

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

**To:** Commercial and Investments Committee

**Meeting Date:** 24<sup>th</sup> April 2020

**From:** Amanda Askham, Director Business Improvement and Development

**Electoral division(s):** All

**Key decision:** No

**Purpose:** This report provides an update on:

- the Council's response to the current Coronavirus pandemic;
- immediate action taken by services to respond to the pandemic and to ensure business continuity of critical services;
- the Council's initial approach to recovery.

**Recommendation:** a. The committee is asked to note and comment on the progress made to date in responding to the impact of the Coronavirus.

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## **1. BACKGROUND**

- 1.1. In December 2019 cases of a new coronavirus were identified in the city of Wuhan in China. Since December, the virus has spread rapidly across the world and the World Health Organisation declared a global pandemic in March. More than two million cases have now been reported worldwide and cases and deaths continue to rise in the UK.

## **2. UK RESPONSE**

- 2.1. In the UK, the Government has developed a coronavirus COVID-19 action plan with the aim of 'flattening the curve' to reduce the peaks in pressure on NHS, social care services and wider society.
- 2.2. On 23<sup>rd</sup> March, the Prime Minister announced stringent new guidelines for 'lockdown' and 'social distancing' for three groups:
- 'Shielded Group' – around 1.5 million people nationally (we are expecting up to 30,000 people locally, including GP lists) have been identified in this extremely vulnerable category and have been told to "shield" themselves at home for 12 weeks.
  - Vulnerable people – people over 70, people with underlying health conditions and pregnant women have been advised to do all they can to minimise social contact.
  - Everyone else - was asked to work from home where possible - travelling to and from work only where absolutely necessary; avoid public transport; only leave home for essential food supplies and medical needs or to provide care to others and only to go out for necessities and exercise once a day.
- 2.3. Lockdown measures also stipulated that schools, libraries, places of worship, restaurants, bars, leisure facilities and other non-essential facilities should close immediately. Gatherings in public of more than two people who do not live together were prohibited and all social events including weddings and baptisms were cancelled; with the exception of funerals where limited to close family only. Parks could remain open for exercise but gatherings would be dispersed. The police have been given the power to fine and disperse where lockdown rules are not being adhered to.
- 2.4. The Coronavirus Act 2020 (Bill 122 of 2019-21) was passed by Parliament on the 23<sup>rd</sup> of March 2020. The Bill is part of the Government's response to the COVID-19 pandemic and is intended to enable the Government to respond to an emergency situation and manage the effects of a pandemic. The legislation, which is time-limited for 2 years, allows Government to switch on these new powers when they are needed, and, crucially, to switch them off again once they are no longer necessary, based on the advice of Chief Medical Officer.

The Bill enables action in 5 key areas:

- increasing the available health and social care workforce – for example, by removing barriers to allow recently retired NHS staff and social workers to return to work;
- easing the burden on frontline staff – by reducing the number of administrative tasks they have to perform, enabling local authorities to prioritise care for people with the most pressing needs and allowing key workers to perform more tasks remotely and with

less paperwork. This has included easements in the Care Act but no relaxation of the Children and Families Act;

- containing and slowing the virus – by reducing unnecessary social contacts, for example through powers over events and gatherings and strengthening the powers of police;
- managing the deceased with respect and dignity – by enabling the death management system to deal with increased demand for its services; and
- supporting people – by allowing them to claim Statutory Sick Pay from day one, and by supporting the food industry to maintain supplies.

### **3. CAMBRIDGESHIRE AND PETERBOROUGH LOCAL RESILIENCE FORUM'S REPOSE**

- 3.1 The Civil Contingencies Act 2004 sets out a definition for 'emergency' which includes events which threaten serious damage to human welfare. The Act places an obligation upon emergency services and local authorities (defined as category 1 responders under the Act) to assess the risk of, plan, and exercise for emergencies, as well as undertaking Business Continuity Management.
- 3.2 The Civil Contingencies Act and its accompanying regulations provide that responders, through a local Resilience Forum have a collective responsibility to plan, prepare and communicate with the area they service for an emergency. Cambridgeshire and Peterborough Local Resilience Forum is the collective body set up to carry out those responsibilities. Those responders are category 1 (as described above) and category 2 responders which include utility companies, transport organisations and others such as the Combined Authority.
- 3.3 The Cambridgeshire and Peterborough Local Resilience Forum (CPLRF) has been approved and is now acting in accordance with the CPLRF Pandemic Influenza Plan which was signed off in January 2019. The plan requires a Strategic Coordinating Group (SCG) to be set up to coordinate the multiagency response to the pandemic at a strategic level. This group had its first meeting on the 9<sup>th</sup> March 2020 and has been meeting weekly. An Executive Group of the SCG (made up of category 1 responders) was set up on 23<sup>rd</sup> March 2020 and has been meeting every week day. The SCG was initially co-chaired by Chris Mead Detective Chief Superintendent of Cambridgeshire Constabulary and Dr Liz Robin Director of Public Health, but this position changed to Jan Thomas Chief Operating Officer of the CCG and Gillian Beasley Chief Executive of Cambridgeshire County Council and Peterborough City Council as it became apparent that key strategic planning would be focused on health, social and community issues. On 23<sup>rd</sup> March 2020 the Strategic Coordinating Group declared, under the Pandemic Influenza Plan, that COVID 19 was a major incident.
- 3.4 The SCG is supported in its work by a Tactical Silver Group chaired by Laura Hunt from Cambridgeshire Constabulary and this group in turn, is supported by a number of tactical sub-groups as follows:-

- Warn and Inform Subgroup leading on the joined up communications across the public services system, co- chaired by Christine Birchall Head of Communications PCC/CCC and Hayley Douglas Head of Communications for Cambridgeshire Fire and Rescue
- Community Reference Subgroup (leading the hub work) chaired by Adrian Chapman Service Director Communities & Partnership PCC/CCC
- Excess Deaths Subgroup Chaired by Leigh Dunbar from PCC/CCC
- PPE Cell chaired by Linda Sheridan from Public Health and Sarah Learney from Health
- Multi Agency Information Cell led by Leigh Allman Detective Chief Inspector Cambridgeshire Constabulary
- Intelligence and analysis Cell chaired by Tom Barden from PCC/CCC
- Recovery Subgroup chaired by Jo Lancaster MD of Huntingdonshire District Council
- Economic subgroup chaired by John T Hill Chief Officer Business Board/Director of Business and Skills form the Combined Authority

3.5 Category 1 responders also set up their own command and control arrangements and for Cambridgeshire County Council and Peterborough City Council there is a Gold Joint Management Team which meets virtually every weekday morning at 8.00am to determine practices and actions each day and to escalate for resolution to the daily Executive Strategic Coordinating Group which meets virtually at 11.30am each week day morning. A Tactical Working Group meets weekly and Operational Groups in each Directorate meet at least weekly and more frequently where required.

## **4. CAMBRIDGESHIRE COUNTY COUNCIL RESPONSE**

### Governance

- 4.1 Whilst critical decisions on this emergency are taken within the arrangements set out in section 3 above the County Council needs to have proper arrangements for the transparent accountability and scrutiny of decisions taken within in this emergency.
- 4.2 Guidance from the Local Government Association for Councillors on COVID 19 together with advice from the Centre for Public Scrutiny on maintaining accountability of decision-making, has informed the approach which the County Council proposes to take and is summarised as follows:-
- Highlight reports of the activity of each main area of operation of the County Council for COVID-19 will be sent to all Members on a weekly basis, sent out on Monday of every week.
  - All Members will receive two daily reports, one a media report at 11.30am and one a report of the government's daily briefing which usually comes out early evening.
  - All Members will receive two weekly reports on the activities of the Strategic Coordinating Group.
  - Group Leader meetings will continue to take place on a fortnightly basis.
  - Friday Focus will continue to be issued to all staff and members containing a roundup of the week's information.

- Members will always be able to raise individual issues or concerns to officers in the usual way whether it be COVID-19 or other service-related issues.

4.3 In relation to decision making and scrutiny through committees the following arrangements were agreed: -

- At every service committee there will be a COVID-19 report summarising the key issues and attaching the last four weeks relevant highlight reports as well as updated information since the date of the last highlight report. This will allow the public to see all of the detailed activity and allow Members to ask questions and scrutinise the decisions and actions taken.
- General Purposes Committee will receive a COVID-19 report at every committee meeting including a finance report and a summary of key issues arising from the service committee reports.

4.4 Following the issue of The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020 which came into force on 4th April 2020 the Council also created a Virtual Meeting protocol which was agreed by Group Leaders and sent to all members. This will be reviewed after the first full council meeting once it has been tested and amendments made as necessary. The Council also considered the options for IT platforms for virtual meetings and after testing opted to use Zoom for public facing meetings and Microsoft Teams for confidential or sensitive matters.

4.5 The Constitution provides for the executive management of the Council to be undertaken during periods of an emergency where normal decision making governance cannot be followed as a result of that emergency. As you will expect officers are currently having to make decisions on a daily basis that are not normal business as usual and do not fall within the parameters of the agreed business plan. As a consequence officers are entering in to commitments that will have financial consequences that are not covered by the annual budget agreed by Council in February. The making of such decisions within an emergency are covered within the Scheme of Financial Management which is part of the Constitution.

The following is the relevant extract:

*2.6 An Executive, Corporate or Service Director may incur expenditure which is essential to meet any immediate needs created by a sudden emergency, subject to this action being reported immediately to the Chief Executive and the Chief Finance Officer, and to the next General Purposes Committee.*

*2.7 When a sudden emergency arises, Executive, Corporate or Service Directors must keep a separate record of the essential expenditure incurred in connection with the emergency until advised by the Chief Finance Officer that separate records are no longer required.*

4.6 A protocol for the dealing of costs associated with the direct management of COVID 19 has been agreed and implemented. Any decision that will result in a financial implication in excess of £20k requires a business case to be approved. All items are reported to the Council's Management Team on a weekly basis so that there is visibility of the financial implication of the decisions being made. These items will be reported to each service

committee and summarised to GPC on a monthly basis with effect from the May cycle of meetings.

### Immediate Focus

4.7 Over the last three weeks, the immediate priorities for the Council have been to:

- a. Understand and make plans to mitigate against the potential impacts and key risks to delivery of effective critical services - both directly provided and commissioned services.
- b. Ensure the sustainability of adult social care during the COVID-19 outbreak, particularly the links with planning and action in the NHS including response to new Hospital Discharge Guidance.
- c. Ensure that effective business continuity arrangements are in place to maintain all other critical services.
- d. Establish a coordination hub so that shielded and vulnerable self-isolators are supported with supplies of food, medicine, and other essential support.
- e. Ensure that vulnerable children are supported during the pandemic, including work with schools and settings to ensure that arrangements are in place to support both vulnerable children and children of essential workers.
- f. Optimise deployment of staff and volunteers to support critical activity.
- g. Implement measures to protect and support our workforce in line with national guidelines whilst maintaining critical services and allowing effective emergency planning.
- h. Maintain public trust and confidence by providing reassurance, frequent communication and to amplify the clear public health and government guidance.

## **5. SERVICE RESPONSE**

5.1 Summary of this month's highlight reports by category as follows

### **5.1.1 Investments (property and multi-class)**

As expected with such a large scale pandemic and the resulting impact on businesses, we are currently in discussion with some commercial tenants on the mechanisms available to them to maintain their businesses and to remain operational. Brunswick House, our student accommodation, remains partially occupied due to overseas students unable to return home due to travel restrictions. Students who have vacated their rooms completely have been offered an early termination agreement and the rent collection process has been cancelled with effect from the 1st April. Those who have returned home but have kept their belongings in their rooms have had their rent agreement suspended from the 1st April until the point that the lockdown restrictions have been lifted and for those students that remain on site (91 students) their tenancies continue as normal. We are closely monitoring the impact of COVID-19 on income from property investments with a current forecast of £1.1m at risk. This will be fully reflected in financial reporting for the next Committee.

Our new investment into Multi Class Credit is proceeding as agreed by this Committee. Updated advice from our investment advisers and current market performance indicates

that this investment is likely to perform at least as expected and, due to the behaviours in the marketplace in response to COVID-19, may even show a temporary increase in expected return in 2020. The Council is exploring advice to undertake the multi-class credit investment as part of the treasury management strategy (i.e. the funding source would change to available cash rather than capital receipts) which would likely be financially advantageous. An amendment to the delegated responsibilities within the Treasury Management Strategy may be required to facilitate this.

### **5.1.2 Property**

Use of all operational buildings has been reviewed and a closure and management programme has been actioned. Statutory compliance testing is still taking place to ensure buildings can re-open at short notice.

Discussions are continuing as part of the Cambs 2020 programme to progress the most critical 'spokes' buildings, whilst seeking to minimise the financial impact on the programme. The Cambs 2020 team continues to provide support and to monitor critical timelines to ensure construction and relocation programmes continue as far as is practicable and that potential compensation claims and contract delays are minimised.

The Property Team have been working the Emergency Planning Team and Hub to provide secure operational sites for dry goods warehousing, temporary mortuary space and emergency accommodation. Relevant costs have been included within the overall COVID-19 financial impact assessment.

Further to the potential reduction in income for commercial tenants (paragraph 5.1.1), some tenant farmers and Early Years provider tenants are also seeking rent deferrals. A consistent approach to offering deferrals, holidays, abatements and rent reviews, including 'less than best', is underway and will be shared in the next update.

### **5.1.3 Energy**

Our major energy investment projects - including Smart Grids, Solar Farms, Community Heat Projects and our environment fund programme of low carbon heat solutions for buildings – are continuing through the development cycle to maintain progress and delivery when lockdown measures are lifted. The aim is to look ahead to the economic recovery and use these projects as key drivers to kick start the economy, in particular the construction and engineering sectors, where a swifter return to business can bring back furloughed staff. Five planning applications are in progress and work to develop the future pipeline continues.

As with the large energy projects, development of existing projects in the Schools Energy Programme continues whilst construction works are at a standstill. New projects coming into the pipeline have been paused whilst schools provide only essential services to vulnerable children and children of key workers.

Electricity and gas bills for Council buildings are forecast to fall as buildings are closed and the cost of oil and gas reduces. For gas, ESPO will pass on the price reductions to us in our next bills.

#### **5.1.4 Procurement and Contract Management**

At this time, it is vitally important to maintain and support our suppliers and work is underway to fully analyse the risk to and potential impact on the Council's supply chains, planned procurement exercises and contracts which are mid renegotiation.

The Commercial, Internal Audit, Procurement and Finance Teams are working together to bring consistent advice on extension of terms and conditions, suitable application of waivers and understanding and application of Government measures. The Procurement Public Notice (PPN) is being adopted and used across the Council.

65 procurement activities have been delayed as a result of Covid-19. Any delayed procurement and contract negotiations will have a new timeline and plan adopted when both the marketplace and Council can resume public procurement competitions and contract awards.

#### **5.1.5 Contributions and Funding – specifically income generation**

A number of markets are being impacted significantly as a result of closures and lockdown during this pandemic. It is predicted that the majority of income from our schools marketplace will be lost during the first quarter of this new financial year and the impact could be felt beyond school re-opening. Commercial Team are to analyse and review the impact on marketplaces, schools, highways and beyond, and work with services and directors to build resilience in models and, where appropriate, review new opportunities and revised models. It is currently forecast that the income loss will be between £1m-£2m for the first quarter. Immediate support has already been offered to schools, early years settings and leisure partners based on Government guidance and local intelligence.

Committee is asked to note the This Land financing report submitted as a separate paper, including impact/risks of coronavirus, especially to the This Land programme timescales, which are a key sensitivity for the firm and its cashflow.

#### **5.1.6 Economic Recovery**

The Commercial Team represent CCC on the Cambridgeshire and Peterborough Economic Recovery Sub-Group alongside district and unitary authorities, the Combined Authority, Greater Cambridgeshire Partnership and business representatives including Cambridgeshire Chambers of Commerce and Federation of Small Businesses. This group is developing and mobilising both immediate and longer term plans to support economic recovery.

An urgent data and intelligence exercise is underway to understand and forecast the impact on local economy and businesses and to identify interventions that may stimulate recovery. This work is led by the Greater Cambridgeshire Partnership, supported by CCC Commercial and Business Intelligence Teams.



South Cambridgeshire colleagues are to build a 'business angels' network across the district and consideration is being given to scaling this to a county wide network.

Initial discussions are underway with colleagues in the EEH/Arc authorities in relation to the role of digital infrastructure in economic recovery and the opportunities to capitalise on the increase in digital engagement, skills and tools.

Place and Economy are considering potential changes to public funded capital schemes and whether any acceleration can take place to build economic confidence and accelerate recovery.

- 5.2 Highlight reports from all areas of the Council and as detailed in paragraph 4.2 of this report are available from the link on the final page of this report.

## **6. RISK MANAGEMENT**

- 6.1 Given the significant impact of COVID-19 on both the Council's immediate operations and its longer term achievement of strategic objectives a COVID-19 risk log has been developed. This is split into three sections:
- A short-term risk log for the internal-management of the County Council's response to COVID19.
  - A longer-term risk log for the strategic-management of the delivery of the County Council's objectives arising from the current event.
  - A review of major projects to identify which are critical to the County Council with a risk management action plan against each of these projects.
- 6.2 The immediate priority has been to develop the internal COVID-19 risk log which has five themes – infrastructure, finance, people, operations, reputation. These themes have been cross referenced to the existing Corporate Risk Register and to Service Committee/ Directorate Risk Registers. Each of these themes has a number of trigger events and corresponding controls and actions. The internal COVID-19 risk register has been uploaded to the GRACE system and will be reviewed by the Joint Management Team weekly from 17<sup>th</sup> April 2020.
- 6.3 The strategic risk register is being developed next and will inform the recovery phase. The PESTELO approach has been applied in order to structure our controls and actions, this takes into account 7 themes: Political, Economic, Social, Technological, Environmental, Legal, and Organisational. Management of strategic risks is likely to be widely dispersed through the organisation, its partners and the Cambridgeshire system.
- 6.4 We have also reviewed all of our critical projects and ensured that risk management plans take into account potential impacts of the Coronavirus pandemic.

## **7. RECOVERY**

- 7.1 As a Council we have been at the forefront of leading the response to the pandemic, diverting most of our effort to ensuring that the public and businesses are supported through what is an unprecedented emergency in modern times. We have a significant degree of influence and accountability for the public's experience of living and working in Cambridgeshire. Our ambition, our relationships with system partners and our significant investment in change and innovation over the past few years, makes us very well placed to contribute to the recovery and redesign that will be required in Cambridgeshire in the coming months and years.
- 7.2 It is very likely that the Council and the services it delivers may need to be different once we have dealt with the immediate response required by the crisis and when we have understood the future needs of Cambridgeshire's society as it is re-established post COVID-19. While significant levels of local authority resources are redirected to the front line and current emergency, it is important to ring fence capacity and expertise to start planning for aftermath and recovery as quickly as possible.
- 7.3 To plan for these phases, the Joint Management Team has started to build a recovery framework, with the first steps being:
- identifying the risks, both the immediate operational risks and the after-effects that could destabilise organisational and financial sustainability, service delivery, communities and suppliers;
  - forecasting the social and economic impact of different scenarios to the Council and communities;
  - capturing learning and opportunities and thinking about the changed behavioural aspects that we might wish to permanently embed (for example community resilience and support, climate impacts during lockdown, changed attitudes to travel and agile working);
  - planning for the reintroduction of services that have been suspended during the pandemic.
- 7.4 A number of officers including the Deputy Chief Executive, Executive Director Place and Economy, Director of Business Improvement and Director of Education are also involved in the Cambridgeshire and Peterborough Local Resilience Forum Recovery Group, which is chaired by Chief Executives from Huntingdon and South Cambridgeshire District Councils.

## **8. ALIGNMENT WITH CORPORATE PRIORITIES**

- 8.1 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.

## **9. SIGNIFICANT IMPLICATIONS**

- 9.1 The impact of the Coronavirus pandemic is likely to increase over the next few weeks and the lasting impacts will affect the Council and the people of Cambridgeshire for much longer. We are predicting that the impact of the pandemic and lockdown will result in a rise in referrals to children's services as the pressures on families increase and that demand may also grow in adult services as the effects of interrupted care on chronic conditions emerge. It is essential that we plan for an extended period of response and recovery and consider the impact on the supply chain and maintaining its integrity.
- 9.2 Although the Council's immediate focus is on the significant role we play in minimising the impact of COVID-19, we must also start planning now for the support that will be needed to help Cambridgeshire recover as quickly as possible, and specifically the local economy.
- 9.3 The current allocation of emergency funding from Government - including the additional £1.6bn announced this Saturday - will cover some of the additional costs and loss of income arising from the crisis and is very welcome, however it is unlikely to be enough. Our discussions with Government have indicated that conversations will continue as the full financial impacts of this pandemic become better understood. We have started to model the likely impact of this on current and future budgets and will continue to refine and adjust this modelling as we understand the pressures created by the pandemic. We may need to reconsider our investment risk profiles or income opportunities we seek to contribute to a financial recovery.

<b>Implications</b>	<b>Officer Clearance</b>
<b>Have the resource implications been cleared by Finance?</b>	Yes Tom Kelly
<b>Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the LGSS Head of Procurement?</b>	Yes Gus De Silva
<b>Has the impact on statutory, legal and risk implications been cleared by the Council's Monitoring Officer or LGSS Law?</b>	N/A
<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>	N/A
<b>Have any localism and Local Member involvement issues been cleared by your Service Contact?</b>	N/A
<b>Have any Public Health implications been cleared by Public Health</b>	N/A

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