

Business Recovery – illustrative examples of impact

The flooding has had a severe impact on many businesses throughout the District, but especially in Kirkstall, the City Centre and Hunslet/Stourton, and has caused disruption to numerous businesses in Otley, as well as ongoing impact in relation to affected infrastructure e.g. Linton Bridge. Several businesses, including some large manufacturers, have suffered significant damage to their premises, plant and machinery. Other businesses face issues around lost revenue, redundancies, insurance and contamination. The challenges are significant and work will continue for many months to support a full recovery. This is a major risk to investment and business confidence in Leeds. Businesses are worried about the long term impact of the flooding, citing concerns that areas such as Kirkstall Road might become less attractive, leading to an exodus of businesses.

The following illustrates a sample of the 519 businesses that are estimated to have been affected.

Kirkstall

- An automotive components manufacturer, who employs around 90 people manufacturing components for the automotive industry, suffered severe impact on their machinery (they have three deliveries they make to a major automotive manufacturer each day).
- A food manufacturing business incurred significant damage to stock and equipment. The company spent £80K to get up and running which had to be financed through bank finance. The company was closed for 24 days and lost £150K in sales (10% of their annual turnover).
- The closure of a well-established printers and the loss of 25 jobs.
- An engineering firm, who employ around 30 people, lost their welding machines.
- A clothing distribution centre was flooded and stock worth over £1 million was lost.
- A specialist printers have lost all their equipment. The lead time for ordering new equipment is six months and the company are currently outsourcing production to retain existing business.
- A number of independent retailers have been very badly damaged and face the real risk of closure.
- The retail parks were flooded and some leisure destinations and retailers were closed for several days.

Hunslet / Stourton

- A manufacturing company, who employ 200 people in Leeds, suffered significant damage and have decided to relocate rather than re invest on their existing site. The company have a site requirement for 30,000 sq. ft. of temporary space which the Council is assisting with finding suitable premises for. The company need a permanent new site and are at risk of moving to other UK locations.
- A number of other significant manufacturing and distribution businesses have been severely affected. One particular industrial estate has lost its electricity substation and is currently without power.

City centre

- The hardest-hit areas were around Leeds Bridge, Dock Street, Brewery Wharf and Wellington Street. Some businesses here suffered significant damage, and some were disrupted or closed for several days.
- A major hotel has been closed due to flooding in the basement area. The hotel has suffered significant damage to its electricity supply, boilers and IT. The hotel is likely to be closed for 9 weeks, with damage and losses estimated in excess of £2m.
- A leading accountancy/consultancy firms' Leeds office was closed due to damage to their basement. They experienced ongoing problems due to a collapsed sewer.
- A major insurance firm closed its city centre office and relocated staff and operations to other premises in the city.

Other locations

- A stables business in Horsforth suffered damage as the water came up to about 1.5 metres in the business's work area.
- Many businesses in proximity to Linton Bridge, which offers a connecting route between Collingham and Wetherby, have been disrupted by the bridge closure.
- Numerous farming businesses have been affected by flooding of agricultural land and buildings throughout the main river valleys of the Rivers Aire, Wharfe and Calder.
- A former energy storage and distribution site in Woodlesford suffered major flooding with potential contamination.

A further report on business impact will be produced for the Executive Board meeting in March.