
**Manchester City Council
Report for Information**

Report to: Economy Scrutiny Committee – 11 October 2017
Subject: Business Recovery following the Manchester Arena attack
Report of: Eddie Smith, Strategic Director - Development

Summary

This report describes the work that has been undertaken in relation to business recovery following the Manchester Arena attack. It also informs members about wider work that is taking place around improving engagement with businesses.

Recommendations

The Committee is recommended to:

1. Note the contents of the report.
 2. Request that a further report be brought forward, following the public consultation exercise, setting out comments received.
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Wards Affected: City Centre

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Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

None

1.0 Introduction

1.1 This report describes the work that has been undertaken in relation to business recovery following the Manchester Arena attack. It also informs members about some wider work that is taking place around improving relationships with businesses. It provides information on the following areas of activity:

- The approach taken to understand and support the businesses that were impacted by the GMP cordon in the immediate aftermath of the attack.
- The work of the Business Recovery Group to understand the impact on the city centre businesses more broadly.
- The work of the Manchester Business Continuity Forum and the support this provides to local businesses.
- A summary of the work of the Optimising Business Relationship board set up to improve the way the council interacts with businesses.

2.0 Support to Businesses

2.1 There are a small number of businesses and visitor attractions within the cordon area that were closed for trading as a result of the attack on the Arena. These are located within the Arena and Victoria station and adjacent areas. Work has been undertaken to make contact with the affected businesses to understand the scale of impact, and to identify ways in which assistance or support could be provided to ensure business continuity and mitigation of impact of loss of trade.

2.2 Depending on their trading status businesses could be considered for either Business Rates Relief (Section 44 a existing MCC powers) or consideration for support under a hardship scheme. There were nine businesses that were identified for possible business rate relief. Of these three businesses have applied for this and received relief totalling £7,641.46.

The businesses contacted in relation to the potential hardship scheme included:

- 9 SMEs
- 12 artists / sole traders sharing a studio building
- 3 casual traders in Victoria (trading 1 or 2 days per week)
- 2 charities

We have received responses from several of these businesses which have identified potential losses of up to £50,000 collectively.

2.3 This figure has been included in the request to national government for post attack financial support. It is hoped that a grant from central government will be forthcoming and can be used to provide financial assistance to the smaller businesses that have identified losses. Businesses have also been offered contact with the Growth Hub for ongoing business support should this be required.

3.0 Business and Economic Recovery Group

- 3.1 This group was convened to identify the impacts of the attack on the economy and businesses in the city. The membership of the group included colleagues from city centre businesses, Heart of Manchester BID, Marketing Manchester, the Chamber of Commerce and the City Council.
- 3.2 Whilst there were some expected fluctuations in attendance at large venues and footfall in the city centre, these impacts were not deemed to require ongoing monitoring through separate arrangements. Ongoing monitoring of business impact is taking place through mainstream engagement processes, with an agreement to reconvene by exception. This includes close working with Marketing Manchester and City Co to monitor the indicators of economic health for the city. The latest information is below.
- 3.3 Manchester's occupancy rate for the first half of 2017 was exceeding last year's record growth and performing ahead of other northern destinations, and also considerably above the UK average.
- 3.4 Post the terror attack in May, occupancy rates and room rates struggled but the latest August figures show signs of recovery and it is tracking in-line with 2016. Due to the increase in hotel supply in Manchester (compared to twelve months ago) this means that demand is actually higher than last year and therefore continuing to show some growth.
- 3.5 In comparison, hotel performance data for Paris showed that following their initial terror attack, mixed performance levels were still evident a year later, and particularly in the average daily rates that were struggling to get back up to where they were before the attack. Brussels also took some time recover.
- 3.6 Marketing Manchester are awaiting an update on a bid for some government funding to support marketing to maintain the growth levels achieved prior to the attack and to continually reassure customers that Manchester is a destination of choice to travel to for their vacations and to support confidence with conference and event's organisers to still choose Manchester as a destination to host their event.

4. Business Continuity

- 4.1 The Manchester Business Continuity Forum (MBCF) is a partnership in the city of circa 500 member organisations that is a source of free business continuity training, advice and information to help develop and improve organisational resilience. In the hours immediately following the Arena incident, we shared real-time information with members and we have received positive feedback about the engagement from businesses.
- 4.2 Following the incident we have continued to support colleagues in Counter Terrorism NW by participating in a briefing at Manchester Central with over 700 businesses in attendance, (mostly Forum members), signposting good practice around emergency preparedness and business continuity

planning. We also share a range of advice and information with our members electronically and via our website: www.manchester.gov.uk/mbcf.

- 4.3 We have supported the debrief process post-incident to capture any learning that can be shared with members to improve response and recovery. On 19 September we ran a facilitated incident management exercise at the Bridgewater Hall 'Exercise Sherman'. The exercise was an opportunity to 'rehearse' responses to counter terrorism scenario (firearms attack in the city centre) to help co-ordinate and integrate emergency preparedness arrangements. The event was attended by over 100 organisations and supported by the blue lights and other key partners, it has received exemplary feedback from attendees.
- 4.4 The Forum is led by the Corporate Risk and Resilience team, supported by other key stakeholders from the Emergency Services, CityCo, Growth Hub and representatives from Education, Finance and Security sectors. It has now been running for ten years and is the primary means of discharging our statutory duty for business continuity promotion under the Civil Contingencies Act (2004).

5. Wider Business Engagement

- 5.1 The importance of effective business relationships in the city was apparent during the aftermath of the Arena attack. The Optimising Business Relationships project was created in 2015 to explore how the Council as a whole can improve the way it interacts with its business customers. This includes:
- systems and processes that enable services to streamline and coordinate interactions with businesses thus improving their customer experience;
 - making links between our statutory duties and other functions to identify and take full advantage of all opportunities for business engagement;
 - using this engagement to:
 - help drive economic growth and link residents with opportunities
 - help grow the city's resilience and responsiveness to risk
- 5.2 Work to date has been focussed on four key strands.

Business Service Network (BSN)

A continuation and formalisation of the above Enterprise Services Network with a remit to drive forward actions identified by the OBR, particularly under the three strands below.

Internet

Service specific content and the dedicated business landing pages on the internet (www.manchester.gov.uk/business) have been reviewed and improved, including processes to collect business data in line with pending data protection legislation.

ICT

Work to date has identified that over 60 Council services interact with

businesses and each other in many different ways and that a corporate IT solution is needed for these services to share key business data to improve our collective business intelligence: who are the key businesses we deal with, what is our relationship with them and what are the risks and opportunities.

Funding has been agreed to incorporate the business dimension into work to explore the feasibility and options of a new corporate Client Relationship Management system. This work is now in planning stage.

Data Collection and Sharing

Underpinning the above strands is the need for council services to be able to collect and share business information. New opt in and privacy notice templates have been designed and are being tested before being rolled out to cover all services that wish to collect business data.

- 5.3 The Work and Skills Team is leading the development of an employer engagement strategy for the city. This strategy focusses initially on work and skills priorities but may be extended to cover other council priorities as well. Most of our interactions with employers are ad hoc and light touch but with many we have more developed or strategic relationships in areas such as investment, growth, local trading conditions, enforcement, health, education, carbon reduction, community cohesion, skills and jobs.
- 5.4 We recognise the enormous contributions businesses are making to Manchester's success and we value the vibrancy and investment they bring to our city. They already have many strong and successful relationships with other businesses through networks, membership organisations and interest groups but also with public, voluntary and community sector organisations.
- 5.5 Our Manchester presents a unique opportunity to reframe the way we engage with employers, whether based in Manchester, doing work in our city or looking to locate or invest here. A "One Council" approach to employer engagement based on the principles and behaviours of the Our Manchester Strategy can enhance our reputation as a business friendly council and will deliver better outcomes for employers, residents and for City Council services.
- 5.6 As part of the CityCo review the Council will also be seeking to develop a more direct relationship with businesses in the city centre specifically. This will be aligned to the approach undertaken by the Optimising Business Relationships project and the employer engagement, to ensure that we have a joined up and coherent approach.

6. Summary

The Council will continue to monitor the impact on businesses in collaboration with our partners, this work will be kept under review for the foreseeable future. Work will also continue to develop more direct engagement with City Centre businesses.