

AGENDA ITEM

REPORT TO CABINET

16 JULY 2020

**REPORT OF CORPORATE
MANAGEMENT TEAM**

CABINET INFORMATION ITEM

Leader of the Council – Councillor Bob Cook

COVID-19 UPDATE

SUMMARY

This report provides Cabinet with an initial outline of the implications to date, and the basis of planning for recovery. It sets out some of the experiences in the borough and the impact of COVID-19. It outlines some of the key implications, the decisions taken around the delivery of key Council services, the mitigating actions undertaken to respond and summarises the approach to recovery planning including outlining how some services will be delivered differently, embedding learning from different ways of working applied during COVID-19. It also outlines the basis of some of the wider working on 'community recovery' including short term actions and longer-term analysis to underpin strategy.

REASONS FOR PRODUCING THIS REPORT

To ensure Cabinet are aware of the currently identified implications of COVID-19, the response to date, action taken to mitigate the impact of COVID-19 especially on the most vulnerable, and to outline the basis for recovery planning.

DETAIL

The impact and implications of COVID-19

1. COVID-19 has had a significant impact across the world, with over 10,000,000 people having tested positive for the novel coronavirus and over 500,000 people dying who have tested positive. At the end of June 2020, the UK has seen the third highest number of deaths in the world, 43,575, with over 300,000 people having tested positive.
2. In Stockton-on-Tees, there have been 646 people who have had confirmed cases of COVID-19, which equates to 328 cases per 100,000 population.
3. There have been 143 COVID-19 related deaths registered in Stockton-on-Tees. This represents deaths involving COVID-19 registered from 1 January to 26 June 2020, published by the Office for National Statistics (ONS) on 7 July 2020.

4. The table below provides comparisons of numbers of cases with the other Tees Valley local authorities and the All-England average.

Local Authority	Cases	Rate per 100,000 population	Ranking (out of 150 upper tier authorities)
Darlington	409	384	28 th
Hartlepool	352	378	31 st
Middlesbrough	696	495	4 th
Redcar and Cleveland	430	315	57 th
Stockton-on-Tees	646	328	53 rd
Tees Valley	2533	376	N/A
All-England	159,435	285	N/A

5. Although the number and rate of cases and the death rate has been relatively low in Stockton-on-Tees, the impact on the economy and on people's way of life has been significant.
6. It has also had a significant impact on the council and on staff, with significant numbers of staff working from home for a prolonged period, and a number of staff deployed into other roles to support the combined response. The response from staff throughout the pandemic has been outstanding.
7. A range of services have been suspended, paused, or reduced, with a rolling communications programme outlining the key service disruptions on the Council's website, signposted by daily and then more latterly twice weekly briefings from the Leader.
8. Whilst operationally difficult, certainly in the early stages of the response, some of the changes made in response to the virus present opportunities for how the Council operates and how services are accessed in the future. It is important that the Council builds on this momentum and continues to adapt to changing behaviours.
9. Throughout, the Council has actively engaged with the Cleveland Local Resilience Forum (LRF) as the statutory body for coordinating the regional response to crisis events. Officers have also continued to liaise as part of sub regional and regional coordination – such as through the Chief Executives networks and through operational networks such as the Directors of Public Health, Association of Directors of Adults Services, NHS England and Directors of Children's Services.

Outline of key impacts

Vulnerable people and isolation

10. Government guidance detailed a number of serious medical conditions and treatments which placed a person in the category of being extremely vulnerable to COVID-19. This included people with severe respiratory diseases, heart diseases and cancers, those who have had a major organ transplant or who were undergoing chemo/radiotherapy.
11. The people in this extremely vulnerable category received notification from the NHS that they should shield themselves for an initial period of 12 weeks to reduce their risk of contracting the virus. That meant that they were not to leave their houses for any reason and would need to have essential supplies delivered to them.

12. Initial national estimates were that there were 1.5m extremely vulnerable people. That proved to be a significant underestimation with, through a number of iterations, the NHS identifying over 2.25m people in the UK who should shield themselves.
13. In Stockton-on-Tees, 9,350 extremely vulnerable people were identified as requiring to be shielded. This equated to nearly 5% of the Borough's population, with large numbers of shielded patients in every ward in the Borough.

Ward	Number of Shielded Patients	Ward Population	Percentage of Ward Population that are Shielded Patients
Billingham Central	400	7489	5.3%
Billingham East	374	7377	5.1%
Billingham North	384	8507	4.5%
Billingham South	429	6534	6.6%
Billingham West	293	5231	5.6%
Bishopsgarth and Elm Tree	353	6487	5.4%
Eaglescliffe	362	10546	3.4%
Fairfield	320	5455	5.9%
Grangefield	270	6560	4.1%
Hardwick and Salters Lane	511	7695	6.6%
Hartburn	323	6378	5.1%
Ingleby Barwick East	300	10731	2.8%
Ingleby Barwick West	282	12666	2.2%
Mandale and Victoria	479	12479	3.8%
Newtown	379	7301	5.2%
Northern Parishes	159	3934	4.0%
Norton North	442	6598	6.7%
Norton South	460	7898	5.8%
Norton West	370	6026	6.1%
Parkfield and Oxbridge	355	9410	3.8%
Roseworth	472	7483	6.3%
Stainsby Hill	351	6316	5.6%
Stockton Town Centre	439	7405	5.9%
Village	306	7006	4.4%
Western Parishes	184	3354	5.5%
Yarm	353	10347	3.4%
Total	9350	197213	4.7%

14. Other groups have been also been identified as being at higher or moderate risk. These include older people, those with heart, lung, kidney, neurological conditions as well as diabetes or taking steroids as medication. Pregnant women and people with a BMI over 40 are also considered at moderate risk and have been advised to following social distancing advice and stay at home as much as possible.

Impact on those in care homes and the care market

15. As nationally, here has been a significant impact on those older people and people with learning disabilities in care homes. This is in relation not only to the prevalence of COVID-19 and deaths, but also in respect of the impact of family members not being able to visit their family members, and on the staff who have experienced the impact of the pandemic on an ongoing basis.
16. There have been 54 COVID-19 related deaths in care homes in Stockton-on-Tees. This represents the statutory notification of deaths by care home providers to Care Quality Commission (CQC) from 10 April to 26 June 2020, published by the Office for National Statistics (ONS) on 7th July 2020. There have been 136 deaths of all causes including COVID-19 in care homes for the same period and following the same statutory notification process.
17. To date, 25 (48%) of the 52 Stockton-on-Tees care homes have made contact with Public Health England regarding residents with suspected or confirmed COVID-19 infections.
18. We have received £2.53m for infection control in the care sector from a national allocation of £600m. This funding supplements the financial support that the Council has already provided through the use of COVID-19 support funding. The first tranche of this funding amounting to £948,000 has been paid directly to care home providers as required by the grant conditions.

Inequality and poverty

19. National evidence is emerging that COVID-19 has had a disproportionate impact on the more vulnerable and has exacerbated inequality.
20. Individuals, families and communities experiencing poor health and/or poor social, economic or environmental conditions are at greater risk of exposure to COVID-19, of contracting it and of becoming seriously ill.
21. Certain population groups are disproportionately affected. These are older people, black people, Asian people, minority ethnic people and individuals with long term conditions (e.g. diabetes, obesity, respiratory conditions). The consequences are both direct (e.g. illness and death) and indirect (e.g. financial, isolation, mental health).
22. An analysis of survival among confirmed COVID-19 cases has been carried out by Public Health England (Beyond the data: Understanding the impact of COVID-19 on BAME groups). This shows that, after accounting for the effect of sex, age, deprivation and region, people of Bangladeshi ethnicity had around twice the risk of death when compared to people of White British ethnicity. People of Chinese, Indian, Pakistani, Other Asian, Caribbean and Other Black ethnicity had between 10% and 50% higher risk of death when compared to White British.
23. A number of research projects are planned to understand the impact of COVID-19 in the North East.

Impacts on the economy

24. COVID-19 has brought whole global economies to a halt and has required significant stimulus and social assistance packages from the UK Government to help people and businesses that have been hit hardest by the initial economic disruption. The scale and length of the economic shock is still unclear. A detailed update is included at Appendix 1 on the short term impact on the Borough's economy and the potential ongoing implications over the medium to longer term. Currently many of the Borough's businesses remain closed due to restrictions brought about by the pandemic.
25. Over 20,000 of the Borough's residents have been furloughed through the Government's Job Retention Scheme.
26. Over 4,000 self-employed residents have claimed a grant from the Self-Employment Income Support Scheme income support, representing 72% of those eligible.
27. Over 8,000 residents are claiming Job Seekers Allowance or Universal Credit, an increase of 3,490 claimants or 65.7% since March. More workers may lose their jobs by the end of 2020 once Government support packages come to an end.

Learning and education

28. From 23 March, schools remained open only for children of key workers and vulnerable children, those who had a social worker or an Education and Health Care Plan (EHCP).
29. Although the definition of key workers was wide and could have resulted in a large proportion of children attending school, most parents made alternative childcare arrangements and kept children off school. School attendance dropped to an average of approximately 500 children per day during early April, with several schools reporting less than 10 children attending per day at that time.
30. The majority of schools have remained open to support these groups since lockdown, remaining open over Easter and half term breaks.
31. Numbers of vulnerable children have risen steadily, and the wider opening of schools to more pupils from 1 June has resulted in the return of more pupils, resulting in a current attendance of approximately 5000 across those groups eligible to attend: 30% of reception pupils, 32% of year 1 and 40% of year 6. Years 10 and 12 are not currently required to attend full time but are gradually increasing face to face contact time.

The key areas of our response

Council

32. We moved rapidly to enable home working for the majority of office-based staff. Improved IT capabilities, including widespread adoption of MS Teams as well as the well-developed process of replacing desktops with laptops and tablets enabled significant numbers of people to work from home with minimal disruption from March. Virtual meetings are being held across all services and with key partners.
33. Virtual Committee meetings are now being held, and a successful hybrid model has been piloted, using Thornaby Pavilion as a physical base, to enable social distancing. This followed extensive member training and support regarding the use of Microsoft Teams. The Council was able to move to entirely remote meetings as of 18th June starting with a meeting of Cabinet followed by Executive Scrutiny Committee on 23rd June.

34. We were able to hold our first ever entirely remote Annual Council meeting on the 24th June with 53 elected members participating, along with a considerable number of observers. At which, the Council was able to appoint a new Mayor and Deputy Mayor for the year ahead.
35. We are on with a buildings assessment process to identify opportunities for more staff to work from office bases. It is clear that many buildings will be required to have a significantly reduced capacity for some time, and that flexible working patterns and a greater focus on home working will continue for the next few months.
36. Many services have changed their model of delivery as a result of COVID-19, and the shift to remote and virtual ways of working. Some services have experienced reduced demand as their activities were paused during lockdown and some services have experienced higher demand, such as in Revenues and Benefits.
37. Some staff have been voluntarily deployed elsewhere to provide capacity and build resilience, such as those engaged in contacting vulnerable residents as part of the Community Support Team.

Vulnerable people

38. We worked in partnership with Catalyst to establish the Community Support Team and the Shielding Hub – a multi-disciplinary approach to providing a one-stop service to support the most vulnerable, providing support around access to food, medicines and emotional wellbeing support and also links into services such as social care, mental health and welfare support. To date the Hub has:
 - Received 8,611 incoming calls;
 - Responded to 6,707 requests for support;
 - Delivered 3,228 food parcels;
 - Delivered 2,456 prescriptions;
 - Delivered 714 shopping requests.
39. We have proactively contacted every shielding resident in the Borough and responded to 825 enquiries from shielding residents offering advice and support through the community support team.
40. During the four-week period from 23 March, we received an unprecedented 1,200 enquiries from members of the public seeking welfare advice and support. Payment arrangements have been negotiated with utility providers and a number of families referred for assistance have been supported through the provision of white goods.
41. We have worked closely with social housing providers to support families fleeing domestic violence, ensuring that they have adequate household items to set up at a new address. There has been high demand to support and advise customers who have been furloughed or lost their jobs, many of whom are unfamiliar with the welfare benefits processes.
42. We continue to carry out assessments for adults who have a need and support services are commissioned including home care and reablement. Hospital discharges are supported 7 days a week by an integrated health and social care team. We have continued to provide adult safeguarding services to support people and manage safeguarding investigations.
43. We have continued to support people who find themselves homeless or are threatened with homelessness. Since the commencement of the lockdown we have been contacted by 484 households and secured temporary accommodation for almost 300 households.

44. We have supported the Government's national 'Everyone In' initiative to secure accommodation for those who may otherwise find themselves rough sleeping. We also continue to work in partnership with a range of registered provider and private sector landlords to secure accommodation. Over 100 households have now either moved into a tenancy and/or have been 'matched' against a property and are awaiting for repairs to be completed before their tenancy can commence.
45. We continue to work with the substance misuse, domestic abuse, sexual health and 0-19 services to continue to provide crucial care and support, enabling residents to access services throughout the lockdown. This has included the setting up of virtual consultations and groups, home testing and online services.
46. We have continued to provide information to residents about changing national public health advice and guidance through our website and social media. In addition, targeted information has been sent out to specific groups e.g. children, migrant communities and shielding residents.

Poverty and inequality

47. We have applied credits to the council tax accounts of all of those currently eligible for council tax support with each beneficiary receiving £150 in 2020/21 as an offset to their council tax bill. All new eligible working age claimants will receive this additional support automatically throughout 2020/21. This hardship grant funding amounts to £2.54m for Stockton.
48. We have reviewed the Local Housing Allowance (LHA) rates, used to calculate Housing Benefit for tenants renting from private landlords, and increased them to the 30th percentile of local market rents. As a result, 1,658 customers had their benefit recalculated from April and received additional awards of up to £6.69 per week. The DWP has projected that Stockton-on-Tees will be entitled to a subsidy uplift of £95,000 to cover the cost of these changes for the financial year.
49. We have temporarily suspended action to recover unpaid Council Tax from our residents. In addition, we have supported residents requiring financial support to defer their normal monthly payments for April and May until June and to spread their payments over 12 months instead of 10.
50. We have seen a significant increase in the number of requests for support through the Council Tax Support (CTS) scheme. To assist in this, an online application form has been developed along with a means to upload supporting documentation. Telephone support is available for those customers who need support to complete the form.
51. We have temporarily closed the cashiers service and have contacted customers to provide them with advice about alternative payment methods and financial support should they need it.
52. We rolled out a packed lunch distribution scheme from Monday 23rd March across the four family hubs and a network of VCSE partners to ensure that families had continued access to food provision in the short term while schools adapted to the new national requirements. The scheme provided daily pick up points at family hubs and community points and also provided home delivery for self-isolating families. The scheme delivered on average 1,300 packed lunches each day. In addition, several schools across the borough have provided pick up lunches for children eligible for free school meals.

Vulnerable children

53. We have worked with ONE IT to supplement the government scheme to ensure that all children have the opportunity to access appropriate technology at home. Over 700 new

laptops have been provided to some of our disadvantaged and vulnerable pupils to enable them to access the online learning their schools are offering.

54. We have implemented a new way of working, intensifying our work with schools, sharing information with partner agencies, creating a single point of contact for queries, and the development of a vulnerable children matrix so we can ensure support is being provided to the most vulnerable children.
55. We have reviewed every Education Health and Care Plan to develop a risk assessment to inform a decision on whether children would be best supported in school or at home.
56. We have launched a new enhanced emotional health and wellbeing support offer. This includes training, support and quality assured resources for use within a whole setting approach, access to a range of group sessions for children and young people facilitated by emotional health and wellbeing practitioners, direct work with parents/carers to help them to support their child and/or manage their own emotional health and wellbeing and access to 1:1 specialist therapeutic intervention as clinically appropriate.

Business and economy

57. A business support grant scheme was introduced in March to pay up to £25,000 for small businesses and some of those in the retail, hospitality and leisure industries. We have paid 2,580 businesses a total of £30.3m.
58. Additional funding was made available in May 2020, allowing Local Authorities to create a scheme targeted towards businesses in need that were not eligible for the earlier schemes. We have applied a phased approach to the scheme, receiving 146 applications from the four categories of eligible businesses in phase one, paying out a total of £480,000 to 71 businesses to date. With the funds remaining, the scheme has been extended to include a further four categories of business.
59. Changes have been introduced to business rates with all businesses in the retail, hospitality and leisure sector and Ofsted registered nurseries receiving 100% rate relief. This resulted in 1,032 businesses receiving a total of £33.5m relief and no business rates to pay for the full financial year.
60. In May, funding of £50m nationally was announced to support “Re-opening High Streets Safely”. The Council will be entitled to claim £175,000 and this funding is to be utilised to help reintroduce safe and welcoming spaces for local retail businesses in line with social distancing guidelines.

The approach to recovery

61. The impacts of COVID-19 will be long lasting, even following the emergence from lockdown. There will be a gradual easing of restrictions, but it will also important to retain vigilance and be ready to manage outbreaks and further peaks.
62. There is also a leadership role for the Council in the wider community, recognising that the most vulnerable people are likely to be more vulnerable now and in future without a clear plan for mitigation. We are starting to develop our recovery plans in two ways
63. Since lockdown measures have been introduced most members of staff, where they can, have continued to work from home and many operational services have continued whilst making adjustments for safe working and social distancing.
64. We have a summary position across each Directorate of all the services and their status in relation to being operational, not operational or working with adaptations, either in the way the

service is delivered to facilitate social distancing and/or supporting activities to support the fight against COVID-19. We also have a timeline for services that are not yet operational to become operational and a process in place for co-ordinating and keeping all of this under constant review as Government guidance changes.

65. Our longer-term recovery work is at an early stage, reflecting the fact that the work on recovery is being developed alongside a continued focus on contributing to the national focus of controlling infection and transmission. There are some key themes which have been identified which will be built into the community recovery element of our plans.
66. We are basing our longer-term recovery work on the 3 main themes in the Council Plan to ensure that COVID-19 recovery is aligned with our strategic planning for the period 2020-23. This process is considering both thematic responses and the opportunities for variations in approaches geographically.

A place where people are healthy, safe and protected from harm

Actions are likely to include a focus on:

- Addressing inequalities, as part of regional approaches
- Maintaining the focus on sharing data to target vulnerability
- Responding to the anticipated surge in demand for children's and adults social care support
- Understanding the extent of domestic abuse and the issues associated with it, including impact on children

A place that is clean, vibrant and attractive

Actions are likely to include a focus on:

- Short term management the changing nature of social distancing in town centres;
- The ability to re-open and restore cultural activity, including the desire to reflect on and remember the pandemic through creative programmes or public art;
- Reviewing our response to the climate emergency and exploring how best to sustain some of the low-carbon behaviours of lockdown

A place with a thriving economy where everyone has opportunities to succeed

Actions are likely to include a focus on:

- Enhanced labour market interventions and pathways to address the projected significant rise in unemployment;
- The scope for ongoing support to small businesses;
- The extent to which investment and redevelopment programmes can be brought back online or accelerated;
- The opportunities to support local supply chains and ensure economic benefits are retained in the Borough.

Conclusions and next steps

67. The COVID-19 pandemic has had a profound impact on the Borough's residents, its businesses and on the Council. The efforts of Council staff to implement resilience planning approaches, adjust services and ways of working in response are worthy of recognition.
68. The Council has also worked with partners across the public and voluntary and community sectors to protect its most vulnerable residents and ensure that those who need support have access to it.
69. The pandemic will have a material impact on the MTFP, from a combination of increased costs, lost income and deferred delivery of key plans. Whilst the support and commitment from the Government to alleviate immediate funding pressures is welcome, there are

significant long-term impacts which will require more detailed consideration, and which will be used to underpin our approach to recovery.

70. The current focus is on recovery, whilst at the same time requiring a continued vigilance around the management and control of any local COVID-19 outbreaks which may occur. As services across the Council have restarted, many in an adapted way, this has been undertaken with a view to readiness and preparation for further cycles of response to the ongoing pandemic. Work goes on to support the adequate provision of PPE, support testing and outbreak management across the Council and its partner agencies.
71. Work on the community recovery plan will continue, through a focus on the themes in the new Council Plan.

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ECONOMY UPDATE

1. WHAT WE ALREADY KNOW

- Stockton-on-Tees has a high share of employment in retail, health and manufacturing. The prevalence of young people working in these sectors also risks particularly high youth unemployment.
- The high share of manufacturing employment puts skilled trades at risk in the immediate and medium-term.
- The relatively high unemployment rates and share of economically inactive residents before COVID-19 compounds the difficulties of accessing job opportunities, which are likely to be significantly reduced due to the economic shock.
- More small and medium sized businesses exist; with small businesses expressing a lower confidence in being able to survive the pandemic.
- By 31st May at least 20,600 people in Stockton-on-Tees had been furloughed under the Government's Job Retention Scheme.
- By 31st May 4,600 claims had been made by self-employed people for income support with a value of £12.1 million; representing 72% of those eligible.
- 8,800 Stockton-on-Tees residents made up the Claimant Count in May 2020 (which includes residents that are claiming Job Seekers Allowance or Universal Credit equivalent).
- This was an increase of 3,490 claimants compared to March - a 65.7% increase.
- This means the proportion of working age residents (those aged 16-64) who make up the Claimant Count figure rose from 4.3% to 7.2%. Similar rises were seen in the wider Tees Valley and UK.
- A "V-shaped" recovery is unlikely as most sectors are unable to rebound or recover quickly.
- More workers may lose their jobs by the end of 2020 once Government support packages come to an end.
- The crisis is unprecedented, so it is impossible to predict or forecast the eventual scale and length of the recession.

2. GOVERNMENT POLICY RESPONSES

- VAT and Self-Assessment payment deferrals
- Business Rates relief
- Business Support grant funds
- 'Business Interruption Loan, 'Future Fund' and 'Bounce Back' loan schemes
- Coronavirus Large Business Interruption Loan Scheme
- COVID-19 Corporate Financing Facility
- Job Retention Scheme
- Self-employed Income Support Scheme

3. WHAT IS ALREADY BEING DONE

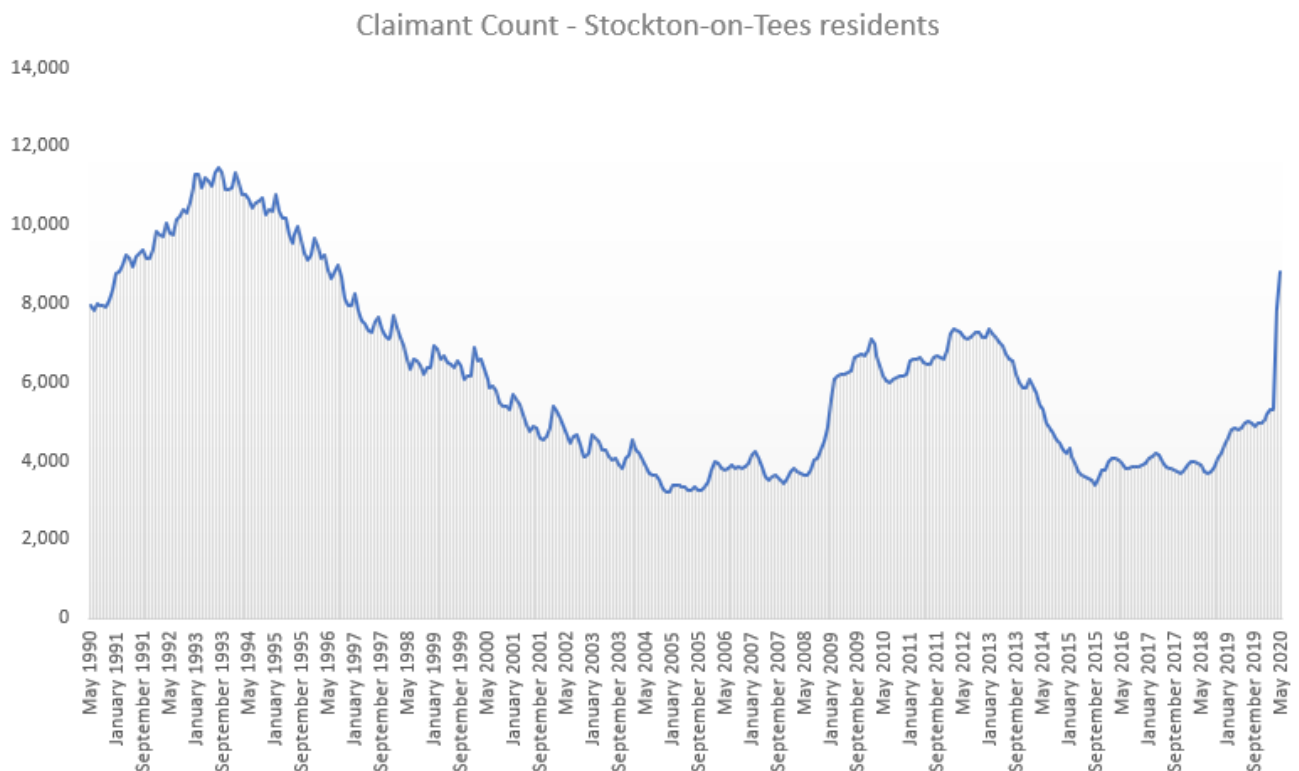
- We have identified made payments to the businesses across the Borough that are eligible to access the Government Support Packages.
- Weekly update reports are issued to BEIS with intelligence on business closures / investments, jobs +/-, business confidence, sector and geographic impacts.
- Officers from across the organisation are involved in the Tees Valley Combined Authority Recovery Planning action groups, which highlight the top-level findings from available evidence and a survey of businesses, what the immediate impact is on Tees Valley and its constituent Local Authority areas, what key industries should be protected, and what opportunities exist. The Tees Valley Recovery Plan is due to be reported to the TVCA Cabinet in July 2020

4. EMERGING CHALLENGES

The initial evidence suggests that there are emerging challenges in relation to:

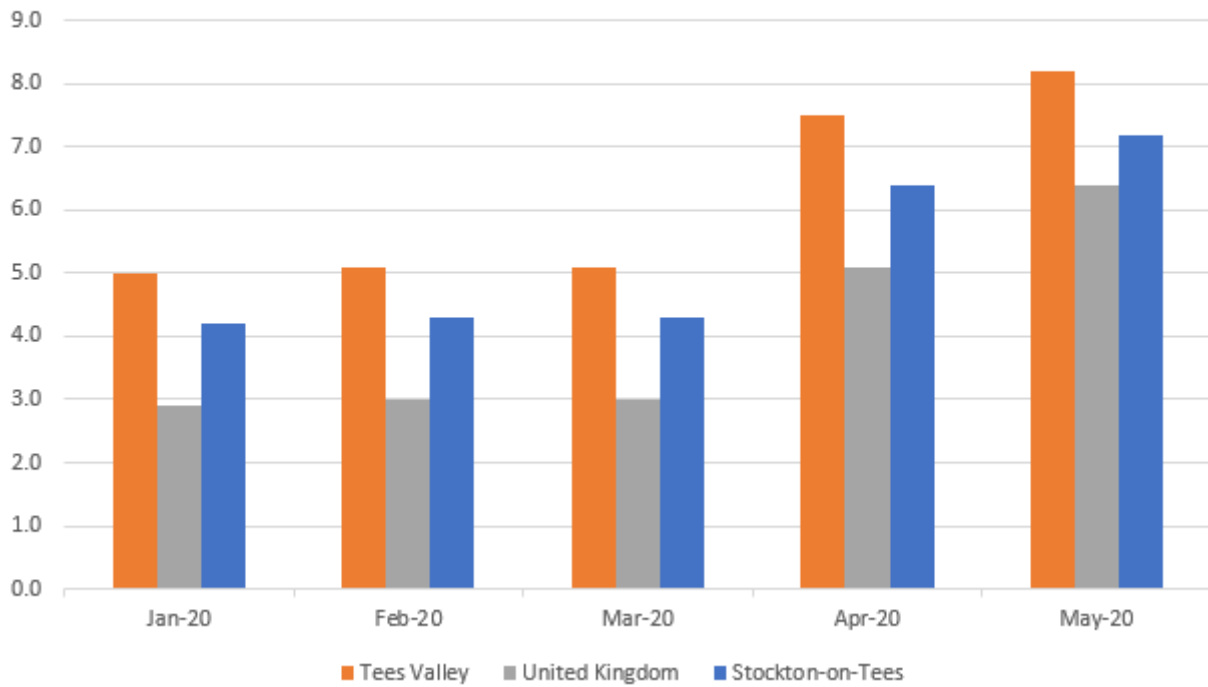
- Young people
- Apprenticeships
- The rising unemployment and claimant numbers; with men more affected
- A reduction of jobs and work experience opportunities
- Scale of those that have been Furloughed or made redundant
- The disproportionate effects on sectors, e.g. more men have been impacted (driven by manufacturing and construction); workers under 25 (driven by retail and leisure); skilled trades and process, plant and machine operatives (driven by the need to be work-based)
- Greatest increases in unemployment have occurred in areas with the highest pre-COVID-19 unemployment rates
- Long term effects of the recession on already disproportionately affected groups in society and the subsequent impact on health and wellbeing

Source: ONS

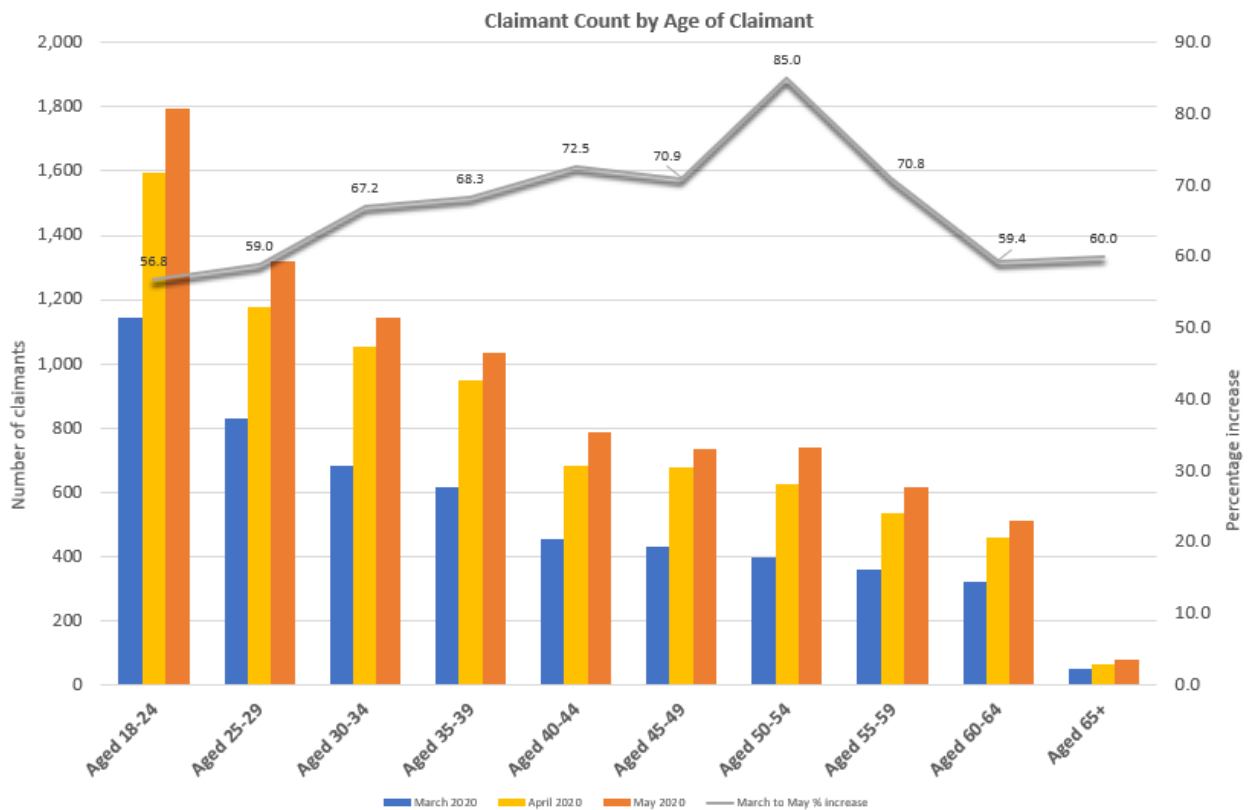


- 8,800 Stockton-on-Tees residents made up the Claimant Count in May 2020 (which includes residents that are out of work and claiming Job Seekers Allowance or Universal Credit equivalent).
- This was an increase of 3,490 claimants compared to March - a 65.7% increase.
- This means the proportion of working age residents (those aged 16-64) who make up the Claimant Count figure rose from 4.3% to 7.2%. Similar rises were seen in the wider Tees Valley and UK.
- COVID-19 has affected all age groups that are claiming out of work benefits; with an incremental increase across the 3 months to May 2020. However, some age groups have been impacted more than others, i.e. those aged 30 to 59; particularly the 50-54 age group that shows an 85% increase over the same time period.

Proportion of residents aged 16-64 making up the Claimant Count



Source: ONS



Source: ONS

5. ENGAGEMENT WITH BUSINESSES

- As a result of COVID-19 26% of businesses have reported a reduction in demand for their products or services, with 17% reporting a reduction in sales and 11% furloughing staff.
- Almost 40% of businesses have taken to smarter working practices to lessen the impact of COVID-19, examples of which include staff working from home, moving services online and providing delivery, reducing staff hours and applying social distancing procedures. 18% are using PPE equipment and undertaking extra safety measures, and 7% are adapting their business practices or workspace.
- Almost half of businesses anticipate challenges with cashflow over the next 3 months, which businesses report will be an ongoing issue for 6 months onwards. 34% of businesses are concerned about staff availability in the short term, although this challenge is anticipated to reduce over a 6-month period. Over the longer-term businesses are anticipating challenges with repayments of loans, capital availability, business expansion and general business survival.
- 53% of all businesses stated that they require financial support and advice, with 18% needing to find new/alternative customers or market. 9% require support adapting products or services and 10% require assistance in reviewing or changing their business operating model. Other support requirements listed by businesses included the need for clear and concise advice from government, as well as digital support and support with provision of affordable PPE
- 24% of businesses stated that they would cease trading if lockdown was extended.
- Over half of all businesses surveyed (53%) stated that they had no plans to make redundancies or terminate sub-contractors. More than 1 in 4 businesses stated that they planned to make redundancies, with a further 23% still unsure.
- 74% of businesses do not anticipate requiring additional staff to meet demand, with a further 17% unsure and only 8% stating they may require additional staff
- 27% of businesses currently employ an apprentice, with 73% of business stating that their apprentices have now been furloughed. Just under a quarter of businesses (22%) report no impact on their apprentices.
- 39% of businesses were planning on recruiting an apprentice prior to COVID-19, with almost half (46%) reporting that they now no longer have the capacity to recruit an apprentice, with 22% no longer requiring an apprentice.
- 41% of businesses anticipate opportunities as a result of COVID-19, with 58% of these businesses anticipating an increase in demand, 28% anticipating digital opportunities, and 13% anticipating less competition.

6. CASE STUDIES – BUSINESS RESILIENCE AND SUPPORT TO OTHERS AT A TIME OF CRISIS

Despite the challenges presented by COVID-19 there have been positive signs that businesses have diversified their product or services to adapt and be resilient to the economic shock and support other businesses and their communities as an integral part of responding positively to the crisis.

Direct Line Supplies (DLS) launched a new food delivery service in under 24 hours. The Teesside Industrial Estate-based business works with over 300 suppliers to provide more than 1,200 different products to the UK food service. The closure of the hospitality sector in the wake of the COVID-19 outbreak resulted in the company losing nearly 60% of its regular business. They decided to focus the business towards the remaining 40% of customers in the takeaway sector and looked to set up a domestic delivery service. When the impact of the COVID-19 outbreak became apparent DLS was able to pivot quickly to set up **Orchard Vine Foods**, a delivery-service which observes the need for social distancing and delivers restaurant quality food in retail packs from temperature-controlled vehicles.



Teesside-based family owned furniture retailer, **Barker and Stonehouse**, located at Teesside Park, is helping other local independent businesses keep their companies going. The company's vans, and volunteer drivers from its workforce, have been supporting a family-owned Chemist to meet the increasing demand for home delivery prescriptions across Tees Valley. With so many elderly and vulnerable people in need of medicines, help was needed to deliver them to their doors. Additionally, **Chadwick & Co**, the popular coffee shop and café based in Barker and Stonehouse's Teesside Park store, is offering delivery to local customers, along with freezer-ready meal packs that have provided popular with older customers.



The **Ineos Group**, which has a Nitriles plant at Seal Sands in Stockton, hit its ten-day target to build a new hand sanitiser plant at Newton Aycliffe and has started producing one million hand sanitisers a month to help in meet the needs of front line medical and care services, as well as making pocket bottle hand sanitisers available for people's personal use.

Following a number of requests from grocery-related customers to provide supply chain support following increased demand during COVID-19, **Clipper Logistics** located at Wynyard Business Park, actively engaged with all the major food retailers to provide support services in areas including warehousing, cross-dock, picking and transportation. It has also received further requests for logistics support from other sectors of the economy.

