

## **REPORT TO THE EMERGENCY COMMITTEE**

<b>SHORT REPORT</b>	
<b>Subject Matter</b>	<b>Post Covid-19 Recovery and Reset</b>
<b>Lead Director</b>	David Stevens – Chief Executive
<b>Date</b>	6 May 2020

### **1. EXECUTIVE SUMMARY**

- 1.1 This report seeks to outline the Council's next steps towards a reset and recovery of Council Services. The implementation of the reset is responsive to National Policy changes and driven by local considerations.
- 1.2 We will be entering a fundamentally different economic and social landscape. We should not be limited by an aim of going back to 'how it was' or 'business as usual'. Our focus will be on the opportunity to reform, re-imagine and re-invent. Our approach will be to rethink what we do and how we do it as a whole organisation, in order to address longstanding issues and challenges

### **2. KEY ISSUES**

#### Background

- 2.1 On 25 March 2020, the Emergency Committee approved the Council's Resilience Plan in response to the coronavirus outbreak. This set out the council's initial plans to address the varied and significant challenges that had arisen because of the outbreak. A copy of the plan can be found at appendix 1.
- 2.2 In the short to medium term it is unlikely that there will be a return to pre-pandemic "business as usual", and therefore in partnership with key stakeholders, Elected Members, employees and Trade Unions the Council needs to find a 'new normal' for its staff and services.

- 2.3 Covid-19 has had a significant financial impact on all councils, Sandwell included, so financial pressure will be a constant feature of the post Covid-19 recovery. Social distancing, contact tracing and other measures to limit the spread of infection are likely to continue long into the future.**
- 2.4 Compounding the financial pressure created by the requirement to spend additional money is the simultaneous loss of income that councils have also experienced. It is estimated that lost income in the form of commercial rents, council rents, council tax, business rates and parking fees equates to four times the amount spent on the extra costs that have been incurred during this period.
- 2.5 It is anticipated that as a result of funding the pandemic response local councils up and down the country will experience a £5 billion shortfall over the next year.
- 2.6 Increased spending on items such as protective equipment, food for shielding and vulnerable people and mortuary facilities are just some of the many contributors to the additional costs that have been incurred.
- 2.7 It is also important to recognise the additional pressures placed on all of our safeguarding services, including the challenges in supporting people who have been subject to domestic abuse during lockdown.
- 2.8 The Council needs to start focussing on reset so that it is able to respond to the challenges that lie ahead. Given the current levels of ambiguity that exist services are currently considering what the “new normal” will look like by undertaking scenario planning to assist with future decision making. The outcome of this activity will be presented to Emergency Committee at the first opportunity.

### Response

- 2.9 It is clear that as we have been managing the delivery of existing services alongside the challenges posed by the COVID-19 outbreak we have adapted the way we work. We have learnt how to ensure what we do and the way in which we do it matches the need and to do that at pace. It is important to the organisations recovery that we capture those lessons learnt from responding to the outbreak and review them in order to help the Council become a more efficient and agile organisation in future.

2.10 The Councils “Big Plans for a Great Place” strategy, was agreed on 10 March 2020. It provides the necessary flexible strategic framework within which the Council and its partners can be best prepared and more resilient to future challenges. The strategic outcomes outlined are as depicted below:



2.11 Whilst it may be necessary to revisit some of the details of the proposals in this strategy in order to ensure that the council is best placed to organise itself in a way to respond to those challenges, it is clear that we will need to continue to move forward now at pace.

#### Approach to recovery

2.12 In considering the next steps in the Councils reset and recovery plan we want to ensure that we keep the following key aspects and considerations in clear focus:-

#### Ensuring the safety and wellbeing of our employees.

It has been necessary for the Council to expand and revise flexible work arrangements and other policies to support people to work remotely and safely. This has included existing and new employee wellbeing programmes and policies that support a safe working environment. These arrangements are likely to continue for the short to medium term and it is important that human resource and health and safety policies are permanently aligned to support this way of working.

It has also been necessary to reorganise teams and reallocate resources to support the demand as it arises. Being able to deploy our human resource in this flexible way will be key to supporting the organisation as it moves forward.

## Maintaining business continuity

The Council has experienced significant operational disruption to many services including those which provide statutory services. **Consideration is being** given to minimum operating requirements. And a review of overall operating costs with a view to non-essential expenditure – rationalisation of buildings.

The Councils financial team has been “stress testing” financial plans to assess the impact on financial performance. Where necessary these budget assumptions are being revised

During the course of the pandemic the Council has been forced to embrace new ways of working and delivering services. For some teams and services this has created the opportunity to identify more efficient ways of working. We need to recognise where efficiencies have been created, so that we do not lose these in future, and identify opportunities to increase these efficiencies across our organisation as a whole.

The Covid 19 global pandemic has had a profound impact on all risks faced by the Council, with some risks impacted to a greater extent than other risks. In addition to the impact on existing risks, the pandemic has also resulted in a number of new significant risks that have emerged affecting the local economy, our businesses, our residents, as well as those affecting Council services. These emerging risks are being identified on a continual basis, the detail of which is contained in a separate report being presented to committee.

We should assume that the need to maintain social distancing will continue for a significant time into the future, which presents us with a challenge around how we manage our buildings and continue to deliver and operate key services in the future. Based on current rules in relation to social distancing being extended we anticipate that we would only be able to support the return of approximately 25% of staff to their normal workplace

## **3. NEXT STEPS**

- 3.1 It is not possible to predict when the current situation will end, but the ambiguity of the given circumstances should not stop the Council from proactively planning to move forward. The Council is now swiftly moving from response mode into a dynamic reset/recovery phase, key areas of focus will include:

- i. Planning immediate post COVID-19 response which includes moving safely out of lock down
- ii. Determining recovery and reset priorities including the development of a recovery and reset plan.
- iii. Reviewing how corporate strategies, policies and the organisation as a whole are reshaped to meet the needs of our communities in future.

3.2 These areas align to the strategic outcomes outlined in the Sandwell Plan 2020 and the achievement of these outcomes remains at the centre of our strategic focus with the Recovery & Reset Plan outlining how, as an organisation, we will do this.

3.3 Flexibility and responsiveness need to be a cornerstone of the Councils plans, we need to ensure that the council is a resilient and responsive organisation that can respond quickly and appropriately to any challenges or changes.

#### Building resilience in preparation for the new normal

#### The Council

- 3.4 The Council is actively engaged in the process of assessing what will be required organisationally to ensure those goals related to recovery are successfully delivered. This assessment will provide the basis for informed decision making, given the significant financial pressures that the Council may face and changes to the wider Economic growth position.
- 3.5 The council may be faced with decisions that are difficult to make ranging from minor to major. These will be made with Cabinet Members and Scrutiny following the proper process of consultation.
- The council has continued to deliver essential and Statutory services, nearly all of these in a completely new way. New safer ways of working will be expanded, resetting how we operate on a day to day basis.
  - The Council has delivered new services such as the support HUB where officers have come together from across the council and created completely new offers. These will ultimately be stood down as we move into recovery.
  - The Council is planning the imminent reintroduction of a range of our **key** services. Where it is safe to do so and allowing for radically different worksites for some teams, to fit in with Social distancing

- The Council will have to make some tough decisions if it is to reduce the financial pressures on the Council budget. Ultimate there will be services that we will need to cease and investment that we need to make

- 3.6 The Council will need to ensure it retains the resilience to manage significant disruption and restrictions to day-to-day operations whilst responding and managing challenges posed by the need for new working patterns, social distancing measures in workplaces and new ways of interacting with residents, all set against a backdrop of significant financial pressure.
- 3.7 Whilst we can see that the detail of what we do and how we do it will continue to respond, develop and change we are clear that the aspirations of the council and its strategic direction will remain. As a consequence, we need to ensure that we start this reset and recovery phase with the best senior management and organisational structure in place in order to meet the demands placed on the Council. The proposed senior leadership structure, considered by Committee in February and which currently being consulted on, is being reviewed to ensure it delivers the additional capabilities that will be essential moving forward. We need to manage the balance between meeting the current challenge and being in a position to ensure that we best placed to recover at pace once the outbreak is over.

#### Partnerships

- 3.8 We will re-shape with, and not to, residents, businesses and partners. The Council needs to consider how it will do this meaningfully, working with and utilising local engagement routes. How engagement must be inclusive and with the emerging social change makers to help shape our future.

#### Business, Economic and infrastructure recovery

- 3.9 Our approach will recognise the interconnected facets of our organisation that will contribute to overall recovery, and that none of those should be tackled in isolation. Strategic co-ordination of these different elements of recovery must be fundamental to the Council's approach.

#### Communities and Environment recovery

- 3.10 As a Council we have effectively led our communities during the emergency response, and we now need to focus on how we support those same communities whilst tackling the social and economic challenges that lie ahead

### Health and Welfare recovery

- 3.11 Sandwell Council has supported its local communities through this time of crisis. New offers have been developed including a food distribution Hub to support vulnerable people, ensuring schools are kept open for the children of key workers, getting rough sleepers off the streets and into safe accommodation and ensuring kerbside waste and recycling collections have continued as usual.