



Meeting: **Cabinet**

Date/Time: **Friday, 22 May 2020 at 11.00 am**

Location: **Sparkenhoe Committee Room, County Hall, Glenfield**

Contact: **Anna Poole (Tel. 0116 305 2583)**

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Membership

Mr. N. J. Rushton CC (Chairman)

Mr. R. Blunt CC Mr. T. J. Pendleton CC
Mr. L. Breckon JP CC Mr. J. B. Rhodes CC
Mr. I. D. Ould OBE CC Mrs H. L. Richardson CC
Mr. B. L. Pain CC Mr. R. J. Shepherd CC

Please note: This meeting will not be open to the public in line with Government advice on public gatherings.

**The meeting will be filmed for live or subsequent broadcast via YouTube:
www.youtube.com/channel/UCWFpwBLs6MnUzG0WjeirQtQ**

SUPPLEMENTARY REPORTS

<u>Item</u>	<u>Report by</u>	
4. Coronavirus (Covid-19)		
(a) Coronavirus (Covid-19) Impact and Response of the County Council.	Chief Executive and Service Directors.	(Pages 3 - 22)
(b) Coronavirus (Covid-19) Financial Implications.	Director of Corporate Resources	(Pages 23 – 32)



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CABINET – 22 MAY 2020

CORONAVIRUS (COVID-19) IMPACT AND RESPONSE OF THE COUNTY COUNCIL

SUPPLEMENTARY REPORT OF THE CHIEF EXECUTIVE AND SERVICE DIRECTORS

PART A

Purpose of the Report

1. This supplementary report outlines the work being undertaken within the County Council and with partners to address the impact of the coronavirus (COVID-19) within the County. The report sets out –
 - a) the current position on the spread of COVID-19 and testing for the virus;
 - b) issues relating to access to Personal Protection Equipment (PPE), the national shielding initiative, and excess deaths planning
 - c) the resilience and co-ordinating activity being undertaken by the Local Resilience Forum and by the County Council;
 - d) the work now underway with partners to recover from the current crisis; and
 - e) an update on response and recovery activities being undertaken by Departments.
2. A separate supplementary report sets out the latest analysis of the financial impact of the crisis on the County Council's finances in the short and medium term.

Recommendations

3. The Cabinet is asked to:-
 - a) Note the actions taken to date in response to COVID-19;
 - b) Convey thanks to the Sichuan Provincial People's Government for its donation of 20,000 face masks;
 - c) Note the work that has commenced on recovery and approve the establishment of the cross-party working group with the terms of reference as set out in Appendix B.

Reason for Recommendations

4. To advise on the current position on the response to the coronavirus pandemic and to seek agreement to the establishment of a cross-party working group to provide high-level direction and political perspective to the County Council's Recovery Plans.

Background

5. Coronaviruses are a family of viruses common across the world in animals and humans. COVID-19 is the illness seen in people infected with a new strain of coronavirus not previously seen in humans and began in Wuhan Province in China in December 2019. This has since spread to most parts of the world. The Cabinet considered reports on this matter at its meetings on 24th March and 28th April 2020.

Circulation under the Local Alerts Procedure

6. This report has been emailed to all members of the County Council.

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PART B

Update on Key Issues/Themes

Health position

7. Across Leicestershire there have been 1,152 confirmed cases of COVID-19 as at 18 May. Over the last month the week on week increase in case numbers has slowed appreciably.
8. The number of laboratory confirmed cases per head of population in Leicestershire, remains below the East Midlands and national averages, and in line with other East Midlands counties.
9. Data is now available for the rate of cases by district. The numbers per district are: Blaby 181, Charnwood 260, Harborough 139, Hinckley and Bosworth 232, Melton 62, North West Leicestershire 142, Oadby and Wigston 136. Oadby and Wigston and Hinckley and Bosworth have appreciably higher rates of cases per head of population compared to other areas of Leicestershire.
10. The Office for National Statistics (ONS) data examining weekly counts of deaths from COVID-19 by location has been updated. The figures below give the most up to date picture for deaths occurring up to 9 May that were registered before 16 May. They detail all deaths of Leicestershire residents, wherever they died and wherever those deaths were registered.
11. The data shows:
 - There has been a total of 349 deaths in Leicestershire, 46 in the last week of ONS data.
 - Of these total deaths involving COVID-19 in Leicestershire, 214 (61%) were in hospital and 112 (32%) were in care homes.
 - The number of care home deaths in Leicestershire increased to 25 in the last week compared to 17 in the previous week.
 - There are no statistically significant differences in rates between districts, although the rate in Oadby and Wigston and Hinckley and Bosworth is higher than other districts.
12. On 23 April, the Government announced the resumption of contract tracing for those in contact with positive cases in the next 'two to three' weeks. This is to be undertaken by a national resource of 15,000 call handlers and contact tracers, supplemented by a national contact tracing 'app'. Local government is to have a key role in using the data from contact tracing to establish if there are any local population outbreaks and manage the outbreaks as appropriate.

Economic Impact

13. The local economic impact is starting to show up in official figures. On 19th May the Office for National Statistics (ONS) published unemployment data which shows that:

- Leicestershire has seen more than 1,000 additional Jobseekers Allowance (JSA) claimants in April 2020, more than doubling the number in March (710).
- The Leicester and Leicestershire Local Enterprise Partnership (LLEP) area has seen a doubling of the number of claimants (from 1,300 to 2,800). This pattern is broadly replicated across Leicestershire districts, other regional local authorities, the East Midlands and the country as a whole.
- The JSA claimant rate - although still very low - has also doubled in Leicestershire and the LLEP area, from 0.2% to 0.4%.
- The Leicestershire JSA claimant count is the highest since June 2018, with the claimant rate being its highest since July 2018.
- Combined JSA and Universal Credit Claimant figures have also roughly doubled since March, from 7,100 in Leicestershire to 14,800. Again this pattern is replicated across Leicestershire districts, other regional local authorities, the East Midlands and the country as a whole.
- The majority of Leicestershire claimants appear to come from Elementary professions (795 additional claimants in April) and Sales and Customer Services (160). Other occupational groups experienced only a small change.

Personal Protective Equipment (PPE)

14. As part of wider Local Resilience Forum (LRF) work, the County Council is modelling worst-case anticipated demand for PPE outside of a hospital setting given the partial easing of lockdown. This is based on assumptions that some staff require PPE in their duties, either because it was previously mandated or because of newly introduced COVID-19 related procedures, and that the organisation is currently running with either partial or modified operations.
15. The availability of PPE remains fluid, and there is a continuing need for careful monitoring and checking as some stock does not have required certification. Prices are fluctuating with teams being aware of large price increases for some supplies.
16. RAG (Red-Amber-Green) rated reports on stock levels for internal and provider supplies are checked twice a week by a PPE operations group. Representation from this group attends the LRF PPE cell which holds emergency supplies.
17. As of 18 May 2020 there were 2 residential homes out of 169 reporting PPE issues, but these were pursuing their suppliers, and no domiciliary providers are now reporting PPE issues
18. Internally a central procurement team is working hard to procure stock and to build up supplies within a central County Hall store. Supplies are RAG- rated to forecast forthcoming demand. Current products rated red are hand sanitiser wipes and supplies are being sourced.
19. Corporate supplier engagement, procurement and stock control teams are now in place and working to verify supply, procure and manage stock to meet the Council's priority and critical services (internal and external)

20. Care Homes where staff support residents (with procedures that generate aerosol) are receiving assistance with 'fit testing' the specialist masks that staff need to wear. Care Home providers can also access LRF stock when they cannot procure this PPE themselves. The Adults and Communities Department operates an emergency PPE line at a weekend

Sichuan gift of PPE

21. More than 20,000 facemasks have been donated to Leicestershire by the Sichuan Provincial People's Government, to help bolster supplies for key workers in the County Council and other critical services across the county.
22. The partnership between Leicestershire and Sichuan (a Chinese province of 81 million people) is currently in its 32nd year and has seen the two regions support each other in business, tourism and times of need, including in 2008 when Leicestershire sent aid to Sichuan following a devastating earthquake.
23. The masks, which will also be used to protect those who are shielded, were flown into East Midlands Airport last week by courier companies, DHL and 20inExpress, based at Castle Donington. The Leader of the Council has recently exchanged letters of support with the Governor of Sichuan Province and has thanked him for the donation.

Key Worker Testing

24. Key worker and vulnerable group testing has been rapidly expanded nationally and locally. The national testing 'portal' offers eligible cohorts the choice of testing at drive-through sites, or via a home testing kit. The Birstall Park and Ride site remains operational as the main Leicestershire testing site. The military-led programme of rolling site 'pop ups' which are operational for 3 to 4 days at a time continues.

Care home testing

25. Until recently there have been two main cohorts of residents who are tested:
- a. Symptomatic residents - where testing is arranged via Public Health England. PHE contacts Derbyshire Health United (DHU – a local provider) which visits the home and swabs all symptomatic residents.
 - b. Individuals discharged from hospital to a care home where the hospital is required to perform the test prior to discharge (irrespective of whether the individual is symptomatic or not).
26. Testing is now being rolled out to all residents and staff in care homes. Nationally 30,000 tests are being allocated to care homes. This is likely to be prioritised according to:
- a. Subsequent testing of care homes that have already had an outbreak, i.e. been in contact with Public Health England.
 - b. Care homes with no outbreak but which have a capacity of more than 50 beds.

- c. Those deemed important by the Director of Public Health, i.e. no outbreak, no symptoms but where there is a business-critical issue (staff sickness) or, for instance, homes with no outbreak but which are located close to those that have had an outbreak.

Shielding and Protecting Vulnerable People

- 27. A new list of people requiring shielding was received from the Government on 6 May. This significantly increased the number of people identified from 14,837 people to 23,734 people.
- 28. Nationally there are now 2.2m people being shielded, a rise of nearly 1m people. The reason for the increase is that GP's and specialist clinicians have been asked to review their patient lists and identify new people who require shielding.
- 29. To date, 13,233 people on the Shielded List in Leicestershire have registered for support, including 4,584 who have registered for support in obtaining essential supplies and 984 people who are feeling that their basic care needs not being met.
- 30. As of 18 May the County Council has contacted 8,850 people who have registered. 93% of those with essential supply or care needs have received a call.
- 31. District councils have contacted an additional 5,573 (as of 11th May) people who had existing food networks, and no identified care needs. For the majority of these people, no further action has been required.
- 32. In addition to the people who have self-registered, the Department for Work and Pensions (DWP) has attempted to contact all people on the Shielded List who had not registered on the Government website. Where they have been unable to contact people, they are then asking the Council to try do so. The numbers are high with over 4,000 additional people requiring follow-up calls by the Council.
- 33. Over 3,800 Government food parcels are delivered each week. Since the Government has now included information about food deliveries in its data, 19,000 deliveries have been made, with a small number of people (800) stating that they did not require food.
- 34. 233 County Council emergency food parcels have been delivered since the beginning of the pandemic lockdown.
- 35. 40 volunteers engaged by Voluntary Action LeicesterShire (VAL) are undertaking "safe and well checks" by visiting homes where possible.
- 36. A recent scenario planning event facilitated by the national shielding directorate has suggested that it is likely that shielded people may be required to remain socially isolated as recovery is underway. Work is currently being

undertaken to explore options as to how the Council continues to support people in the medium term.

Deaths Management

37. Additional mortuary space was provided at Leicester Royal Infirmary, partly funded by the County Council. As at the end of April there continued to be sufficient capacity should the national reasonable worst-case planning assumptions for excess deaths be realised locally. Currently the available capacity is well above that needed. Key stakeholders continue to work together to ensure the effective and sensitive management of the increased numbers of deaths, and to respect social distancing requirements in carrying out registrations and supporting funerals.

Local Resilience Forum (LRF) update

38. The LRF continues to co-ordinate the response to COVID-19 across Leicester, Leicestershire and Rutland (LLR). A Gold Command Group, the Strategic Coordinating Group or SCG, is leading the response and is chaired by the Deputy Chief Constable, Rob Nixon. As the local situation has stabilised it has moved from twice-weekly to weekly meetings.
39. As previously reported the SCG is supported by a Tactical Co-ordinating Group (TCG) and a number of topic and task-specific cells (officer groups). The latest version of the response structure is attached as Appendix A to this report and, as can be seen, County Council officers are fully engaged in this. A particular focus is being placed on ensuring local arrangements for PPE, testing, shielding of the clinically vulnerable and supporting other vulnerable people, deaths management and a range of other matters are robust and effective. Preparations for recovery, including economic recovery, are being given a high priority alongside the response.

The Council's Crisis Management Group and Resilience Planning Group

40. The Council's Crisis Management Group (CMG), chaired by the Chief Executive, has reduced the frequency of its meetings from daily to three-times weekly reflecting the relative stabilisation of the situation locally. CMG is supported by a corporate Resilience Planning Group (RPG) which is meeting 4 or 5 times a week with an increasing focus on preparing for 'recovery'. The CMG continues to oversee the Council's response across the key issues highlighted in this report, and also the Council's relationship with, and input to, the LRF.
41. Daily updates are provided to the Leader of the County Council. There are separate updates to Cabinet Lead Members and the Cabinet meets weekly via skype to review the position. A weekly briefing is held for all members of the County Council. Electronic updates from the Chief Executive to all members of the County Council covering service and other issues are provided at least weekly; 16 updates as at 15 May. For the public record, the updates can be accessed at - <https://bit.ly/3cKMPgg>

Recovery

42. Recovery from a major incident is described as “the process of rebuilding, restoring and rehabilitating the community following an emergency.” (Emergency Response and Recovery Guidance, 2010). It can take a significant amount of time as it seeks to address the enduring human, physical, environmental, and economic consequences of major incidents and will involve the cooperation of many organisations.
43. In the context of the current pandemic, the recovery process will need to assess and respond to different levels of ‘normality’ as the Government eases restrictions on behaviour and movement. For COVID-19, recovery to a new normality may take considerable time, years rather than months, to address the enduring social, emotional, physical and economic consequences of the pandemic; acknowledging that some things may have changed forever.
44. The Council will supplement its existing structures and processes to support the design, planning and delivery of the recovery in the short- and medium-term.

Member Involvement

45. The need for member involvement in the recovery process will be crucial. Agreement has been reached with Group Leaders to establish a cross-party working group to provide high-level direction and political perspective to the County Council’s Recovery work. The Terms of Reference are attached as Appendix B to this report.
46. In moving forward with proposals for recovery it is recognised that whilst the working group will play a significant role it is not a decision-making body. As such operational decisions which are not considered ‘key decisions’ will, as usual, be taken by the relevant Chief Officer and/or Chief Executive. Key decisions and those matters considered sensitive will be referred to the Cabinet for decisions and there will be engagement with overview and scrutiny members in the normal way.

Recovery Strategy

47. A Recovery Strategy is being developed to provide an overarching framework for the Council’s recovery work and will contain detail on the following themes and principles. Progress with this Strategy will be shared in future Cabinet reports.

Strategy and strategic commissioning during Recovery

48. The Council’s Strategic Plan 2018 – 22 (revised April 2020) provides the strategic policy commitments for decision making during the recovery, with detail contained in the Council’s wider Policy Framework.
49. Ultimately, the recovery process aims to set the Council back on the path to delivering its vision and the outcomes of the Strategic Plan for 2018 – 22.

50. A long-term vision for the area and strategies to define the Council's role in meeting the emerging challenges post-COVID-19 will need to be developed at a later date when the situation is stable and the impacts are more fully understood. A timeline for this process is being prepared.

Internal support infrastructure

51. The County Council's Recovery Group consists of a number of officer working groups with leads to establish operational principles for recovery linked to:-
- a) Strategy and service planning
 - b) Workplace and Wellbeing (including IT, people/workforce and property)
 - c) Finance, insurance and audit; and
 - d) Procurement and commissioning.
52. The working groups are supported by Communications, Legal Services, Democratic Services and Business Intelligence staff, with clear links to departmental services through identified Recovery Leads.
53. The links to the LRF Recovery Coordination Group have also been established picking up the themes of Environment and Infrastructure, Economic Recovery, and Humanitarian and Health.

Departmental Service Planning

54. The developing Recovery Strategy is intended to cover a transition period for 2020/21 service delivery and capture and communicate the Council's strategic approach to recovery. Agreed recovery principles will facilitate more detailed planning in Departments and the escalation of risks and issues to enable informed decision making and a 'one council' overview and approach to recovery.
55. The Departmental service plans developed for 2020/21 are being reviewed and revised as necessary to reflect the response and recovery from the COVID-19 emergency. These reviews are considering:-
- a. The adjustments required to deliver services in line with Government guidance including social distancing.
 - b. Current issues and future risk including financial costs and loss of income.
 - c. The adjustments required to recover services which have been suspended or operating with a reduced service.
 - d. Changing priorities for action during 2020/21.
 - e. New and emerging issues as a result of COVID-19.
 - f. Internal operations and resource requirements e.g. premises, workforce, IT etc.
56. Corporate guidance is being developed to support departments in completing the review of service plans including the management of risk, financial control and decision making on exception items. This guidance will relate to both short-term and longer-term planning requirements.

Strategic Change

57. The recovery work will help define the significant requirements for change across the Council's operations and ways of working which will embrace the Council's new approach to Transformation. This will likely be a continuing, albeit heightened, emphasis on ensuring financial sustainability whilst enabling other change priorities to be progressed such as the Council's commitment to Carbon Neutrality, its focus on Digital Value and ongoing focus on improving our Ways of Working. Each of these four pillars of the Strategic Change Portfolio is being refreshed and reviewed for inclusion within the Recovery Strategy.
58. The Strategic Change Portfolio will help to ensure that the Council makes the most of the resources available to it and that it can 'build back stronger' progressing as a modern, effective and efficient organisation, ensuring that corporate resources are deployed where they are needed most.

Departmental and Service Updates

Schools reopening

59. The Government has now set out plans for reopening schools. Step one sets out its request for schools to focus on increasing the number of children who are deemed vulnerable attending school. The guidance states: All eligible children are encouraged to attend – it is no longer necessary for parents of eligible children to keep them at home if they can. Step two sets out the Government's wish that local authorities and schools should prepare to begin to open for more children, at the earliest, from 1 June. This will be done in phases with Early Years, Reception, Year 1 and Year 6, in smaller groups. Schools are also being asked to prepare to begin some face to face contact for years 10 and 12 alongside home learning. Special schools, special post-16 institutions and hospital schools are being asked to work towards a phased return of more children and young people without a focus on specific year groups.
60. Eligible children, including priority groups, are strongly encouraged to attend their education setting, unless they are self-isolating or they are clinically vulnerable (in which case they should follow medical advice). However, parents will not be fined for non-attendance at this time. The Government's ambition is to bring all primary year groups back to school before the summer holidays, though this will be kept under review and will only happen if the most up-to-date assessment of the risk posed by the virus indicates it is appropriate to have larger numbers of children within schools.

Children's Social Care and Targeted Early Help

61. Staff across the Children and Family Services Department are continuing to support children across Leicestershire and services to the most vulnerable children are continuing, that is children in care and care leavers who are on a child in need plan, a child protection plan, or open to the children and family wellbeing service. Social workers and children and family wellbeing workers

are working directly with children either in their homes, where needed, or via electronic methods. The front door to the Department continues to take in referrals for child protection, safeguarding and early help support.

Recycling and Household Waste Sites

62. Seven of the County's recycling and household waste sites (RHWS) reopened to the public on Monday 18 May. In line with Government guidance residents were asked to take waste to these sites only if it presented a risk to health or the environment if it continued to be stored at their home. The new system operating at the RHWS at Barwell, Lount, Market Harborough, Melton Mowbray, Mountsorrel, Oadby, and Whetstone also requires a pre-booked time slot in order to visit a site and use of the RHWS is limited to County residents. Social distancing is in operation along with traffic management and for the time being only a limited number of waste streams are being accepted to ensure that throughput is maximised, given that the social distancing requirements significantly reduced each site's capacity. There is considerable additional cost in operating the sites in this manner although the arrangements are constantly being reviewed to ensure costs are minimised wherever possible. The Cabinet will be provided with a verbal update on the operation of the sites.

Local Transport Restart

63. On 9 May the Secretary of State for Transport announced a £250m emergency Active Travel Fund to allow local highway authorities to lead the overall transport planning for their areas in collaboration with a range of partners. A key emphasis will be the provision of more space for walking and cycling, both to shift capacity from public transport and to enable social distancing – particularly in urban areas. It is expected this funding, which is in fact part of a longer term programme announced in February (a £5bn buses, cycling and walking package), will deliver measures such as pop-up bike lanes, widened pavements and cycle and bus only corridors.
64. At present there is no further information around funding allocation or any detailed criteria. However the Council is reviewing all previous strategies developed to promote walking and cycling and in addition it will be supporting the work of the Town Centre Group under the LRF, by producing guidance to enable careful consideration of appropriate measures for each of the market towns as well as links to their surrounding communities and into Leicester. Once funding allocations are clear, detailed proposals can be worked up and delivered. It is expected that this work will form the basis, as well as enabling measures to be trialled, in advance of the longer term funding for buses, cycling and walking becoming available.

Planning Historic and Natural Environment

65. The team is working remotely and using technology to assess development proposals and to make 'virtual' site visits. The first virtual meeting of the Development Control and Regulatory Board will take place on 21 May 2020.

66. There have been two requests for deferral of payment from housebuilders and other developers who are unable to make payments within previously agreed timescales. These and any other such requests will be considered on a case-by-case basis to protect the Council's interests.

Regulatory Services

67. The registration of births remains suspended and discussions are ongoing with the General Register Office in relation to the resumption of birth registrations and small marriage /civil partnerships ceremonies (likely to be Register Office only) from 1 June. Consideration is being given to adjustments that will be required to ensure compliance with the Council's Property and Facilities Management Recovery Plan. Some of the local Register Offices are not suitable for public engagement and will not be used. It is expected that there will be a significant backlog of registrations and ceremony hearings when the restrictions are lifted. For example, typically the Service would expect to register approximately 450 births per month.
68. The Trading Standards Service continues to focus on reducing the threat of COVID-19 scams and promoting vigilance, including via the Council's social media and via community radio stations. The Service continues to offer product safety technical support to the PPE procurement process.

Legal Services

69. Regular advice is required on the interpretation of legislation and associated guidance relating to COVID-19. Many court hearings continue to be conducted remotely either by video or audio conference facility. However, a recent children's social care case (in which the Council was the applicant) scheduled for a three-week hearing before the High Court was adjourned. The judge determined that a remote hearing was not appropriate, despite his acknowledgment that delay would have a negative impact on the wellbeing of the child concerned and had potential to cause her emotional harm. The judge indicated that the inability to see the parent give evidence, the risks of technical problems interrupting the trial, and the difficulties in effective participation meant that there was a significant risk to the overall fairness of the process.
70. It is too early to say how this approach may affect the County Council, but it is likely that there will be a backlog of complex hearings which will need to be managed as part of the recovery process.
71. Legal Services has had to secure additional resources to manage the increase in contractual issues arising because of COVID-19 and responded rapidly to the leasehold issues relating to the establishment of the testing centre at the Birstall Park and Ride site.
72. School appeal hearings are scheduled to begin on 1 June operating via Skype. This has required the development of a revised process and training for the lay panel which considers the appeals.

VE day celebrations

73. VE day was promoted via the Council's website. This included information on national initiatives to help members of the public celebrate during lockdown as well as videos of the Lord Lieutenant's and Chairman's speeches. Visitors were also directed to the virtual service held at Leicester Cathedral. This service has been viewed over 300 times, and the webpages achieved 572 views with an average viewing time of 10 minutes. Plans are underway for a similar virtual event to mark Armed Forces Day on 27 June and VJ day in August.

Support for Business

74. The LRF's Business Cell, chaired by the local enterprise partnership (LLEP), is providing advice to local businesses, and co-ordinating donations of PPE from local companies for the LRF to distribute. Working with the Recovery Cell the Business Cell will also be planning for economic recovery. The Council's Economic Growth Team is supporting this work, including providing sector-specific support to the tourism, hospitality and creative sectors.

Leicestershire Communities Fund

75. The Cabinet at its meeting on 24 March agreed to set up a £1m fund to support the voluntary and community sector, the "Leicestershire Communities Fund 2020". This was subsequently increased to £1.5m in view of the high number of applicants. A total of £1,479,138 was allocated to 159 voluntary, community and social enterprise organisations with 68 awards in full and 91 awards in part.
76. An analysis of the number of awards and the amount of funding allocated on an area basis, funding allocated related to the nature of vulnerability, and a schedule of organisations funded within each area is available at:
<https://bit.ly/2RYD5XE>

Equalities and Human Rights Implications

77. There are no equalities or human rights implications arising from the recommendations in this report.
78. Although the Council does not have an adopted policy in relation to its approach the pandemic of the COVID-19 virus has required the Council to be flexible and responsive in the way in which it delivers its services and performs its functions. The Council's Corporate Equalities Board, together with Departmental Equality Groups will play a key role in monitoring the impact of any changes.
79. A high-level Equality and Human Rights Impact Assessment (EHRIA) and improvement plan is in preparation to provide an initial overview of the existing or anticipated equality impacts of COVID-19 and the Council's response. This document is seen as a corporate log of impacts across the

organisation/community and is not intended to replace detailed EHRIAs for service changes or easements within departments.

80. The intention is to initiate a corporate log of impacts and actions and to provide information to support Departments in meeting the Council's equality and human rights duties.

Appendices

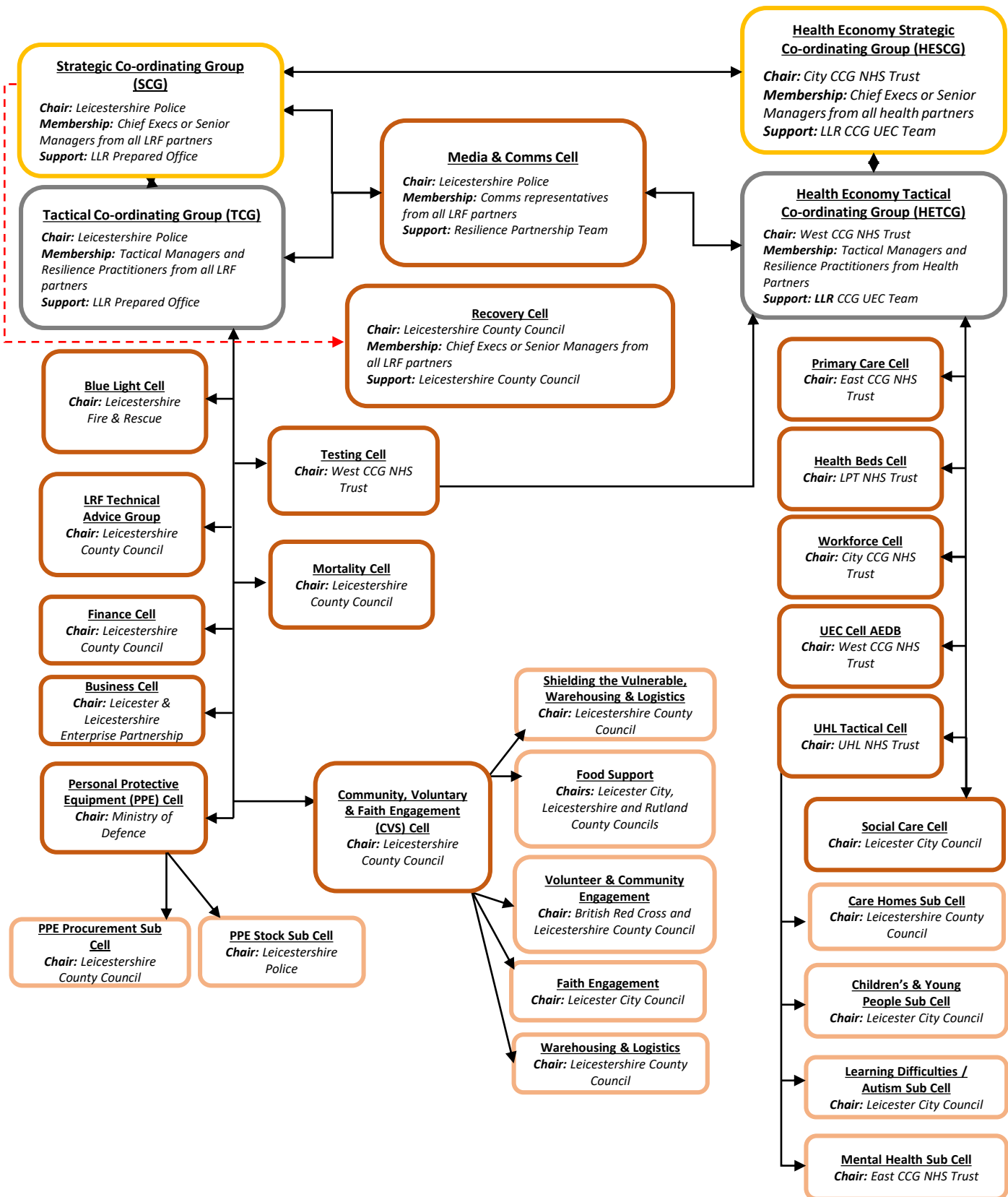
Appendix A - Covid-19 Multi-agency Response Structure

Appendix B - Terms of Reference for the cross-party member working group.

Background Papers

Report to the Cabinet meeting on 28 April 2020 "Coronavirus (Covid-19) Impact and Response of the County Council" - <https://bit.ly/2WLxpDq>

LLR Prepared COVID-19 Multi-Agency Response Structure



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APPENDIX B

**MEMBER WORKING GROUP ON COUNTY COUNCIL COVID
19 RECOVERY PLANNING
DRAFT TERMS OF REFERENCE**

1. To provide a cross-party forum to enable the Administration and Chief Officers to engage with the leadership of the major opposition groups in developing and implementing a short and medium term approach to recovery planning required as a result of the Coronavirus epidemic.
2. To provide a high-level direction and political perspective to the County Council's Recovery Plans. The Group will undertake this role by considering and commenting on:-
 - i. The current themes identified for recovery, details of which are set out in the Appendix to this document. As such the focus will be on both internal recovery and external economic and community recovery and will require consultation with partners.
 - ii. The analysis undertaken by Recovery Planning Forums (see Appendix for details of Forums currently established) and the results of information gathering exercises conducted with Service Heads.
 - iii. The key priorities and services recommended for immediate action by the County Council;
 - iv. The sequencing of elements of the proposed recovery programme having regard to the work of partners, both statutory and non-statutory sectors and the LRF.
 - v. The learning gained during the coronavirus epidemic and comment on proposals coming forward to seek to embed new ways of working and service delivery
 - vi. The progress being made on the recovery programme and make adjustments to the programme in the light of experience of implementation and new information
 - vii. The evolving impact of the coronavirus epidemic on the County Council's future service delivery model.
 - viii. An agreed exit strategy for the recovery work
3. To consider the implications and management of any further lockdown.

(Note – Rapid Recovery issues will be dealt with by Chief Officers in consultation with the relevant Lead Members. Group Leaders will be advised. Those decisions and impacts will be reported to the Working Group when it is convened)

Membership

To be determined following consultation with Group Leaders. – Suggest that the membership is 10 members (6 Conservatives; 2 Liberal Democratic; 2 Labour).

Meetings Programme

It is anticipated that the first meeting of the Group will be held the week commencing 8th or 15th June when it is expected the information from the survey of service managers and deliberations of the Recovery Forums will be available.

Operating Protocol

- a) The Group operates as in an advisory capacity. Any decisions required to deliver the changes will be taken by the Cabinet and will be subject to scrutiny in the usual way.
- b) Meetings of the Group will be informal in order to facilitate open discussions at all times, with draft notes of meetings circulated to all parties immediately after each meeting.
- c) Discussions within the Group and papers presented will be treated as confidential, but at each meeting the Group will agree the basis of communication of matters discussed to the political groups and any conditions attaching thereto.

Recovery Themes

Infrastructure. Recovery of the infrastructure of LCC could take place relatively quickly but should be managed carefully to avoid a complete return to the 'business of before' – some of which may now be undesirable or unnecessary. The recovery process will provide an opportunity to redefine our ways of working as organisational capacity has been increased or reshaped (e.g. financial systems, partnership working, intel and information sharing, home working, IT capabilities, organisational culture shifts etc).

Human Aspects. This is likely to take place over a longer period, linked to supporting the rebuilding of community capacity and resilience. Some communities will require deep and concerted support to recover (much of it interlinked with the economy, including skills and retraining, but also volunteering capacity). Will also depend on which parts of the VCS have survived the crisis and whether they can come back to full business delivery (same or different to before)

Economic recovery - essentially this will take place over a much longer period of time and will impact on LA capacity and priorities significantly. To return to the previous levels of growth and business confidence, it could take many, many months – if not years. There will be a lot of work to do very quickly (which won't all be in our control in terms of pace and scale) – then some sustained activity. Activity will be spread across: business survival, business recovery, business growth.

Existing County Council Forums to aid Recovery Planning

- Environment Strategy Board
- Digital Board
- Communities Board
- People Strategy
- Workplace & Wellbeing Board

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CABINET – 22 MAY 2020

CORONAVIRUS (COVID-19) FINANCIAL IMPLICATIONS

REPORT OF THE DIRECTOR OF CORPORATE RESOURCES

Purpose of the Report

1. The purpose of this report is to update the Cabinet on the expected financial implications of the coronavirus (COVID-19) and the measures being put in place to monitor and minimise the impact.

Recommendations

2. It is recommended that:
 - a) The Cabinet notes the increasingly serious financial position facing the County Council and the measures in place to monitor and minimise the impact.
 - b) The district councils, as collection authorities, be asked to provide the County Council as soon as possible with accurate, updated council tax collection figures.
 - c) The County Council's financial position be drawn to the attention of Members of Parliament with a request that they advocate with Ministers the measures set out in this report to ensure the stability of the County Council and its ability to provide front line services, whilst noting that the ongoing pressures on the Special Educational Needs and Disabilities budget exacerbate the financial concerns.
 - d) The Cabinet notes the support given to providers of adult social care and that further support will be provided, as set out in the report.

Reasons for Recommendations

3. To ensure Members have a clear understanding of the Council's financial position, both in the short and medium term, to enable them to make informed decisions on future service delivery and also to support them in discussions with Cabinet Members and MPs in securing monetary resources to safeguard the ongoing financial viability of the County Council, and local government in general.

Background

4. Coronaviruses are a family of viruses common across the world in animals and humans. COVID-19 is the illness seen in people infected with a new strain of coronavirus not previously seen in humans which began in Wuhan Province in China in December 2019 and has since spread to most parts of the world.
5. The Cabinet considered an urgent report on the matter at its meeting on the 28 April 2020 which advised members on the impact of the virus, including the financial implications. This report provides an update to that financial position.

Circulation under the Local Issues Alert Procedure

6. This report has been emailed to all members of the County Council.

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PART B**Estimated Financial Impact**

7. The overall financial impact of the pandemic is difficult to quantify at present. There is the wider impact from the deep-rooted economic recession that will follow. Latest forecasts suggest that the UK Government deficit could be as high as 12% of GDP in the current financial year. This is likely to be by far the biggest deficit for well over a century. To put it into context, the equivalent figure for the financial crisis in 2008 was around 5%. Unemployment is expected to increase from 4% to 10%, despite the unprecedented government measures being put in place.
8. The latest assessment of the overall impact on the County Council's MTFS is set out in the table below:

	£ million
Estimated spending pressure	34.0
Estimated income loss	21.8
Total 2020/21 financial pressure	55.8
Share of £3.2bn grant fund	-27.6
Gap	28.2

9. Recognising the significant uncertainty, it is estimated that without further Government support the County Council will face a financial gap in the order of £28 million in the current financial year. These financial implications will continue beyond the current financial year adding to the financial gap identified in the MTFS. The impact is across the board covering additional expenditure, reduced income levels and savings no longer achievable. For example it includes:

Increased expenditure (Crisis management)

- the cost of interventions to support the supplier market where Government measures are insufficient or not applicable, including cash flowing providers at risk (potentially in the order of £20m);
- increased costs of equipment and IT infrastructure to facilitate staff working from home during lock down; (£1m)
- support to community and third sector groups to allow them to continue to provide critical services (£1.5m community fund created);

Increased expenditure (Medium-term including recovery)

- the costs of recovery are likely to be significant for front line services. Socially distanced working practices are almost certainly going to be significantly more expensive and inefficient. For example, despite a reduction in the number of locations the extra costs of household waste sites are expected to be in the order of £10,000 per week ongoing. This will be significantly more initially, as traffic management and booking systems are put in place. Other services that entail close contact with service users, especially social care and transport will have similar extra costs;
- increased waste disposal costs as people are spending more time at home. Early signs are that tonnages are up by about 10%. This could be as much as £1m on the assumption that these inflated tonnages continue for 6 months;
- Savings no longer achievable - for example planned savings linked to changed target operating models in Adult Social Care could be compromised through, for example, increased demand or different service delivery models being required;

Reduced Income

- reductions in income levels for commercial services (for example school foods income alone is £1.6m a month);
- reduced levels of council tax and business rates income impacting on the County Council's core funding assumptions. Underlying increases from housing/business growth and annual rate increases are assumed to generate roughly £6-8m additional core funding per year. Potentially income could actually reduce, depending on the impact of the longer-term picture on unemployment and business failure, potentially pushing the impact up to £10m;

Increased Project/Capital Costs

- increased costs of capital projects as work on site has to be put on hold, or delivered incorporating new working practices to ensure social distancing is observed (potentially £2m on some of the current key schemes);
- additional costs arising from project delays such as Fit for the Future where the planned go-live in April 2020 has had to be put back (estimated overall project delays, circa. £2m).

10. Due to the scale and speed with which the virus has impacted society and created the financial problems that the County Council faces it will not be possible to reduce costs or raise new income in the current financial year to fully fund the gap. Assuming the financial gap remains at £28 million (it could easily grow) it is expected to be closed by the following measures:

- £4m MTFs Risks contingency
 - £10m General Fund (requires replenishment)
 - £14m Reprioritise capital programme (potential requirement to replenish).
11. The financial impact in future years is even more uncertain. Although it is hoped that measures to contain the virus will be greatly reduced, the financial challenge will need to be met due to:
- Reduced growth in housing and business premises reducing new taxes being raised;
 - Greater level of tax defaults and reliefs;
 - Replenishment of the General Fund;
 - Delays to existing savings programmes;
 - Reduced ability to generate alternative income, for example through property rental;
 - Higher service costs due to long lasting changes from the crisis, for example the care home market will potentially look very different;
 - Greater support requirements, e.g. social care, from higher unemployment.
12. The County Council's key income streams are Council Tax and Business Rates, with £390 million of income budgeted for 2020/21. At present, a relatively small £10m reduction in the current year is forecast. This will be updated once the updated collection figures from the district councils have been received, and the expectation is the position will worsen, with the potential for further pressure in the medium and longer term.
13. Information from the Centre for Economics and Business Research, an independent economics research company, indicates that the economy of the East Midlands is likely to be hit harder than any other part of the UK. The relative impact is higher due to the region's sizeable manufacturing sector, which has largely shut down. This is likely to have long-term consequences for the County Council's tax base.

County Council Approach

14. The County Council is taking a number of measures to ensure the impact on the financial position is minimised where possible. These include:

In the immediate crisis period

- Balancing adherence to Government advice where possible with protecting the overall financial position;
- Sign-posting suppliers to significant and wide-ranging Government support measures;
- Furloughing employees where service is impacted by a full or partial loss of external/commercial income;

- Maintaining financial discipline by ensuring senior financial staff are appraised of, and approve, significant additional expenditure;

Medium Term including recovery

- Minimising recovery and ongoing costs by ensuring a range of options for future service delivery are considered;
- Reviewing and reprioritising the capital programme;
- Accelerating the digital programme;
- Identifying new savings and service rationing.

Government assistance and potential future measures

15. The Government has already provided £28m in extra grant. This has helped to reduce the expected impact on the County Council's financial position from an estimated £56m in 2020/21 to £28m. Other Government measures that have prevented the position being worse are the instruction to schools and academies to pay for free school meals and the Coronavirus Job Retention Scheme.
16. However, it is crucial that further support is provided both in the short-term and for future years. In particular the Government should be encouraged to consider further measures to ease the financial burden and ensure the stability of local authorities. For example:
 - i. A commitment to underwrite Council Tax and Business Rates income in both 2020/21 and 2021/22;
 - ii. A consistent and considered approach to Adult Social Care. The market was fragile going into the crisis and the impact of COVID-19 on residential homes has been profound in human terms. The financial impact has also been profound and the implications are just being seen. The current approach of the Government, in requesting local authorities to support the wider market whilst not providing sufficient funding, will not work. There is a strong case for national intervention to support the sector or providing adequate resources to allow local authorities to undertake this task;
 - iii. Local Authority services are highly regulated and in many cases defined in legislation. The Government needs to consider relaxing rules in the short-term as there is a practical issue of delivering services. In the medium-term affordability will increasingly be an issue;
 - iv. Local authorities continue to face non-COVID-19 pressure. The largest for many is Special Education Needs and Disabilities (SEND). The Department for Education has been slow to address this and must come up with a coherent plan with sufficient funding, and soon. The liability for the County Council will be in the order of £20 million by the end of the financial year;

- v. Despite being the lowest funded county council, Leicestershire went into this crisis in reasonable financial shape. That is not the case for many local authorities, and this has just exacerbated and accelerated their financial problems. There is a likelihood of increasing intervention by the Ministry of Housing, Communities and Local Government as there will be an increasing number of local authorities seeking financial assistance over coming months. This intervention will need to be short-term and tactical, but also strategic. This is an opportunity to put the whole of local government on a much sounder financial footing and to recognise that much of the structure of local government is unsustainable. This applies not just to the remaining two-tier areas but also smaller unitary authorities;
 - vi. All upper tier local authorities will emerge from the crisis in a weaker shape but the key challenges of Adult and Children's Social Care remain, and indeed will be more acute. The Government needs to consider measures to resolve these pressures with the utmost priority;
 - vii. The continuation of one-year settlements for local authorities has become increasingly unhelpful. A comprehensive spending review, combined with implementation of the various proposed funding reforms, needs to be undertaken as soon as possible. A commitment to additional funding for local government needs to be in place for the 2021/22 financial year and a clear indication of the results of funding reforms needs to be given as soon as possible to reduce any transitional periods;
 - viii. Continuing to ensure significant funding is available for infrastructure development to help kick start economic recovery. This includes significant and meaningful investment to enable society to build on some of the environmental benefits that have accrued indirectly as a result of the pandemic (such as increased cycling and walking infrastructure).
17. On 13 May, the Prime Minister announced £600m for infection control in care homes. The purpose is to support adult social care providers, including those with whom the local authority does not have a contract, to reduce the rate of Covid-19 transmission in care homes and between one care home and another.
18. The funding has been allocated to areas based upon the number of care home beds. This has resulted in an allocation to the County Council of £6.7 million. The conditions of the funding are still be developed, but key points are expected to be:
- i. 75% of the funding allocated to care homes on per bed basis, not just County Council service users.
 - ii. To receive the second instalment, councils must have returned a Care Home Support Plan
 - iii. Payments contingent upon improved reporting and investment in infection control by homes and councils.

- iv. Remaining 25% also available for infection control but there is greater discretion and it can be used in either residential or domiciliary care.
 - v. Funding expected to be received in June and July
 - vi. Emphasis on speed of payment to providers
19. The County Council's approach is contingent upon the Government's grant conditions, but is expected to be:
- i. 75% paid to care homes, in the county geography, as soon as practical
 - ii. 25% used to contribute towards provider costs relating to domiciliary care private customers (self-funders). This portion of the providers' business has not been covered by the County Council's latest interventions.
 - iii. Small retainer to support other urgent requirements
20. Whilst undoubtedly helpful to the care market this latest funding announcement will only have a limited impact upon the County Council's financial gap, as outlined in this report. This is due to the significant proportion of care in Leicestershire paid for by private individuals.
21. In addition to the distribution of the £6.7 million other financial measures that have been taken by the County Council to support local adult social care providers are:
- i. Support with staff recruitment
 - ii. Annual inflationary uplift incorporating the National Living Wage
 - iii. All providers received a cash-flow payment so that they are paid in advance of service provision
 - iv. 10% uplift in April for residential care banded rates and domiciliary care providers
 - v. Guaranteed minimum level of income for domiciliary care providers, for a 3-month period
 - vi. Flexibility for Community Life Choices providers to deliver services in an alternative way, to maintain service user outcomes
22. An independent piece of analysis has been commissioned to identify further cost uplifts that are required to support care providers in this period.

Summary

23. The County Council is in a better position than many as it had a robust financial position going into the crisis as a result of sound management and tough decisions taken since 2010. However, this crisis will have a profound impact on the organisation as the existing pressures such as social care and SEND must not be forgotten. The financial growth in the current year is £24 million, excluding inflation. Mitigation measures to reduce this growth in future financial years are currently on hold.

24. When exiting the crisis, the financial challenge faced by the County Council is likely to be bigger than at any point during austerity.

Background Papers

Report to the Cabinet meeting on 28 April 2020 – ‘Coronavirus (COVID-19) Impact and Response of the County Council’

<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=135&MId=5994&Ver=4>

The Government’s Emergency Coronavirus Bill

https://publications.parliament.uk/pa/bills/cbill/58-01/0122/cbill_2019-20210122_en_1.htm

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