



## **Executive**

Date: Wednesday, 6 May 2020

Time: 9.00 am

Venue: Virtual Meeting - Webcast at

<https://manchester.public-i.tv/core/portal/home>

To listen without needing internet access Dial: 033 3113

3058 Room number: 12174948# PIN: 9267#

Everyone is welcome to 'attend' this Executive meeting.

### **The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020**

Under the provisions of these regulations the location where a meeting is held can include reference to more than one place including electronic, digital or virtual locations such as internet locations, web addresses or conference call telephone numbers.

To attend this meeting it can be watched live as a webcast, or listened to live using a phone call if you have no Internet access or are unable to view the webcast.

## **Membership of the Executive**

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### **Councillors**

Leese (Chair), Akbar, Bridges, Craig, N Murphy, Ollerhead, Rahman, Stogia and Richards

## **Membership of the Consultative Panel**

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### **Councillors**

Karney, Leech, M Sharif Mahamed, Sheikh, Midgley, Ilyas, Taylor and S Judge

The Consultative Panel has a standing invitation to attend meetings of the Executive. The Members of the Panel may speak at these meetings but cannot vote on the decisions taken at the meetings.

## Agenda

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**1. Appeals**

To consider any appeals from the public against refusal to allow inspection of background documents and/or the inclusion of items in the confidential part of the agenda.

**2. Interests**

To allow Members an opportunity to [a] declare any personal, prejudicial or disclosable pecuniary interests they might have in any items which appear on this agenda; and [b] record any items from which they are precluded from voting as a result of Council Tax/Council rent arrears; [c] the existence and nature of party whipping arrangements in respect of any item to be considered at this meeting. Members with a personal interest should declare that at the start of the item under consideration. If Members also have a prejudicial or disclosable pecuniary interest they must withdraw from the meeting during the consideration of the item.

**3. Minutes**

To approve as a correct record the minutes of the meeting held on 25 March 2020.

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**4. COVID 19 - Update on Response Phase**

A report from the Chief Executive will follow.

**5. COVID 19 - Forward Recovery Planning**

The report of the Deputy Chief Executive and City Treasurer will follow.

## Information about the Executive

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The Executive is made up of nine Councillors: the Leader and Deputy Leader of the Council and seven Executive Members with responsibility for: Children Services & Schools; Finance & Human Resources; Adult Services; Skills, Culture & Leisure; Neighbourhoods; Housing & Regeneration; and Environment, Planning & Transport. The Leader of the Council chairs the meetings of the Executive

The Executive has full authority for implementing the Council's Budgetary and Policy Framework, and this means that most of its decisions do not need approval by Council, although they may still be subject to detailed review through the Council's overview and scrutiny procedures.

It is the Council's policy to consult people as fully as possible before making decisions that affect them. Members of the public do not have a right to speak at meetings but may do so if invited by the Chair.

The Council is concerned to ensure that its meetings are as open as possible and confidential business is kept to a strict minimum. When confidential items are involved these are considered at the end of the meeting at which point members of the public and the press are asked to leave (and so suspending public access to the webcast and telephone conference).

Joanne Roney OBE  
Chief Executive  
Level 3, Town Hall Extension,  
Albert Square,  
Manchester, M60 2LA

## Further Information

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For help, advice and information about this meeting please contact the Committee Officer:  
Donald Connolly  
Tel: 0161 2343034  
Email: [d.connolly@manchester.gov.uk](mailto:d.connolly@manchester.gov.uk)

This agenda was issued on **Tuesday, 28 April 2020** by the Governance and Scrutiny Support Unit, Manchester City Council, Level 3, Town Hall Extension (Lloyd Street Elevation), Manchester M60 2LA.

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## **Executive**

### **Minutes of the meeting held on Wednesday, 25 March 2020**

**Present:** Councillor Leese (Chair)

**Councillors:** Ollerhead, and Richards

**Also present as Members of the Standing Consultative Panel:**

**Councillors:** Leech

#### **Exe/20/50 Minutes**

##### **Decision**

To approve as a correct record the minutes of the meeting on 11 March 2020.

#### **Exe/20/51 Delegation of Executive Functions for Council Business Continuity**

A report explained the additional delegations that the Leader had put in place to help ensure business continuity of the Council's decision making on Executive Functions during the COVID-19 pandemic.

At the meeting the Leader explained that whilst he was vested with powers in relation to Executive Functions, his use of them would be as an urgent last resort when the Council's other decision-making mechanism were not available.

##### **Decision**

To note that the Leader had delegated all Executive Functions to meetings of the Executive and also, up to 30 September 2020, to Deputy Leader Councillor Nigel Murphy and the Executive Member for Health and Wellbeing Councillor Craig, either able to act in an individual capacity if the Leader is not able to act.

#### **Exe/20/52 Statement by the Chief Executive - COVID-19 - Summary of issues**

The Chief Executive had submitted a statement on the COVID-19 virus pandemic. The pandemic had created a national and local emergency and the statement set out how that had impacted on very many aspects of everyday life in Manchester. The statement described the responses to the virus in Manchester and across Greater Manchester. A copy of the statement is appended to these minutes.

At the meeting thanks were expressed for all the NHS and social care workers, the council staff, those in schools and all those in partner agencies who were working extremely hard in exceptional circumstances to provide care and help to vulnerable people in the city to support all those in most need. The Executive wanted to record its appreciation for the work everyone was doing.

## **Decision**

To receive the statement.

### **Exe/20/53 Delivery of new affordable homes in Manchester**

A report by the Strategic Director (Growth and Development) provided an update on the Council's strategies to secure more affordable homes in the city (Minute Exe/19/73). The report proposed that in the future there would be two main streams of delivery for new affordable homes in the city. The first would be to ensure that the existing delivery platform established with Registered Providers (RP's) was continued, whereby the Council would use its land asset in conjunction with land the RP's had acquired in the open market, along with RPs continuing to access a range of Homes England investment programmes. The second would involve the creation of a Local Housing Development and Management company that would then provide direct delivery options utilising City Council land assets.

The report set out the broad approach to the establishment of such a company, suggesting that more detailed proposals would be presented later in the year.

## **Decision**

To note report and request that a further report is submitted in the future.

### **Exe/20/54 Disposal of Land at Oldham Road**

A report from the Strategic Director (Growth and Development) sought approval for the disposal of land at Oldham Road in Newton Heath to One Manchester Ltd in order to facilitate the development of 139 affordable apartments and family houses. The proposed scheme was to involve the disposal of a small plot of Council land at less than best value.

The land covered an area of 1.2ha partly land leased by the Council, and an adjacent plot that was owned by the Council, which was classed as informal open space. A planning application had already been submitted for the development of 139 homes, comprising 100 one and two bedroom apartments and 39 three bedroom semi-detached houses. All units were to be affordable, with 50% for social rent and 50% for affordable rent.

The land had been valued as have an open-market value of £129,000, so the disposal of land to One Manchester at a value below the unrestricted market value would involve the Council forgoing a capital receipt of up to £129,000 in order to facilitate the affordable housing scheme proposed by One Manchester. That was supported.

## **Decisions**

1. To approve the disposal of the land at Oldham Road to One Manchester on the principle terms set out in the report.
2. To authorise the Head of Development to finalise the detailed terms of the transaction.
3. To authorise the City Solicitor to execute all necessary contractual matters in respect of the development.

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## Appendix – Chief Executive’s Statement

**To:** The Executive

**Subject:** COVID-19 - Summary of issues

**Date:** 25 March 2020

**Report of:** Chief Executive

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### 1 Purpose

1.1 In light of the current national and international public health emergency situation, Manchester and Greater Manchester (GM) declared a major Incident on Friday 20 March 2020. This activated the multi-agency response arrangements in line with the GM generic response plan and the pandemic flu plan. The Prime Minister’s unprecedented announcement at 8.30 pm on Monday 23rd March set out the seriousness of the situation and the expectations of all residents, businesses and public services. Over the last days and weeks a number of specific guidance notes have been received which are informing our actions and response.

1.2 This note is intended to provide the Executive with a brief summary of the work on COVID-19 in Manchester. Further detail on specific issues will be available as required.

### 2 Summary of the development of COVID-19

2.1 On 31 December 2019, the World Health Organization (WHO) was informed of a cluster of cases of pneumonia of unknown cause detected in Wuhan City, Hubei Province, China. On 12 January 2020 it was announced that a novel coronavirus had been identified in samples obtained from cases and that initial analysis of virus genetic sequences suggested that this was the cause of the outbreak. This virus is referred to as SARS-CoV-2, and the associated disease as COVID-19

2.2 Coronaviruses are a large family of viruses with some causing less-severe disease, such as the common cold, and others causing more severe disease such as Middle East respiratory syndrome (MERS) and Severe Acute Respiratory Syndrome (SARS) coronaviruses. On 11 February, WHO named the syndrome caused by this novel coronavirus COVID-19 (Coronavirus Disease 2019)

2.3 As of 9am on 24 March 2020, a total of 90,436 people have been tested, of which 82,359 were confirmed negative and 8,077 were confirmed positive. 422 patients in the UK who tested positive for coronavirus (COVID-19) have died.

2.4 In Greater Manchester (24th March 2020) there have been 161 people who tested positive cases and of these 25 are Manchester residents. There will be a time lag in validating the number of deaths that are Manchester residents, however, there



have been a number of deaths reported by the three Manchester hospitals over the past fortnight and most of these are residents of Greater Manchester.

### **3 Structures and monitoring**

3.1 Manchester City Council is a statutory Category One Responder under the Civil Contingencies Act 2004. All 10 local authorities in Greater Manchester and multi-agency statutory partners work together to plan for and respond to emergencies through the Greater Manchester Resilience Forum (GMRF). The GMRF has been preparing and planning the response to the COVID-19 disease since late 2019. A Strategic Coordinating Group (SCG) and an Emergency Committee have since been established at the GM level where both the Leader and CEX are represented.

3.2 Manchester is represented at both the Emergency Committee by the Leader and CEX and the SCG by either the CEX or Strategic Director Neighbourhoods, The Local Authorities Chief Officers Civil Contingencies group is directly supporting the SCG to coordinate LA specific actions. In addition a number of Tactical Coordination Groups (TCGs) have been established to take forward key strands of work. These groups take direction and feedback to the SCG.

3.3 As stated above a major Incident was declared on Friday 20 March 2020 activating the response phase in line with the GM generic response plan and the pandemic flu plan. As we are broadly following the pandemic flu plan, the council has a specific role and responsibilities in areas such as

- i) Warning and informing the public - supporting the delivery of consistent messaging wherever possible
- ii) Support the identification of, communication with and provision of services to vulnerable groups
- iii) Lead on communication with schools and early years providers and work within national guidance to support the management of closures
- iv) Ensure public health advice is provided to relevant orgs and the public
- v) Implement Business Continuity measures to maintain delivery of services
- vi) Work with partners to implement surge management procedures including hospital discharge arrangements where appropriate
- vii) Implement arrangements for management of excess deaths - (specific group led by senior Coroners)
- viii) Lead on recovery

3.4 The specific Health and Social Care aspects of the plan are being led by the relevant Directors of Public Health working with key partners in Health and Social Care with an overarching GM group to be chaired by the Leader of Manchester City Council.

3.5 Manchester participated in a workshop on Wednesday 4 March which was attended by over 100 people from across the emergency services, reps from the 10 local authorities and health services that looked at a range of scenarios moving through the containment, delay and mitigation phases of the spread of the virus. This

was looking at preparation for what might be a reasonable worst case scenario (RWCS). This workshop has been helpful in strengthening our planning to respond.

3.6 The local structures that have been set up in Manchester to deliver this work are:

- Incident Management Team - comprising key officers of the Council meeting regularly to plan and deliver the wider Council response to COVID-19, led by Fiona Worrall in terms of civil resilience and Carol Culley
- Manchester COVID-19 Locality Planning Group - consisting of key health and social care partners, led by David Regan which links to wider GM group referenced above
- Strategic Management Team (SMT) of the Council, meeting up to twice daily via conference call, given how quickly the agenda is moving, led by Joanne Roney

3.7 A global COVID-19 action plan has been developed to keep an overall record of key actions, issues, decisions, risks and escalation across these groups. In addition, a high-level dashboard is being developed to track key performance indicators relating to COVID-19, which will help monitor the impact on the Council's workforce, key services, citizens, financial impact and economic impact on the city.

3.8 The bill that is being introduced through Parliament has a significant impact on the way that local authorities work and the Legal team are providing advice and support both on the interpretation of the bill to MCC and to Greater Manchester as well as providing input and advice on the local Government implications of the secondary legislation.

## **4 Workforce issues**

4.1 Regular communications have been going out to staff and managers over the last week and this will continue on a daily basis. These communications share the latest government and PHE advice as well advice specific to Manchester. This has included messages to all staff each day, supplemented by messages to managers or the senior leaders' group as appropriate. A challenge has been reacting to the pace of change and the timing of government announcements, but we have moved to a space where staff know they will receive an update each day.

4.2 Following the Prime Minister's announcement on Monday 23 March, all staff except those in essential services have now been asked to work from home and not come into their workplaces until further notice. Guidance has been issued to staff about how to work effectively remotely and ICT support is being provided as a priority to ensure employees can work from home. Changing to an organisation that predominantly works remotely will be a huge challenge for all parts of the Council. The Trade Unions are engaged with senior managers and will be discussing any issues early on 25th March.

4.3 Significant levels of staff absence are expected over the coming days and weeks. As of 24th March, 274 employees are absent from work directly related to COVID-19. HROD are contacting all Heads of Service three times per week for updates on their staffing situation.

## **5 Business continuity and service impacts**

5.1 Work has been undertaken to determine which services and activities are required to continue to operate taking account of guidance received from the government. This assessment has identified those services which would result in severe failure or interruption if unable to be undertaken. This could include breach of statutory duties, laws and regulations, risk to safety, welfare and life; wellbeing of the population; and key support services that are essential to the delivery of front line critical services to residents, businesses and the community. The assessment is also being used to inform which services need to retain a minimal on-site presence in the delivery or support of critical services.

5.2 All services have prepared Business Continuity Plans and have completed Risk / Issue Impact Assessments. These include clear expectations about which services can be maintained, which need to change, and which services cannot be delivered at this time. This process also allows services that are operating to request additional support; whether staffing, PPE, ICT or guidance on decision making that are then referred to HR, ICT and other support services for assessment, prioritisation and action.

5.3 Further information on services and alternatives where appropriate is available here: <https://secure.manchester.gov.uk/info/500361/coronavirus>

## **6 Supporting vulnerable residents and the voluntary and community sector**

6.1 Mapping of vulnerable residents is taking place through the Locality Planning Group with support from the Council's Performance, Research and Intelligence function. As well as age and medical factors, consideration is also being given to build in definitions of social vulnerability. This is available here: <https://www.mhcctableau.nhs.uk/page/covid-19-resources>

6.2 Given the level of food poverty in the City, one of the challenges is ensuring that our residents who need to can continue to access food through food banks, community grocers and other food distribution organisations. The Work and Skills team has been in contact with food banks across the City. Food supply is not currently an issue, although many are struggling with distribution either because they rely on older volunteers who are not now available or the centres where they distribute from are closed. A virtual MCC team has been established with a system, building on the existing infrastructure to link supply and distribution (food, people & vans) to ensure that food banks are well stocked. It is helpful if all queries can be directed to: [food.response@manchester.gov.uk](mailto:food.response@manchester.gov.uk). In addition, Revenues and Benefits

team has worked with the Education team to ensure that all families where children are in receipt of free school meals can access £2 per child per day to alleviate holiday hunger.

6.3 People who want to volunteer to support those most vulnerable can register and also organisations who require support - matching those up in the background. Volunteers can register details at:  
<https://www.manchestercommunitycentral.org/covid-19-community-volunteering-0>

6.4 Voluntary sector groups can request additional support at this time here:  
<https://www.manchestercommunitycentral.org/coronavirus-advice-and-resources/covid-19-support-voluntary-sector-organisations>

6.5 The team around the neighbourhood for each of the 13 neighbourhoods is now fully mobilised. Integrated Neighbourhood Team (Health and Social Care) Leads, Health Development Coordinators, Housing Providers and Neighbourhood Teams are having regular conference calls to share information and linking in with local VCSE groups to put in place support where they can. They are working with and feeding back to local members.

6.6 A phone line is being set up (at present this is a local number) for vulnerable groups to contact for support for issues such as food, fuel assistance, social isolation and loneliness. This will include:

- Those aged over 70 years
- Those with limiting medical conditions
- Additional support for the 'shielded group'

6.7 The Customer Service Centre in the Town Hall Extension is now closed to walk-in visitors until further notice. Most council services are available online and if the issues cannot be resolved this way, residents will be asked to email, which will be prioritised for a response. A phone number has been provided if there is no access to the internet and an urgent need to resolve. The aim is protect the phone lines for priority calls and supporting the most vulnerable.

6.8 The additional welfare related support being made available includes:

- Additional support for food costs when schools are closed as set out in paragraph 6.2 of this report.
- Revised approach to council tax enforcement with additional advice regarding benefits. Full details are available on the Council's website.
- A further welfare support scheme in line with additional funding from Government, likely to focus on an enhanced council tax support scheme is being developed to go live shortly
- Support for food banks and pantry schemes

6.9 Council officers are working with Macc and Young Manchester to communicate a coordinated and practical support offer to the Voluntary, Community and Social Enterprise sector. Information is also available on the Council's website. Regular updates will be gathered on the resilience of the sector.

## **7 Adult social care, work with Health partners, and Homelessness**

7.1 The Government has announced additional funding of £5 billion nationally including £2.9 billion to help care for the vulnerable:

- £1.6 billion to local authorities to help them respond to Covid-19 pressures across all services they deliver, including increased support for adult social care and homelessness
- £1.3 billion to improve NHS discharge processes to potentially free up 15,000 beds in hospitals

7.2 A series of temporary arrangements have also been announced nationally to increase flexibility, including enabling recently retired professionals and students to register as social workers, changes to the Care Act to enable Councils to prioritise care for the most vulnerable, and suspending Care Quality Commission routine inspections.

7.3 The ASC response is predicated on three key objectives:

- Continuity of care for citizens
- Minimising risk of harm/fatality
- Protecting credibility of health and social care and partners

7.4 The response is structured around two phases - the first phase has focused on supporting the hospitals to safely discharge patients to enable capacity, the second phase is focused on providing support to residents in the community.

7.5 A Control Room has been established to expedite people discharging from hospitals to social care and proactively contact and work with providers to ensure continuity of care.

7.6 Ensuring sufficient capacity is and will be a challenge. In house provider services have closed day centres short break services, and staff will be redeployed where possible to other social care roles, using a train the trainer model. This model is being expanded to ensure that any potential volunteers from across the workforce can be redeployed into essential roles safely. Safeguarding and assessment functions are able to continue but with key considerations around interactions with residents to protect both residents and workers.

7.7 Council officers are working with Health partners to ensure the governance arrangements outlined above are joined up effectively

7.8 Manchester Foundation Trust (MFT) have requested the Council supports them to secure an additional large building in the city to help deal with the expected level of demand.

7.9 The Government has made available £3.2 billion nationally for rough sleepers to self-isolate. The Homelessness service has commenced the process of identifying people and hotels and mobilising a process to enable access. This will enable better control of people, placements and costs as well to plan for follow-up outreach support, food etc.

## **8 Children's services, schools and education**

8.1 The Council is working with schools and early years providers across the city to ensure that the new arrangements in place from Monday 23 March 2020 are working effectively. A number of schools have closed due to very few or no children either vulnerable or those of key workers are attending school. Schools have been provided with and are using guidance to remain in touch with vulnerable children as are Children's Social Care in respect of those subject to active social work intervention, subject to a child protection plan, looked after or care leavers. The school and early years settings are being monitored daily; communication is positive and effective. Early years providers have raised concerns about financial viability and council officers are supporting them with the interpretation of the Government's national wage subsidy scheme; guidance published late on 24th March 2020 is expected to offer reassurance.

8.2 In respect of Manchester's Children's Sure Start Centre, group and community sessions have ceased and a focus on an outreach offer for those vulnerable families. In addition, Midwifery services have continued to offer an antenatal offer; albeit on a reduced basis.

8.3 Overall Children's Social Care, early help and youth justice services continue to provide a 'business as usual' service but delivered differently; maximising alternative ways of working where is practical and feasible. Staffing and availability of care provision for children who may need to be 'looked after' are the key concerns in children's social care. The emergency legislation that provides additional flexibility outlined above for adults also applies to children's social care. Further work is being done on the approach to social worker home visits in light of the Prime Minister's announcement on 23 March.

## **9 Financial implications**

9.1 The Deputy Chief Executive and City Treasurer and Deputy City Treasurer are leading the financial workstream for the Council including:

- Cost implications for the City Council due to additional expenditure.
- Identifying financial implications of lost income from both fees and charges, and commercial arrangements.
- Lobbying Government to ensure that Manchester can access the appropriate amount of available Government funding to support during the current crisis.
- Review all budgets in order to identify any areas of discretionary spend that can be delayed/ceased to support other areas of the budget.

9.2 The work to identify the financial implications of the current COVID-19 crisis is ongoing, but it is clearly going to have significant financial implications. There are already some additional costs and reductions in income during March that will affect the 2019/20 budget position, but the implications in 2020/21 and potentially future years are likely to be serious and these are still being quantified. It is expected that the Government will work with Local Authorities in order to help support with the

financial impact, and work is ongoing in terms of working with, and lobbying the government for support.

9.3 The main Government announcements regarding confirmed additional support for Manchester are:

Description of Funding	£000's
National Health & Social Care Support - this is to help local authorities respond to pressures across all the services they deliver, not just social care.	18,859
Hardship Relief - for welfare support, largely focussed around the Council Tax Support Scheme for working aged adults.	7,458
Rough Sleeping (1st Tranche)	68

9.4 There have also been announcements to support businesses through the expansion of the Retail Discount. This relief will apply to occupied retail, leisure and hospitality properties in the year 2020/21 at 100%. There will be no rateable value limit on the relief. Nurseries will also be eligible for a business rates holiday from April 1 for a year. Billing authorities will shortly be asked to provide a further and separate estimate of their likely total cost for providing the 100% extended relief in 2020/21.

9.5 In addition grants will be made through the Small Business Grant Fund (SBGF) and the Retail, Hospitality and Leisure Grant Fund (RHLGF), which were announced by the Chancellor in the Budget on 11 March 2020.

9.6 Under the Small Business Grant Fund (SBGF) all businesses in receipt of Small Business Rates Relief (SBRR) and Rural Rates Relief (RRR) in the business rates system will be eligible for a payment of £10,000.

9.7 Retail, Hospitality and Leisure Grant (RHLG) businesses in receipt of the Expanded Retail Discount (which covers retail, hospitality and leisure) with a rateable value of less than £51,000 will be eligible for the following cash grants per property:

- Eligible businesses in these sectors with a property that has a rateable value of up to £15,000 will receive a grant of £10,000
- Eligible businesses in these sectors with a property that has a rateable value of over £15,000 and less than £51,000 will receive a grant of £25,000

9.8 The Council will be fully funded for these costs, along with additional New Burdens funding for the costs of administering the scheme.

9.9 As well as ensuring that quick decisions can be made to facilitate the response, additional measures have been put in place to control discretionary spend. This will be in a way that is proportionate and includes:

- work to review the procurement pipeline is reviewed with a view to stopping any possible future contractual commitments that are not directly linked to essential services or the Covid-19 response.

- Focussing ICT capacity and resource on the essential pipeline to deliver resilience and security, to update infrastructure where required and to support increased homeworking and changes required in response to Covid-19
- Ensuring where services are being scaled back all relevant spend is curtailed where possible - noting the need to retain staff and the approach outlined in the procurement section of this report
- Where the Budget for 2020/21 includes additional investment this is rephased to reduce the level of spend and take into the account the practical implications of having the capacity to deliver the investment in the current situation.
- All capital schemes that are not contractually committed are deferred unless there is a good reason to go ahead.

9.10 The financial impact of the Covid-19 measures, likely compensation from Government and likely required use of reserves will all be collated to ensure a proposal for an updated budget position for 2020/21 in June 2020 ready to report in July.

9.11 Fortnightly reporting on all the financial implications is being implemented and will be shared with the Executive Member for Finance and Human Resources.

9.12 The statutory deadlines for the completion of the Council's draft accounts and audited final accounts have been moved from 31 May and 31 July to 30 June and 30 September respectively.

9.13 The approach to procurement will be to ensure flexibility, quick decision making and following the recommended government approach which includes:

- Urgently review the contract portfolio and inform suppliers at risk that they will be paid as normal and ensure prompt payment
- Allow payments in advance for up to 25% of the contract value. This should be open book and if the contract value is being paid in full, staff must be retained. Note this applies to construction if applicable.
- Pay at risk for 3 months even if the supplier cannot fully meet the requirements of the contract

9.14 A record will be maintained of procurement decisions made to ensure an appropriate audit trail exists.

## **10 Economic and business impacts**

10.1 The global economy has experienced a large downturn since the start of the Covid-19 pandemic. The Government has announced significant support since the 11 March budget to mitigate some of the impact, including:

- £330 billion of Government backed loans and guarantees
- Coronavirus Job Retention Scheme - Government to cover the cost of up to 80% of the salary of workers, or up to £2,500 per month for an initial three months, who are furloughed, rather than made redundant.
- Business rates relief - range of measures, including: 12 month holiday for all retail, hospitality and leisure (museums, theatres, gyms, hotels etc)



businesses; 100% relief for nurseries; additional relief for businesses in receipt of small business rates relief as of 11 March.

- Grant funding of up to £25,000 for retail, hospitality and leisure businesses with property with a rateable value between £15,000 and £51,000
- Coronavirus Business Interruption Loan Scheme - scheme aimed at encouraging banks to provide loan facilities of up to £5m for smaller businesses experiencing increased costs or disruptions to cash flow. The Government will provide lenders with a guarantee of 80% on each loan, and cover the first six months of interest payments.
- Deferring £30bn of value added tax payments by companies until end of June
- Deferring income tax self-assessment payments due on 31 July 2020 to 31 January 2021 (aimed at self-employed)
- Statutory sick pay relief package for SMEs, allowing SMEs to reclaim expenditure
- £7bn to strengthen the UK's welfare safety net, which is aimed at the self-employed. Additional measures are expected to help the self-employed.
- On 19 March 2020, the Bank of England announced that it was further reducing the interest rate, taking it from 0.25% to 0.1%, the lowest level in history.

10.2 The actions taken by the Government to underpin both the supply and the demand sides of the economy are to be welcomed. However, support for those who are self-employed has yet to be given and the Government should be encouraged to find solutions to support this sizable part of our workforce. Notwithstanding the support announced by the Government, the near term impacts of what has already happened in our local economy as a result of Covid-19 cannot be measured at the moment.

10.3 Looking beyond the current situation we are in, commentators are now predicting that there will be a global economic recession that could be much deeper and more pronounced than that which followed the 2008 global financial crash. As such Manchester's economy will not be immune from such an economic downturn and any sustained growth in the near term seems unlikely. It will be likely that financial institutions will significantly withdraw funding for new development schemes - both commercial and residential - further diminishing the city's capacity to grow its employment, housing and tax base.

10.4 A greater percentage of Manchester residents are employed in lower skilled, lower paid industries compared to those who work in the city. Sectors of the economy that are already hardest hit include retail, hospitality, conferencing and events, cultural and creative industries. Given it is an international pandemic, Covid-19 has already disrupted supply chains with supplies from China and mainland Europe now taking several months to complete.

10.5 Construction work is expected to be allowed to continue at the present time if works have actually started on site. However, some large house builders have unilaterally taken the decision to stop working on site because of the health risks.

10.6 Council officers are working with Transport for Greater Manchester (TfGM) on the transport implications. A key priority is ensuring that key workers including

medical professionals are still able to get to work when they rely on public transport. There will be a need to consider re - purposing services that are no longer needed during the current phase and for these to be considered for re-deployment to support priority requirements for NHS staff and other key workers. As an example, and in discussion with TfGM and leading members, the decision has been taken to temporarily suspend the city centre Free Bus. Discussions will take place as to how these vehicles may be re - purposed. In addition, public transport providers are enhancing cleaning regimes to seek to try to minimise the threat of cross infection for those people who continue to need to rely on public transport.

10.7 The Council's website signposts businesses to support and guidance, here: <https://secure.manchester.gov.uk/info/500361/coronavirus/7928/coronavirus/2>. Support for businesses is being coordinated through the City Council's Work and Skills team and Business Rates team, with GM support provided by the Growth Hub. The Head of Work & Skills is part of a GM Economic Resilience Group.

## **11 Working with Communities**

11.1 The Community Safety and Compliance and Enforcement teams are working closely with GMP on how we support messaging within communities on the importance of complying with social distancing and how we can support GMP in the enforcement of the powers that are being drawn up around gatherings which unfortunately are continuing in some areas despite the messages that all residents will have received.

11.2 Specific engagement is being undertaken with faith communities to reinforce key messages to ensure they achieve full compliance with guidance.

## **12 Governance**

12.1 A separate report has been drafted which sets out proposals to ensure that decisions can be made effectively and efficiently during this period.

## **13 Conclusions**

13.1 Executive will be kept up to date with developments as this agenda is expected to continue changing rapidly.