


REPORT TO

ECONOMY, SKILLS, TRANSPORT AND ENVIRONMENT SCRUTINY BOARD

24 September 2020

Subject:	Reset and Recovery – Phase One Findings
Cabinet Portfolio:	Cabinet Member for Skills and Employment
Director:	Executive Director - Neighbourhoods Alison Knight
Contribution towards Vision 2030:	
Contact Officer(s):	Jane Alexander – Senior Lead Officer Sarah Sprung – Senior Lead Officer

DECISION RECOMMENDATIONS

That :

1. Consider the findings from the impact assessment work undertaken on communities and economy in phase 1 of reset and recovery.

1 PURPOSE OF THE REPORT

- 1.1 To apprise Scrutiny of the activity undertaken in Phase One of the reset and recovery framework and the findings from this work in relation to impact on the economy and the community.

2 IMPLICATIONS FOR VISION 2030

- 2.1 Recovering from the COVID-19 pandemic with our communities, stakeholders and partners will have a positive impact on all ambitions contained in the Vision

3 BACKGROUND AND MAIN CONSIDERATIONS

- 3.1 The priority for Phase 1 of the reset and recovery programme, our immediate post-crisis response, has been to move out of lockdown safely and ensure that we retain flexibility to respond to changes in the local infection rate to support the most vulnerable in our communities. The Cabinet report on 23 September outlines more detail on phase 1.
- 3.2 In order to achieve the required outcomes from Phase 1 on understanding the impact of COVID-19, on 18 June 2020 the Reset and Recovery Board established three impact working groups:-



- 3.3 Each group had the following remit: -

- i. to share impact intelligence (including service user/ community intelligence) from directorate areas and external contacts, discuss findings, themes and future implications
- ii. to agree the key messages from analysis of the intelligence to feed into the overall impact report, with particular focus on the following points: -
 - o The impact of COVID-19 on existing issues (negative/positive impact)
 - o Whether COVID-19 resulted in new issues for the borough/council?
 - o Suggest areas for the next stage (thematic working groups).

4 CURRENT POSITION

- 4.1 The Impact Working Groups have now concluded their initial analysis of the impact of COVID-19 on our borough, although it is acknowledged that the effects of COVID-19 will continue to be felt by our communities for some time to come. We will work to continue to understand this developing picture to ensure that the Council continues to respond to any new and emerging needs.

Community Impact Working Group

- 4.2 This group, led by the Executive Director - Children's Services and the Director – Housing and Communities, has met twice during July and August 2020. Made up of officers from across the Council's Directorates

the group has pooled their collective intelligence to develop a deeper understanding of how COVID-19 has impacted the communities of Sandwell.

- 4.3 Overall, we found that the effect of COVID-19 on our communities reflected that of the national picture, experiencing issues around mental health, food insecurity, digital exclusion, financial hardship and social stresses.
- 4.4 Also, like the national picture our BAME communities have been affected greatly by the pandemic.
- 4.5 A more comprehensive view of the findings from the Community Impact Working Group is attached at Appendix 1, the points below represent some of the key findings identified: -
 - i. COVID-19 has exacerbated existing weaknesses in Sandwell's community, related to underlying poverty and deprivation
 - ii. We need to do something different to address these underlying vulnerabilities
 - iii. To do this well, we need to ensure:
 - a. Engagement is done in the right way and is culturally sensitive
 - b. Changes in our own organisation to do things more corporately
 - c. Focus more resources in areas of most need
 - d. Clear measures of success

Economic Impact Working Group

- 4.6 This group, led by the Executive Director – Neighbourhoods, has met twice and has focused on the impact on businesses and the local economy as it is currently emerging.
- 4.7 The Group has sought to capture national and regional intelligence and has drawn on service provider experiences and insights. We have also drawn on intelligence from West Midlands Combined Authority and the Black Country Local Enterprise Partnership.
- 4.8 There have been lots of national headlines regarding the impact of COVID-19 on the economy, while this is important the Group have focused on how this translates at a local level.
- 4.9 Specifically, the following vulnerabilities have been identified for Sandwell: -
 - i. Sandwell has the lowest gross disposable household income (GDHI) per head in West Midlands at £13,359; at 0.11 per thousand

rate is the lowest number of high-growth firms per population in the West Midlands.

- ii. The centre for progressive policy has predicted a productivity drop of 36% of gross value added in Sandwell during quarter 2 of 2020
- iii. Research suggests that places with higher entrepreneurial activity than Sandwell recovered faster after the 2008 crisis. This makes the case for business support in Sandwell even stronger
- iv. The Federation of Small Businesses in the UK expects some 25% of SME businesses to close in 2020.
- v. 6.8% of people (16-64) in Sandwell are self-employed -around 13,818 people, and the self-employed are particularly vulnerable group within the crisis

4.10 Therefore, the challenges identified for Sandwell are: -

- i. Disproportionate impact on young people – lack of apprenticeship vacancies, University options, unstable employment
- ii. Low skills base – Sandwell’s starting point is lower, residents who become unemployed and are less skilled are usually less resilient financially and in finding new employment.
- iii. Impact on those 50 plus – as with other Economic crisis it is forecast people aged 50 plus will be disproportionately impacted
- iv. Skills and employment support demand will be different – higher skilled cohort, more disadvantaged move further away from the labour market
- v. Digital exclusion/poverty – still a major barrier for residents to complete training/upskill
- vi. Mental health – anxiety for those returning to work or accessing the labour market

4.11 Finally, it was recognised that we need to understand more about the detailed economic impact on our BAME communities in order to tackle the issues as an organisation.

4.12 Further impact work has considered the impact on staff, our services and the finance of the council and details are contained in the Cabinet report on 23 September.

4.13 Phase two of the reset and recovery programme will take the findings from this impact analysis to inform the development of a revised corporate plan in order to ensure that the council continues to meet the needs of the communities we serve.

5 CONSULTATION (CUSTOMERS AND OTHER STAKEHOLDERS)

- 5.1 Town Workshops were held with elected members, this ensured that all members had the opportunity to participate, and add intelligence to, the impact analysis. Discussions that took place in this series of seven events were fed through to the impact working groups.
- 5.2 The Chief Executive held a series of staff focus groups, to both offer staff an opportunity to ask questions and to hear about staff experiences of lockdown, challenges in working from home and ideas they may have for the future. Again, this intelligence was fed into the Impact Working Groups.
- 5.3 Looking forward it is paramount that the key messages from the impact work are shared and discussed across our organisation and with our partners, so we can develop a shared understanding of the challenges we face and the positives we want to harness. There are plans to consult widely internally and externally with the findings of the impact analysis.

6 ALTERNATIVE OPTIONS

- 6.1 The framework set out in the report approved by the Emergency Committee will result in the development of plans to enable the organisation and the borough to recover from the impact of COVID-19, therefore alternative options are not required at this stage. When developing approaches and determining specific activities, it will be essential to consider alternative options to ensure the most appropriate way forward is agreed.

7 STRATEGIC RESOURCE IMPLICATIONS

- 7.1 The development of the Reset and Recovery Plan will not require specific resources over and above those already allocated to corporate planning activities within the 2020/21 budget.

8 LEGAL AND GOVERNANCE CONSIDERATIONS

- 8.1 Transparency in decision making and accountability for delivery of the Reset and Recovery Plan will be key to its success. Governance will feed into the existing democratic arrangements and develop over time as more functions come back online. Links to regional activity will be key to the recovery of the council and borough, working in partnership with others, sharing intelligence and maximising the opportunities for Sandwell as whole.

9 EQUALITY IMPACT ASSESSMENT

- 9.1 An Equality Impact Assessment was undertaken on the reset and recovery process, no specific activity was required on the framework. However, the impact assessments of COVID-19 carried out as part of this framework will highlight if any specific groups have been impacted more than others. This intelligence will drive priorities and activity within the Reset and Recovery Plan.
- 9.2 Throughout the development of the Reset and Recovery Plan, equality impact assessments will be conducted on specific proposals at the appropriate time.

10 DATA PROTECTION IMPACT ASSESSMENT

- 10.1 Any information used to compile this report is subject to information governance legislation and is managed in accordance with the council's policies and protocols. A Data Protection Impact Assessment is not required.

11 CRIME AND DISORDER AND RISK ASSESSMENT

- 11.1 There is no requirement to carry out a Crime and Disorder and Risk Assessment.

12 SUSTAINABILITY OF PROPOSALS

- 12.1 The information contained within the presentation that accompanies this report will be incorporated into specific plans developed as a result of this framework.

13 HEALTH AND WELLBEING IMPLICATIONS (INCLUDING SOCIAL VALUE)

- 13.1 The immediate impact of COVID-19 on the health and wellbeing of both Sandwell residents and council staff has been captured through the impact assessments. These impact assessments have identified priorities for action that will be assessed further in Phase 2 of the recovery framework. The longer-term impacts will not be understood for some time, it will be important to continue to update our impact assessments throughout the planning period to ensure any planned activity addresses the key issues.

14 IMPACT ON ANY COUNCIL MANAGED PROPERTY OR LAND

- 14.1 As part of the development of the Reset and Recovery Plan and in response to increased financial pressures on council budgets, we will need to review the council's corporate estate rationalise costs and ensure it accommodates the future needs of a more flexible workforce.

15 CONCLUSIONS AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

- 15.1 The work carried out over the last few months has captured data and intelligence from a broad range of sources. This has enabled us to determine the impact of COVID-19 on the borough and on the organisation.
- 15.2 It is clear from our experiences of responding to the crisis that we work better by coming together. Therefore, the key messages from this intelligence should be shared and discussed widely in order to identify the best activities and approaches to address the issues.
- 15.3 Members are asked to consider the findings from the impact assessment work in order to shape the future priorities for the council and Sandwell as a whole.

16 BACKGROUND PAPERS

- 16.1 Cabinet report – 23 September 2020

17 APPENDICES:

Appendix A – Community Impact
Appendix B – Economic Impact

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