

**CAMBRIDGESHIRE COUNTY COUNCIL'S RESPONSE TO COVID-19**

**To:** General Purposes Committee

**Meeting Date:** 14th May 2020

**From:** Chief Executive and Joint Management Team

**Electoral division(s):** All

**Forward Plan ref:** Not applicable      **Key decision:** No

**Outcome:** The Council's response to COVID-19 and our strategies for county-wide recovery will have a significant impact on outcomes for individuals and communities.

**This report provides an update on:**

- the Council's ongoing response to the current Coronavirus pandemic;
- summary financial impact; and
- development of a recovery framework.

**Recommendation:** General Purposes Committee is asked to:

- a) note the progress made to date in responding to the impact of the Coronavirus.
- b) note the current projected financial implications associated with managing the implications of the Coronavirus pandemic as set out in section 5 of this report.
- c) Note and endorse the Recovery Framework as set out in section 4 of this report.

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## **1. BACKGROUND**

- 1.1. The coronavirus pandemic has affected every part of life - in Cambridgeshire, across the UK and globally. In the UK, over 220,000 people have been infected by the COVID-19 virus, more than 32,000 have sadly died and the country has been in lockdown for over 7 weeks. Thousands of businesses are currently closed across Cambridgeshire, with staff furloughed or working from home and every single person in our County has had to change the way they live their lives.
- 1.2. In these very challenging circumstances, the Council has reacted quickly with the dual focus of responding to the crisis and keeping critical services running. Our workforce and our councillors have moved to working from home if possible and, where face to face services are critical, these are being carefully planned and safely delivered. We have changed almost overnight to work in different ways to support the most vulnerable people in our communities, developing new responses and maintaining all critical services.
- 1.3. Local Government around the UK, and indeed around the world, is beginning to think about the longer term impact of the COVID-19 pandemic –the detrimental effects on more vulnerable individuals and groups but also the opportunities for positive change. Officers and Councillors are working with their professional networks to determine the ‘right’ way to tackle recovery, sharing ideas and good practice. To ensure that the Council takes a strategic approach to recovery and redesign, a Recovery Framework has been developed and is detailed in section 4.
- 1.4. The Council’s recovery framework will be built towards ambitious definitions for individual, community and county wide outcomes. It will determine both the immediate and longer term steps the Council needs to take to play its part in achieving these outcomes across Cambridgeshire.

## **2. ONGOING RESPONSE**

- 2.1 In April, a report to this committee gave details of the initial response to the Coronavirus pandemic, nationally and locally. Reporting structures and governance were detailed as well as the immediate priorities for the Council, which included:
  - Supporting the NHS, particularly through quick and effective response to new Hospital Discharge Guidance.
  - Supporting our care homes.
  - Establishing a county-wide coordination hub so that shielded and vulnerable self-isolators are supported with supplies of food, medicine, and other essential support.
  - Ensuring that vulnerable children are supported during the pandemic.
  - Implementing measures to protect and support our workforce.
  - Managing our supply chain.
  - Maintaining public trust and confidence by providing good and regular communication and by amplifying public health and government guidance.
- 2.2 During the last four weeks, work has continued in all of these critical areas as it has become increasingly clear that many of our emergency response activities will need to stay in place for several months, at least. Further details on immediate response and how we are shifting from emergency to ‘new normal’ services is included in this month’s reports for each Directorate, which are available here: [COVID 19 Weekly Reports](#)

- 2.3 Since the last report, we have also set up a response to deal with tracking and tracing and are awaiting further guidance on our role in this work. In order to respond to evolving Government guidance we have set up a Track and Trace sub-group, which met for the first time last week, has representatives from Public Health, Environmental Health, Trading Standards, the Clinical Commissioning Group, a data and system specialist from Huntingdonshire District Council, a member of Peterborough City Council's and Cambridgeshire County Council's joint Communications team and a member of the County Council's Transformation Team.
- 2.4 The purpose of the group is to ensure we have a robust local system which meets the requirements of the national contract tracing programme. Initial information suggests that contact tracking will predominantly be done at a regional/national level through Public Health England (PHE) our local role appears to fall into 4 areas:
- Support for people who are told to self-isolate after testing positive who have no immediate support from family/friends.
  - Support for local outbreaks, from Public Health and Environmental Health colleagues, working alongside the regional PHE Health Protection Team.
  - A role in the flow of data around this activity – from testing, through contact tracking, to local support for those who need it.
  - Communications to amplify the national messages around take up of the NHS app/online reporting of symptoms, getting tested and self-isolation for those with symptoms and for those who have tested positively.
- 2.5 We are currently reviewing "OUR PLAN TO REBUILD: The UK Government's COVID-19 recovery strategy" which was published on 11th May, considering implications for our services and workforce and planning accordingly with our partners.

### **3. FINANCIAL IMPLICATIONS**

- 3.1 At the last meeting of the General Purposes Committee (GPC) a schedule of the projected costs associated with COVID-19 was presented to the Committee on 23rd April. This highlighted a projected shortfall between the anticipated financial implications of the virus and anticipated funding of £9.928m. It was highlighted at that point that the projections included within the model were both very early assessments and largely reflected projections to the end of June (in line with the Government approach within the public procurement guidance). It was further highlighted that as part of the Council's internal governance any item in excess of £20k would require a business case to be developed in order to support the projection.
- 3.2 In the three weeks since the last GPC meeting, the Government has announced a further package of funding for local authorities in the sum of £1.6bn. This mirrored the first tranche of funding, at national level, but the distribution of the funds did recognise the pressures being faced by district councils in areas of two tier government. As a consequence the level of funding allocated to this Council was a further £11.5m compared to the £14.6m received from the first tranche.
- 3.3 Whilst this additional funding was most welcome, and did cover the funding deficit considered at the last meeting, the Council was aware that projected costs would increase as the implications and the length of interventions gained greater clarity.

3.4 All Councils report to the Ministry of Housing, Communities and Local Government (MHCLG) on the financial implications that COVID-19 is having on their respective financial positions. The next return is due on this Friday (15th May), in order to nationally collate the most up to date information, which will be submitted by us in time. Due to a number of different approaches adopted by Councils, the Government are seeking to apply some principles for this return. The following is a direct extract from the guidance issued on 11th May:

*‘Where full financial year estimates are requested, please estimate these assuming current restrictions remain in place until the end of July 2020, and thereafter the situation reverts entirely back to a position you anticipated prior to COVID-19. Note that this assumption is intended for accounting purposes only and solely to improve consistency in the returns provided and should in no way be interpreted as government policy.’*

3.5 As a consequence we will be updating our financial modelling to align with this in order that we are reporting the same information locally as well as nationally. The latest financial projections were based on service related forecasts as at 8th May. These projections will be refined during this week in order that they align with the aforementioned guidance. The current forecast of additional costs and funding in relation to COVID-19 is summarised in the following table.

Service Committee	Estimated total impact £000					Estimated funding £000				Grand total
	DSG	Impaired Savings	New Commitments	Income foregone	Gross Total	NHS funding	PCC funding	DSG funding	MHCLG	
Adults		£4,332	£21,760	£330	£26,422	£10,291				£16,132
C&I		£327	£75	£1,169	£1,571					£1,571
Communities		£65	£1,283	£726	£2,074					£2,074
CYP	£1,293	£1,823	£345	£1,753	£5,214			£1,293		£3,921
GPC			£1,384	£0	£1,384		£300			£1,084
Health		£17	£1,578		£1,595					£1,595
E&E			£1,912	£60	£1,972					£1,972
H&I		£617	£400	£4,468	£5,485					£5,485
<b>Gross Total</b>	<b>£1,293</b>	<b>£7,181</b>	<b>£28,737</b>	<b>£8,506</b>	<b>£45,717</b>	<b>£10,291</b>	<b>£300</b>	<b>£1,293</b>	<b>£0</b>	<b>£33,834</b>
MHCLG funding									£26,124	£26,124
<b>Residual pressure</b>										<b>£7,710</b>

3.6 As can be seen in spite of the additional funding that has been allocated by the Government the Council is still facing a deficit of nearly **£8m** which, if not supported through further Government funding rounds, will have to be met by considering all options available to this council.

3.7 As shown in the table above, at this stage the Council expects to be reimbursed by the NHS for £10.29m of costs in relation to discharges from hospital. Following national guidance, the expectation is that local government will procure care to support people leaving hospital on behalf of the wider health economy, with these costs refunded by the NHS in due course. The Council’s first claim for this funding was submitted in early May (for costs up to the end of April), and we expect to receive reimbursement before the end of May. At this early stage there is some uncertainty about exact funding levels via NHS England until cash flow has arrived.

3.8 The major changes since the last GPC report are summarised below:

- Additional resilience funding for providers of social care to the Council in order to compensate for the additional costs associated with managing the Council's care packages during the pandemic (to the end of June £4m, with a tapered impact of £1.9m thereafter).
- Expected expenditure on protective equipment for employees has risen by £0.9m to £1.4m since the previous forecast, partly reflected increased unit costs. This is separate from the Local Resilience Forum protective equipment supply available to social care providers.
- It is possible that the pattern and volume for demand of social care will not follow the activity of pre COVID-19 once the sector returns to business as usual – or at best not for some time. The Council is therefore assessing a number of scenarios as part of this modelling process and provision is included for additional care pressures for the period beyond the pandemic.
- In the region of £0.5m spending is expected on redeploying staff in the short term to support the co-ordination hub, community support and shielding the vulnerable (this includes costs that would otherwise have been chargeable to capital budgets or will generate an underspend in service areas that been suspended during the pandemic).
- Income expectations from parking and related services have worsened by £400k as timescales have been refined and extended (to £4.4m).
- Impact on the capital programme (inefficiencies of constructing under social distancing rules – the provision for this will be developed over the coming months) (£1.5m+).
- There is a £300k increase in the reduction in income for school facing services. Elsewhere in Children and Young People (CYP) our estimate of the impact on Home to School Transport has reduced as the implications in this area are focused on supplier relief (continuity of payments) rather than additional costs at this stage.
- Commercial & Investment and General Purposes Committees have static forecasts compared to last month in respect to commercial and rural rents and the Council's excess deaths duties, respectively.

3.9 The detail that sits behind the numbers in the financial forecast have been shared with Group Leaders and further detail will be provided in the next report to GPC after each service committee has had the opportunity to discuss the implications appertaining to the services for which they are responsible.

## **4. RECOVERY**

4.1 The full extent of the impact of the COVID-19 pandemic on CCC and the Cambridgeshire community is still unknown. However, there is no doubt that this emergency has significantly disrupted many of our existing plans, behaviours and approaches and that the Council is unlikely to return to the way it was prior to the crisis. The pandemic has brought an unprecedented level of global challenge, the effects of which will have an impact on the health, wellbeing and life chances of Cambridgeshire's citizens for years to come. Looking forward, however, the national and local response and change of behaviours also offers a significant opportunity to build a more resilient and sustainable future

4.2 Local Government in the UK has risen to the challenge well during the immediate crisis and our Council has been at the forefront of leading the local response to the pandemic alongside public and community partners. We have been well placed to do this because of significant

investment in transformation and community engagement, and because of the strong relationships we have built across the system.

- 4.3 The scale of the disruption, and subsequent degree of social change, demands a strategic approach to recovery and redesign – for the Council as well as the broader public sector and health system. The changes needed will be wide-ranging, complex and unlikely to be sustainably resolved through quick fixes. Whilst there are significant risks, the situation also presents unique opportunities to invest in better outcomes for all citizens of Cambridgeshire, whilst ensuring the most vulnerable in our society are protected. What has been achieved in a short space of time is astounding and, as we come out of the immediate crisis, we do not want to lose any momentum as we look forward.
- 4.4 Nationally and locally, there are well documented approaches to responding to and recovering from emergencies. These typically describe the stages of recovery as:
- a) Response: decisions and actions taken to deal with the immediate effects of an emergency. At a high level, these will be to protect life, contain and mitigate the impacts of the emergency and create the conditions for a return to normality. Response is likely to be relatively short compared to other stages - even in the current extended emergency - therefore, rapid implementation of arrangements for collaboration, co-ordination and communication are vital.
  - b) Recovery: the process of rebuilding and restoring the infrastructure and emotional, social and physical well-being of communities following an emergency. Although distinct from the response phase, recovery should be an integral part of the response as actions taken during the response phase can influence the longer-term outcomes.
  - c) Redesign: an emergency may present the opportunity to regenerate, revitalise and transform. This transformation can be physical, social, and economic and is more than simply restoring or replacing what was there before. It is a complex social and developmental process rather than just a remedial process.
- 4.5 The length and nature of the COVID-19 emergency are unusual in terms of our existing emergency management framework, which is predominately designed for critical incidents or short term emergency responses. The national lockdown and local response stage may continue for long enough for some of our plans and behaviours to become 'business as usual' - either for us, our partners or for the public. This holds both opportunities (for example, community volunteering or more agile working may become the norm) and potential problems (our response models may be too expensive to sustain long term or may create unintended dependency). Therefore, it is important that these stages are not seen as linear and that capacity and effort is invested in recovery and redesign plans as quickly as possible.

4.6 The recovery framework will be based on six important elements:



- a) Impact Assessments: to develop our plans for recovery and redesign, it is crucial that we understand the impact on our communities and on our organisations. Impact Assessments (covering impacts on residents, businesses, infrastructure, environment, etc.) have been started and will be regularly updated.
- b) Strategic aims: to be effective, our response should be rooted in strategic intent with a clarity of purpose and desired outcomes. Before the COVID-19 pandemic, there was agreement across the system to focus on 4 ‘Grand Challenges’ and the Council had their own corporate strategy which reflected these challenges alongside the organisation’s own aspirations and priorities. These need to be reviewed in light of: changing needs in society; local authority funding arrangements; national and local expectations of local government, potential public sector reform.
- c) Finance: as we move beyond the immediate and national funding for emergency response, iterative modelling of financial scenarios will be needed to ensure that our strategic ambitions and our operational plans are affordable and sustainable.
- d) Action plans: parts of our recovery, action plans are already in place – each service has a business continuity plan which describes recovery of services following a disruption and our corporate and COVID-19 risk registers have a series of actions to manage risk triggers. However, these action plans will need continuous review in light of revised strategic aims and response to new impacts on our communities. We cannot assume that all the services and functions that were critical before COVID-19 will be relevant in our new context.
- e) Learning, evaluation and adaptation: it is important that we capture and build on learning and adaptation that takes place during the response and recovery stages –locally, nationally and globally. The effects of COVID-19 will change over the coming months and years and ongoing evaluation of our impact will be key and will be plotted against a recovery trajectory. Services and our workforce should be designed to adapt quickly as needs and priorities shift.

f) Evidence and insight: we will take an insight led approach to design services, interventions and actions. This will include analysis of what's happening as the impacts of COVID-19 become apparent, predictive analysis from multiple data sources, scenario modelling to inform our planning and fast feedback loops on the performance and impact of actions. Decision making needs to be effectively supported by strong business intelligence to provide effective financial, demand and system indicators.

4.7 There are a number of groups already involved in the recovery plans for Cambridgeshire and Peterborough and a clear flow and reporting structure through these groups is essential. In line with Government guidance, the Cambridgeshire and Peterborough Local Resilience Forum have established both a multi-agency Restoration Group (which will focus on immediate response) and a multi-agency Community Recovery Group. The Government has also tasked the Cambridgeshire and Peterborough Combined Authority with leading on economic recovery.

4.8 CCC is well represented at each of these forums, however it is also important that we have a Council focused governance structure to manage our recovery programme and to report into these groups as appropriate. Cambridgeshire County Council and Peterborough City Council's Joint Management Team (JMT) meets three times a week to consider response and recovery activity. JMT reports recovery activity into members groups in both councils as part of the weekly highlight reports. Our recovery governance will ensure that Councillors and the communities that they represent play a fundamental role in shaping the future.

4.9 The recovery framework is split into 6 themes, which take into account the Council's strategic priorities, our COVID-19 risk register and the LRF recovery themes:

- People and Community
- Business and Economy
- Health and Wellbeing
- Political and Regulatory
- Environment
- Organisational

Topics under these themes will be explored using our knowledge, evidence and expertise and will be drawn together into actions plans.

4.10 We will work closely with a range of system partners – for example: Health, the Combined Authority, District and City Councils, Community and Voluntary sector organisations, schools, private sector business, our universities, providers in our supply chain, our communities - as well as with Government. It is vitally important that we develop forums and mechanisms to ensure that, as a system, we are aligned in our recovery plans, and that they are based on shared ambitions and desired outcomes.

## **5. ALIGNMENT WITH CORPORATE PRIORITIES**

5.1 The current Coronavirus pandemic will have both an immediate and a longer term effect on all of the Council's priorities. The impacts will be monitored and managed through our risk logs and recovery plans and will feed into the annual review of Council strategy.



## **6. SIGNIFICANT IMPLICATIONS**

- 6.1 It is likely that we will see a rise in referrals to children's services both locally and nationally as the pressures on families increase. Demand may also grow in adult services as the effects of interrupted care on chronic conditions emerge. It is therefore essential that we plan for an extended period of response and that the recovery programme rapidly identifies interventions which may minimise detrimental impacts.
- 6.2 As laid out in section 3, in spite of the additional funding that has been allocated by the Government, the Council is still facing a deficit of nearly £8m which, if not supported through further Government funding rounds, will have to be met by considering all options available to this council. A range of scenarios will need to be developed and tested to support business planning. As patterns of demand and behaviour become clearer following the immediate response stage, the organisation will need to have a range of options and contingency plans in place to anticipate and mitigate against financial pressures.
- 6.3 Our COVID-19 response has relied not only on the commitment and hard work of our own workforce and providers but also on the huge number of volunteers and community organisations who have come forward to help in their communities. As part of recovery and redesign work we will be learning from this fantastic community and partner response and further developing our Think Communities approach.
- 6.4 As a Council, our greatest asset is our people. Our workforce has mobilised in many different ways, working wherever they are needed to deliver critical services, often under very challenging circumstances. We continue to work carefully across all teams to ensure our workforce is well equipped, stays resilient and feels supported as we tackle this crisis together.

<b>Implications</b>	<b>Officer Clearance</b>
<b>Have the resource implications been cleared by Finance?</b>	Yes Chris Malyon
<b>Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the LGSS Head of Procurement?</b>	N/A
<b>Has the impact on statutory, legal and risk implications been cleared by the Council's Monitoring Officer or LGSS Law?</b>	Yes Fiona McMillan
<b>Have the equality and diversity implications been cleared by your Service Contact?</b>	Yes Amanda Askham
<b>Have any engagement and communication implications been cleared by Communications?</b>	Yes Christine Birchall
<b>Have any localism and Local Member involvement issues been cleared by your Service Contact?</b>	Yes Amanda Askham
<b>Have any Public Health implications been cleared by Public Health</b>	Yes Liz Robin

<b>Source Documents</b>	<b>Location</b>
<b>Service highlight reports for all Directorates sent to Members weekly.</b>	<a href="#">Highlight Reports</a>