

Community Wealth Building Business Bulletin

Supporting Newham businesses through the coronavirus crisis

Business Impact Survey: what you've told us

Thank you to all 140 businesses who have completed the COVID-19 Business Impact Survey so far, telling us how the pandemic is impacting your business, what you need and what you think the gaps in support are. Here's a summary:

- the three main areas identified as having most impact on businesses since the outbreak of COVID-19 are government advice on closure (74%), struggling with monthly rent payments (80%) and reduced footfall/customers (71%)
- the majority of respondents (79%) have not sought support from a bank through the government's loan scheme
- the majority (87%) have not had to make any staff redundant due to the impact of COVID-19 and just over half (55%) have had to put staff on furlough
- 75% believe they can operate up to three months without intervention and support from central government. The remainder believe they can operate between four and 24-plus months.

Some of the comments reflect the Council's own concerns. For example, we had already started lobbying for further support for business, which will now come through the Discretionary Grant Scheme (see page 2). The Help Newham Skills Bank and Stratford Original webinar (see this page) are other examples of where we are responding.

You can still [take the survey](#) if you haven't completed it yet. It only takes a few minutes.



Webinar support

On 14 May we supported Stratford Original's (the Business Improvement District) first webinar for local businesses. It included a detailed presentation from Newham's Business Desk team about the level of Covid-19 related support available from central and local government. Businesses also had the opportunity to ask questions and discuss how they were currently being affected. In addition, there was practical advice from accountants Jones & Partners on how to survive during this most challenging period.

If there are other umbrella organisations who can bring together a range of businesses for a webinar, then please get in touch and we'll be happy to help: newhambusinessdesk@newham.gov.uk



SBGF and RHLGF scheme processing

We've now processed 3,458 Small Business Grant Fund payments and Retail, Hospitality and Leisure Grant Fund payments, totalling £48.9m. Already we know this is making a real difference (as the positive feedback

comments on page 2 testify) and we want every eligible business to benefit and expect the vast majority to apply.

If you still need to apply, it's important that you check your eligibility first and that you fill out the form correctly. [Find out more about applying.](#)



The Help Newham Skills Bank

To support you through these challenging times we've launched the Help Newham Skills Bank. The Skills Bank matches the professional skills of volunteers with the needs of small businesses and charities in order to help them get back on their feet.

Following our mailing of the volunteer request form on 18 May, 16 businesses have requested volunteer help, mainly in marketing. There have been 94 volunteers for small businesses and charities so far. If you still require help, please return the completed form to Newham Business Desk at newhambusinessdesk@newham.gov.uk and we will be in touch with you regarding the next steps.

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Positive feedback

Amir Arshad, Managing Director of Sparemove in Forest Gate: "I cannot express enough how helpful Haider Patel has been throughout this process. My grant arrived today, which will help my company a great deal in surviving these unprecedented times. It really helps when advisors like Haider who represent Newham Council understand the problems I am facing as a business."

Shabu Miah of Kenza Creations in Canning Town: "I'm lost for words and very emotional right now. This means so much to me as it literally means that I will now be able to struggle through this crisis and live to fight another day. Thank you so much to all who have been involved."

New government support schemes

There have been several new schemes announced by the government recently.

► Discretionary Grant Fund

Following successful lobbying by ourselves and other councils, new grants will be available for businesses who are incurring ongoing fixed property-related costs and have suffered a significant fall in income due to the COVID-19 crisis. We are developing this discretionary business grant scheme, having received guidance from the government on 13 May, which will target certain types of small and micro-businesses and charities that were unable to access the existing grants linked to business rates. The government funding made available to us is below £3m, therefore we expect the demand for the Discretionary Grant Fund to vastly exceed what we can pay

out. After the grant scheme has been considered by Cabinet in mid-June, our website will have information on the scheme and the application form to apply.

► Bounce Back Loans

The new [Bounce Back Loans scheme](#) has [opened for applications](#). The scheme allows small and medium-sized businesses to borrow between £2,000 and £50,000 and access the cash within days.

► Future Fund

The [Future Fund](#) will provide government loans to UK-based companies ranging from £125,000 to £5 million, subject to at least equal match funding from private investors. The fund will be open for applications from Wednesday 20 May.

These convertible loans may be a suitable option for businesses that typically rely on equity investment and are unable to access other government business support programmes because they are either pre-revenue or pre-profit.

The Future Fund was developed by the government and is being delivered by the [British Business Bank](#).

► Trade Credit Insurance guarantee

Businesses with supply chains which rely on Trade Credit Insurance and who are experiencing difficulties maintaining cover due to coronavirus, will get support from the government. The government will temporarily guarantee business-to-business transactions currently supported by Trade Credit Insurance, ensuring the majority of insurance coverage will be maintained across the market. This will support supply chains and help businesses to trade with confidence as they can trust

that they will be protected if a customer defaults on payment. HMG's Trade Credit Insurance (TCI) guarantee will cover over £171 billion business activity currently insured and the transactions between around 13,000 suppliers and 650,000 buyers. [View more information](#).

For all the latest on government support for business, [view our website](#).

► Coronavirus Statutory Sick Pay Rebate Scheme

From Tuesday 26 May, small and medium-sized employers i.e. with fewer than 250 employees, are able to apply to recover the costs of paying coronavirus-related Statutory Sick Pay (SSP) payments they have made to their employees.

Employers will be able to make claims to the [Coronavirus Statutory Sick Pay Rebate](#) scheme through a new online service. Employers will receive repayments at the relevant rate of SSP that they have paid to current or former employees for eligible periods of sickness starting on or after 13 March.

HMRC has published online guidance which includes information about who can use the scheme and the records employers must keep. [Find out more](#).

Chancellor extends furlough scheme until October 2020

The [Coronavirus Job Retention Scheme](#) will remain open until the end of October. The scheme will continue to apply across all regions and sectors in the UK economy. Furloughed workers across the UK will continue to receive 80% of their current salary, up to £2,500.

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Business overview

by Lloyd Johnson, Chair of Newham Chamber of Commerce



Lockdown has been hard on all businesses. Whilst everyone tries to remain positive, the longer we are in lockdown, the harder it is to see a way out for some. Furlough does seem to be positive for most business and is helping to keep employees in work and able to stay home. However, rents and service fees still need to be paid along with other bills and if no cash flow is coming in, paying those is tricky if not impossible. It appears that things will take a long time to recover in terms of safe social distancing and that we, as a business community, will have to think about how to work differently to achieve this.

The Chamber will support the Council wherever possible in these troubled times and we participated in the creation of the Help Newham Skills Bank (see page 1). On a positive note, in mid-May we delivered donations to two food banks. We're also planning a project to help the homeless in the borough and I would encourage all businesses to help out where they can. Should you need support and signposting contact myself at chairman@newhamchamber.com

New guidance on workplace safety

The government, in consultation with industry, has produced 'COVID-19 secure' [guidance to help ensure workplaces are as safe as possible](#).

The new guidance covers eight workplace settings which are allowed to be open, from outdoor environments and construction sites to factories and takeaways.

Non-essential retail to reopen in June

The government has announced a roadmap for reopening a broader range of shops starting from next month. From 1 June it intends to allow outdoor markets to reopen, subject to all premises being made COVID-secure, as well as car showrooms, which often have significant outdoor space and where it is generally easier to apply social distancing.

From 15 June the government intends to allow all other retailers, ranging from shops selling clothes, shoes, toys, furniture, books, and electronics, plus tailors, auction houses, photography studios, and indoor markets, if the government's five tests are met and they follow the COVID-19 secure guidelines. [Read the full statement](#).

Updated guidance for the retail sector has been published alongside this announcement, detailing the measures retailers should take to meet the necessary social distancing and hygiene standards. [Read the full guidance](#).



Business report

by Rob Dunham, Director of Comfy Beds



Comfy Beds has two stores, one in East Ham which opened in 1992 and the other in Brentwood, which opened in 2018. We've taken full advantage of the government's business support schemes: five employees have all been furloughed and we've received a £25,000 government grant via the Council. We've also applied for a bounce back loan to protect our cash flow in case there's a slow start when we eventually can reopen – which we can currently afford to do because government support has covered our overheads so far.

But more than anything else we need the support of the public to shop with us when rules allow and support local businesses. That would make more of a difference than being supported by the government.

When we do reopen, we will be marking the inside of stores with tape to show how far apart people need to be. We will also put up notices inside and outside to remind people to exercise social distancing. We will not allow too many people in at once, so that social distancing measures can be maintained. Perspex screens will be installed at checkout desks to protect both customers and staff when paying. We will also offer personal appointments.

We're fully prepared to do business again and make our contribution to a revived high street and local economy.

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Cotton needed...

A growing number of Newham residents are volunteering to make face masks for use by key workers and others. While not of a clinical standard, they are washable and therefore reusable. However, there is a shortage of fabric so if any clothes shops, clothes manufacturers or restaurants, for example, could donate fabric that would be a great help.

Every batch of 100 masks requires 12m of fabric, 40m of 6mm wide elastic, 10m of binding tape, 20mm wide approx. and 10m of mouldable wire (e.g. pipe cleaners or florists wire). The best fabric is cotton poplin (medium weight and tightly woven plain weave cotton).

If you can help contact Faith Johnson of Caramel Rock at faith.j@caramelrock.com



Faith Johnson and some helpers

...and warehouse space

Many thanks to everyone who has supported Help Newham so far. Currently we're looking for a minimum of 500 sq.m. warehouse space to store food. This space must have access for lorries and vans and come with electric pallet trucks. If you can offer help please contact newhambusinessdesk@newham.gov.uk

COUNCIL ACTION

Mayor's conference calls

The Mayor held another conference call with businesses on 23 April to help her understand the challenges that businesses are undergoing at the moment. The meeting was opened by Dave Hughes, Corporate Director of Inclusive Economy & Housing, who set the scene by explaining how we have significantly increased resource to support business and that we are keen to continue to adapt resource in response to ongoing needs.

The Mayor listened to concerns of businesses and committed to lobbying government, along with other councils, for extra financial support. This lobbying has now resulted in the launch of the Discretionary Grant Scheme for businesses that are not able to access current grant programmes (see page 2). She also committed to identifying more practical support for businesses and this has resulted in Help Newham Skills Bank (see page 1).

We're keen to continue to hold these conference calls and plan to hold more of them.

It's business as usual

Remember, it's business as usual when it comes to planning and regeneration and housing delivery in the Council. Our teams are all operating as usual – just virtually.

Our community wealth building strategy underlines this, underpinned as it is by the principles of economic, social and environmental justice so that long-term prosperity, wellbeing and fairness for all residents in the borough is achieved. In order to maintain transparent decision making and follow social distancing guidance, we are broadcasting more and more committee meetings.

Pay it Forward London

The Greater London Authority is offering Newham's businesses free use of the [Pay it Forward](#) platform. Any shop, restaurant or other businesses selling products or services can set up a page in minutes. This will provide a method for customers to purchase your products or services in the form of a voucher than can be redeemed as soon as the business reopens. The aim is to ensure businesses can raise the revenue required to get through this difficult period.

To create a page, firstly go to Pay it Forward and register to 'Start Crowdfunding'. The registration will include providing information about your business and details about the products, services or gift voucher you wish to pre-sell (known as 'rewards' to customers who 'donate'). Next you will need to promote the page to customers and encourage them to support your business. You could use social media to contact existing customers and build support from new customers too. Currently several hundred businesses across London are registered on the site.

Useful links

See our [business support](#) web pages.

For more details on all financial support for businesses visit the [government's Business Support website](#).

British Library [webinars](#) (in partnership with Newham)