

NON-EXEMPT

HAVANT BOROUGH COUNCIL

CABINET

1 July 2020

Covid-19 Recovery and Transformation

Gill Kneller – Chief Executive

FOR DECISION

Report No: HBC/012/2020

Key Decision: No

1.0 Purpose of Report

1.1. This report is submitted to Cabinet for policy decision.

2.0 Recommendation

2.1. Cabinet is recommended to:

- a) agree to the preparation of a Covid -19 Recovery and Transformation Strategy and Plan
- b) create a Recovery and Transformation Liaison Panel, with the terms of reference set out in Appendix B.

3.0 Executive Summary

3.1 This report outlines the proposed governance structure and arrangements to facilitate the recovery of the of Councils to ensure that they are financially and environmentally sustainable for the long term and to be in a position to support the community and local economy during and following the Covid-19 Pandemic.

3.2 The governance structure and arrangements reflect the existing Scheme of Delegation for each Council whilst seeking to complement the established governance structure of the multi- agency recovery led by the HIOW LRF. The HIOW LRF Recovery Plan provides a recovery framework and guidance to help the community. The proposed Council structure is set to exercise overall coordination at the local authority level.

4.0 Additional Budgetary Implications

- 4.1. The Covid-19 pandemic is likely to have severe implications for the Council's short-term budget and the longer-term financial stability of the Council. The combination of additional expenditure, increased demand for certain services, the need to continue to meet statutory obligations and a decrease in income is a significant challenge and officers are working to assess, monitor and report on the impacts and implications throughout the recovery and transformation phase. [see financial sections for more details].

5.0 Background and relationship to the Corporate Strategy and Directorate Business Plan/s

Background

- 5.1 The current coronavirus outbreak has presented a significant challenge internationally ever since the new strain was first identified in Wuhan City, China in December 2019. On 30 January 2020, the World Health Organisation (WHO) declared the outbreak of coronavirus a "Public Health Emergency of International Concern". On 31 January the first confirmed cases of COVID-19 were recorded in the UK.
- 5.2 On 10 February, the Secretary of State for Health and Social Care, announced the introduction of a set of strengthened legal powers to increase protections against the coronavirus outbreak in England. The Health Protection (Coronavirus) Regulation 2020 have been introduced to keep individuals considered by public health professionals to be a reasonable risk of spreading the virus, in isolation.
- 5.3 On 2 March 2020, the Prime Minister chaired a meeting of the government emergency COBR committee on the coronavirus outbreak. Following this meeting, the government published the Coronavirus Action Plan on 3 March 2020, containing countermeasures taken by the health and care system across the UK to respond to the coronavirus outbreak. The precise response to coronavirus is being tailored to the nature, scale, and location of the threat in the UK, as the scientific understanding of this develops.
- 5.4 The Chief Medical Officer announced the first death of a patient in the UK with coronavirus on 5 March 2020.
- 5.5 On 9 March 2020, the Secretary of State for Housing, Communities and Local Government announced a new taskforce which will bring together senior experts from across relevant sectors such as resilience, local government, public health and adult social care and will assess LRF plans and readiness, and provide support and advice to ensure they are robust.

- 5.6 On 11 March 2020, as part of The Budget, the Chancellor set out a package to provide support for public services, individuals and businesses affected by the coronavirus.
- 5.7 The virus that causes COVID 19 disease is present and spreading in the community. Hampshire and Isle of Wight have enacted the measures from Government to delay the spread of infection, including school closures and cessation of non-critical services.
- 5.8 A wider lockdown of society was put in place in March 2020.
- 5.9 At a national level lead responsibility for providing overall multi-agency command, control, and co-ordination throughout the different phases of the pandemic lies with Department of Health and Social Care (DHSC) supported by Public Health England (PHE).
- 5.10 At a local level, the HIOW LRF is responsible for coordinating the county response and recovery to the pandemic. The HIOW LRF has prepared a draft recovery plan and a multi-agency structure to facilitate the recovery of the community during and following the Covid-19 Pandemic. The LRF Recovery Structure is shown at Appendix F.
- 5.11 The HIOW LRF is not a legal entity, nor does it have powers to direct its members. The LRF is organised as a collaborative mechanism for delivery equipped to achieve the mutual aims and outcomes agreed by its member organisations. The LRF works alongside other elements of the multi-agency planning framework, particularly the resilience planning framework. However, the resilience framework is not a hierarchy and, under the principle of subsidiarity, direction, information, and support should flow in both directions. The LRF therefore support the recovery at the local level including the production of local recovery plans and other documents.

Understanding recovery

- 5.12 The Principles of recovering from emergencies include:
- Recovery is an **enabling and supportive process**, which allows individuals, families, and communities to attain a proper level of functioning through the provision of information, specialist services and resources.
 - Effective recovery requires the establishment of **planning and management** arrangements.
 - Recovery management arrangements are most effective when they recognise the **complex, dynamic and protracted** nature of recovery processes and the changing needs of affected individuals, families, and groups within the community over time.
 - The management of recovery is best approached from a **community development** perspective. It is most effective when conducted at the local level with the active participation of the affected community and a strong reliance on local capacities and

expertise. Recovery is not just a matter for the statutory agencies - the private sector, the voluntary sector and the wider community will play a crucial role.

- Recovery is best achieved where the recovery process begins from the **moment the emergency begins**.
- Recovery planning and management arrangements are most effective where they are supported by **training programmes**.

5.13 The recovery process comprises the following overlapping activities:

- **Consequence management** – Taking steps to prevent the escalation of the impacts of an emergency (e.g. restoring essential services following a disruption or securing evacuated premises).
- **Restoring** the well-being of individuals, communities and the infrastructure which supports them – Emergencies can have enduring impacts and timely action will be needed to identify those impacts coupled with longer term engagement to ensure that they are adequately addressed.
- **Exploiting** opportunities afforded by emergencies – Establishing what happened, identifying where improvements could be made, and applying lessons learned. Taking steps to adapt systems, services and infrastructure affected by emergencies to meet future needs for example working from home arrangements, reducing the Council's carbon footprint, improved support networks for local communities.

The Council's proposed recovery and transformation structure and governance arrangements

5.14 The Councils' arrangements include the establishment of Cabinet Liaison Panel (CLP) which will provide guidance and advice to the Portfolio Holder (EHDC) and Cabinet Lead (HBC) for Recovery and Transformation, who will then act under the existing Scheme of Delegation for each Council. The Liaison Panel will be supported by working groups covering the key themes as shown in the governance structure at Appendix A. Feeding into each of the workstreams will be a supporting workstream which includes input from the legal, communications and Insight teams.

5.15 More detailed information about the role of these groups is included within the draft Terms of References in Appendix B. It is the intention that each lead officer will finalise their terms of reference in consultation with the Portfolio Holder (EHDC)/Cabinet Lead (HBC).

5.16 To help establish this proposed structure is guidance for the Chairs of the working groups (Appendix C), a draft agenda for the initial meeting (Appendix D) and a template for an action log (Appendix E).

5.17 The key themes have been identified as Organisation, Community and Economy. The organisational theme being critical to ensure the

Council recovers to 100 per cent operational within a new business and is financially and environmentally sustainable. The Council will then be in a strong position to support the community and local economy.

- 5.18 **The organisation workstream** comprises everything in relation to how the Council recovers from the pandemic for example financial sustainability, staff health and well-being and restoring business as usual operations.
- 5.19 The Council is facing a stronger customer demand for certain services; cost pressures and it must continue to fulfil its statutory obligations. Covid-19 has seen customer expectations rise and the need for additional support which will continue throughout the recovery phase.
- 5.20 To deliver the Council strategy, obligations, and the support the local community and economy, the Council must be financially and environmentally sustainable. The key focus for recovery is therefore the organisation so that the Council can operate effectively.
- 5.21 Transformation is at the heart of the Council's recovery as it is the vehicle that will shape how the Council operates in the future. The recovery of the Council is reliant on moving at pace to implement a new operating model to ensure the Council is financially and environmentally sustainable for the long term.
- 5.22 An organisational recovery and transformation timeline is attached at Appendix G.
- 5.23 The new operating model will need to be resilient, flexible, and agile and supported by a new working culture where people have the required skills and behaviours to fulfil their roles.
- 5.24 The **Community (external) workstream** comprises physical impacts for example, individual health, housing, and financial needs. It also covers the environment and infrastructure including disruption to daily life and essential services for example welfare services, food distribution, natural resources and habitats, and waste.
- 5.25 **The Economy (external) workstream** comprises everything associated with the recovery of the local economy for example regeneration, business, the housing market, retail, and tourism.

Next steps

- 5.26 Each of the three workstreams commenced in June 2020 starting with undertaking initial impact assessments. These assess internal impacts on each service to feed into the Transformation workstream as well as assessments covering the key external themes of

community and economy. These will continue to be developed and kept as live documents which will be updated as we move through the recovery phase and as new evidence emerges.

Relationship to the Corporate Strategy and Directorate Business Plan/s

- 5.27 The approach to dealing with COVID-19 to date has been aimed towards mitigating any impact of the pandemic on delivery of the councils' services and ambitions, with a significant focus being on health and wellbeing in the short term, whilst also considering the economic and social impacts.
- 5.28 The Recovery and Transformation Plan will inform the Councils' priorities, and these can be reflected in future Council and Service Plans.

Climate Emergency

- 5.29 There are opportunities for climate issues to be woven into plans to support a green a resilient recovery.

6.0 Options considered and reasons for the recommendation

- 6.1 Option A - A single Recovery and Transformation Strategy and Plan for both Council's with a shared governance structure is the recommended option having regard to the resource implications across the two Council's.
- 6.2 Option B – An individual governance structure, and a Recovery and Transformation Strategy and Plan for each Council has been considered but there would be duplication in efforts leading to inefficiencies in human resource and additional cost implications.
- 6.3 Option C – A shared governance structure with a separate Recovery and Transformation Strategy and Plan for each Council but again there would be an element of duplication, particularly around the organisation workstream, incurring additional costs.

7.0 Resource Implications

Financial Implications

- 7.1 The pandemic poses a significant financial challenge to the Council and extensive work is being undertaken to track the additional expenditure required by the additional duties imposed on the Council as well as the substantial loss of income from service provision and commercial property during the lockdown and throughout the recovery phase.

- 7.2 The Council is providing information to MHCLG monthly regarding additional expenditure and lost income and lobbying for additional funding to carry out additional duties and replace lost income.
- 7.3 A Covid-19 cost centre has been established and the s151/Director of Corporate Services will allocate funding in line with priorities identified.
- 7.4 A far more significant impact to the Council is the loss of revenue through reduced income and from arears in council tax and business rates.
- 7.5 These financial pressures are set to continue throughout the response and recovery and transformation phases, with a higher customer demand for critical services and the need to continue to fulfil statutory obligations
- 7.6 The organisation workstream will consider the finance implications for the Council and the community and economy working groups will assess the implications for East Hampshire district and Havant borough, such as potential sources of funding

Human Resources Implications

- 7.7 There will be human resource implications following from the pandemic and to resource the Recovery and Transformation Strategy and Plan. There will be demand on officers and members time which will add pressures to existing resource and have implications on the delivery of the current corporate strategies. The “demand” for certain services will become exhausted in the “Response Phase”. Due consideration needs to be given therefore to sustaining this throughout recovery because actions may be operating alongside existing response plans.
- 7.8 The transformation workstream will influence a new way of working with redefined services, and roles and responsibilities for staff.

Legal Implications

- 7.9 The transformation workstream will be supported by legal to ensure that the new operating model fulfils our duties and responsibilities in line with regulations and ensure that the Council has a robust and fit for purpose constitutional framework.
- 7.10 The supporting legal working group will review and undertake work to understand the legal implications for the council throughout the recovery and transformation phase and feedback to the CLP.

8.0 Risks

- 8.1 The Council is maintaining a risk register for Covid-19 which is kept updated on a regular basis and this will continue throughout the recovery phase. This details the risks and mitigations taken in managing the emerging risks. This is in addition to the normal risk management procedures.
- 8.2 Risks for recovery are identified by the HIOW LRF.
- 8.3 Risks will also be identified by the working groups and regularly reported to the CLP.

9.0 Consultation

- 9.1 There will be significant engagement within the Council throughout the organisation's recovery and the transformation workstream.
- 9.2 The Council is committed to engage with residents, communities, and key stakeholders as we move into and through the recovery phase.

10.0 Communication

- 10.1. The Recovery and Transformation Plan will be supported by a communications strategy. A communications officer will sit on each of the working groups and feedback to the CLP to ensure communications are coordinated and effective.

11.0 Appendices:

Appendix A – Proposed Covid-19 Governance Structure
Appendix B – Draft Terms of References
Appendix C – Guidance for the Chairs of each working group
Appendix D – Draft agenda for initial meeting of working groups
Appendix E – Template for Action Log
Appendix F – HIOW LRF Recovery Governance Structure
Appendix G – Recovery and transformation timeline

12.0 Background Papers:

- 12.1 HIOW LRF Covid-19 Recovery Plan

Agreed and signed off by:
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