



# COTSWOLD DISTRICT COUNCIL

Council name	<b>COTSWOLD DISTRICT COUNCIL</b>
Name and date of Committee	<b>CABINET – 7 SEPTEMBER 2020</b>
Report Number	<b>AGENDA ITEM 11</b>
Subject	<b>SUMMARY FINANCE/SERVICE PERFORMANCE REPORT - 2019/20 YEAR END</b>
Wards affected	All
Accountable member	All relevant Cabinet Members
Accountable officer	All Group Managers
Summary/Purpose	To summarise overall service performance for the Council. To provide information on the Council's financial position
Annexes	Annex A - Revenue Summary and Variances Annex B - Summary of gross capital expenditure Annex C - Performance indicator report
Recommendation/s	<i>That Cabinet reviews, and challenges as appropriate, service and financial performance for 2019/20.</i>
Corporate priorities	The Council's new administration has approved a new Corporate Strategy and has commenced work on a new Corporate Plan for 2020-2024, which will set out more details of the outcomes to be delivered over the life of the Council. While the new Corporate Plan is in development, the focus of this report will be on service delivery and financial performance
Key Decision	NO
Exempt	NO
Consultees/ Consultation	None

## 1. BACKGROUND

- 1.1. Each quarter, the Council monitors its progress towards achieving its aim and priorities, service delivery and financial performance. Following the elections in May 2019, the Council's new administration commenced work on a new Corporate Strategy and a Corporate Plan for 2020-2024. While the new Plan is in development, the focus of this report will be on service delivery and financial performance.
- 1.2. In addition, as part of the new performance framework, there will be a review of performance indicators for 2020-21.

## 2. FINANCIAL PERFORMANCE

### Financial Performance (Revenue)

- 2.1. At the end of March, the Council has spent £16,202,333 against its net budget of £15,532,013. After taking account of higher levels than budgeted income from NNDR, section 31 grants and government grants, this equates to an overspend of £270,577 and includes the forecast underspends from the Council's contracts with Publica and Ubico as detailed in 2.16 to 2.17.
- 2.2. The revenue outturn for all services for the year ending 31 March 2020 is shown at **Annex A**. The report highlights that there are a number of budget variances across a range of service areas. A commentary against the most significant budget variances are set out below. These figures are subject to external audit review during the summer, however, the figures are not expected to change materially from those being reported.

### Income

- 2.3. Overall income from fees and charges is lower than anticipated. The effective shutdown of services towards the end of March due to Covid-19 had a further negative effect on the level of income.
- 2.4. Income within Development Management is £422,289 below the income budget of £1,219,877; at £797,588. This has been offset in part by a £93,032 underspend in contractors fees. 2019/20 has seen a slow-down in the number of applications, and therefore income to the Council. Planning Application fee income represents a major income stream for the Council. Whilst the income target was lowered for 2020/21 (by £200,000) to represent the slowdown in application income seen during 2020/20, the position will continue to be monitored closely.
- 2.5. Planning pre-application income performed well, generating £85,958 of income against a £70,000 target.
- 2.6. Car park income is one of the largest sources of income from fees and charges to the Council. During the final month of the year the Council experienced a dramatic fall in car park income as a result of the Covid-19 pandemic. Parking income decreased in the early part of March and charges were formally suspended from March 24 when Covid-19 safety restrictions came into place. Despite these changes, income for the year was just £14,000 below budget.

- 2.7.** Budgeted income of £338,786 from the sale of recycling material is £149,271 under budget. Sales achieved £189,515 due to lower commodity prices being paid for paper and mixed cardboard. The lower price for recycled materials is expected to continue into 2020/21. This will be built into the revised budgets which are currently being prepared.
- 2.8.** A number of other service areas are underachieving against income budgets. These include Building Control at £44,000 under budget, Land Charges at £64,000 under, Licensing at £35,000 under; all of which were impacted by the March 'lockdown' due to Covid-19.
- 2.9.** By contrast, the following service areas have exceeded income targets:
- 2.10.** The majority of the income from the Council's chargeable Garden Waste service is generated at the start of the year, with the service beginning on 1st April and the fee entitling users to a service up until 31st March. Subscriptions to the service have generated £652,000 during the year. This compares positively to the annual budget target of £624,000. The service has generated a surplus of £28,000 against budget, once again, generating subscribers in excess of expectations.
- 2.11.** During 2018/19 the Council saw the diversification of its investment portfolio, away from traditional cash deposits. As a result, the Council invested additional resources into a mixture of property funds and pooled investment funds. These investments proved successful during 2018/19 and the positive returns continued into 2019/20. Interest receivable from short and long term investments was £68,585 higher than the budget expected for the financial year.

The value of property and pooled investment funds fell in the last quarter of the year, largely due to the impact of the Covid-19 pandemic on global financial markets. As of 31 March 2020, the value of the investments has fallen. However, these investments are by nature more volatile in the short term but offer enhanced returns over the longer term. The falls in value identified at 31 March 2020 are not realised within the Council's general fund, as gains and losses are only realised when the Council sells the assets.

#### Expenditure

- 2.12.** Overall expenditure is within budget, which is compensating for lower income. The most significant underspends are set out below.
- 2.13.** The majority of the Council's staffing resource is supplied under contract from Publica. The Publica contract sum for 2019/20 is £8,617,276 (excluding contribution to the Service Modernisation Programme). Any variations or changes in the service provision required during the year are agreed between Publica and Council's Chief Financial Officer and Chief Executive/Head of Paid Service in line with Council decisions.
- 2.14.** Publica monitors its budgets to ensure services are delivered in line with the agreed contract sum. Each quarter, Publica reports its expenditure to the Publica Board. Any variations in contract sum are then attributed to the partner Councils in line with the contract. At the end of quarter four, Publica reported a contract underspend of £362,000. £90,671 of the underspend is attributable to this Council.

- 2.15.** The Council's Environmental Services (grounds maintenance, domestic waste collection, recycling collections, etc) are provided by Ubico Ltd. The Ubico contract costs were under budget by £134,910. This is due to changes in services which were planned, and budgeted for, but which were delayed from November 2019 to March 2020.
- 2.16.** The 2019/20 Environmental Protection budget included an element of funding for a 'Service Leader' position that has been vacant for part of the year resulting in an underspend against the budget for the year.
- 2.17.** The Housing Advice budget includes an underspend of £33,276 due to the Publica Housing Advice team running with vacancies. The underspend represents the Council's share of the savings due to these vacancies.
- 2.18.** There has been a £45,000 underspend on Community Activity Support Fund.
- 2.19.** Expenditure in respect of planning appeals is £48,665 below budget; this is, in part, due to four appeals lodged in 2019 being postponed as a result of Covid-19 but which will now be heard later this year. It is also noteworthy that the Council had no significant appeal costs awarded against it in 2019/2020.
- 2.20.** The interest payable budget is underspent by £67,258. This budget was based upon an assumption that the Council would borrow to fund a number of capital schemes including Waterloo Car Park. As this scheme has not progressed as expected during 2019/20, no interest or borrowing charges have been payable.
- 2.21.** By contrast the Council is facing cost pressures which exceed budget in the following areas:
- 2.22.** The food safety budget is £33,758 overspent, primarily due to higher Publica contract charges. Additional staffing resources were required to carry out food safety inspections, over and above the contracted provision.
- 2.23.** During the financial year the Council has spent its capital allocation for recycling receptacles of £55,000. An overspend of £92,000 currently sits in the revenue account for the additional expenditure. Orders for the receptacles were placed at the end of the last financial year in light of advice from WRAP on risks related to the UK's departure from the EU. Specific government grant of £21,000 paid to the Council for Brexit preparations has been applied to part fund these costs and reduce the overspend in the revenue budget.
- 2.24.** The Council sets aside monies each year to establish a reserve to fund the all-out District and Parish/Town Council elections every four years, and any by-elections held. The cost of these elections has been higher than anticipated; the anticipated costs are for the 4 year term and include any by-elections, legal costs and increase in charges such as printing and postage costs. Between 2015 and 2019, the Council conducted three District by-elections and five contested Parish elections. The annual contribution to the election reserve for 2020/21 has been updated as part of the 2020/21 budget process to reflect the increased costs.
- 2.25.** The Council is currently overspent by £48,000 against its budget for Councillor Allowances. The variation represents the uplift in Members' basic and special responsibility allowances and the increase in the number of cabinet members agreed by Council in May 2019. The change in rates and cabinet members has been built into the budget for 2020/21.

- 2.26.** Maintenance work at the Cirencester Leisure Centre has exceeded the planned budget by £21,000 due to essential repairs to the automatic doors and works on the main pool and sauna. Underspends on maintenance works at Bourton Leisure centre and a number of the Council's other sites mean that the overall Building Maintenance spend remains within budget.
- 2.27.** In May 2019 the Council opened the newly refurbished Temporary Emergency Accommodation, "The Croft". In getting the property ready for use, the Council has incurred costs of £14,839 for servicing and upgrading the fire alarm and security alarm systems within the building, for which no budget had been set aside. With the opening of 'The Croft', it was hoped that there would be a decrease in the amount that the Council spends upon emergency bed & breakfast accommodation. With the outbreak of Covid-19, the Council's statutory obligation to house the homeless has meant that costs have temporarily increased.
- 2.28.** A full list of all cost centres and budget variances is attached to this report at **Annex 'A'**.

Gain on disposal of assets

During 2019/20 the Council achieved £77,459 of income from the sale of a plot of land and disposal of Ubico vehicles for scrap.

Business Rates Retention Scheme and Pooling

- 2.29.** The Council is a member of the Gloucestershire business rates pool. The pool was established to reduce the levy payable to the Government on growth in the business rates base.
- 2.30.** The accounting arrangements for Business Rate are complex and introduce timing difficulties into items charged to the revenue account due to differential treatment under statute. The original budget and the actual outturn for 2019/20 is as follows:

	<b>Budget 2019/20 £'000</b>	<b>Actual 2019/20 £'000</b>	
Business Rates Income	13,173	13,173	
Less: Tariff	(11,301)	(11,301)	
NDR deficit payable to Collection Fund	-130	-130	Fixed at budget setting
S.31 Grant	2,138	2,548	Changes to small business rate relief and new discretionary reliefs introduced by central government
	<b>3,880</b>	<b>4,290</b>	
Less: Levy	(935)	(929)	
<b>Net Business Rates</b>	<b>2,945</b>	<b>3,361</b>	

Contributions from Business Rate Smoothing Reserve to part fund collection fund deficit	<b>130</b>	<b>130</b>	Funded from section 31 Grant received in prior years which compensates for lost business rates income reflected in the Collection Fund.
	<b>2,815</b>	<b>3,491</b>	
Contributions to /(from)reserves	0	(62)	This contribution to the Business Rates Smoothing Reserve, will be used to fund the forecast collection fund deficit for 2020/21 which will form part of the budget for 2021/22.
<b>Total Business Rates</b>	<b>3,075</b>	<b>3,429</b>	

- 2.31.** The Council has benefitted from being part of the Gloucestershire 50% pool in 2019/20. A gain of £335,784 was recognised in the 2019/20 outturn based on an estimate of the year-end position. This gain has been taken to the Council Priorities Fund to fund one-off costs related to delivery of the Council Priorities over the term of the Council.
- 2.32.** A provision is held in relation to outstanding appeals against property valuations lodged with the Valuation Office. There has been a limited resolution to appeals against the 2010 rating list. Provision has been included for the first three years of the new list which came into effect in 2017/18. So far, the new Check, Challenge and Appeal process introduced for the 2017 list, has not resulted in a significant number of businesses reaching the appeal stage of the process and therefore there have been a small number of successful appeals. The provision against the 2017 list has been reviewed in light of experience and has been reduced accordingly. Overall the appeals provision totals £1.052m, a reduction of £1.011m from the opening provision in April 2019.
- 2.33.** Changes to the Business Rate Retention Scheme were due to be implemented by central government in 2020/21. Although the Council's Medium Term Financial Strategy (MTFS) makes provision for a significant reduction in funding from retained business rates, the actual impact of the changes and future timing remain unclear. The MTFS will be updated in September to reflect the latest announcements by the Government.

#### General Fund Balance

- 2.34.** As at 1 April 2019, the Council's General Fund balance stood at £4,910,148. When the 2019/20 budget was set in February 2019, it was anticipated that there would be a revenue deficit for the year of £164,313 resulting in a reduction to the General Fund. The reported overspend will reduce the General Fund by a further £270,577 and will stand at £4,475,258.

## Capital Activity

- 2.35.** The Council's capital budget for 2019/20 was £16,613,629. A total of £7,662,044 was spent against these schemes. A full list of expenditure against budget is attached to this report at **Annex 'B'**.
- 2.36.** The Council has received 123 referrals for Disabled Facilities Grants [DFGs] during the period April to March 2020. At 31 March 2020, there were 49 DFG cases ongoing, none of which are older than 9 months, although four have been put on hold due to Covid-19 restrictions. Of the ongoing cases, £126k of funding has been approved.
- 2.37.** The maximum DFG is £30k with an additional £20k available in exceptional cases. There were three grants for the maximum £30k this year, all for complex paediatric cases.
- 2.38.** The Council is taking forward a number of projects aimed at increasing car parking capacity in Cirencester:
- Work has commenced at the Cirencester Rugby Club, now known as the Whiteway Car Park but this was paused as contractors were unable to maintain social distancing or acquire materials. Works will develop the parking facilities and increase capacity for parking permit holders.
  - Work to review the sustainability options for the Waterloo car park have progressed well with additional measures being considered to further reduce the car park's carbon footprint. Cabinet in July decided to defer the decision to submit the planning application for this development for 12 months. The delay will enable the Council to gain an understanding of the impact of Covid-19 on personal behaviour such as home working, shopping habits, use of cycling and other green transport. These behavioural changes are likely to change demand for car parking space in Cirencester and the Council's options for service provision.
  - The Old Memorial Hospital has been demolished and the car park resurfaced. The car park reopened to the public in early March. Despite numerous challenges with asbestos and works below ground this project was completed on time and within budget.
  - Car park improvement works are planned for Rissington Road car park in Bourton-on-the-Water. These works had been delayed, due to drainage issues, and have since stalled due to the Covid-19. Work has slipped into 2020/21.
  - As part of the Council's commitment to reduce carbon use, a framework for the delivery of Electric Vehicle Charging Points [EVCPs] has been established. Direct award via ESPO is being progressed for charging points at the Packers Leaze depot to facilitate the introduction of two hybrid vehicles. The data obtained from the use of these vehicles will inform strategy for the potential use of electric vehicles in the waste and recycling vehicle fleet. EVCPs will also be installed at the Whiteway Car Park. Work on this project had stalled due to the Covid-19 but has now restarted with plans to open the Car Park on 1 September 2020.

- 2.39.** There are various projects underway in ICT to keep our network infrastructure secure and up to date. The rolling replacement programme of laptops and devices has seen a large number of laptops being replaced during the year. Future planned work includes the replacement of storage infrastructure and replacement/upgrade of key elements of existing infrastructure/network equipment. The ICT service has also enabled staff to work from home in response to Covid-19 and facilitated formal Council meetings via video-conferencing facilities.
- 2.40.** Prior to Covid-19 restrictions, the Corinium Museum 'Stone Age to Corinium' project had progressed well with the project being ahead of programme and on track to complete gallery fit out and mounting by June 2020. Building work had been paused due to the lock down. A revised completion date is being established, with the exhibition case contractors returning to site from 21 July 2020.
- 2.41.** The scheme contained within the 19/20 budget for an expansion of the Gym at Cirencester Leisure Centre (£1,200,000), has not begun due to the impact of Covid-19, and will be delayed until the leisure sector has emerged from the recovery phase.
- 2.42.** The Council has set aside £0.5m for the Rural Broadband scheme to be used in collaboration with the Fastershire project to deliver to those properties that still do not have high speed broadband. The Fastershire project is currently undertaking an open market consultation to understand other providers' plans so that they can ensure best value for both additional Fastershire funds but also partners' funds such as Cotswold DC. At the conclusion of this consultation they will be in a position to implement a programme for further works to include the funding set aside by this Council.

### **Capital receipts and disposals**

- 2.43.** There have been no capital receipts or assets disposals in Quarter 4. Capital receipts for the financial year was £45,000 for the sale of Land at the Sherry, Temple Guiting which was received in Q1.

## **3. PERFORMANCE AGAINST ALL INDICATORS**

- 3.1.** At the end of 2019/20, the majority of indicators achieved their targets or achieved their targets 'within tolerance'.
- 3.2.** The reporting of four indicators is delayed due to the impact of Covid-19. Two indicators relate to the Leisure centres and the Museum which were instructed to close temporarily by the Government on 20<sup>th</sup> March 2020 and therefore the data is incomplete; and two indicators in Forward Planning (five year land supply and the housing delivery test) are delayed due to re-deployment of staff to support the Covid-19 response.



Table 1 - Summary of Performance - All PIs

Status	2017/18		2018/19		2019/20	
	Total	%	Total	%	Total	%
Achieved or exceeded target	23	82.1	23	74.2	17	65.4
Achieved target within tolerance	2	7.1	6	19.4	6	23.1
Target not achieved	3	10.7	2	6.5	3	11.5
Total	28		31		26	
No target/no data	7		5		8	

**3.3.** During the year, there were some notable performances including:

- The satisfaction rate for Council services delivered both face to face and by telephone are high at 98% (face to face), 99% (telephone – advisors), and 95% (telephone - services). In comparison to other councils, this Council frequently ranks in the top ten best performers (GovMetric).

- (LLP 1) Percentage of (official) land charge searches received and dispatched within 10 working days (Actual: 99.34%; Target: 90%).

The service processed 1,361 official land charge searches during the year as well as an additional 1,095 personal land charge searches.

- RHS 3 (RB 2) (Cumulative) Time taken to process Housing Benefit/Council Tax Support change events (days) (Actual: 3.49 days; Target: 5 days)

The service has improved its processing time from 6.02 days at the end of 2018/19 to 3.49 days at the end of 2019/20 despite the high volumes of data received via the DWP which require checking and the manual update of claimants' records to ensure that we assess claims using up-to-date information. Workloads are being managed to ensure that there is no administrative delay as the amount of subsidy (benefit payments) from Government is reduced when thresholds are not met.

- (EVS 2) Residual household waste per household (kg) (Actual: 375 kg; Target: 384 kg).

During the year, the District produced 375 kg of residual waste per household. In 2018/19, the District also produced 375 kg per household compared to 474 kg in the south-west region, and 537 kg nationally.

In March 2020, the new waste service was introduced which promotes the recycling of additional materials such as textiles, shoes and tetrapaks, and aims to reduce the amount of residual waste.

**3.4.** Three indicators fell short of their annual targets; one in each of the following services: Customer Services; Waste Service and Leisure and Communities:

- (CS 3) Percentage of complaints responded to within 10 working days (Actual: 77.78%; Target: 90%).

The number of complaints the Council receives is low. There were just two for Q4, and eighteen for the year.

A new complaints process has been finalised, however, the impact of Covid-19 on resources has delayed the relaunch to 1<sup>st</sup> July 2020. The Customer Services Manager is continuing to work with services to ensure that the complainant is notified of progress, and an extension of time agreed if required.

- EVS 4 Percentage of properties with a garden waste licence against the total number of occupied properties in the District (Actual: 51.3%; Target: 54%).

22,612 properties in the District signed up for a garden waste licence. The demand remains stable, and broadly in line with the previous year (2018-19 Actual: 52.2%). Each year the service is promoted and the majority of customers renew their licence each year. The reduction in take up is not, however, necessarily a negative and may reflect an increase in home composting or other means of dealing with garden waste which delivers an environmental benefit.

- LC 26 Business Engagement: Percentage increase (against the baseline) in membership of Cotswolds Tourism (Actual: -1.75%; Target: 5%).

Cotswold Tourism memberships no longer include Marketing Cheltenham members (c60 members) as it now operates as a separate partner. The number of members at the end of March 2020 was 336, just a few less than the baseline of 342. However, if the Marketing Cheltenham members had remained part of Cotswold Tourism, the increase against the baseline would be well ahead of the target at around 16%.

The annual tourism forum was held in January 2020, and regular roadshows and networking meetings are held to both engage with members and encourage new members around the area. In addition, sector group meetings for attractions and hotels are held quarterly. A focus on key Cotswold towns including Cirencester and Tetbury had just started in February to increase engagement but has since been paused.

In response to the impact of Covid-19, existing members of Cotswold Tourism were given a free year of membership, paid for from the tourism reserve. The team is now actively engaging all Cotswold Tourism businesses (members and non-members). This will help to build better engagement with businesses in the Cotswolds.

**3.5.** Five indicators fell short of their annual targets but remained 'within tolerance':

- (RHS 6) (Cumulative) Percentage of non-domestic rates collected (Actual: 98.00%; Target: 99%).

The Council has maintained a collection rate at the same level as the previous year which is slightly lower than the Shire Districts' collection rate at 98.4%, and

England's collection rate at 98.3%. The service is proactive in recovering outstanding non domestic rates during the current year as well as throughout the next financial year. The service has also been assessing its systems as it recognises that a system that is more efficient, and effective for customers, will help to increase collection rates. Cabinet took a decision on 1<sup>st</sup> June to implement a new revenue and benefits system.

- (RHS 7) Number of households living in Emergency Accommodation for over 28 days (Actual: 1; Target: 0).

One single person is waiting to move into housing association accommodation. However, due to Covid-19, housing associations are pausing house moves to help limit the spread of the virus following instruction from the Government.

The number of households living in Emergency Accommodation under 28 days is rising. Five rough sleepers were accommodated in March 2020, and since the end of March, the numbers have increased due to an influx of sofa surfers. Sofa surfers stay with family and friends whilst seeking their own accommodation. Additional accommodation has been secured from the Youth Hostel Association (14 rooms at the Barrel Store in Cirencester), and five rooms at the Agricultural College. The Council also has a number of spot purchase arrangements with Bed and Breakfast providers both within the District and within the wider county. The Publica Housing Team is continuing to review any pre-booked additional rooms on a needs basis. These rooms are available to the Council to use on a case by case basis.

- (ERS 3) Percentage of food premises that are 'poor performing' that receive follow up action (Actual: 85.71%, Target: 90%).

During the year, 14 premises required follow up action; twelve premises received follow up action within the required timescales. The two missed premises were prioritised and subsequently received the necessary follow up actions. All staff attend monthly monitoring meetings and have been reminded to prioritise workloads accordingly.

- (ERS 7) Percentage of Building Regulation full plans applications vetted within 21 days (Actual: 79.71%; Target: 85%).

The loss of an experienced Senior Building Control Surveyor and difficulties in recruiting a replacement resulted in a lower level of performance during the first part of the year. Following changes to working practices including some overtime hours, managing workload using resources within the Publica partnership, and the recruitment of an Assistant Building Control Surveyor, performance subsequently improved, and previous levels of service delivery have been re-established. During Q4, nearly 94% of applications were vetted within the specified timescale.

- (CS 1) Percentage of telephone calls answered within 20 seconds (Actual: 64.02%; Target: 70%).

The annual outturn has been affected by the implementation of the new Customer Relationship Management system in the first quarter of the year which was expected to reduce performance while the system 'bedded in' and evolved. During the year, there were steady improvements, and performance for both Q3 and Q4 was close to the target (Actual: 68%).

There was some turnover of staff in Q3, and seven new starters were recruited in December 2019 to support the introduction of the new waste service as well as add capacity to compensate for advisers moving on to other roles in the organisation. The volume of calls increased in March due to Covid-19 and the waste service redesign; while some staff who usually provide face to face service were re-deployed to the phones.

Although the percentage of telephone calls answered within 20 seconds was short of its target, a satisfaction survey offered to telephone callers at the end of their enquiry indicates satisfaction for services delivered by telephone is high.

- 3.6.** The Performance Indicator report is attached at **Annex 'C'**. The Local Management Team, consisting of both Council and Publica Senior Managers will continue to ensure that action is taken to improve performance where appropriate.

#### **4. RISK AND OTHER ISSUES**

- 4.1** The quarterly update of the Corporate Risk Register did not take place due to the impact of Covid-19. Instead a register of strategic risks and operational risks related to Covid-19 has been prepared.

- 4.2** A report was presented to Cabinet on 1<sup>st</sup> June 2020 setting out the scale of the financial challenge resulting from the impact of Covid-19 on both additional expenditure and loss of income. The Council is reporting the financial impact of Covid-19 to the Ministry for Housing, Communities and Local Government (MHCLG) on a monthly basis; and to date, has received a total of £941,887 of additional funding, with a further £120,000 recently announced. The government is proposing to reimburse councils for lost fees and income on a claim basis with the first claim to be submitted over the summer period. Once the detail of the initial claim for lost income has been prepared, the information will feed into a refresh of the Council's budget for 2020/21 with a forecast of expected Government grant for the rest of 2020/21.

- 4.3** A report was presented to Cabinet on 1<sup>st</sup> June 2020 setting out the scale of the financial challenge resulting from the impact of Covid-19 on both additional expenditure and loss of income. The Council is reporting the financial impact of Covid-19 to the Ministry for Housing, Communities and Local Government (MHCLG) on a monthly basis; and to date, has received a total of £941,887 of additional funding, with a further £120,000 recently announced. The government is proposing to reimburse councils for lost fees and income on a claim basis with the first claim to be submitted over the summer period. Once the detail of the initial claim for lost income has been prepared, the information will feed into a refresh of the Council's budget for 2020/21 with a forecast of expected Government grant for the rest of 2020/21.

- 4.4** In addition, the longer term impact of the projected economic downturn on overall public expenditure and local government finances needs to be considered. As part of the Council's Covid-19 Recovery Plan, the Council's budget for 2020/21 will be revised in September 2020; and the Medium Term Financial Strategy will also be refreshed to reflect the revised use of revenue reserves in 2020/21, the Government announcements of a delay to the implementation of the Fairer Funding Review and the 75% Business Rates Retention Scheme.

## **Health and Safety**

- 4.5 There were no reportable incidents in Q4.
- 4.6 Three incidents were recorded during the quarter. Two trips in the office resulted in very minor injuries; the flooring has been checked. The other incident concerned a contractor who dropped heavy equipment onto his hand which did not result in serious injury.

## **5. COVID-19 RESPONSE AND RECOVERY**

- 5.1. During the initial Lockdown the majority of staff moved to working from home and a significant number of staff were redeployed so that the Council could respond to the needs of its Communities. In the initial response phase we worked closely with voluntary sector partners to support 530 vulnerable people shielding in their homes, who were unable to access food, medicines or other essential supplies.
- 5.2. The Council worked with SLM; the Councils leisure provider, to close the leisure centres, removed charging and enforcement from Car parks, closed public toilets and dealt with increased demand in certain areas including housing and benefit inquiries, statutory nuisance complaints and waste service inquiries due to the launch of the new waste service mid-March.
- 5.3. Through May and then June the Council processed a total of 3035 business grant applications under two separate schemes, awarding a total of £36,297,862.00 to support businesses which had been forced to close during Lockdown. It has also applied Expanded Retail Relief to 1,228 businesses, totalling £17,736,969 and Nursery Relief to 17 businesses totalling £76,188.
- 5.4. With the announcement that High Streets could reopen non-essential shops from 15th June, the Council has utilised a Government grant allocation of £81,000 to develop and deliver business support packs to 700 shops and businesses and has worked with Highways consultants and Town and Parish Councils in the 11 largest settlements to identify schemes to increase pedestrian areas and make it safer for shoppers and visitors to maintain social distancing. The work to deliver temporary changes is continuing but offers a valuable opportunity to test changes which could provide lasting benefits. With the hospitality sector starting to reopen from 4th July the Council developed further guidance packs which were issued to 350 pubs, cafes and restaurants across the district with a toolkit of downloadable posters available online.
- 5.5. The Council has identified the key Recovery themes of community resilience, supporting the economy, the environment and the Councils sustainability, which align with its broader Strategic Objectives. The Council has both a Member Recovery Group and an Officer Recovery Working Group that meet fortnightly to drive forward actions in these areas. Current workstreams include building resilience within the community and voluntary sector and identifying opportunities to build resilience in local businesses so they can adapt and thrive in the challenging Pandemic and post Pandemic environment.

## 6 OVERVIEW AND SCRUTINY COMMITTEE

Feedback from Overview and Scrutiny will be given to Cabinet. An extract from the unconfirmed minutes of Overview and Scrutiny Committee held on 28 July 2020 is set out below:

### 'OS.11 SUMMARY FINANCE/SERVICE PERFORMANCE REPORT

A report was presented to the Committee for the year end 2019/20.

The format for reporting performance was to change, giving a clear indication of the split between Publica and the Council. The new format report would be presented to the Committee in September 2020. This was welcomed by the Committee.

Members questioned the customer satisfaction rate. Officers explained it was recognised that the website was not user friendly when the indicators were reported, although the Council's website had been updated and Quarter 1 will see a higher level of satisfaction.

Requests for green bin licenses had reduced in the last year, and it was considered that residents may be using their own compost bins to dispose of the waste, but there was no reason for concern.

**RESOLVED the report and any comments made be noted.**

**Record of Voting - for 9, against 0, abstention 0, absent 0.**

Note: Members wanted to express appreciation at the amount of additional work that staff had carried out to provide services across the district during the Covid emergency and the contributions made in the year before Covid-19 Pandemic.'

## 7 FINANCIAL IMPLICATIONS

As described in section 2 of the report.

## 8 LEGAL IMPLICATIONS

None.

## 9 RISK ASSESSMENT

As described in section 4 of this report.

## 10 ALTERNATIVE OPTIONS

None.

## 11 BACKGROUND PAPERS

None.

(END)