

# Uncharted: the road to recovery

## Episode two: Levelling up? Restructuring in the regions

Host: Rebecca Burn-Callander

Participants: Henri Murison (Director at Northern Powerhouse Partnership); Jamie Hinton (CEO at Razor); Martyn Pullin (Partner at FRP); Glyn Mummery (Partner at FRP)

**Rebecca Burn-Callander:** Hello, and welcome to the second episode of Uncharted: The Road to Recovery.

This episode is all about levelling up – the phrase de jour. How can all the regions across the UK access their fair share of prosperity?

To talk us through this issue and offer some insight is a stellar line-up of guests.

I'm joined by Henri Murison, director of the Northern Powerhouse Partnership – an organisation that exists to drive the regional economy forward;

Jamie Hinton, Co-Founder of the Sheffield-based technology firm Razor, will give us the entrepreneur's perspective;

Martyn Pullin, Partner at FRP's Teesside division can talk us through the view from the North East;

And Glyn Mummery, partner from FRP Brentwood, can help present the situation in the South.

I'm Rebecca Burn-Callander. I'm a business journalist, and I'll be leading you all through this complex and fascinating topic today.

Thank you all so much for joining me.

So, the UK has one of the most regionally unequal economies of any developed nation according to the OECD, and this pandemic is set to deepen the divide yet further.

So, why don't we start by looking at this issue as a whole.

So, is it a case of London versus everywhere? Are some regions thriving? What's the state of play right now?

Henri, if I could bring you in – what are we looking at here?

**Henri Murison:** The first thing to reflect on is that this crisis is affecting the whole country. So, you can't take an entirely 'Northern' or regional-centric view of it.

I also think that the reality is that the recovery isn't the North or the Midlands versus London – you need to have the both of them working together. But that requires giving devolution and giving powers to both the North and to London, actually.

So, the Mayor of London doesn't actually disagree very much with people like Andy Street – the Conservative mayor of the West Midlands. And the two Andy's who are Labour and Tory in Manchester and Birmingham – they don't tend to disagree very much either.

The reality is we created these metro mayors – George Osborne did when he was in government – in order to be able to deal with crises like this.

From the centre, it's very hard to be able to deal with all the complexities of the economy from one single viewpoint.

You're then left with all these different problems. And you hear it in Parliament every day – MPs saying, "What's going to happen to this industry in this place?"

And the reality is it's impossible for central government to deal with all of those different challenges. Which is why we spend a lot of time and effort creating economic entities, so political structures that correspond to real geographies – real business communities and their places – and now it's time to use them.

And the disappointment so far is that – I think as Michael Heseltine's observed – we've largely bypassed them and government is still trying to do it all from the centre.

There are things like the furlough scheme that the Chancellor has rightly led from the top down if that makes sense.

But when it comes to helping support sectors that might need longer-term assistance, there's a much stronger case – and particularly for certain factories and particular places that might be under real pressures – that we need to trust the people closer to those problems to find solutions, rather than try and impose one single solution.

And I think that the recovery plan does include lots about the regions, and lots about productivity. But as well as more money – and I don't think we've seen enough money yet, hopefully that may change over the coming weeks and months...more and more support might be coming forward – but even if the Chancellor becomes a lot more generous, which I think he probably will be over time, I think the most important thing is that actually the power and control over how that money's spent is much clearer.

And that's why you need local investment.

We've advocated for billions of that, and I think that's the debate that will continue to run and run about how far we can push that.

Because national government started off with five billion...the reality is in the North alone we probably need a local investment at least equalling that – just for the North alone.

And so that's not about central government spending all that money.

It's actually about trusting those outside Whitehall to do some of that as well.

**Rebecca Burn-Callander:** Right, that's very true. And you touched there on a crucial point, which is all about industry-specific crises, because that's also why certain regions have been hit harder than others – because there are pockets of specific sectors that are very strong in those areas.

Martyn – up in the North East, which industries are you seeing as being particularly 'crisis hit' at the moment, and how is that affecting the regional divide?

**Martyn Pullin:** I would say that, to be fair, it's those that you would expect to see hit across the UK – hospitality, retail, leisure.

They've had zero trade for some considerable time.

Retail's starting to emerge, and hospitality and leisure will be able to learn some lessons there, but it's been incredibly tough and it's going to continue to be incredibly tough for those sectors.

Specifically for the North East – we're a net exporter, which is unusual for a region in the UK.

However, much of that revolves around Nissan and the automotive sector.

So, there's a lot of employment and a lot of the supply chain that is impacted by coronavirus.

There are unique challenges for the region. We do need frictionless trade with the EU. But I think the industries that are hardest hit are those that had next to no turnover for the last three months, and some of them can't see the end in sight.

And I think those are not unique to the North East – they're national.

**Rebecca Burn-Callander:** Absolutely. In fact, Glyn – and I'm making you my spokesperson for the whole of the South – everyone seems to talk about the South East as though it's this land of plenty; as if the roads are paved with gold...

You're a man on the ground there. Is that the case? Or is that a complete misunderstanding? How is it working down there?

**Glyn Mummery:** That was a very good point that Henri made at the beginning – in that the issues are affecting the whole of the country and that the generalisation of a North-South divide is unhelpful.

There are definitely parts of the South which have seen difficulties going back a number of years.

I can point to Jaywick in the eastern region that has topped the league for the most deprived area in the country in 2011 and 2015. Residents there will be very keen to understand what this levelling up is going to look like, and what's going to be done to help them.

Going on from what my colleague Martyn said about the areas that we're seeing in this region that are also affected – without a doubt, adding to the hospitality sector, is aviation. We are already seeing a number of redundancies made in that particular sector.

So, are the streets paved with gold? No, they're not.

And I would also add that London will be facing some significant challenges as well – as home working and office space will definitely be an area that landlords will have to give an awful lot of thought to as we come out of this pandemic.

**Rebecca Burn-Callander:** So, is it possible, actually, that coronavirus will be a leveller, simply almost by accident, because it creates challenges for all kinds of businesses almost no matter where they're based?

**Rebecca Burn-Callander:** The working from home concept, every company understands that it can work – that maybe people don't have to be less productive.

But then does that mean that any organisation can technically hire anyone from anywhere in the UK, because they don't need to come into the office anymore?

Could that mean that there'll be an exodus of people to different places, and they'll be working for companies in different places because now geographic location sort of isn't a factor?

Does that resonate with anybody?

**Martyn Pullin:** Yeah, I would just say, in terms of the North East generally...

Well, if you look at the South and if you look at the London specifically, I think over 70% of the jobs there are jobs that can work from home – the wealthy typically, on average, can work more flexibly if you look at the stats.

In the North East, if you work in a chip shop you can't fry chips at home. Well, you can, but you can't sell them.

You know, there are jobs that just can't be done from your home.

So, if in the service sector, if you're in digital...

We're fortunate ourselves. I say that, we, in our sector, we're the lucky ones – we're safe, we're healthy, we're surrounded by a family and we're working from home.

But that isn't the same for everyone. And there are certain regions of the UK that are more mobile, more agile, and there are certain regions that aren't.

I think this is could naturally lead to levelling up, and particularly

**Jamie Hinton:** Sorry, Martyn, you know you mentioned about you couldn't fry your chips and sell your chips...

Well, mate, why not? Why could I not, in an isolated way, fry my chips and have them shipped out?

What we're seeing is actually huge opportunities.

When people are fenced into a corner, the British people are pretty ingenious. They're pushed into this corner and they go, "Well, what can I do?"

And technology is helping, and we're very lucky that our business has actually risen in this time, because people have had that time to reflect – "What can we do? How can we innovate to take us to next level?"

And that's something that really gets me quite excited about how the ingenuity of the British people is really coming out.

**Martyn Pullin:** And I've got a great example of that. Someone that we know regionally really well has ten businesses in the license trade.

He's had a look at it with the new social distancing rules and the guidance – the 'one meter plus'.

Two of ten [businesses] look like they can safely re-open. He was looking at this eight weeks ago... and eight weeks ago he launched [sundaydinners.co.uk](http://sundaydinners.co.uk).

He's got a hotel in one of our local towns; he's got a bar in another and a bar in another – there's small kitchens in each.

He's doing, I think, about 200 covers out of each of them every weekend and he's completely re-invented his business, which I think is fantastic.

Another example – a local gin distillery.

It's a really challenging time. Their route to market isn't the supermarkets – and many of us have perhaps been drinking a little more during this time, I think that's fair to say – their route to market is hotels, bars, restaurants, independents. And they've closed.

They've had a record month in May – and they're producing hand gel.

So, you're right – when we are backed into a corner, I think we are fantastic as a nation at finding ways around really difficult challenges and being very creative.

**Rebecca Burn-Callander:** That's one of the levers you can pull right, to generate positive economic activity, is to create new businesses?

And out of every crisis...the last recession we saw peak numbers of new start-ups being registered. Is that one of the phenomena that you're expecting to happen now?

**Henri Murison:** I think that business formation will help. But I think you've got to think about the environment that you're creating those businesses in.

One of the challenges is that there's lots of talk about how we recapitalise existing firms. But for every business that was viable – and will be viable again – there are examples that are not going to have a business model anymore that's going to be able to survive this. You don't want to build something that was wrong before.

We have a really low productivity economy – we've had a low productivity economy that hasn't got any better since the last economic crisis. So, what you don't want to do is just create more of the same problem that you had before.

And the real shortage we have in our economy is patient capital.

One of the key arguments – not just for new business formation, but for scale ups and businesses with growth potential...and we've got an entrepreneur in the conversation, right, who's clearly saying that it's about how businesspeople can drive this recovery...

That's absolutely true. We're a business-led partnership, and only want the government to do the things they need to do.

And if they are going to put shedloads of money into the economy in lots of different ways, it'd be a real wasted opportunity not to think about how you could get long-term investments – exactly what the government did after the war, and the kind of business that became one of the first venture capital firms that's been really successful since came out of a crisis where the government started doing that sort of thing.

It happens in Singapore, and we have an example in the UK that does it in foreign countries through foreign aid, but doesn't do it domestically.

So, it's not completely crazy.

And Jim O'Neill, who's our vice chair, has advocated the case for that. And I think it's got a bit of traction.

So, I think that's the sort of thing we're focused on.

I think certainly around decarbonisation, the North East, where Martyn is sitting, obviously the centre of the future hydrogen economy – carbon capture and storage there on the Humber, we've got small modular reactors, lots of really exciting technology...

So, if you were to invest in decarbonisation and things related to rebalancing – so, firms with a particular focus or base in the North and the Midlands – then that would enable you to achieve what you need, which is to raise productivity anyway.

Our economy is far too dependent on London and the South East.

My mission is for the UK to be able to get more tax revenues out of places other than London and the South East because we will have the sort of economy where rather than subsidising economic failure everyone actually pays their way.

And that's one legacy of this crisis.

If we take the opportunity of government getting really interventionist it can do some of the things that it needed to do anyway.

**Rebecca Burn-Callander:**

Glyn – can you add to that? What other support, and perhaps a kind of non-governmental support, should we be looking at?

**Glyn Mummery:** I do like the idea of local initiatives to raise money to invest in local businesses. And I think you can do that in any part of the UK.

Now, of course, the South East does benefit from perhaps a larger resource to draw on, and that would need perhaps need some consideration as well.

But I think just getting those local high-net-worth individuals to really look at the opportunities locally, invest in their communities, and, there are some big gains to be got there.

Because there's reputational gains to be able to say to your community, "This is what I'm doing. I'm not just going out there earning money – I'm putting that money back into my community, trying to assist everybody."

So, I would certainly like to see that.

I think there was a point made – I believe it was by Henri – about broadband and ensuring that we do have good connectivity in the UK.

Certainly in London, certainly in the Essex region, where I'm based, the trains into London are currently very empty and there are a huge amount of people now working at home.

And one of the subjects of conversation is, "Oh yeah, sorry, I dropped out there. Broadband wasn't quite good enough...".

You know, this is now quite urgent. And if we do want to be kind to our environment and encourage people to work from home, I see that as a really big thing – and making sure we get the right investment into that area.

**Rebecca Burn-Callander:** I love that point, Glyn, about getting high-net-worth individuals to actually reinvest into their communities.

Would you say, perhaps, that this pandemic has made every organisation and every person almost in the public eye?

It's really thrown this transparency concept at everybody. No one gets away with anything. If you're furloughing stuff and you don't need to, it's in the press. If you say something and do something else, everyone knows about it.

So, has this been quite a good turning point in terms of putting pressure on people to be the best version of themselves, or to do the right thing?

**Glyn Mummery:** I think we have been on that road now for quite a while.

I believe you could almost say it's a generational thing. And if you look at the generations that have gone before – X, Y, Z and the Millennials – there is a demand for businesses to be more transparent.

And that was in place before – or was happening before – the pandemic struck.

I think the pandemic definitely has accelerated that transparency.

In many ways the pandemic will accelerate a lot of issues and challenges that we were going to face over the next five to ten years in any event – one of those being the environment and the concept of working from home.

I go back to that, I know, but who would have thought everybody would have been so comfortable working from home when 2020 actually started? It couldn't have been further from our thought processes.

**Rebecca Burn-Callander:** Jamie, you were nodding there. Do you feel like a lot of inequalities are going to be addressed as a result of this pandemic? And if so, what are the other things that you're seeing changing?

**Jamie Hinton:**

I'm a big believer that we need to join together.

So, one of the things that we found has been really powerful – we need to increase our output and our efficiency – is that up here we have something called the AMRC: the Advanced Manufacturing Research Centre.

And we're partners with them.

They are a big research organisation, spun off from the University of Sheffield, that focuses on manufacturing.

So here, we've got a Boeing factory – the only one outside of America – the McLaren factory, a Rolls-Royce factory....and they do some incredibly amazing things across multiple sectors.

They take that research and then they come to us to commercialise it. And then those marginal gains go out to all other manufacturers and we amplify the output.

This, to me, is like a magic dust. It's like accelerating what's possible.

But you bring these research centres – who do have the big funding – and private companies...you bring these two things together and it's almost like we smash this together and it explodes and goes everywhere.

We need to do more of that, because it's working.

And I think that sort of levels the inequalities.

So, there's companies like, for example, ours – we'd never be able to knock on the door of McLaren or Boeing or Rolls-Royce. But with those guys it reduces that inequality. So, you can do it, and it brings power and passion forward.

And I think all of this is just accelerating the possibility and what we need to do, and where that investment needs to go.

**Rebecca Burn-Callander:** And do you feel like the onus is on you as a successful businessperson to invest back into Sheffield and to really make your mark in your community?

**Jamie Hinton:** Yeah...

**Rebecca Burn-Callander:** Is that something that you think about now? Or is it now only when you know you're a billion-dollar company?

**Jamie Hinton:** No, no, I think that's almost like, "Oh, when I've got loads of money, I can give".

No. You can give your time. You've got to give to get.

We invest our time into teaching people – we bring people on board, we go out and try and educate the manufacturers on what's possible.

So, I think it can be at all levels.

I'm a non-executive Director at a business called the Developer Academy, which is helping people cross-train into the development and digital industries and also helping people train in – say – manufacturers or any other company, so that it really amplifies their ability.

I think these are the sort of things you give your time for that really amplifies forward.

Why should you wait until you've got millions of pounds in the bank? Let's do it now – now's the time isn't it?

**Rebecca Burn-Callander:** I mean, you're really injecting this urgency into this topic, which I think is relevant because we're dealing with a pandemic but we're also about to have Brexit, right?

Martyn, if I can bring you in here – do you think that Brexit is going to make the need to level up even more pressing?

Does that have any bearing on this debate?

**Martyn Pullin:**

It is important to the North East, particularly, that we have some basis of frictionless trade, particularly for the automotive sector. It certainly would be for the Midlands – if you look at, you know, JLR, Nissan...big employers, big supply chains into them...

That said,

because we talked about the productivity issue.

And this will resolve the productivity issue in so far as there's some negativity about a new hard core of unemployed within the UK – certain jobs that existed pre-coronavirus won't exist post-...

But I think over the next six months having a clear strategic vision as a business – and having a regional business plan – is really important. And a business plan that's talked about all the time, so that the businesses know what we're trying to do as a region.

And then entrepreneurs like Jamie, people in the community like us, thinking, "Ok. What Can I do to contribute towards that? How can I make a difference? How can we facilitate what we need to do as a region?"

The North East – we're great at call centres, for example. We are personable, we're friendly. Like our friends in Sheffield – you know, people like the accent. How will we be facilitating that? How are we going to train the call centre operators of the future?

Having a regional business plan where we can focus on the strengths – "What are we good at? Where should that employment go?" – and getting everyone to buy into that regional business plan I think is really important.

And the way I feel about Brexit is it's happened in effect but – we'll deal with it when we come to it as we have with the virus.

**Rebecca Burn-Callander:** I love that point about focusing on strengths.

And I actually had a conversation with a chief executive this morning who was saying how this is an opportunity to solve the UK's productivity crisis.

Because, once you've got everyone working from home it's effectively the death of presenteeism.

Every worker will be judged solely on outputs, not on inputs; not what time they came into the office, not how late they stayed but the quality of their work.

That puts enormous pressure on all those people who perhaps were always early to the office and left late, but maybe didn't do very much.

And that shifts the whole way that we look at productivity.

Henri – you were smiling there. Do you think that could play into this levelling-up future?

**Henri Murison:** I think the key point, and we alluded to it earlier, is that the lack of connectivity is one of the reasons why businesses won't locate in a place like the North of England.

So, in the digital sector – I won't teach Jamie how to suck eggs – but there's a reality check that if he hires someone from Leeds, even in Sheffield, that is a right pain for them to get to work...

**Jamie Hinton:** Hands down, yeah.

**Henri Murison:** I used to work in Leeds, and if we employed somebody in Manchester, when I worked in financial services before this job, they wouldn't last two years.

And you sort of say "hello" to them...you wouldn't bother making them a cup of tea as often you wouldn't know them for that long – there's no point getting too friendly.

I think that there's an obvious opportunity...

We talk a lot in the Northern Powerhouse about expanding the 'travel to work area' of the North so that you've got the same labour market as you had in London.

In reality, that has just changed immeasurably.

So, lots of businesses that we work with are already saying that they've got numbers of roles now that will be touch-in days – two a month. You can live anywhere you want in the UK – you can work when you touch in from any of their offices.

And these are businesses that have got bases in Scotland, London, Yorkshire and, clearly, they also have paid people more to be in London...

So, what you're really saying actually is that if you take away the requirement to be in London, then lots of people actually might want to move anyway and live somewhere else.

I think we've probably too long traded on that, "Come to the North" and, "It's all lovely and there's nice walks..." and that sort of stuff.

And actually, there are good jobs here when you get here.

The irony is that if people move out with their London job, what they'll often find is there are businesses based up here where they actually might enjoy working and they never really realise that before they move. Does that make sense? But they realise that after they get here.

We've already anecdotally seen – even within the North – numbers of people moving to more rural places, to the national parks.

Estate agents in very isolated parts in the North of England literally have the phone ringing off the hook because people have realised – even living in South Manchester – they're actually like, "Why am I paying a fortune to live near Media City when I won't have to be there apart from, maybe, once a month?"



So, the same thing that people in London are doing – thinking of moving up here or to other parts of the country – people even around the big cities in the North are thinking: “Actually, do I need to be quite as close to where I used to live and work as I thought I needed to be?”

And I think that does help in terms of lots of people saying, “I can’t move my business to X place...” or, “I need to have an office somewhere else because I can’t do everything in West Cumbria because people won’t live here because their partners can’t get a job...” and all that sort of stuff...

I think for places like that that have got real economic assets – in their case, for example, the nuclear industry – but where not all the value chain is necessarily there (they’re part of operations but not the whole thing, if that makes sense), I think all of that becomes immeasurably easier to capture more of the economic value that places generate.

And also the lifestyles that you can give people are much better.

I think I see it slightly differently – which is that presenteeism was forcing people to commute a lot.

For working families with lots more two-parent working households...as someone who’s brought up kids, I had to make lots of difficult choices about how you do that while working.

I just think it’s a lot nicer – particularly for people of working age with families and other caring responsibilities – to be able to give them more flexibility. And I think they’ll be happier.

And I think that the productivity dilemma is as much about how businesses structure the workplace as the way in which people act when they’re within it. Businesses have got to have a look hard look at how they’ve organised themselves.

Because we had an awful lot of unproductive businesses pre-crisis.

And some of them can embrace the fourth industrial revolution...the stuff Jamie was saying I would endorse completely – what the AMRC has done for manufacturing in parts of the North of England and the wider country has been transformative, and people like Keith and team who set it up...absolutely incredible people who have done amazing things for the North of England...

And we almost need to do that for the whole economy, right? We need to take that idea with the fourth industrial revolution in manufacturing ...and its actually not just for manufacturing, right? The disruption of the working world and how we do things is probably going to take out more accountants and lawyers than it is people in factories.

And actually, if you talk to someone like Jürgen Maier – who used to run Siemens and who is on my board – he’ll tell you for a start that factories will need more people.

You employ cobots and you’ll have more manufacturing done in the UK...actually in professional services and many other service industries you will be able to reduce the headcount considerably.

And for businesses and for people who are in some of those sectors... I think looking at things like manufacturing and other different parts of the economy that have not been at the front of people’s minds in terms of employment is where we’re going to go.

Because actually, those are the key areas – in the North, certainly energy, manufacturing, health and digital – are all the kind of key areas of what’s going to drive our economy and enablers include things like financial or professional services, but they’re not going to be the drivers on their own.

And how you get young people in particular, who are looking at the future going, “Where am I going to put my chips...” – if this is a kind of casino game in Las Vegas – “What am I going to do?”

Well, this is the time to go into those things that are a long-term bet.

Don’t be swayed by the high graduate starting salary. Now it’s time to look at, actually, what are the things in 10-15 years that are going to be genuinely world class in the North and the rest of the country?

And we think we’re going to lead the world on some of those areas right?. This crisis might be enough to shake the government into backing us, because they’re going to need us to be world-leading to pay back the deficit...

So, we're going to have to take some real long shots and real changes in the kind of global race if we're going to be successful. Because doing more of the same thing and being a kind of decent services economy predominantly based in London and the South East is not going to do it.

**Rebecca Burn-Callander:** And that's a good point, because there's almost like a whole series of trends that are just colliding at once – for one, what was seen as a sexy industry before where you could make a lot of money, that is no longer sexy. And the kids in schools, the graduates are now seeing that...

But there's also these other working trends – companies moving more towards a four-day week, for example, the rise of the side-hustle...

What you were talking about at the beginning there Henri...the mass exodus from London, people wanting to move to remote places to be away from too many people and enjoy their lives and all of those things mean that there could be a rebalancing of economic activity.

Just because if you're working only four days, you've moved to a beautiful town in the North, or in the South or in the East and you've got your side hustle... I mean, all these things together create an incredibly interesting melting pot.

Glyn – do you see that as being the future? Or is this sort of just a pie in the sky, "Yes! It's going to be wonderful", but probably not realistic as the truth?

**Glyn Mummery:** It's fascinating just to listen to all the different views on here alone.

I was thinking as Henri was talking about the work-life balance in particular, and how important it is going forward to make sure all generations understand that you do not have to get in the office at seven in the morning and work until seven at night – if not longer, certainly in some of these professional service firms in the cities – to prove your worth.

But against that you do have the concept of team spirit and working as team and the need to have a good ethos in the team.

And can you really recreate that team culture over Zoom or over video conferencing?

Just how many sort of touch-ins do you need with your team during any particular working month?

I will be just very interested to see how it all develops, together with basic human nature as well. As a young guy I just couldn't wait to get into London – I couldn't wait to work there, you know, to feel the excitement, feel the adrenaline.

Is the generation after me just not going to see the same things? I don't know. I don't know. Which is why I find it fascinating.

**Jamie Hinton:** Yeah, the only thing we know is it's going to be different.

**Glyn Mummery:** Yes...

**Martyn:** On the levelling-up front, I mean, with a number of sectors in the northern regions, there's a shortage of good quality employees.

The North East alone – it's estimated – has forty thousand fewer graduates that it needs.

Now, if we are going to be able to remote work, I do think it does opens up that pool of labour to wider areas – skills from outside the region can be brought in.

I totally take on board what Glyn is saying about the culture, and it's something we've consciously tried to do – every other day we have a Teams meeting, and it's less about what we're going to produce that day and in the week and more about, "How is everyone?". It's that "hello" in the morning, it's the 'chat over the cup of tea' type scenario.

But I do think that it will give...it's going to change the competitive environment for employing.

So, I think we've all embraced...

I've never been a home worker, and I've never particularly used a huge amount of video conferencing, other than FaceTiming my mum. But if someone calls you now on audio, you're like, "What are you doing? Why don't you FaceTime me?" It's an unusual occurrence.

But I think that those organisations where you are competitive...if the employer over the road is offering some degree of decentralised or flexible working and you're not, then that will become part of the mix.

From my point of view, when you think about your team, giving your team flexible working, giving them back 40 minutes at the end of their day, giving them back the fuel cost each month, and the wear and tear in that and the stress of that commute...think about the Tube commute in London...I mean, god, what sort of salary does that compare to? That's a huge bonus you can give to your team.

I think we're fortunate in professional services that we sell our time. So, we know what people are doing in six-minute units.

Everyone hates the timesheets in professional services, but we can see productivity has risen.

People go downstairs to work, and they'll switch the laptop on.

They're probably not working every hour of that day consistently like you are when you're sat in the office, but the flexibility with the staff – and from what I've seen from a couple of my staff, lower stress levels – I think that a lot of that's here to stay and will be part of the competitive mix when you're looking to attract talent.

**Rebecca Burn-Callander:** Great. And I'd like to look now a little bit at what business leaders across the whole UK are thinking right now.

What are the challenges that they're facing at the moment?

What's in their heads when it comes to looking at the next month, two months?

I saw you nodding there Henri – what's your take from the businesses that you speak to? What are they worried about right now?

**Henri Murison:**

I think the challenge is that this crisis has caused lots of disruptive impacts even if you're not a business that has an underlying problem.

So, you could have had a business that was absolutely robust – that had a business plan that was absolutely sorted and was going to mail on returns for your investors for years to come.

And now you don't anymore.

I think what I would say is that the learning from this is the need to really understand what will support those viable businesses through this.

Because we've got to make sure that we support those people to be able to get to the other side of it – partly because just the cost to the country, and to society more generally, of mass unemployment is just not worth paying.

So, I think business leaders who can are rightly trying to protect their workforce as much as they can, and I think that's a consistent theme, actually.

But there are some businesses – particularly civil aviation being one example, whether it's in Lancashire or other parts of the North of England – where it's been absolutely decimated.

And you can't just give up on those sectors because they've got huge, huge supply chains.

That's not about giving them a handout.

But if we are going to do things like, say, small modular reactors, we need to start right now saying to people who made bits of planes, "This is the bit you used to make a plane...this is the bit you make for a modular reactor... start switching over now lads and lasses...".

Does that make sense? We've got to do that quickly, because if we don't we're going to lose huge amounts of very highly trained, skilled people who work for successful businesses.

And it's very hard to recreate that.

So that's going to require the government, and our metro mayors, and us all collectively, to really think innovatively about how people can change their business model where they need to.

**Rebecca Burn-Callander:** Am I being hopelessly naïve?

I remember running into our local dry cleaners, and she said, "Oh, it's really difficult because most people use to bring in their suits, and no one wears a suit anymore...".

But then she put up a sign saying, "You've been at home a lot – do your rugs need dry-cleaning? What about your curtains?" and there was an influx!

There's a vegetable delivery service taking all the stuff that used to go into the leisure and hospitality sector and is now going to people's homes...

You pointed out, Henri, that there are sectors where it's really hard to do that – but surely for a lot of places there is a way to innovate a solution?

So, I'd love to finish at this point looking at some of the great solutions that we've seen, especially amongst regional business.

Martyn – have you seen any really outstanding examples? You mentioned a couple earlier – going from was it making gin to making...

**Martyn Pullin:** ...hand sanitiser!

**Rebecca Burn-Callander:** ...hand sanitiser, exactly!

For the business owners listening to this, how tricky is it for them to just put a different perspective on their assets and their resources and switch to something that makes money?

**Martyn Pullin:** I think very quickly after the initial shell shock many businesses owners I know did look at, "Well, what can I do?".

I think we've all seen lots of local pubs and restaurants turn into takeaways – re-inventing themselves now and very quickly developing apps for that sort of thing.

I know an app developer for one sector – I won't say what it is – but their project was completely put on hold, and then suddenly they were moved on to a brand new concept, which was virtual queueing for theme parks as a client had approached them.

So, a technology that they'd not particularly looked at, and that these theme parks had not looked at it...and suddenly they were approached with, "Well...we don't want to have 100 people stood for two hours in the sun – let's have some virtual queueing!" Think how many rides you could get on in one of these places if you could just tap, and you're in, sort of a Disney model...

And another business – a fish business up here on the East Coast. Its route to market was small independent restaurants, hotels, bars etc. And that closed overnight.

They've now launched 'shore-to-door'. We've got a little close – our 'loco court' as we call it – ten houses...we all know each other really well.

We used to have barbecues and street parties – can't be doing that at the moment – but we have a WhatsApp group.

We get together and we order fish for delivery every couple of weeks, and I think communities are doing that – you talked about the veg deliveries...

But, for some businesses pivoting has been incredibly tough. How do you pivot a hotel?

But I do think there are lots of great ideas, and in times of crisis new ideas, new inventions come out.

New ingenious ways of communicating with customers, supporting your team do come out, and I think there's many things that we've all discovered during this crisis that are here to stay, and for the better.

**Rebecca Burn-Callander:** Jamie, you were nodding there. Just, tell me what's been the most positive learning that you've had come out of the misery of this crisis that you think will stand your business in good stead for the future?

**Jamie Hinton:** Oh, the best – and there's so many – I think it's the realisation that technology really makes a difference in a business.

Some people haven't adopted it and now they have and they're like, "This is amazing. Why didn't we do this ages ago?" And I think that you've taken the fear away from them.

It's almost like we fear, fear sometimes, and businesses are fearful of actually making change.

And we see that across sectors, because we're not sector-specific, and that's by design.

But it's really amplified people going, "Actually, we need to do something", and, "Actually, that's worked", which is great.

And I think it will stand our business in good stead for the future, and hopefully will amplify everyone else's business by doing what we're doing, because that's what we're here for

**Rebecca Burn-Callander:** A really positive chain reaction...

Thank you, Jamie. And thank you all so much for taking part today – it's been absolutely fascinating hearing from all of you.

I feel like we could be here another hour or two hours debating this topic, but I think we'll leave it there, and talk to you soon.

Thank you.