

Chichester District Council

Overview and Scrutiny Committee 15 June 2021

Covid 19 – Progress Covid 19 Recovery Action Plans

1. Contacts

Report Author

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2. Executive Summary

This Report provides an update on the latest financial position and sets out progress on the Covid 19 Recovery Action Plans, the Efficiency Review and Service Framework Review.

3. Recommendations

- 3.1 **The Committee is invited to note the progress on the recovery action plans, the efficiency review and the Future Services Framework and make comments to Cabinet.**
- 3.2 **That the Committee notes that: the Housing and Community; the Planning, Health and Environmental Protection; and the Organisational Recovery Groups have completed the majority of their actions and should be discontinued after their next meeting.**
- 3.3 **That the Committee recommends to Cabinet the formation of an Economic Development Panel.**
- 3.4 **That the Committee recommends to Cabinet that Cabinet recommends to Council that the Local Council Tax Support grant of £160k for additional Hardship payments, which is no longer required, is reallocated towards the Council's budget deficit 21/22 – see para 5.3.**

4. Background

- 4.1 In June 2020 the Overview and Scrutiny Committee recommended to Cabinet that it should support the four thematic recovery plans:
 - Community and Housing;
 - Economic;
 - Planning, Health and Environmental Protection;
 - Organisational.

It also endorsed the Future Services Framework and the governance arrangements, and it requested that progress on these be reported to the Committee every 3 months. Cabinet subsequently approved these plans at its meeting in July 2020. Updates have been provided to the Committee in October 2020 and January 2021.

5. Financial Update

- 5.1 In July 2020 Corporate Governance and Audit Committee were advised that the 2020-21 budget was likely to be in deficit by more than £8m, and a residual deficit of £2m per annum was likely by the end of the 5 year financial planning period (2025-26). If not addressed this would have resulted in the use of a total of £24m of reserves over the period 2020-21 to 2025-26.
- 5.2 The situation over recent months has fluctuated as the Country came out of lockdown 1, and income streams started to improve, only to then go back into another lockdown before Christmas. Recent relaxations of restrictions has again seen income streams improve, but whether the remaining parts of the road map out of lockdown will proceed as planned remains to be seen.
- 5.3 The Government have continued to support local authorities as well as businesses. The general COVID support grant and the compensation scheme for Sales, Fees and Charges have been extended to the first quarter of 2021-22 as reported in the Budget Spending Plan report to Cabinet and Council earlier this year. £2.1m of reserves were used to balance the 2021-22 budget (as reported to members in the Budget Spending plan report). The Budget Spending Plan also earmarked the Local Council Tax Support grant of £160k for additional Hardship payments as it was hoped it would attract match funding from other preceptors. As mentioned in this report below (para 7.2.1) the original allocation of £699k to the Hardship fund was only 50% spent during 20/21 and it has been possible, therefore, to extend the scheme into 21/22 with the remaining 50%. Also the anticipated match funding from other preceptors has not been forthcoming and it is, therefore, recommended that the £160k grant is reallocated towards the Council's budget deficit.
- 5.4 Last year members agreed a Future Services Framework approach to balancing the budget. The first stage was to undertake a full efficiency review. £2m of savings were identified over a three year period. At that time it appeared that this may be sufficient to balance the budgets over the medium term. The next phase was to prioritise services so that should our financial position require, we could determine which services could be funded, and which could not.
- 5.5 Officers have completed the first round of the approved efficiency review and we are currently on track to achieve £932k of savings in 2021-22 against a budgeted savings target of £747k. However, the financial position remains very uncertain with many of our income streams directly impacted by the lockdown. In addition to this Local Government staff have been offered a 1.5% pay award (offer currently rejected by the unions). If implemented this will add a further £232k of costs in 2021-22 which was not budgeted for. A number of other cost pressures are also affecting the longer term financial stability of the Council, such as the possible introduction of mandatory food waste collection.
- 5.6 Due to these uncertainties, officers will revisit the Future Services Framework priority setting stage over the summer. This will enable members to determine priorities and allocate our resources accordingly whilst complying with the legal requirement to balance our budget. This will be a significant piece of work, both for officers and members. Workshop sessions will be developed and all members will be invited to be involved in the process.

6. Recovery Groups

- 6.1 As part of the approved Governance arrangements the following four recovery groups were established to have oversight of the delivery of the recovery action plans:

Housing and Community Recovery Group

- Cabinet Members: Cllrs Roy Briscoe and Alan Sutton
- Supporting Members: Cllrs Tracie Bangert, Kevin Hughes (resigned from Council), Henry Potter and Norma Graves
- Lead Director: Mrs Louise Rudziak

Economic Recovery Group

- Cabinet Members: Cllrs Tony Dignum and Alan Sutton
- Supporting Members: Cllrs Heather Barrie, Gordon McAra, Graeme Barrett, David Palmer, Timothy Johnson, Donna Johnson, Adrian Moss and Richard Plowman
- Lead Director: Mrs Jane Hotchkiss

Planning, Health and Environmental Protection Recovery Group

- Cabinet Members: Cllrs Susan Taylor and Penny Plant
- Supporting Members: Cllrs Carol Purnell, Simon Oakley, Jonathan Brown and Sarah Sharpe
- Lead Director: Mr Andrew Frost

Organisational Recovery Group

- Cabinet Member: Cllr Peter Wilding
- Supporting Members: Cllrs Timothy Johnson and Chris Page
- Lead Director: Mr John Ward

- 6.2 The Leader, Chief Executive and the Director of Corporate Services provide oversight of the four groups, monitor progress and co-ordinate resources.
- 6.3 The Recovery Groups were intended to be short-term groups focused on the delivery of the Covid Recovery Actions Plans approved by Council. The majority of the actions within the Housing and Community, Organisational and the Planning, Health and Environmental Protection recovery plans have either been completed or at an advanced stage of progress. In respect of Planning, Health and Environmental Protection those that are not yet fully completed include the preparation of policies for the Local Plan Review which will be finalised as part of the plan making process; the Climate Change Action Plan which includes actions not yet due and the Air Quality Action Plan and review of the Scheme of Delegation/Red Card procedure which are both well advanced - see below.
- 6.4 On this basis, it is considered that three out of the four Groups have substantially fulfilled their purpose and should come to an end possibly with a final meeting. Progress on the remaining actions within the Planning, Health and Environmental Protection can be reported to DPIP and Environment Panel as appropriate.
- 6.5 The Economic Recovery Group still has a number of major projects and actions to oversee. The impact of COVID 19 on the Chichester economy is difficult to assess at present and is likely to change over time. We are also waiting for the Government

plans for economic recovery. It is therefore recommended that a politically balanced Economic Development Panel is formed to continue to oversee the Economic Recovery Action Plan and to advise Cabinet on economic strategy and policy. Full-terms of reference and membership to be agreed at July Cabinet.

- 6.6 The Governance Review Working Group will be reviewing the operational model for the Council and will consider how to maximise councillor involvement in decision making, and to build upon the consensual working experienced in the recovery groups. This group will consider and make recommendations to Council whether, in addition to the Economic Development Panel, there is merit in setting up further Panels.

7. Progress to Date

- 7.1 Progress on the action plans is detailed in appendices 1-4. Some milestones have been amended to reflect additional work undertaken. Below is a summary of the key achievements to date, new work that has been added since the plans were approved and any significant changes to key milestones.

7.2 Housing and Community (Appendix 1)

7.2.1 Key Achievements

- A revised Allocations scheme was approved by Cabinet in May 2
- Continuation of the 'Everyone In' approach in line with the Ministerial advice to all Housing Authorities and "Next steps" funding secured towards housing rough sleepers
- Official count of Rough Sleepers reduced from 32 in 2019 down to 3 in 2021
- Diverted Giving campaign which aims to discourage residents from giving money directly to rough sleepers on the street and instead to channel support to charities
- Commuted sums allocated to assist StonePillow's purchase of a property as move-on accommodation for rough sleepers and the construction of four additional rooms at the StonePillow Lodge.
- Homelessness Prevention Fund revised and adopted
- Community recovery grants: The scheme is complete and now closed (£500k in total including the Economic recovery grants).
- Parish Council COVID 19 networking group has been set up and continues to be supported by CDC and WSCC
- Many Parish Councils better engaged with mutual aid groups and supporting them more formally
- To date in excess of £54m in Business Rate grants paid out to support businesses as a result of the Covid pandemic
- The Council's Additional Restrictions Grant (£3.49 m) was fully spent by 30 April 2021 which qualifies us for a further Additional Restrictions Grant top up of £1.1 m
- £350k of Hardship Fund payments to support individuals with their Council Tax who have been financially affected due to Covid-19 were paid out in 20/21
- The remaining £350k of the Hardship Fund continues into 21/22 with an initial payment of £150 in line with the 20/21 scheme and a further discretionary scheme to be in place from June 2021 once finalised and approval from the relevant Cabinet Portfolio Holder
- £107k paid out in Test and Trace Support Scheme payments in 20/21

- £250k paid out in Discretionary Housing Payments during 20/21 and the scheme has been bolstered with Contained Outbreak Management Fund (COMF) funding for 21/22
- Other COMF funding will support debt advice and replenish the Homelessness Prevention Fund
- Covid 19 impact on low level mental health and existing health inequalities referred to the Local Community Neighbourhood Network health partnership who have accepted it as a key focus
- Although not part of this action plan it is worth noting that Freelands close is well underway to deliver 17 one and two bedrooms short stay accommodation for homeless households.

7.2.2 **New Work**

- Restart grants of £11m to assist businesses to reopen following the relaxation of lockdown
- Rough Sleeper Initiative grant secured for this financial year of £324k to support ongoing work

7.2.3 **Changes to key Milestones**

None

7.3 **Economic (Appendix 2)**

7.3.1 **Key Achievements**

- St James Industrial Estate - amendments to the planning approval have been submitted to planning regarding the alteration of unit one. The formal grant application has been signed with Coast to Capital (C2C) for £1,183,017. Tenders have been evaluated and our contractor has been selected, a preconstruction agreement has been agreed.
- The occupancy levels at the Enterprise Centre continue to be high with a 93% occupancy rate.
- The industrial units at Ravenna Point are now all let.
- The inward investment website *Invest Chichester* has now been established and following a tender exercise White Label Creative Marketing and Events, a specialist inward investment marketing agency has been appointed, to launch and promote activities, based on the *Invest Chichester* brand.
- Inward investment - Officers have been working with Global Baby over the past 18 months to support their plans to make Chichester their UK base and we are very pleased to report the transaction with Princes completed on 31st March. They have now moved into the Terminus Road premises operating as Babynov Chichester, a new division of Global Baby.
- The service level agreements have been completed with The Great Sussex Way (GSW) and following the launch of the new website and branding they have been working with the small and medium sized businesses that make up the local visitor economy.
- Events - There has been a huge demand for events as we approach the end of the road map, Officers will continue to support the delivery events across the district consistent with the councils adopted Events Strategy and Policy
- Culture 22 – In partnership with CFT and PHG, Gregory Nash has been appointed as Project Manager and a number of partnership workshops have

been held, with the last workshop having over 35 organisations attending. A briefing for all members was held on the 25 May 2021.

- Welcome back fund, we have been awarded additional funding from the Government totalling £173,161. A list of projects has been developed working with Parish Councils, the BID and GSW.
- Enabling Grants – We were successful in a bid to the Business Rates Pool and have been allocated £71,428. These will be allocated in 2 application rounds this year – April and September. In the first round we received 53 applications which are now being evaluated.
- Retail training and grants - CDC led the bid to the Business Rates pool for funding to run a second programme to support Independent Retail Businesses in our high streets. CDC has secured £80,000 of funding, £40,000 of which is to provide training support and £40,000 of which is to be allocated for retail support grants.

7.3.2 Changes to key Milestones

- ER 05 Short Term 'Safer High Streets' Issues - milestone has been extended to March 2022 due to the additional funding received from Government and the revised end date of the grant
- ER 06: Grants & Training for Retail Businesses - extended to June 2022 due to achieving the additional grant funding from the pooled business rates fund.
- ER 08 Support for the Self-Employed and Micro-Businesses – extended to March 2022 due to achieving additional grant funding from the pool business rates fund.

7.4 Planning, Health and Environmental Protection (Appendix 3)

7.4.1 Key Achievements

- The Health Protection Team including the Covid Information Recovery Officers and Covid Ambassadors continue to support businesses through the Government's Roadmap to ensure they are operating safely, in accordance with government guidance and legislation. Recently this has focused on the food growing industry and advice and support to the organisers of events to ensure Covid safety is fully addressed.
- The Council's interim food inspection programme as set out by the Foods Standards Agency is being completed in accordance with the guidance, although it is noted that a number of food premises due inspections are still closed due to Covid and may not reopen until Step 4 of the Roadmap. The Foods Standards Agency will be announcing the post Covid inspection regime in June 2021 which will need to detail the appropriate action for a significant number of remaining inspections due in 2021/22.
- Implementation of the identified actions in the approved Climate Change Action Plan is now underway with the first monitoring report reported to the Environment Panel.
- The Local Cycling and Walking Infrastructure Plan was approved by Cabinet at its April 2021 meeting. The next stage is to progress feasibility studies to ensure that schemes identified as a priority are deliverable subject to funding being available.
- The refresh of the Air Quality Action Plan was agreed by Cabinet at its May 2021 meeting for consultation.

- A report setting out possible amendments and refinements to the Council's Scheme of Delegation and Red Card procedure in respect of planning matters was considered by the Recovery Group at its May 2021 meeting. Proposals will be reported to Cabinet and Council in due course.
- Following the making by the Council of the Compulsory Purchase Order (CPO) for the Tangmere strategic development site, a CPO Inquiry is scheduled to take place in September 2021.
- The associated Tangmere outline planning application submitted by the Council's development partner, Countryside Properties was reported to the Planning Committee on 31 March 2021 and is the subject of a resolution to permit subject to a number of matters being completed/resolved.
- The evidence base for the Local Plan Review continues to be developed, including in relation to employment and horticultural development to ensure future planning policies are capable of supporting economic recovery.

7.4.2 Additional Work

- The Health Protection team is heavily involved in Covid activities which have significantly increased workloads.

7.4.3 Changes to key Milestones

- A number of milestones have been added or adjusted mainly to show the scope of individual actions and detailed work undertaken on them.

7.5 Organisational (Appendix 4)

7.5.1 Key Achievements

- Officers have completed the first round of the approved efficiency review, and we are currently on track to achieve £932k of savings in 2021-22 against a budgeted savings target of £747k. This means that we remain on track to deliver £2m of savings across the next 3 years as agreed by members.
- The back-up server project at the depot has been completed and is now providing a live back up facility for the council, thereby improving our resilience.
- A high level summary of the green staff travel plan has been prepared. This has been shared with the Joint Employee Consultative Panel, and the Environment Panel. Both were supportive of the findings. An implementation plan will now be developed, although some actions will be dependent on staff returning to work at EPH.
- HR & ICT services continue to support managers and staff with their needs to enable them to work effectively from home.
- A further staff welfare survey has been conducted. The results of this are still being collated, but it will help us determine the type of support needed when staff return to East Pallant House.
- The reception area is nearing completion of a new layout to make it more user friendly and effective when we reopen to the public.
- Work continues to make our services more accessible via the Council's website. A number of E-forms have been created to target high volume work channels.

7.5.2 Changes to key Milestones

- OR09 – Website enhancements & Channel shift. Additional milestones have been added, and the overall completion date amended to December 2022 to reflect the on-going nature of this work.

8. Outcomes to be achieved

- 8.1 A short term focussed recovery action plan, with targeted interventions, that is agile and helps supports communities, businesses and the Council's services recover from the impact of C19.
- 8.2 A new Future Service Framework template to establish priority services to be delivered in the future, and return the Council's finances to having a balanced budget over the medium term.

9. Proposal

- 9.1 That the Committee discuss the progress to date on the recovery plans, as set out in appendices 1-4, and make any comments on progress to Cabinet.
- 9.2 That three of the Recovery Groups have substantially completed their actions plans and should be wound up.
- 9.3 A new politically balanced Economic Development Panel should be formed.

10. Alternatives Considered

- 10.1 This is a progress report so not relevant for this report.

11. Resource and Legal Implications

- 11.1 An update on the latest financial position is set out in section 5.

12. Consultation

- 12.1 Recovery Groups, Overview and Scrutiny Committee and Cabinet.

13. Community Impact and Corporate Risks

- 13.1 Since the approval of the action plans in July 2020 the Country has endured two further lockdowns and at the time of writing this report the latest position on stage 4 of the Government's Roadmap is unclear. The vaccination programme has been extremely successful and hopefully there will be no need for further lockdowns.
- 13.2 The Council's finances are challenging and the Council will need to consider later in the year how it will balance its medium term budget.

Other Implications

- 14.1 Each action has been assessed individually and where necessary mitigations have been put into place.

14. Appendices

Appendix 1 Housing and Communities Recovery Action Plan

Appendix 2 Economic Recovery Action Plan

Appendix 3 Planning, Health and Environmental Protection Action Recovery Plan

Appendix 4 Organisational Recovery Action Plan

15. Background Papers

None