

**NEWCASTLE-UNDER-LYME BOROUGH COUNCIL**

**EXECUTIVE MANAGEMENT TEAM'S  
REPORT TO CABINET**

**20 May 2020**

**Report Title:**            **Coronavirus Pandemic Update & Recovery Planning**

**Submitted by:**        **Chief Executive**

**Portfolios:**           **All**

**Ward(s) affected:**   **All**

**Purpose of the Report**

To inform the Cabinet of the actions being taken across the Council to respond to the Coronavirus pandemic and to prepare for recovery.

**Recommendation**

- 1. It is recommended that Cabinet note this report and endorse the work being undertaken to respond to the Coronavirus pandemic and prepare for recovery.**

**Reasons**

To allow Cabinet to publicly consider the actions being undertaken in response to the Coronavirus pandemic and to prepare for recovery.

**1. Background**

1.1 The Coronavirus pandemic is the greatest single risk to the health and economic wellbeing of the country since the Second World War. In February 2020 the Council established an Incident Management Team to plan the Council's response, ensuring that support to local residents and businesses was provided, that Council services were maintained, and the welfare of officers and members protected. Informal Cabinet have been regularly briefed on the work being progressed, including a daily briefing with the Leader. The approach adopted is based on existing business contingency arrangements and has put the Council in a good position in terms of stepping up its response.

1.2 The Incident Management Team interfaces with a range of groups which have been set up countywide to co-ordinate the response to the pandemic, including the Strategic Coordinating Group, and working groups on mortality management and vulnerability.

1.3 Cabinet received a report at its April meeting which noted the work of the Incident Management Team. Since that work, the work to address the impact of the pandemic has continued, with emphasis steadily shifting to the recovery phase. The emphasis on recovery has intensified since the Government's announcement on 10<sup>th</sup> May of a plan to ease the lockdown.

**2. Issues**

2.1 This report addresses the current Council's response to the pandemic across five areas of work:

- Council Services
- Support for the most vulnerable
- Support for Businesses
- Impact on Council Finances
- Recovery Planning

### **Council Services**

2.2 Since the commencement of the lockdown, staff who have been able to effectively work from home have done so. The only staff not working from home are those whose role means that this is not practical, typically those involved in non-office roles such as waste management, streetscene. This has meant that services such as Planning, Economic Development, Customer Services, IT, etc have been able to carry on with minimal disruption. However, a number of services have been significantly impacted either due to the risk associated with continuing business as usual, the additional demands placed on the service, or due to Government guidance. The services experiencing the most significant change are:

- **J2** – Closed to public
- **Museum** – Closed to public
- **Castle House & Kidsgrove Customer Contact facilities** – closed to the public, with all services being provided online or by phone
- **Waste & Recycling Collection** – All waste streams are being collected, including Garden Waste. The collection schedule has been adjusted to make the best use of available resource, and to respect the guidance on social distancing. Service performance has been sustained despite a very significant increase in volumes of waste being presented.
- **Streetscene** – Service has been refocussed on priority areas to free up resource to support waste collection. The service has however increased its grounds maintenance activities over the last month, utilising practice which supports social distancing.
- **Bereavement** – Time allocated to each funeral service at the crematorium has been reduced from 40 minutes to 30 minutes to increase capacity, and the numbers able to attend funerals has been reduced to a maximum of 10.
- **Taxi Licencing** – the service is focusing on supporting existing drivers, with no new license applications currently being processed. Taxi testing has been suspended. Nevertheless, through holding remote licencing hearings and other measures in place there remains an appropriately licenced adequate taxi and hackney carriage fleet in operation.

2.3 In addition to the above, services which involve site visits (eg planning enforcement, environmental health) are continuing, but with risk assessments informing whether or not a particular site visit can be conducted.

2.4 Government guidance to facilitate the easing of the lockdown continues to encourage working from home wherever possible, but has provided specific guidance for employers to enable other work to recommence. Officers have prepared a suite of risk assessments based on this guidance to enable such work to commence. These risk assessments, which can be used as a core document refined to meet the needs of specific services, include:

- Visiting and enforcement staff – guiding activities which involve visits to homes or business premises and covers issues such as PPE, social distancing, pre-visit contact and advice, and cleansing;
- Undertaking outdoor working – Guiding activities such as streetscene and waste & recycling, and parking enforcement, and covers matters such as maintaining social distance between colleagues, the public and contractors, disciplines around sharing tools, PPE, and cleansing;
- Vehicle use – Guiding the use of vehicles for work, addressing issues such as avoiding mixing teams/vehicles; cleansing discipline, and social distancing;
- General Office Assessments – Guiding the arrangements which would need to be in place to enable office based working to be stepped up. This includes arrangements for cleansing, social distancing, etc. For each office building which is recommissioned, a certificate signed by the Chief Executive must be displayed, confirming that the premises are being managed in a way which is Covid Secure.

2.5 These risk assessments, prepared over the last week, are anticipated to enable some additional services to resume. Additional task-specific assessments will be completed by teams where their duties extend beyond those covered by the four above. Safe working practices will also be devised by each team to direct staff in safe methods of work. Services such as leisure and museums are not expected to be reopening until at least the beginning of July, by which time further guidance documents are expected to be released by Government which can be incorporated into further risk assessments.

2.6 The key elements of the democratic process are being facilitated via Zoom Video Conferencing, with Planning, Licencing and Cabinet meetings all taking place via this medium. Each of the three Scrutiny Committees will also hold meetings via Zoom during June/July.

### **Support for the Most Vulnerable**

2.7 There has been a significant national effort to ensure that the most vulnerable in society continue to have access to food, medicine and support despite the need for them to practice social distancing and, in many cases, not leave their homes. A national food distribution programme has been established to support the most clinically vulnerable; at county level, Staffordshire County Council has established a significant infrastructure to meet the needs of other vulnerable people.

2.8 Recognising that the Borough Council has a particular, and close, relationship with the communities that it serves, the Council has also set up a helpline and online facility for individuals to reach out for assistance. The helpline is staffed by colleagues from J2 and links into the national, and county support arrangements, as well as support arrangements established with the Realise Foundation and Support Staffordshire. Over the past two weeks calls to the helpline have steadily decreased (from c.150-200pw to c.40pw), suggesting that individuals are finding solutions to their needs either within their families or within their communities. Notwithstanding this, it is intended to keep this support function going, with the call handlers undertaking work on other telephony based work with the capacity released.

### **Homeless & Rough Sleepers**

2.9 In addition to the helpline, a significant resource has been allocated to supporting those at risk of homelessness. In March the Government required District and Borough Councils to provide emergency accommodation for any rough sleepers in their area and provided funds to support

this. The Council is currently providing emergency accommodation for 21 individuals. This includes 6 people in B & B, supported through daily contact and checks and 15 individuals and one family housed in a range of Temporary Accommodation, with support tiered according to need.

2.10A number of the first group of homeless people who were provided accommodation at the start of the lockdown have ceased to engage and some of these are reported to be rough sleeping again. The Rough Sleepers Team (RST) are out every day trying to get them to engage and we are also working with Police colleagues to consider escalation to enforcement if appropriate. There has also been a recent increase in the number of people persisting in loitering in the town and while not necessarily homeless they are breaching social distancing guidance. The Council is working closely with Police colleagues to address this issue, including taking enforcement action where necessary and appropriate.

### **Support for Businesses**

2.11 The Government has put in place a range of support packages for small businesses, as outlined below. For Newcastle-under-Lyme, these will be administered by the Borough Council:

2.12 Twelve month business rates holiday - Businesses with a rateable value of up to £12,000 are currently exempt from business rates under the Small Business Rate Relief scheme. The Government has now introduced a business rates retail holiday for businesses in the leisure, hospitality and retail sectors for 2020/21. The Council will receive a Section 31 grant to cover the loss in business rates income as a result of this measure, forecast to amount to £3.502m. This measure will be implemented by the Council through re-issuing National Non Domestic Rates (NNDR) bills reflecting the reduction.

2.13 Small business grant funding of £10,000 for all businesses in receipt of small business rate relief or rural rate relief.

2.14 Grant funding of £25,000 for retail, hospitality and leisure businesses with property with a rateable value between £15,000 and £51,000.

2.15 To cover two grant programmes, the Council has received £23.876m. To date the Council has paid out over £18.5m to over 1600 businesses. In order to encourage take up of the grant, those businesses which were identified as eligible, but which had not applied, have been contacted by telephone and/or email. Social media has also been used to encourage take up of grants.

2.16 The current grant programme is tightly focused on businesses which are registered for NNDR, resulting in some small businesses which are directly impacted by the lockdown being ineligible. These include, for example, businesses which are based in shared premises or business centres where a managing company pays the NNDR, with the individual businesses paying towards this within their overall rent. Recognising this, the Government has introduced an additional grant scheme with a greater degree of discretion to local authorities as to which businesses receive the grant, albeit with some restrictions. It is anticipated that the Council will be inviting applications to this fund in late May/early June.

### **Financial Impact**

2.17 The Pandemic has had a significant impact on the Council's financial position through a mix of lost income and additional costs. Cabinet was advised in the April 2020 report of the

prospect of the Council's S151 officer needing to issue a S114 notice to Council unless the financial situation could be addressed in order to secure a balanced budget position.

- 2.18 The Council actively lobbied both through our local Members of Parliament and through national networks as part of sector wide lobbying, to press the case for appropriate Government support to address Covid-19 related costs and loss of income. Since the last report to Cabinet, the Council has been allocated additional Government support of almost £1.3m to support its delivery of Covid related activity and the impact of the pandemic on the Council's income. This additional funding is sufficient to return the Council to a balanced budget position and ensure that it has sufficient cash to meet its outgoings in the short term.
- 2.19 The Council's revenue budget relies on service income from fees and charges of c£850k per month across a wide range of services. A number of the Council's services have closed to the public, e.g. Jubilee 2, Markets and the Museum, there is also likely to be a significantly reduced demand for a number of other services. The Council has been actively monitoring the impact of the lockdown and the working practices required to ensure safe practice. Across the business, it is estimated that net income of c£300k will be lost during each month that the lockdown prevails. The majority of this income loss relates to J2 leisure memberships, parking, court fees and recycling income.
- 2.20 In addition to the loss of income, the Council is experiencing additional costs in some areas, with the most significant of these being in Waste & Recycling where additional costs of treating recycling product amounts to over £65k per month. Additional costs have also been incurred in vehicle hire and staffing in order to maintain the service whilst complying as far as possible with the Government's social distancing requirements. Additional costs are also being incurred in emergency accommodation for homeless people, rough sleeper and domestic abuse victims and interest costs.
- 2.21 Across the Council additional costs amount to c£134k per month.
- 2.22 In the longer term, any impact on either business rates collection (due to business failure) or Council Tax collection (due to non-payment) will materialise in 2021/22. A 10% reduction in the collection rate would cost the Council £180k per month in lost collection fund revenues.
- 2.23 The immediate consequences of the Coronavirus on the Council's financial position will depend significantly on duration of the lockdown and on the scale and timing of further Government financial support. The Council is actively lobbying our local Members of Parliament and through national networks as part of the wider public sector family, to make the case for further Government support to address Covid-19 related costs and loss of income.

### 3. **Recovery**

- 3.1 With the lockdown beginning to be eased, efforts are now increasingly focused on recovery, and ensuring that both the Council and the Borough get "Back on Track" – getting the economy back to its pre-lockdown position as swiftly and safely as possible. A recovery plan has been prepared, with six distinct work streams – two internally focussed and four externally focussed. Cabinet will oversee the implementation of the recovery plan, with portfolio holders working closely with the Executive Management Team colleagues leading on each work stream.

The work streams are:

- **The Immediate and essential foundations for recovery** – this element of the plan is a bridge between the response phase and the recovery phase, and is focused on ensuring that the Council, our communities, and the business sector are in the best possible position, in the very short term, to effectively engage with the recovery process.
- **Reopening Safe, Successful Retail Centres** – using the Government’s guidance as a focus, ensuring that Newcastle and Kidsgrove town centres and the various district centres across the borough are able to re-open for business in June, and that the public can be assured that Covid Secure practice is in place and as such the locations are as safe as they can be, and that social distancing can be maintained. In addition, this work stream focusses on supporting businesses to be as successful as they can be under the new arrangements.
- **Supporting Health & Wellbeing** – ensuring that vulnerable people, and people made vulnerable by the pandemic, receive the support that they require.
- **Economic Recovery** – working with partners, ensuring that support is in place for businesses post Covid, and ensuring that the Council and its partners are well placed to deliver the major infrastructure and regeneration projects which will be critical to rebuilding the local economy. Future High Streets Fund and Town Deals will be central to this.
- **Stepping-up Council Services** – bringing Council services back to their original service capacities in line with Government guidance for re-opening the economy. It is anticipated that some services will experience significant spikes in demand once the economy begins to re-open, and such spikes will need to be carefully planned for within overall capacity. In addition, The Council’s new Recycling Service will be rolled out in the coming weeks building on the current operating model brought in response to the pandemic.
- **Financial Recovery** – development of a clear plan for the Council to build up its financial resilience following the Pandemic.

#### 4. **Proposal**

4.1 Cabinet are recommended to note this report.

#### 5. **Reasons for Proposed Solution**

5.1 This report serves to brief Cabinet on the work being undertaken to address the Coronavirus pandemic, and the financial impact that the pandemic is having on the Council, and the recovery arrangements being put in place.

#### 6. **Options Considered**

6.1 N/A

#### 7. **Legal and Statutory Implications**

7.1 Addressing the impact of Coronavirus locally has involved adjusting some service provision. When making such changes there are a number of legal and statutory implications to take into account. These are all appropriately factored into decision taking by the Incident Management Team.

#### 8. **Equality Impact Assessment**

8.1 None directly arising from this report.



9. **Financial and Resource Implications**

9.1 The Council's General Fund balance as at 31<sup>st</sup> March 2019 was £1.548m. As the country begins to move out of lockdown careful monitoring will be required over coming weeks and months of the emerging impact on both the local economy and the Council's finances leading to prompt corrective action where necessary. This may include formal action by the Council's s151 officer to ensure that reserves are not exhausted and the Council remains in a position of being able to deliver a balanced budget in the current financial year and beyond.

10. **Major Risks**

10.1 The Coronavirus Pandemic, in the round, represents a significant risk to the Council. This report sets out how that risk is being addressed.

11. **Sustainability and Climate Change Implications**

11.1 N/A

12. **Key Decision Information**

12.1 This is not a key decision

13. **Earlier Cabinet/Committee Resolutions**

13.1 None

14. **List of Appendices**

14.1 None

15. **Background Papers**

15.1 None