High Streets to drive forward a new wave of community business?**
- **How can the impending rise in youth unemployment be tackled quickly and effectively to best pre-empt the spike and what new ways of work, training and upskilling involving business, training providers and local government could be introduced?**
- **How could existing social issues be tackled within activity specifically in place to address Covid-19 economic impacts? What’s the best way to ensure that focussed action and results**

do not get dragged down and delayed by the drive to invent new schemes, hindered by paperwork and “back office” red tape?

- What’s the best way of making the most of volunteering opportunities – even for those in work - to help get charities back on their feet, direct help in the community and assist people who may still be shielded and will require help and assistance.
- How can we re-engineer the low carbon agenda to take advantage of the opportunities from the pandemic in making people think about how they work, travel and undertake leisure activities?

Below is a brief overview of the questions used to inform this work up to now and these will form the main core of information and evidence gathering going forward.

#### **BROADER QUESTIONS FOR EMPLOYERS AND BUSINESS OWNERS:**

**1. Safe/social distancing requirements are likely to affect different sectors in different ways. How long do you expect to have to continue such requirements in your sector and what impact will this have on your business e.g. commuting, workspace requirements allowing for 2m distancing, safe use of space, equipment etc?**

**2. If you have to make changes in line with guidance from government how quickly could these be done and what do you anticipate costs to be, if any?**

**3. If you have already made changes to how you work or run your business in response to Covid-19 how likely are you to continue with them e.g. homeworking/split shifts/reduced hours?**

**4. What two things are most needed to reduce the economic impact of Covid-19?**

#### **ACTIONS – MAKING IT HAPPEN**

It is vital that we use all our contacts and available assets to help with this work. This is a brief outline of those groups we have to hand. The list is not exhaustive but forms the first phase of our engagement activity.

Task groups will be set up for each theme – Transport, Health, Economy, Community. These will be cross sector, using available expertise from membership and other organisations on specific issues.

The Chamber Assembly, sector groups and forums, the wider membership and the GM Business Community will be fully engaged in the setting up of these groups and continued work afterwards.

We will continue to promote evidence and feedback opportunities through steering group sessions and also wider events/forums right across Chamber membership and the GM Business Community to make sure that the work of the groups and the work coming out of them are published and promoted to as wide an audience as possible.

We shall carry on with our existing contact schedule with the Mayor’s Office, GMCA, TfGM the 27 Greater Manchester MPs, the BCC, other business organisations and national government departments.

For more information on the work of the Chamber in tackling the pandemic visit our Covid specific web pages at: <https://www.gmchamber.co.uk/covid-19-coronavirus/>

To input your views or comments email [chris.fletcher@gmchamber.co.uk](mailto:chris.fletcher@gmchamber.co.uk)