



## APPG for London

Minutes of the group's virtual meeting held on 08.09.20

### *What Next for London's Businesses?*

#### Panel Speakers

Lord Graham Tope (Chair)  
Tony Sophocliides, Strategic Affairs Director, UK Hospitality  
Christopher Hayward, Sherriff, City of London Corporation  
Nita P. Woods, Business Member, London Economic Action Partnership (LEAP)

#### Summary of discussion

Lord Graham Tope chaired the meeting in the absence of Sir Bob Neill MP. Following introductions, each panel speaker shared an overview of how the capital's businesses have coped with the Covid-19 pandemic, and what needs to happen next to ensure they recover.

Key messages focused on:

- How Covid-19 has affected the hospitality sector, both nationally and in London.
- How Covid-19 has affected the City of London. What measures have already been introduced to mitigate the impact of the virus and the level of effectiveness of these measures.
- How Covid-19 has affected small businesses in London.
- Suggestions on what these sectors need in the future to recover from the virus.

The meeting noted the devastation the Covid-19 pandemic has wreaked on the hospitality sector with London taking a particularly hard hit. 80% of the hospitality work force was furloughed equating to just over 600,000 workers in London. London's hospitality industry has been hit by the drop off in commuters along with international and domestic tourists. In London, 1 in 3 businesses are hospitality or tourism related meaning that unless there is more support for these sectors, there will be job losses.

The discussion emphasised that boosting confidence in public safety is a priority. By increasing footfall in London's hospitality areas there would be more business for those who are currently struggling and restore public confidence for the future. It was remarked that making the most of outdoor spaces in London has been and would continue to be important in increasing public confidence and therefore footfall. Businesses need the customers to return though they recognise that it may be over a year before footfall resembles anything businesses saw before the pandemic.

It was highlighted that the government's furlough scheme, mortgage holidays and tax deferrals are currently due to end in October with no new schemes planned to support those affected. Businesses are concerned about the sudden stop instead of the schemes tailing off, and the impact it will have on their ability to stay open. Furthermore, the government loan schemes are due to begin repayment in March 2021 and the build up of debt will have a huge impact with up



to 3 million jobs potentially at risk. The financial services industry must work with government to tackle this debt.

The meeting raised that London's SMEs are in survival mode, with fewer start ups established this year than previously due to the pandemic. 90% of businesses in the City of London's square mile are SMEs, accounting for 40% of the work force. The impact of fewer start ups being able to open could be profound and impact the structure of the City and its businesses. Business grants have been dispersed and rent relief has been offered to city tenants to help secure small businesses. Going forwards help is being assessed on a case by case basis.

It was further noted that there was concern from small business owners whether they had enough support to keep their businesses going, especially with a recession due to follow the pandemic. It was highlighted that resilience and support would be key to securing the safety of small businesses, in particular targeting support to those who most need it.

The meeting raised the issue of sustainability, in particular building back better and building back greener. It pointed out that it may be difficult for small business owners who make little profit to think about sustainability as a priority. It was noted that targeting support where it is most needed and challenging specific businesses to do the heavy lifting on sustainability would make sure sustainability is not side-lined by the economic ramifications of Covid-19.

There was widespread agreement that the future of London's businesses and the way they use office space may change for good. Offices may need to become collaborative work spaces and businesses will need to become more flexible. Not only are a lot of people reluctant to return to the commuter experience, but offices may not have the space and ability to accommodate a significant number of workers whilst maintaining social distancing measures. It was agreed that flexibility is key to ensuring the longevity of businesses.

This section of the meeting was brought to a close with attendees thanked for their contributions.

The APPG for London then welcomed the parliamentarians who had joined. The meeting proceeded to elect a Co-Chair in order to fill the vacancy left by Steve Reed MP.

Parliamentarians were asked who wished to stand in the election to fill the vacancy of Co-Chair of the APPG for London. The meeting heard that Feryal Clark MP wished to fill the position. This motion was seconded by the parliamentarians at the meeting.

It was also raised that Rupa Huq MP wished to stand as Vice-Chair for the APPG for London. This motion was seconded by the parliamentarians at the meeting.

Lord Tope confirmed that the position of Co-Chair was now filled by Feryal Clark MP and the position of Vice-Chair was filled by Rupa Huq MP. All parliamentarians were in agreement.

The meeting was brought to a close with all parliamentarians thanked for their assistance in electing the positions.



#### **Actions to take**

The APPG secretariat will disseminate the recording of the online meeting along with the minutes for the record. It was also noted that there is no current date for the next APPG meeting, but this will be shared once decided.