



Hinckley & Bosworth
Borough Council

Forward timetable of consultation and decision making

Scrutiny Commission 2 July 2020

Wards affected: All Wards

Coronavirus - Recovery Strategy

Report of Strategic Leadership Team

1. Purpose of Report

The purpose of the report is to seek members consideration and support to a draft Recovery Strategy in response to the issues and challenges raised in the proceeding report on the agenda 'Coronavirus - The Councils Response'.

2. Recommendation

2.1 That Members Consider and Agree to adopt the Draft Recovery Strategy attached with this report.

3. Background to the report

3.1 The background context to this report is covered in the proceeding report on the agenda entitled Coronavirus -The Council's Response. Whilst that report sets out the key actions and activities the Council has undertaken in immediate response to the COVID-19 pandemic, it also highlights the key community impacts and challenges it has raised and therefore the need for us to plan for recovery. This report sets out how the Council is currently engaged in recovery and it proposes a draft Recovery Strategy (see Appendix 1) which highlights the key ambitions of the Council linked to its recovery effort and the actions we propose to take with partners in addressing the challenges faced by our communities, as a result of this unprecedented pandemic.

3.2 Scrutiny Commission considered this report at its meeting on 2 July 2020 and endorsed the Strategy and passed a vote of thanks to all managers and staff for their efforts during the pandemic.

4. Engagement in Local and National Response and Recovery

4.1 Since the start of the pandemic in the UK national and local emergency planning structures were stood up. Nationally this was in the form of Government COBRA meetings and for Leicestershire this was the Local Resilience Partnership.

4.2 At a local level we have had senior SLT representatives on the Strategic Council Group and Tactical Group of the Resilience Partnership together with senior officer representatives on thematic multi-agency partnerships cells, such as the shielded and vulnerable and the volunteering and communities cell. Moving into the Recovery phase there is a Tactical Recovery Partnership established, led by Districts. We have

- 4.3 Directors leading on the county-wide market Towns Group and Chief Housing Officers Group that are represented on this Recovery Group. This has allowed the Council to influence and facilitate the sharing of practice on topics such as high street reopening and supporting vulnerable members of our communities. This has also enabled the council, working with its volunteer partner organisations, to shape the roll-out of resident support schemes and assist the County Council with those on the shielded list.
- 4.4 Nationally through our leadership role in the District Council's Network, we have successfully engaged with Ministers from across Government departments which has helped secure important financial payments to assist in addressing the financial impacts on the Council from loss of income and increased costs arising from COVID-19. The Council's Chief Executive has also been invited onto MHCLG's National Economic Recovery Group that provides input into Ministers.
- 4.5 Senior engagement both nationally and locally continues as part of the recovery phase and is expected to run for some time yet.

5. Recovery Strategy

- 5.1 Nationally and locally we have entered into the 'recovery phase' of the COVID-19 pandemic. Over the coming months we will see the further introduction of freedoms from the COVID-19 lockdown. A significant milestone was reached on the 15th June with the opening up of our high streets for 'non-essential retail'. Alongside this we have seen the lifting of restrictions on travelling extended and businesses asked to return to full operation. All of these activities are subject to having the necessary social distancing measures and PPE in place. This is all part of the national and local recovery effort. The emerging national focus is around economic recovery.
- 5.2 It is within this context and challenges identified in the report elsewhere on the agenda that a draft Recovery Strategy has been prepared. The key themes seek to address:
- Impacts on People
 - Impacts on Places
 - Impacts on Prosperity and Businesses
- 5.3 These all align to current priority themes of our adopted Corporate Plan. The Recovery Strategy (attached as Appendix 1) identifies the key ambitions and outcomes and the actions we propose to take to achieve these. In summary, the following thematic outcomes are prioritised:

People

- Business service and thrive and local employment is maintained.
- Vulnerable residents are supported and local voluntary capacity is sustained and developed.
- Residents have access to health and wellbeing advice and interventions

Places

- Our town centre vitality is improved and viability of our high streets maintained.
- People to choose to shop local and support the local economy through promotion of the retail offer.
- Footfall to our main centres and tourism attractions is rebuilt.

Prosperity

- Local tourism attractions are supported to safeguard and grow the local visitor economy.
- Manufacturing businesses are supported to safeguard and maintain local employment opportunities
- Commercial investment confidence is maintained and regeneration opportunities are secured.
- Local housing is supported to maximise opportunities for residents

5.4 A key outcome of COVID-19 pandemic has seen the positive impact on climate change through behaviour change and the reduction in carbon emissions as a result of the lockdown. Climate change opportunities and considerations will need to run through all of our recovery plans.

5.5 Members are requested to endorse the Recovery Strategy and subject to this agreement, it is intended that this will be embedded in the next refresh of the Corporate Plan and MTFS.

6. Exemptions in accordance with the Access to Information procedure rules

6.1 Report will be taken in open session.

7. Financial implications [AW]

7.1 The impact of Covid-19 on the finances of the council is significant and wide ranging. I have summarised the current risk profile and potential losses in the table below. There is also the potential for a further tranche of government funding support to assist with pressures arising from Covid impacts and also in relation to leisure centre pressures, but this has not been confirmed. The RAG rating is based on the likelihood of the impact being incurred; green is more sure, through to red, which is a possibility, but much less certain. This is used as the basis for reporting to Central Government.

7.2 The overall table comes to a worse-case scenario risk £3.4m general fund losses after current government funding is taken into consideration. A best-case scenario, if further funding from central government is made available for leisure centre costs and lost income, would be general fund losses in the order of £1m-£1.5m.

7.3 With the exception of Garden Waste, these all involve varying levels of estimation and are forecasts for the year and may well change as further information is obtained as the year progresses.

7.4 The table does not include HRA losses as it is too early to estimate the impact on rentals, but it is reasonable to assume there will be some reduction in rent collection in year and potential bad debt increases.

Key to table 1

RAG rating (of being incurred)	Risk Range
Green	High Risk (Range £1.6m to £2.2m)
Yellow	Medium (£150,000 to £300,000 –excluding Council Tax and Business rates)
Red	Low Risk (£100,000 to £590,000)

Table 1: Costs/Loss of income in 2020/21	Extra costs	Lost income	Comment	RAG rating
Commercial rents, Loss of rental due to rent loss "Holidays granted" to support tenants		£190,000	Loss of rents 3-6 months, Might recover some as rents rephased, so may end up as timing into next year.	Green
Leisure Centre Mgt fee Qtr year fee+ costs cover	£565,000	£935,000	This could lower as negotiations are ongoing, but is highly likely in the range £1m to £1.5m	Green
Lost interest		£90,000	Cash needed for cash flow, so less invested	Green
Car parks		£200,000	Three months loss of income slow return	Green
Garden waste		£130,000	Two months service moved to following financial year	Green
Crematorium income, assume project will slip.	£100,000		Now not expected to complete in year.	Green
Extra audit costs due to new income and payment risks	£25,000		Audit Assurance needed on grants paid out	Amber
Agency Staff overtime	£50,000		Some used for waste	Amber
Housing (including homelessness)	£150,000		Assume we do not put those given shelter back on streets	Amber
Environmental and regulatory services (including excess death management)	£75,000		Might be lower	Amber
IT costs	£80,000		Potential as costs of homeworking and some extra kit	Red
Trade waste		£100,000	Best Guess if business fail and close	Red
Other fees and charges		£80,000		Red
Bad debts increase	£120,000		General Fund impact	Red
Planning income loss		£150,000	Assume fees down as slow down in application	Red
Finance/ corporate services	£60,000		Overtime/Agency	Red
Loss total	£1,275,000	£1,825,000		
Business Rate (includes preceptor element)		£8,240,000	Lockdown easing may uncover more business that fail as government support withdrawn. £7.4m now covered by retail relief	Amber
Council Tax (includes preceptor element)		£1,200,000	Assume increase in non-collection/Bad debt and increased support for hardship.	Amber
Collection Fund		£9,440,000		

Table 1: Costs/Loss of income in 2020/21	Extra costs	Lost income	Comment	RAG rating
Covered by Government funding				
Extra S31 for retail relief		-£7,435,000		Received
Council Tax hardship fund		-£535,000		Received
Covid-19 pressures	-£1,182,222			Received
Total	£92,778	£3,295,000		
Combined lost income and extra costs	£3,387,778			

8. Legal implications [FA]

8.1 None arising directly from the report.

9. Corporate Plan implications

9.1 This report contributes to all aspects of the Corporate Plan.

10. Consultation

10.1 None for the report although trade unions, partners and the voluntary sector have been consulted during the coronavirus pandemic as appropriate.

11. Risk implications

11.1 It is the council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

11.2 It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.

11.3 The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) risks		
Risk description	Mitigating actions	Owner
None		

12. Knowing your community - equality and rural implications

12.1 The coronavirus has affected all elements of our communities. We have considered the impact of each of the service impacts and new initiatives and developed our approaches accordingly to ensure no one group is disadvantaged as a result.

13. Climate implications

13.1 The impact of the coronavirus pandemic has been far reaching and inevitably the changes in service delivery will impact on the wider environment. These are set out more clearly within the Recovery Strategy.

14. Corporate implications

14.1 By submitting this report, the report author has taken the following into account:

- Community safety implications
- Environmental implications
- ICT implications
- Asset management implications
- Procurement implications
- Human resources implications
- Planning implications
- Data protection implications
- Voluntary sector

Background papers: None

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