



Report for:	Cabinet
Date of meeting:	23 June 2020
Part:	1
If Part II, reason:	

Title of report:	COVID-19 IMPACT PAPER
Contact:	Andrew Williams, Leader of the Council and Portfolio Holder for Corporate & Contracted Services Author/Responsible Officer: Sally Marshall Chief Executive James Deane Corporate Director (Finance and Operations) Mark Gaynor Corporate Director (Housing and Regeneration) Mark Brookes, Assistant Director (Corporate & Contracted Services)
Purpose of report:	<ol style="list-style-type: none"> 1. To provide Cabinet with an update on the projected financial impact of Covid-19. 2. To set out a proposed Covid-19 recovery framework. 3. To highlight the work and support the Council has been carrying out across service areas in relation to Covid-19.
Recommendations	<ol style="list-style-type: none"> 1. That Cabinet note: <ol style="list-style-type: none"> (a) The projected financial impact of Covid-19 for 2020/21 as set out in section 1. (b) The proposed recovery framework as set out in section 2. 2. That Cabinet agree the extension of the voluntary sector contracts as set out in paragraphs 3.2 – 3.5 and the new one year contract to DENS as highlighted in paragraph 3.7. 3. That Cabinet agree the Covid-19 Strategic Risk annexed to this report.

Corporate objectives:	The financial impact and the Council's response to Covid-19 will impact all of the Council's Corporate Objectives.
Implications:	<u>Financial</u> Financial Implications are covered in section 1.
'Value for money' implications	<u>Value for money</u> Covid-19 will have various value for money implications which will be assessed as proposals develop to respond to the issues raised. The Council's initial response has focused on continuity of service provision and support for key groups and organisations – the measures implemented are aimed at assisting the recovery and minimising the long terms impacts as much as possible.
Risk implications	Due to the significant impact of Covid-19, a new strategic risk has been entered into the Council's Strategic Risk Register, which is annexed to this report.
Community Impact Assessment	The Council's response to date has tried to ensure minimal service disruption to the community. The recovery phase of the Council's response will continually assess its impact on the community to ensure a balanced and effective response and this will be directed through the various recovery groups.
Health and safety Implications	The Council has acted promptly and put in place appropriate measures to ensure that staff, councillors and the community are protected from Covid-19 whilst trying to ensure minimal service disruption. This will continued to be assessed through the recovery stages.
Monitoring Officer/ S.151 Officer Comments	<u>Monitoring Officer comments</u> The Monitoring Officer continues to monitor the key issues raised by legislative changes and relevant government guidance and ensure that effective policies and procedures are in place to assist services to continue to deliver during the pandemic and subsequent recovery phase. <u>S151 Officer comments</u> The Financial Implications section of the report have been written by the S151 officer and will continue to be monitored as actual costs become clearer. Members will be regularly updated on the financial implications of Covid-19 as they develop.
Consultees:	Leader of the Council, Councillor Andrew Williams
Background papers:	Coronavirus Covid-19: Guidance for Local Government Procurement Policy Note 02/20 – Supplier Relief due to Covid-19
Glossary of acronyms and any other abbreviations used in this report:	None

1. EXECUTIVE SUMMARY – FINANCIAL IMPLICATIONS

- 1.1 This section of the report identifies the financial pressures the Council is likely to face specifically as a result of the coronavirus. It does not include any other pressures that are likely to emerge over the course of the next 12 months.
- 1.2 Although some financial pressures have already begun to impact the Council, these are still relatively early days and the majority of the forecast pressures are estimates of how budgets might be affected over the longer-term. As a result, all of the forecasts in this report are subject to potentially significant change and should be considered high-risk.
- 1.3 Based on current information, DBC will face an estimated General Fund budgetary pressure in this financial year of around £5m resulting from the implications of coronavirus. This is a net position after £1.6m of Government support grants have been taken into account. Income is forecast to be down by c£5.6m and expenditure up by c£1m.
- 1.4 Currently, there are no indications that further Government support will be made available to local authorities. Whilst use of reserves may be an option for DBC to cover the predicted shortfall, they are all currently earmarked for future projects and their use would have longer-term implications for the Council's future ambitions. This will be modelled over coming weeks.
- 1.5 Collection rates for both Council Tax and Business rates are expected to fall over the coming months. The technicalities of these funding streams means that this is unlikely to impact the current year's budget, but it is likely to reduce future years' funding.
- 1.6 The HRA is currently forecasting a full-year pressure of c£500k. This is a net position, with falling income of £2.9m expected to be partially offset by reduced expenditure of £2.4m.

Pressure on General Fund income streams

- 1.7 In common with the vast majority of district councils, the financial pressure for DBC is driven more by lost income than increased expenditure. The 9 primary income streams within the General Fund are budgeted to generate £15.9m in 20/21, just over half the cost of running the Council's services. The extent to which they will be affected by coronavirus will be determined by several drivers, including:
- Duration of lockdown measures, e.g. car parking numbers, leisure
 - Ongoing health of local economy, e.g. commercial rents, planning applications, search fees
 - Service type, i.e. is it essential expenditure for a struggling business/individual, e.g. garages
- 1.8 Forecasting the full year impact at this stage is challenging because the impacts of the different drivers are likely to take effect over different timeframes, e.g. some may be extreme but largely concentrated within April to June, whereas others may continue to build over the full year.
- 1.9 The following estimates are based on information available at the end of May but are subject to change depending on future government guidance and/or the general health of the economy:

Income stream	Budget	Reduction	Duration months	Loss of income	Notes
Investment Property	£5.4m	50%	12	£2.7m	Arrears up by 60% (£350k) y-o-y. There is likely to be continued pressure on this income stream as tenants exhaust reserves and seek to arrange repayment plans, and as the expected recession threatens the survival of small businesses. Survey recently undertaken with tenants to ascertain business health and inform a targeted collection strategy.
Garages Income	£3.6m	25%	12	£900k	No material impact at this stage, but, depending on the severity of the recession, there is a risk that garages may represent an early cost saving for a household in financial difficulties. Garages relinquished now could have a medium-term financial impact on the Council as they may prove challenging to re-let. This will be factored into the ongoing garage project.
Car Parking	£2.8m	75%	6	£1m	Income down c85% as at the end of May. This income stream is heavily lockdown dependent - whilst restrictions are in place the reduction is severe, but it may bounce back quickly when restrictions are relaxed, particularly if demand/availability of public transport is reduced.
Planning Fees	£1.2m	50%	6	£300k	Down 20% on profiled budget as at the end of May. Significant reductions are anticipated for the remainder of the year due to impact on household incomes and developer nervousness over longer-term implications for the housing market.
Commercial Waste	£1m	50%	6	£240k	Anticipated pressure on income from businesses no longer operating and increase in bad debtors. This will be recession-dependent and will be monitored through the broader economic recovery.
Temporary Accommodation	£950k	0%	6	£0	Demand has increased dramatically, but unlikely to see significant increase in income as the Council's own TA capacity becomes fully utilised. Work continues with Estates to identify whether further income opportunities exist.
Leisure	£500k	40%	12	£200k	Management fee waived for the first 5 months of year as Supplier Relief (c£200k). Potential requirement for further Supplier Relief in future. Even when restrictions are lifted, it will take time for memberships to increase to pre-virus levels. High risk income stream.
Civic/Sports/APG hire	£300k	100%	6	£150k	Driven by the lifting of government restrictions. Recent announcements indicate that there is little chance of material income gains over the period before September. May see some, but may also see income depressed for much longer.
Search Fees	£230k	50%	12	£120k	Housing market likely to stagnate for at least the next 12 months as households await a more clearly emerging economic picture.
Total	£15.9m			£5.6m	At this stage it's estimated that DBC will experience 35 – 40% income reduction in 20/21.

Pressure on General Fund expenditure

1.10 Additional cost drivers arising from the virus include:

- One-off costs to ensure work conditions are compliant with government guidance, e.g. partition screens on desks; head phones for remote meetings etc.;
- Service based costs incurred to maintain front-line services in the face of new challenges or increased demand, e.g. agency staff to replace vulnerable waste collection staff; and potential additional costs around increased demand for Revenues & Benefits, and Homelessness.

1.11 With detail still emerging, there will be further decisions to be made between Revenue and Capital, or General Fund and HRA, but an early, high-level estimate of additional cost to the Council in cash terms is shown in the table below:

Expenditure Type	Pressure	Duration (months)	Notes
Waste Services	£550k	6	Primarily due to increased agency costs arising from: over 20 staff isolated for 12 weeks in high-risk groups; rolling 2 or 3 on self-isolation; additional smaller truck required to access residential roads congested with increased numbers of residents working from home; additional truck hire to facilitate social distancing between crews on rural rounds; waste tonnages up by c30% due to increased working from home.
Office-based staff	£200k		Estimated figure across the council to cover future increased demand for services.
Facilitate compliant ways of working	£250k		This includes modifications to Council buildings e.g. screen dividers for desks; automatic door installations; investment in mobile IT, etc.
Total	£1m		

Supplier Relief

1.12 Central Government has issued guidance to local authorities (known as PPN0220) to provide 'Supplier Relief' (SR) to contractors at financial risk as a result of the virus. Essentially, the guidance is for councils to continue paying for services they would ordinarily receive, but that have had to be temporarily suspended due to social distancing restrictions.

1.13 The rationale behind the guidance is that alongside the broader economic benefits of company survival, the contractor will be able to recover more quickly after the restrictions, thereby reducing the risk of interruptions to public services in the longer-term.

1.14 Any payments made as SR are at the expense of the individual council, and future reimbursement from Government is not expected. It is incumbent on the supplier to demonstrate that they are in need of SR and at the discretion of the council as to

whether payment should be made. At this stage only the Council's leisure provider has received SR.

- 1.15 DBC has set up a governance process to assess each claim individually. Specifically, the Council is seeking assurance that the company has taken all appropriate steps to maintain service provision; that it has exhausted all alternative measures of support available to it; that SR is required to ensure its survival; and, that its potential demise would negatively impact the borough's residents. Final approval rests with the Chief Executive, advised by the S151 Officer and the Monitoring Officer, through formal Officer Decision.
- 1.16 The use of public funds to benefit a private company is an extremely finely balanced judgement. In order to reconcile these competing interests, DBC has adopted an approach of providing support through interest-free loans rather than non-refundable payments. It should be noted that even an interest-free loan from the public sector to a private company represents a legally and ethically complex area, and any applications from contractors will be thoroughly scrutinised to ensure they meet the eligibility criteria.
- 1.17 This approach meets the spirit of the guidance, i.e. supporting those companies at greatest risk to remain afloat in the short-term, whilst at the same time reflecting the Council's own financial pressures and the need for proper stewardship of public funds.
- 1.18 On this basis, whilst there may be a cash flow impact, other than the example of Leisure income foregone, it is not currently expected that any future Supplier Relief granted by the Council will have a material budgetary impact.

Pressure on Council Tax collection

- 1.19 At the end of April, Council Tax collection rates were only marginally down, at 10.10% of the annual total, compared to 10.73% at the same stage last year. Throughout May, however, the year-on-year collection rate continued to fall at roughly the same rate, and ended the month at 18.9% compared to 20.3% last year.
- 1.20 Whilst a 1.4% reduction in year-on-year collection rates at the end of May is a cause for concern, it's not yet possible to extrapolate it with any confidence into a forecast year-end position. At the start of the lockdown period, a significant number of residents sought to maximise the financial flexibility the DBC Council Tax policy offers – they chose to reduce from 12 monthly payments to 10, and to delay their first payment until June. As a result of these changes we would expect the collection rate to be lower at this stage this year than it was last year.
- 1.21 The Council will only be able to gauge whether these residents are able to make their updated payments, and consequently whether there is likely to be an ongoing collection problem, when the June collection data becomes available. It could be that all residents will make their payments on time and that the collection rate will catch up with last year's, or it could be that some are unable to make payments and we start to see a clear trend of increased arrears starting to emerge.
- 1.22 It is, however, likely that over the course of the year there will be an underlying trend of collection rates falling below budget for the following reasons:

- The Council's tax base over the course of the year, will be lower than forecast due to the supply of new homes falling below previously anticipated levels, and an increasing number of households qualifying for Council Tax Support; and,
 - Reduced collection rates are an inevitable consequence of the constraints on household spending that accompany a prolonged recession, which is universally forecast for the coming months and years.
- 1.23 The way the Council Tax Collection Fund works means that even with a collection rate below budget, there will not be a budgetary pressure for DBC in the current year. A reduced tax base will however reduce Council Tax income next year and continue to have funding implications into the medium-term. The Medium Term Financial Strategy assumptions for future years will be reviewed as current year trends start to emerge and more accurate modelling can be undertaken.
- 1.24 It's worth noting that the same Collection Fund mechanism that protects DBC's Council Tax income in the current year also gives rise to a cash-flow risk for DBC. In common with DBC, the other Council tax preceptors in Dacorum will not be affected in the current year by a fall in the collection rate. This could have cash-flow implications for DBC in future months as we continue to pay budgeted amounts of cash over to other preceptors despite the fact that we have actually collected less money.
- 1.25 This risk is being monitored and is the subject of ongoing discussion across all councils within Hertfordshire. At present, the risk sits exclusively with district councils (who collect the Council Tax) rather than the County Council, which takes by far the highest proportion of the income (79% in Dacorum). In the event that a cash-flow problem does begin to emerge, one option is for the risk to be borne proportionately by preceptors rather than sit solely with the districts.

Pressure on Business Rates collection

- 1.26 Government has already covered the financial implications of the additional rate reliefs it has awarded to the Retail, Leisure and Hospitality sectors, but future Business Rates collection is likely to be impacted by the expected recession.
- 1.27 From a budgetary perspective, DBC will not be impacted in the current financial year by falling collection rates. This is because the grant DBC receives from Government is based on 'assessment of need', with a maximum of 7.5% (c£250k) of the grant at risk if Business Rates collection falls below a baseline level. The at-risk element is based on the previous year, so any contraction of the local economy won't impact DBC until next financial year.
- 1.28 The medium-term funding risk to DBC of an ongoing and severe recession will depend on the extent to which Government links individual local authority funding to local economic growth. Government was scheduled to roll out a new funding mechanism next year (based on its Fair Funding Review), but has recently announced that this will now be suspended for at least one year. Funding arrangements for next year have yet to be announced.

Government Support Grant

- 1.29 DBC has received grant funding of £1.6m from Government's Local Government support package of £3.2bn. There is not currently any indication that there will be

further funding. Indeed, Government has emphasised in recent announcements that councils will need to meet much of their own virus-related costs.

- 1.30 However, this is an evolving picture and councils are being asked to submit periodic returns to Government outlining the scale of financial pressures – the figures in this report will be submitted in mid-June. The nationally consolidated position is being used by the Local Government Association and the District Councils' Network to lobby Government for increased financial support.

Summary of General Fund budgetary position and potential mitigations

- 1.31 Based on the forecasts in this report, DBC faces a potential in-year Covid-related budgetary pressure of:

Increased expenditure	£ 1.0m
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Lost income	£ 5.6m
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Less Government funding	<u>(£1.6m)</u>
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Net financial cost	£ 5.0m
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- 1.32 Based on information available at the time of writing, the use of earmarked reserves is a potential option for the Council to meet these financial pressures within the current year. However, this would be at the expense of the future projects the reserves were created to support (in some cases to finance schemes which are fundamental to meeting future savings requirements). In extreme circumstances, use of reserves would plug the budgetary gap and keep the Council afloat.
- 1.33 The updated Medium term Financial Strategy is currently scheduled for July. However, depending on the timing of government announcements, and the establishing of more robust in-year trends, it may be recommended to reschedule for September Cabinet to enable the production of a more meaningful document. Members will be kept updated on modelling progress and the emerging financial picture over the coming weeks.

Housing Revenue Account

- 1.34 As at the end of May, the HRA is facing an estimated a much lower full-year net pressure of c£500k, comprising a rental shortfall of £2.9m partially offset by a reduction in expenditure of £2.4m.
- 1.35 Forecasting the full year impact based on the rent shortfall as at the end of May is problematic due to the increasing number of tenants moving onto Universal Credit, and the subsequent processing period of up to 5 weeks before new claimants receive payment.
- 1.36 One would expect that some of the current pressure is a timing issue that will catch up once the claims start to be approved, (there were over 200 new UC claimants in April alone). However, this catch-up element is likely to be offset by an underlying trend of increasing arrears that will accompany the impending recession.
- 1.37 Whilst the HRA will see some areas of increasing expenditure as a result of Covid (e.g. rent collection), in overall terms the necessary suspension of a significant portion of the non-essential repairs and maintenance within the homes is currently resulting

in a forecast revenue underspend of £2.4m (20% of budget). At this stage it is not anticipated that contractors will have the capacity to increase future planned works, even if restrictions are eased to permit previous levels of access.

- 1.38 The HRA capital programme of major works, e.g. bathrooms and kitchens etc, has also been affected by restricted access to homes, and is currently forecasting slippage of 30%, c£5.5m, into next financial year.
- 1.39 Members will be updated throughout the year.

2. COVID-19 RECOVERY FRAMEWORK

- 2.1. This part of the report sets out a framework to commence the recovery phase of the Covid-19 pandemic. The framework detailed here provides broad parameters and objectives for the working groups once established and once partners and stakeholders are engaged.
- 2.2. Recovery is an integral phase of the emergency management process and can be defined as:
- “The process of rebuilding, restoring and rehabilitating the community following an emergency”*
- 2.3. As a Borough council we hold the statutory, regulatory and licensing levers to help start to rebuild the economy and help business to stabilise, adapt and grow. We also hold key relationships with the County Council, other borough and district councils, Hertfordshire Growth Board and bodies such as the Local Enterprise Partnership and Homes England, which means that we are very well positioned to collaborate and deliver a comprehensive recovery programme.
- 2.4. Recovery does not necessarily mean restoration to the normality that existed before the pandemic. It needs to recognise that things may not be the same again and acknowledge that it can be a long term process, but also develop the opportunities, which have evolved through the pandemic.
- 2.5. The process will also need to align with existing work streams such as the Council’s change management programme, ‘New Normal’ and an opportunity is also presented to realign the terms of reference for the corporate officer working groups to ensure that they align with the recovery programme and can continue post recovery phase.

Core Principles

- 2.6 The principles of our recovery phase should include:
- Ensuring that the process enables and supports our communities and economy to recover and develop from the pandemic’s impacts.
 - Consideration of the changing needs of affected groups over time, and allowing for a long term process.
 - Active participation from the affected communities, businesses and stakeholders.
 - Integration between the work stream groups with the county wide recovery structure

Linkages to Wider Local Resilience Forum Recovery Structure

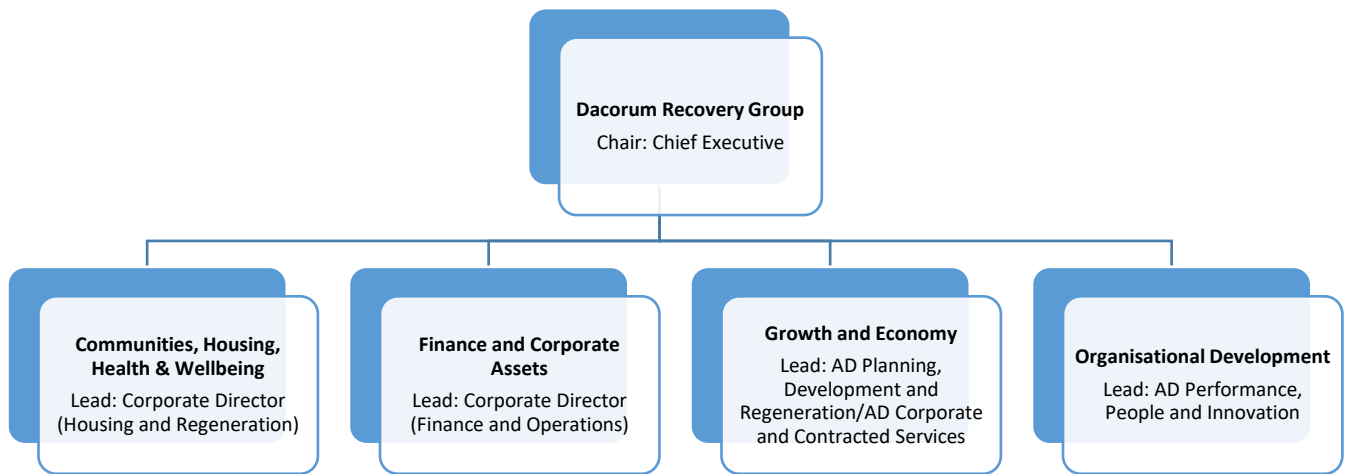
- 2.7 In respect of the current pandemic, a Hertfordshire wide Recovery Coordinating Group (RCG) has already been established. The RCG is a multi-agency officer group with clear linkages and reporting lines to the Strategic Co-ordinating Group (SCG), and at an appropriate time, it will assume primacy.
- 2.8 Individual agencies will also establish their own recovery processes and internal groups, and it is important that the Council establish a suitable framework to enable us to link in to county wide structures, whilst leading a co-ordinated effort in respect of our own communities.
- 2.9 The Dacorum recovery structure will, like the county structure, have commenced work immediately but will then takeover from the Incident Management Team (IMT) which has been managing the pandemic to date at an appropriate time.
- 2.10 Continued and effective liaison between similar work streams at county and borough levels should be undertaken to ensure that objectives and work streams are aligned to ensure consistency

The Role of Members

- 2.11 Members will have a key role in the recovery process. The key aspects of Member roles include:
- Being a focus for community concerns and a conduit to recovery structures.
 - Identifying issues within their own wards.
 - Building/utilising local community links.
 - Providing visible community leadership.
 - Maintaining liaison with other local elected representatives.
 - Maintaining community and business liaison.
 - Encouragement and support to those working on recovery in their communities and businesses.
 - Consideration of recovery proposals and making appropriate democratic decisions connected to these.

Proposed Recovery Structure for Dacorum

- 2.12 The proposals for the delivery of the recovery strategy is set out in the structure on the next page, along with draft terms of reference for each group in appendix A-E.
- 2.13 The work of these officer groups will inevitably overlap with the current officer corporate working groups, Corporate Growth and Infrastructure Board, Community and Wellbeing, Property Management Board, the Climate Change and Sustainable Environment Group, therefore a review of the terms of reference of these groups will be undertaken to take account of this.



- The groups will be supported as necessary by appropriate teams, including Regulatory, Legal, Finance, Communities, Communications (and others as required) where appropriate.
- There may be officer task and finish work steams set up under each group.
- Portfolio Holders will be briefed regularly and reports will be presented to Cabinet for action as required.
- Finance and Resource Overview and Scrutiny Committees will have oversight of the whole recovery programme including budgetary impact. The Housing and Communities OSC and the Strategic Planning and Environment OSC will receive reports on their specific service areas.

3 RESILIENCE AND RECOVERY SUPPORT

3.1 This part of the report highlights some of key work and support that the Council has provided across its various services to ensure continuity of service and recovery resilience since the outbreak of Covid-19.

Support to Communities

Extension of voluntary sector contracts

3.2 Officers have been liaising with community and charitable organisations which provide services to residents in the borough to start to assess the short to medium term impact of Covid-19. The key issues highlighted are increased demand for services and requirement for additional funding to support the need.

3.3 The Council currently directly supports via commissioned contracts the following organisations:

- Citizens Advice Dacorum
- Age UK Dacorum

- Community Action Dacorum (in partnership with the Volunteer Centre Dacorum)
 - Relate Dacorum, Watford and Three Rivers (in partnership with Mediate Herts)
- 3.4 The combined annual value of these contracts is £481,000 and they all expire within the next 12-18 months. This is therefore the time that officers would normally start the re-procurement process.
- 3.5 In order to give these organisations greater financial security during these unprecedented times when demand on their service has and will continue to increase, it is proposed to extend their current contracts for a further 2 years from the end of their current term. This will provide financial security and enable focus on service provision rather than a new procurement process. The financial stability will also enable our partners to be in a stronger position when applying for future financial grants.
- 3.6 In addition to the above, the Elms Homeless Shelter management contract was awarded to DENS in May 2015 for a 5-year period, which expired at the end of April 2020. This has been extended for 2 months to take it up to the 30th June 2020.
- 3.7 It is proposed that a new 1-year contract is issued to DENS, with the option to extend this for a further year.
- 3.8 Hertfordshire County Council are undertaking a review of temporary accommodation countywide, as part of the Hertfordshire Growth Board Development Programme. The review will consider opportunities to address disproportionate demand and availability of accommodation and improve collaboration. One option that is being considered as part of the review by HCC is to centrally control and procure services across the County. If this option is adopted, it will be necessary to consider the impact of this on any future procurement of the Elms contract and therefore by providing a 1 year contract, it will enable the outcome of the review to be fully considered.
- 3.9 DENS have also been pivotal in supporting the Council at the current time in its response to the local homeless community in relation to Covid-19 and therefore the extension will give them greater security and enable them to focus on service delivery rather than a procurement process.

Community Grant Scheme

- 3.10 Support is granted to various community based organisations via the Council's Community Grants scheme. The scheme funds local voluntary and community sector organisations and grass roots groups to implement projects to benefit the community in Dacorum. The overall annual budget is just under £60k. There are two schemes, one is limited to £500 and a larger scheme for awards up to £3k. In exceptional circumstances applications can be made for up to £10k.
- 3.11 The existing application criteria would preclude Covid-19 related recovery projects, however, in order to support such projects that are solely related to Covid-19 recovery, it is proposed to amend the application criteria for applications submitted after the first round this year (closing date June 25th 2020) for the remaining bid rounds of financial year 2020/21.

Leisure

- 3.12 Officers have been working with the operator of Hemel and Berkhamsted Sports Centre, Everyone Active to prepare for reopening with appropriate health and safety measures in place.
- 3.13 A support package has also been agreed with Everyone Active to ensure continuity of service and protect local jobs as set out in the Officer Decision dated 31st March 2020.
- 3.14 Match funding has been confirmed from Sports England for consultancy support to assess the short to medium term impact of Covid-19 on our leisure facilities and subject to agreement with Dacorum Sports Trust this will also consider Little Hay Golf Club and the XC Centre.

Support to business and council contractors

- 3.15 In May 2020, Government announced a national fund of £617m to provide financial support for small and micro businesses affected by the coronavirus, which were not eligible for the Small Business Grant Fund or the Retail, Leisure and Hospitality Grant Fund. This is known as the Local Authority Discretionary Grant Fund (LADGF).
- 3.16 Local authorities were made responsible for delivering grants to eligible businesses, and each council was allocated funds equal to 5% of the grants issued to local businesses under the Government schemes mentioned in the paragraph 3.15. The DBC allocation was £1.45m.
- 3.17 The DBC scheme aimed to assist as many small and micro businesses as possible, as quickly as possible, and through a scheme designed to be as transparent as possible. The principles inherent within the DBC scheme and the rationale behind the design are available within the Portfolio Holder Decision published on 3 June: <http://www.dacorum.gov.uk/home/council-democracy/portfolio-holder-decisions/decisions-2020>
- 3.18 Officers in the Economic Development Team have also started to identify the issues faced by business and have issued a short business survey to consider the impact of Covid-19. This will help to formulate the start of a recovery strategy and action plan working with stakeholder partners including the Local Enterprise Partnership, Hemel Hempstead Business Ambassadors and Hemel Hempstead Town Centre Business Improvement District. Particular focus will also be given to the borough's key retail centres noting that retail sector will likely be one of the worst affected by the pandemic.
- 3.19 The Council has been working with our main contractors throughout the pandemic to ensure that contractors are financially robust to recommence services as soon as restrictions are relaxed.
- 3.20 Payment restructuring of two construction contracts has taken place and financial support in the form of an interest free loan has been offered but not accepted in respect of two other major contractors. As noted above, a support package has also been agreed in respect of the Council's main leisure operator.

Support to Individuals

- 3.21 Officers continue to work with the voluntary sector, the County Council and the CCG/NHS on identifying individuals requiring additional support – which may be health, finance or safety matters – to provide assistance in the difficult transition back to a more normal life.
- 3.22 The Council is co-leading the Hertfordshire Accommodation and Recovery Cells, which primarily focusses on the coordinated response to homeless households placed across the County in relation to Covid-19. Each district has been asked to ensure that it continues to comply with the Dame Louise Casey request to bring 'Everyone In' and in Dacorum figures have fluctuated reaching a high of 185 households in temporary accommodation (though dropping as more voids have become available), a rise from 95 prior to the outbreak. Additionally districts have been asked to ensure that they are proactively engaging with all statutory and voluntary sector partners, to deliver a coordinated plan for recovery and ensuring that everyone who has been brought into interim accommodation during this emergency period, has a forward plan and offer of accommodation to prevent a risk of return to the streets.
- 3.23 All tenants of social housing, over 70 have been identified and contact made to offer support and obtain additional information in relation to those who are shielding. Food parcels have been delivered to those in need locally by officers from the Communities Team through both the County wide schemes Operation Shield and Sustain and also through the tenancy sustainment team. Sheltered schemes have had additional cleaning of all communal areas and regular telephone contact has been made with all residents who have requested support. Referrals have been made to the befriending scheme to reduce the impact of social isolation.
- 3.24 All lifeline customers across all tenures have been contacted and support and signposting to third sector partners and befriending services have been made and this work will continue whilst needed. The income team have been providing advice and support to those households in financial difficulty through the impact of Covid-19 and the numbers have increased month on month.
- 3.25 As part of our recovery plan, the Council are required to work proactively with all households placed into accommodation. Presently there is no indication of any additional funding that will be available to support with this. Dacorum were allocated £29,000 of MHCLG funding specifically to assist with homelessness (of which only half has been received) and, to date we have spent in excess of £39,000 on the immediate response.
- 3.26 As stated above the Council has experienced the highest numbers in temporary accommodation since 2016. Prior to lockdown there were 95 households in temporary accommodation and at the time of writing there are over 160 households. The Council's Tenancy Sustainment team are contracted by Hertfordshire County Council under Housing Related Support funding to support 35 households in temporary accommodation and those in the first 6 months of their tenancy. Currently the team are supporting in excess of 200 households.
- 3.27 The Council will continue to provide a corporate coordinated response in relation to Domestic Abuse: Homelessness, Community Safety and Tenants & Leaseholders are all involved in engaging with residents in relation to this sensitive area. Domestic Abuse is on the rise and recent data provided by St Albans & Hertsmere Women's Refuge, confirms that during the lock down period there have been 123 new domestic

abuse reports in Dacorum. In the 7 weeks prior to lockdown there were 62 DA referrals, for the same 7 weeks in 2019 there were 40 DA reports. It is imperative that the council develops and maintains a coordinated approach to support those households most in need and at a time when they are at most risk. As a result a review of Domestic Abuse services will be undertaken as committed within the draft Homelessness & Rough Sleeping Strategy.

Forum/staff occupied buildings

3.28 Reviews have been carried out of all staff occupied buildings and changes proposed to ensure that staff can occupy buildings safely with appropriate distancing and hygiene measures when a phased return to the buildings commence. The main measures to be introduced include:

- Staff to sit diagonally from each other (4 staff on a bank of 8 – at the Forum).
- Maximum of 155 staff in the Forum (approximately 1/3 of full capacity) – Working from home rota to be agreed by managers
- Everyone entering the Forum will have their temperature screened and a process for what should happen if a high temperature will be agreed
- Shared seating areas and kitchens have been reconfigured
- Atrium and café to be open for takeaway only
- Visitor access to the Forum to be by appointment only – discussions are ongoing with the Library regarding their plans.
- Access to Forum to be via the pass door to the side of the main entrance and exit will be via the fire exit on the lower ground floor to ensure a one-way system can operate.
- One way system will be created around the Forum with appropriate markers
- Perspex screens (870 mm from desk surface) to be fitted to all desks and points of contact with customers/public (similar to what has happened in most shops).
- The use of lifts in the Forum are restricted to people that must use them and only 1 person is allowed in them at any one time.
- The opening hours for the Forum will be 7am to 6pm Monday to Friday to begin with and will be reviewed on an ongoing basis.
- Appropriate 2 meter markings are placed on the floor at prominent parts of the building to remind everyone of the 'social distance' measures.
- Introduction of additional hand disinfectant/sanitising units around the Forum.
- Automated doors have been fitted to reduce the number of door handles needing to be touched.
- Staff will be responsible for their own coffee/tea mug and should keep it in their locker when not in use to ensure that only they use the receptacle.

- A Forum user etiquette has been prepared to ensure all users are aware of the behaviors that must be observed in relation to appropriate hygiene and social distancing measures when in the building

Shopping areas and public open spaces

3.29 Officers have developed an action plan for the main shopping areas across the borough including Hemel Hempstead Town Centre, Tring and Berkhamsted and neighbourhood centres. Proposed measures include:

- Safe distancing and hand washing signage
- Utilising the large screen in the Marlowes for visual messaging
- Continued closure of play areas
- Enhanced cleaning regimes
- Liaising with the Hemel Hempstead BID to ensure shops are managing queuing appropriately and are opening/operating safely
- Liaising with Hertfordshire County Council to consider traffic intervention measures

3.30 Safe distancing and hygiene signs have been placed at the entrance to parks and open spaces and play areas will remain closed until further notice.

Strategic Risk

3.31 The COVID-19 pandemic has had a significant impact on the operation of the Council's day to day business and significant financial consequences. Whilst the Council is entering into the recovery phase there is still a risk of a potential second wave of the crisis. Given the nature of the impact on the Council's operations and potential for a second wave of virus it is recommended that a new strategic risk is entered into the Council's Strategic Risk Register. A copy of the COVID-19 strategic risk is attached to this report.

Appendix A: Suggested Objectives – Dacorum Recovery Group

Act as a link with the county wide recovery structure.

Act as a link with the county wide SCG while it is running, feeding in recovery issues as required.

Provide strong, visible leadership.

Give a broad overview, ensuring that each agency's interests are represented.

Prepare community impact assessments that inform recovery priorities and activity work streams.

Set and monitor the borough wide recovery strategy, ensuring implementation.

Co-ordinate and monitor the work of the four recovery sub-groups, including their recommendations.

Agree the exit strategy criteria, and the timescales for achieving this.

Set and monitor the overall action plan arising from the recovery phase.

Communicate the work of the group and sub-groups to Members and other key stakeholders.

Appendix B: Suggested Objectives – Communities, Housing, Health and Wellbeing Sub-Group

Support and facilitate the recovery and ongoing welfare of residents who have suffered hardship, loss and trauma as a result of the pandemic.

Review and adapt public open spaces ensuring that they are clean, safe and secure for public use.

Revitalise leisure, parks, sports promoting modal shifts towards walking and cycling to promote healthy communities.

Review and work with public facing business from a regulatory perspective to re-open safely and maximise capacity for public use.

Collaborating with county and health authorities to support track and tracing of Covid-19 and similar initiatives.

Review and put in place mechanisms to identify those with ongoing vulnerabilities and a strategy for addressing these needs working with contracted and non-contracted service providers as appropriate.

Review and plan to approach some of the issues that have arisen during the Covid19 lockdown such as increased Domestic Abuse, isolation and mental health difficulties and financial difficulties.

Feed in the work of the Recovery Group and ensure that this is properly communicated.

Report work of the sub-group to the Recovery Group, including performance information.

Monitor the data relating to those with ongoing support needs and work with other agencies to develop support interventions.

Identify funding opportunities to assist in the recovery process.

Deliver and support appropriate memorial and thank you events and initiatives. Provide community reassurance through effective community leadership.

Appendix C: Suggested Objectives – Growth and Economy Sub-Group

Work with partners to support the regeneration of businesses and the local economy through a jointly devised recovery strategy.

Provide support to local businesses in conjunction with partners (e.g. BID, Chambers of Commerce).

Reviewing existing planning and licensing powers to support business in the recovery process.

Collectively pursue relevant opportunities for funding.

Continue the work of the Growth and Infrastructure Board which has responsibilities for:

- Directing and overseeing the development of the Local Plan process
- Specifically focusing on the process and delivery of the major housing growth required both spatially and tactically
- Ensuring that the infrastructure that must accompany growth - transport, utilities, health, schools, open space, community needs and employment - are considered and delivered
- Development and delivery of an updated economic development strategy and action plan
- Monitoring housing and employment delivery and required actions
- Advising the use of resources available for infrastructure including CIL
- Reviewing the effectiveness of partnership arrangements
- Specifically leading on the development of the Enterprise Zone and relationship with the LEP
- Considering the potential of actual and possible very major development proposals
- Initial consideration and planning for the Council's own services to ensure future service needs can be met.

Planning and delivering direct market interventions such as new build Council housing to further kick-start the economy and support local business.

Review strategies for our town centres, including business development, attracting footfall and approach to key sites.

Review tourism strategies to attract visitors and assist and grow the hospitality sector
Work with the LEP Economic Resilience Cell

Act as a conduit to central government where there are unmet support needs for businesses.

Actions to seek and encourage inward investment in the Borough

Maintain ongoing dialogue with local employers.

Support initiatives intended to support the recovery of local businesses.

Feed in the work of the Recovery Group and ensure that this is properly communicated.

Report work of the sub-group to the Recovery Group, including performance information.

Appendix D: Suggested Objectives - Organisational Recovery Sub-Group

Restore service delivery to agreed business in a planned way.

Identify opportunities and inform future changes, such as modernisation and transformation, linking to the existing New Normal programme.

Ensure all Council offices are compliant with latest guidance and best practice and safe for staff and the public to return.

Ensure the consistent application of appropriate policies during the recovery phase.

Ensure the management of backlogs, identifying any extra resources required to restore normal services.

Identify employee support needs and vulnerabilities.

Ensure that employees are supported and that efforts are acknowledged. Ensure effective communications with council employees.

Capture learning through a process of debriefing, both single and multi-agency.

Ensure that there are appropriate memorial events for colleagues/Members who may have passed away.

Contribute towards wider consultations on legislative change etc

Appendix E: Suggested Objectives – Finance and Corporate Assets Sub-Group

Review, monitor, project and report the financial impact of the pandemic on Council Finance.

Support and facilitate the recovery of tenants of council commercial properties who have suffered hardship or loss as a result of the pandemic.

Continue the work of the Property Management Board assessing development opportunities, and monitoring progress of agreed development projects to ensure the most efficient use of Council land assets and to help drive economic recovery.

Oversee and monitor the delivery of grants to business and report on outcomes.

Identify and monitor funding opportunities.

Report work of the sub-group to the Recovery Group, including performance information.