

ARUN DISTRICT COUNCIL

REPORT TO CABINET ON 1 JUNE 2020

SUBJECT: THE COUNCIL'S RESPONSE TO THE COVID-19 PANDEMIC SITUATION

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DATE: May 2020

EXTN: 37600

PORTFOLIO AREA: Corporate Support

EXECUTIVE SUMMARY: This report informs Cabinet of the Council's response to the pandemic situation; its reaction to Government guidance; the continuation of service provision to our residents; and liaison with Members, Partners and Town & Parish Councils.

RECOMMENDATIONS:

Cabinet is requested to note the actions taken thus far; note the lessons learned and responses to them; and to consider the way forward for this Council post-recovery.

1. BACKGROUND:

This report is divided into three main areas – what we have done, what we have learned, and recovery.

1.1 WHAT WE HAVE DONE

Welfare of Staff and Members

- 1.1.1 IT solutions were quickly pushed forward to enable the maximum number of staff to work from home, with the necessary equipment, and to observe the Government's social distancing guidelines. Consideration was also given to a seamless transition as far as the public were concerned, from a communications point of view.
- 1.1.2 Staff were offered the opportunity to work 'shift' patterns (7am – 1pm, and 1pm – 7pm) to reduce the bandwidth demand on the Council's internet connections. We placed an order to increase one of the connections from 100mgbs (megabits per second) to 500mbps to improve accessibility to e.g. external software such as Northgate (for Revenues & Benefits) and to give capacity for staff to resume 'normal' working hours. This action minimised any risk of slow connections during peak usage times.
- 1.1.3 The ICT Helpdesk also increased its hours of support (now 7am -7pm) to mirror the shift working hours.

- 1.1.4 Staff who have been present in the civic buildings each day are those providing advice and assistance to people presenting as homeless; those in the Post Room who receive the post every day and scan to the appropriate officers to deal with; staff from the Facilities Team who ensure that the civic buildings are unlocked/locked and to provide a safe environment for those entering the buildings, as well as Corporate Management Team on a rota basis to offer visible support to those staff attending the buildings.
- 1.1.5 With effect from Tuesday 14 April 2020, access to the civic buildings for staff was restricted to 8.30am-6pm to reduce the strain on operations and to minimise the time that staff could be in the buildings/offices.
- 1.1.6 A limited presence within the Civic Centre and Bognor Regis Town Hall allows for those presenting as homeless 'on the day' to be assessed. The Reception opening times were restricted to 10am-4pm to reduce the risk of infection whilst maintaining a service to those homeless applicants. With effect from 9 April 2020, the Contact Centre also transferred to home-working, thus further reducing the level of staff presence in the Civic Centre.
- 1.1.7 Over the weekend of 21/22 March, protective partitioning was installed in the civic building reception areas (at a cost of £13k) to protect staff and customers from the possibility of cross-infection and to allow those critical face-to-face services to continue. This was in response to Government advice regarding social distancing and that PPE equipment such as face masks did not offer effective protection for staff.
- 1.1.8 Access to the civic buildings has also been restricted for Members, recognising that their safety and wellbeing is just as important. (See also sections on communications and decision-making.) Contact between Officers and Members continues via emails and telephony, to enable Members to advise and assist their constituents during this difficult and worrying time.

Welfare of our Residents

- 1.1.9 Covered under the subsequent items regarding service delivery, financial support, community hub work, and communications etc,.

Communications

- 1.1.10 The Council's usual channels of communication via website, social media etc have been extremely well utilised, to push out messages to residents about any implications on/changes to service provision, and to update on Government guidance. The use of social media has also been embraced by the Leader of the Council who has recorded video messages to the public, offering live Q&A opportunities as well as regular updates on service provision. These video messages have been positively received and generated some additional questions from the public which have informed our regular briefings and webpage updates.

- 1.1.11 We have seen an increased use of social media to raise questions on what the Council are doing in this crisis and the Communications Team are monitoring Facebook and Twitter feeds to ensure that these questions and comments are picked up and addressed, either via the original social media posting or included in a general update message.
- 1.1.12 A Coronavirus 'pop-up' was installed on the home page of the Council's website, leading viewers to a dedicated webpage for service updates and information. Staff, Members and the public are encouraged to visit this page for information in the first instance. The content of this page, and of many social media postings, is driven by enquiries received from Members and the public and is updated frequently.
- 1.1.13 A residents' electronic newsletter was launched and over 800 email addresses have registered to receive these.
- 1.1.14 The Chief Executive has joined many regular conference calls with, for example, the Ministry for Communities, Housing & Local Government (MCHLG), District Councils Network (DCN), Local Government Association (LGA), Greater Brighton Economic Board, other West Sussex Chief Executives, and disseminates this information via his weekly conference calls with the Leader & Deputy Leader and Group Leaders, and via his weekly Councillor Briefing messages. A similar briefing note is also issued weekly to our corporate partners such as The Body Shop, Butlins and Rolls Royce, and to the Clerks and Chairmen/Mayors of our Town and Parish councils.
- 1.1.15 A channel for Member enquiries was established (via Jackie Follis, Group Head of Policy) so that all enquiries relating to the Covid-19 situation could be co-ordinated and a consistent response issued to similar enquiries.
- 1.1.16 The Communications Team has delivered regular messages to all staff, supporting their dedication and hard work, and boosting morale. It is clear from comments made that these messages have been welcomed and appreciated.

Homelessness

- 1.1.17 The Council established a supply of units of emergency accommodation with our partner Butlins, to help with households presenting as homeless during the pandemic situation, and also to address the Government's requirement to remove all rough sleepers from the street.
- 1.1.18 As at 6 May 2020, a total of 180 households have been accommodated.
- 1.1.19 A total of 24 rough sleepers were identified at the start of the lockdown period - 16 of which were accommodated, 4 refused offers, and 4 remain unaccounted for, possibly moving on.
- 1.1.20 The Housing Team have worked tirelessly to deal with the number of cases and to ensure that households are provided with suitable accommodation as quickly as possible in order to keep them safe.

Waste collections

- 1.1.21 An initial disruption due to sickness within Biffa's own workforce meant that recycling waste was not collected in some areas to the east of the district in the first few days of the lockdown period. This was rectified quickly with kerbside collections resuming as normal from 14 April 2020 and maintained thereafter. Garden waste collections were suspended briefly but are now working as normal.

1.1.22 The initial disruptions were advised to the public via social media and website posts.

1.1.23 Some concerns have been raised regarding the potential for fly-tipping to increase as a result of the amenity sites being closed, and this is being closely monitored. WSCC re-opened their Household Waste Recycling Sites with effect from 11 May 2020, further to Central Government's guidance, subject to social distancing regulations.

Car Parking

1.1.24 With effect from 1 April 2020, car parking charges were suspended. Enforcement action only applied to double yellow lines and loading bays. This was to help our residents park safely, support key workers and avoid road congestion during the Covid-19 situation.

Support to Local Businesses

1.1.25 The Government announced a number of different measures to assist local businesses and residents through these difficult times. Details of these were made available on our [webpage](#). The webpage was updated frequently, often daily, as and when new information was circulated from Central Government.

1.1.26 The Council received £39m from the Government to assist eligible local businesses in the retail, hospitality and leisure sector. Approximately 2,600 local businesses are eligible for assistance via the Business Grant scheme. As at 6 May 2020 we had awarded £24.5m worth of grants to 2100 businesses. A targeted reminder was issued to the 350+ businesses yet to submit a claim.

1.1.27 Staff in the Revenues & Benefits Team have worked through weekends (including the Easter Bank Holiday) to enable them to process the high volume of applications being submitted, to review the number of appeals against decisions, and to respond to direct enquiries from the public about eligibility and the progress with applications. The team responded as quickly as possible when government schemes were first introduced, although there were delays as details of schemes were adjusted by the Government and software made available to process payments as well as the Government changing the criteria five times.

1.1.28 The Government's Council Tax Hardship fund allowed for households facing financial hardship to receive a rebate of up to £150 against their annual Council Tax bill. Approximately 4,500 households in Arun could be eligible for this. No recovery action is being taken on Council Tax arrears – this has been the case since 18 March 2020.

1.1.29 The Council recognised the financial impact of the pandemic situation on local SMEs (small and medium-sized enterprises) within the retail, leisure and hospitality sectors who rent premises from ADC. On 30 March 2020, we therefore introduced a rent deferment opportunity, offering businesses the choice to defer rent payment due in April 2020 (for the April-June quarter) and repay over six months between October 2020 and March 2021. An additional offer was made (9 April 2020) to repay over a longer period (concluding in Jan-March 2022) in recognition of the seasonal fluctuations in income which would be negatively impacted by the crisis.

- 1.1.30 Officers have received a constant barrage of new messages from the government on funding awards. The information provided has been reviewed at various stages to ensure that local information and links to government schemes was being presented clearly on our website. The new business support tool developed by Government also will have helped.
- 1.1.31 The Council was approached by Freedom Leisure to request financial assistance during the initial stages of the lockdown period and this was agreed (details reported to Cabinet on 29 April 2020). These measures will help Freedom Leisure to maintain the business during this pandemic situation following Government direction to close leisure facilities.
- 1.1.32 A further strategy to assist all suppliers means that, with effect from 1 April 2020, invoices have been settled immediately instead of our standard payment terms. This ensures that invoices are paid upon receipt which assists with cashflow in the supply chain and helps to protect jobs.

The Council's Finance

- 1.1.33 The Council submitted a return to the MHCLG on 15 April 2020, identifying a loss of income/extra costs amounting to £585k for the period March-April 2020, with a full-year effect (if the situation continues) of £2.4m. A report was presented to Cabinet on 29 April 2020, setting out the financial consequences of the pandemic to this Council.
- 1.1.34 The Council has a significant role in supporting the district as well as maintaining its own services. This has resulted in a significant loss of income, additional expenditure, and significant cashflow implications.
- 1.1.35 Whilst the Council received £64k of Government funding in April, with a further promise of additional funding (see 1.1.37), the largest portion of funding had been awarded to County Councils. A lobbying exercise aimed at Ministers suggested that Districts needed a much larger share of the funding – Arun District Council were part of that lobbying exercise and were supported by our local MPs.
- 1.1.36 In addition, due to the financial impact of people being furloughed or – at worst – laid off, a number of Council Tax direct debits have been either cancelled or rejected by their banks. The Council is obliged to pay a large share of the Council Tax collections to town and parish councils, county council and the Police, regardless of whether we have received the payments from residents. This also impacted on our cashflow.
- 1.1.37 On 28 April 2020, the Government announced that Arun District Council were to receive an additional £1.6m in funding (as part of a total £16bn awarded nationally) to deal with the immediate impacts of the Covid-19 situation. Whilst this was better than the previous award to ADC of £64k, it will still fall short of our lost income overall.
- 1.1.38 We have also been told that the Government will continue to work with Councils on the best approach to the next financial year, including how to treat accumulated business rates growth and the approach to the 2021-22 local government finance settlement.
- 1.1.39 The Council also submitted a further return to the MHCLG on 15 May 2020, identifying additional losses of income and extra costs.

Council Decision-Making

- 1.1.40 Following an amendment to the regulations for 'virtual' and 'remote' Council meetings, the Council implemented procedures and delivered an additional section in the Council's Constitution to cover this.
- 1.1.41 Staff trialled a number of platforms for virtual meetings so were already exploring options for extending this to Committee meetings. The challenge in agreeing one solution over another surrounded the different functionality available and compatibility with the different mobile devices used.
- 1.1.42 Our first virtual Cabinet meeting took place on 29 April 2020. This went reasonably well and identified some learning curves to be taken forward.

Parks & Open Spaces

- 1.1.43 In line with Government guidance, we closed our playgrounds, skateparks etc to minimise the risk of transference of infection. There were some initial issues with persons unknown breaking the ties on the gates, but we responded by replacing with chains and increasing the number of notices.
- 1.1.44 Parks and open spaces are still accessible by the public and we repeatedly promote the advice regarding social distancing.

Planning Decisions

- 1.1.45 The Government issued advice to all Councils, encouraging them to continue with their planning service whilst also adhering to the advice issued regarding staying at home and social distancing. Therefore, no Planning staff are accessing the civic buildings to receive and process paper applications. All representations are being submitted via the planning portal.
- 1.1.46 Whilst it is recognised that this is not ideal and will clearly impact on residents who do not have access to computers/emails etc, this was the best solution available to us during these difficult times. We have been able to accept submissions from third parties, on behalf of someone who does not have access to computers/emails, and these were treated as a separate representation.
- 1.1.47 A 'virtual' Development Control Committee meeting is planned for 26 and 27 May - this will take place over two days due to the size of the agenda

Community Hubs

- 1.1.48 The Hubs went live on 25 March 2020 and, as at 28 April 2020, ADC have responded to 137 direct referrals from the county council, mainly for welfare calls, food and medication collections. Our staff volunteers try to match the referral with the local support organisations.
- 1.1.49 ADC only responded to category 3 (non-urgent) referrals – category 1 (Shielded) & 2 (Covid Vulnerable) are dealt with by the County Council.

1.1.50 There was a concern that the number of referrals would escalate once people are discharged from hospital, but this did not happen due to the peak declining post Easter.

1.1.51 As at 21 April 2020, Arun had the highest number of referrals (over 700 since 25 March). Arun have been receiving between 13 and 20 referrals per day.

1.2 WHAT WE HAVE LEARNED

1.2.1 It could be argued that we could have started to make financial support payments to local businesses sooner. However, there were delays in receiving guidance from Government on how to process the claims. This in turn required software updates to the Northgate system, which was necessary to process the payments. We also identified a high number of potentially eligible local businesses.

1.2.2 In hindsight, we could have initiated the weekly briefing notes to Members, Town & Parish Councils, and Partners earlier (the first Member Briefing was issued on 31 March 2020). We accept that our focus was on the immediate reactions to the pandemic in terms of protecting the staff and public and implementing Government guidelines.

1.2.3 We needed to ensure the consistency of messages being issued to the public to avoid confusion and minimise the volume of contact to clarify these messages. This was an ongoing learning curve and we improved on this over time, but at times we were not consistent with our messages.

1.2.4 One of our successes was the speed in which we mobilised home-working arrangements for staff. The purchase of additional equipment e.g. laptops, monitors, headsets, was dependent on demands on our supply chain but we submitted orders quickly and maximised our existing good relationships with suppliers in order to achieve speedy delivery. The IT team worked tirelessly to deliver equipment and educate users on how to make the most of their home-working solutions.

1.2.5 To enable remote working, the ICT Team investigated options for video-conferencing to allow staff to communicate with each other visually, to continue with meetings already planned and those added to diaries as a result of the pandemic situation, and also to 'test' with a view to holding remote/virtual Committee meetings. Two solutions have been adopted – 'Zoom' and 'Microsoft Teams'. Each solution has its own benefits and disbenefits, and decisions are made at the time of organising the meeting as to which solution best fits the requirements of the meeting. Moving forward, there is a cost implication for retaining 'Zoom' as licences have to be paid for – currently 12 licences have been purchased for the Council. Microsoft Teams forms part of our corporate Office 365 package and therefore does not incur any additional costs. However, there are limitations to its functionality (Microsoft are working on a number of updates) which lends itself better for internal meetings currently. We have learned that other Councils have had practical and digital issues with their virtual meetings.

1.2.6 We also delivered solutions for committee videoconferencing quickly and provided a comprehensive bespoke training programme to staff and Members. It is acknowledged that there was an initial delay in delivering this, due to extensive research into the security and compatibility issues connected with videoconferencing.

1.2.7 Community Hub. By working with West Sussex and only having one 'front door' we have avoided duplication and ensured that the most appropriate agency has responded to the referral. In Arun we have established a local directory of organisations and volunteers which is used to match the person in need with a responder. We also have a body (44) members of staff who have volunteered to act as matchmakers or respond directly where there is no local organisation that can assist. The need generally falls into one of three categories – food shopping and delivery, medication pickup and delivery or a welfare call. We now have established processes with the West Sussex Community Hub to ensure that activity and outcomes are tracked and inappropriate referrals reverted back to the Community Hub.

- Disadvantages of WS Hub Model:
 - establishing the Community Hub took time in a two-tier structure
 - a community response to need was established in many cases before the Hub was fully operational
 - individuals may have preferred a local contact point
- Advantages of WS Hub Model:
 - single point of entry (front door) ensures all cases are effectively triaged and appropriately discharged
 - those already in the 'system' are quickly identified and do not need to provide background information
 - all urgent food deliveries are managed from a single distribution point
 - no duplication of effort

1.2.8 Staff support has been made available through the usual channels of line management, senior management, HR and the Employee Assistance Programme. Flexibility has been given to the hours of work to enable those with e.g. caring responsibilities to balance the demands on their time. Regular 'team chats' via telephone or video conferencing have been encouraged to provide a degree of social interaction and so that those who live alone do not feel so isolated.

1.2.9 It was recognised that not all staff are able to work from home, perhaps because of the nature of their role, or due to personal factors such as caring responsibilities, unaffordability of a suitable internet connection etc. A small number of these staff have continued to come into the civic offices to work (maintaining social distancing and self-care guidelines). Some have offered to assist with the Community Hub volunteer scheme (or other volunteer schemes in their home locality). Some have offered assistance to other service areas who may be experiencing a higher demand during this crisis period. Inevitably, there are a small number of staff who are less-occupied than would normally be but are taking advantage of the situation to carry out other tasks such as file management and preparations for future demands.

1.3 RECOVERY

A: What we have already done

Delivery of Services

- 1.3.1 We have demonstrated that we have the ability, and the technology, to deliver services in a different way. Staff, and Members, have adapted to new technology - remote working, virtual meetings, paperless solutions. There is no doubt that we will not be returning to our previous working arrangements and need to embrace, take forward, and possibly even improve the 'modern' methods. Whilst many of these changes may already have been on our 'wish list', they have been forced forward as a result of the pandemic and we should not lose the momentum of this progressive change.

Technology

- 1.3.2 Due to the roll-out of video-conferencing solutions, we now have the ability to hold 'virtual' meetings. This can be utilised in the future where Members, for one reason or another, are unable to physically attend a meeting but wish to dial-in to observe or take part. For example, it is sometimes difficult to arrange Briefings between Officers and Members; these could now take place virtually which may help that process. These solutions will also contribute to potential savings in travel where Officers are invited to attend meetings/conferences and a 'virtual' option is available.

Communications

- 1.3.3 We now have a template for an e-newsletter which we will be able to use in the future for sending messages out to residents. The database of email addresses will continue to grow as residents register for this service. This will be particularly useful in the event of a major emergency or district-wide event such as elections. We could also expand Arun Times with more additional on-line versions between the hard copy versions, for example.

B: Coronavirus Exit Strategy

- 1.3.4 As part of this strategy, we need to determine key reasons for not returning to pre-coronavirus working arrangements. This in turn will lead to reduced office space requirements and reduce the overall ADC estate and associated costs. We also need to generate income and;

- Our aim should be for a greener and more sustainable service delivery
- The strategy should help to improve working arrangements for some staff and, therefore staff retention, particularly hard to recruit groups
- We should also review who it won't work for, with reference to both services and individuals

- 1.3.5 One of the early tasks will be to collect information from staff and service managers. A survey of staff has already taken place (closing date of 1 May 2020) so that we can identify specific issues and evaluate overall enthusiasm for home working (continuously) and working from home (frequently).

1.3.6 The process could include early informal discussions with Members to:

- agree the rationale for change as set out in 1.3.4; and
- consider new ways of working for Members

1.3.7 The strategy will review what working arrangements could look like service by service, and then corporately. There will also be Unison consultation.

1.3.8 Finally, we will review corporate implications and arrangements that need to be in place with timescales (IT, HR policies, staff consultation, costs, consultation with partners etc). This will include an analysis to determine if benefits are real, when they can be realised and the payback period.

C: What Next Arun?

1.3.9 Local Government has performed heroically in response to Covid19 and there is no doubt that the impact of the crisis will be felt for many years to come, both physically, and financially. The challenge now is to build on the learning that can be drawn from the crisis and establish a “New Normal” that reflects the needs of society in the years to come.

Arun District Council has responded brilliantly. Leaders, Councillors and staff alike, have pulled together to implement change at pace, overcome hurdles that previously were seen as insurmountable, and learned a great deal about both ourselves and the organisation.

The reaction to the gradual lifting of the Government Lockdown will take at least a year, and the public may be less inclined to attend large gatherings or events. This, in turn may result in a focus on “local”, particularly if the fear remains of a second wave of the virus.

1.3.10 The Community

The Community will be different. We have now seen how vulnerable we are to pandemics and we will be dealing with this until there is a proven vaccine. Our economy will continue to shrink, businesses will close, unemployment and poverty will rise. The Council’s operating models will also need to adapt further to reflect changing community needs and demands. Our relationship with our communities will shift, with an increase in volunteering, an increased awareness of local people in need, and the more vulnerable in the community. There is, therefore, an opportunity to use the power of the community, and this may well go hand in hand with an increase in scrutiny of local service delivery from the public.

1.3.11 Demand

With the onset of increased unemployment, business failure and pressure on health, there will be a shift in the pattern of needs and demand on services. Economic growth (or recovery) and the role of the retail sector will become even more important. Services impacted by poverty; benefits, housing, and social care will come under increasing strain. However, on the plus side, the environment has raised its importance, and we have noticed the improved air quality and reduction in noise from vehicles. Similarly, services like waste and parks have gained some recognition of how important they are to the day to day lives of communities, both of which are

managed by District Councils. There is an opportunity to grasp the climate change agenda and encourage the continuation of some of the good habits we have all got into such as increased cycling. There is, for example, more of a demand for safe separate cycle lanes now.

1.3.12 Customer Access

With the closure of our own buildings (in the main), the public have grown more accustomed to accessing our services by phone and on-line. Staff have not been able to meet face to face and have found increasingly agile ways of interacting with both their colleagues and customers. This new-found capability and flexibility will need to remain and become increasingly stable and consistent. In the medium term over the next 12 months, we anticipate still living with Covid 19 and will need to promote safe interaction between staff and customers through increased use of technology. Customers will also be less willing to meet face to face, particularly the vulnerable, and the Council must improve its virtual access to assist them.

1.3.13 Service design and delivery

Along with a change in customer access, we have also seen that service delivery can change. There has been no choice but to deliver services without face to face access and with greater flexibility in customer journeys and the processes that sit behind them. There will need to be an increase in the move to digital; recognising that the gains made during the crisis were proof that many services can be delivered in very different ways. Our continued digital agility as a Council will be essential, using what we have learned from what works, and what doesn't, and examining the customer data we have about what information customers want and how.

1.3.14 There is clear demand for leisure and culture as a result of the pandemic, especially walking, cycling and using our parks, open spaces, and waterfronts. Across the District, people of all ages and backgrounds are finding a new hunger for physical activity, sport, exercise, and for cultural, creative and heritage participation. Leisure and culture have never been more valued. This has been amplified by the Government highlighting the importance of being active and we have seen people embrace the opportunity to get out of the house and do some exercise as an essential part of daily life, perhaps for the first time. The value of Arun District Council run parks and open spaces has proven incredibly important and helped to reinforce their role as part of the core services to maintain a healthy and active life within the community.

1.3.15 Inventive approaches to moving content on-line and enabling people to participate individually, or collectively, from home, offers some insight into possible future operating models for our Wellbeing Team. There is a greater thirst for leisure and culture and an acknowledgement of the potential to enhance daily life and keep people healthy, particularly in disadvantaged communities. Arun District Council's role will increasingly be important to the prevention agenda for public health and we have the opportunity to design service provision for the future based on need and addressing social and economic priorities.

1.3.16 Workforce and agile ways of working

Two big things have happened: staff have needed to work from home – with mixed blessings, and staff have been asked to work more flexibly with being redeployed across old service boundaries. This has demonstrated that agile and flexible working are more feasible than previously imagined and that there will be a need for far greater flexibility in the way resources are deployed – with multi-skilling and broader role specifications the norm. It may well bring additional challenges to the service silos that prevailed before the crisis, but staff are unlikely to work in the Council offices to the extent they used to, now that the efficiencies of working from home have been recognised and due to the continued need to keep staff and customers safe. This will have an impact on the usage of our Council buildings and may lead, in time, to alternative office accommodation, as less space is needed. One benefit of the Coronavirus is the empowerment that staff have felt in relation to working at pace and making decisions without time for a hierarchy of decision-making processes (The “John Lewis Council” approach!). As a result, our future communications with the public will be different, quicker, less precise, linking in with the many new requests from the public and business for Council information and guidance.

1.3.17 Financial position

With the collapse of many businesses, the closure of retail and service outlets and another step change in the way on-line purchasing is damaging the high street, there will be an inevitable dent in revenue streams through business rates or commercial revenues.

Costs of Council services may well increase as demand rises or, in the case of our leisure centres (which may take many months to be able to operate safely at full capacity), costs will increase due to the need to limit usage. If austerity stimulated one wave of change, then what we face now will drive another change.

It is yet unclear how government funding will change to reflect the changed circumstances, but it will be inevitable that Councils need to get ahead of the curve and fundamentally rethink how we deliver services and balance the finances. As a result, our Medium-Term Financial Strategy will need to be re-written and political priorities might change. There will be a real shortfall of cash for Local Government and we will need to reconsider all aspects of finance, including our budgets, staffing, services, charging policies, rents, projects and our recently agreed Strategic Targets, to ensure they are affordable, or possibly delayed.

The Government’s Fair Funding Review and Business Rates reset has recently been suspended which will provide another year of positive respite and there has been an acknowledgement of the importance of the cultural, tourism and leisure sectors within the national economy to support economic recovery too. This all must take place under the broad understanding of keeping things both local, and sustainable.

1.3.18 Strategic focus

Our corporate plans need fundamental re-examination to see if they remain fit for purpose. As circumstances have changed, so too must priorities and the funding that is allocated to those priorities. Political leadership will be faced with the need to look very hard at how funds are allocated to meet the new needs of our communities. This may also impact on our thoughts about our High Streets as they face major decline. As a result of this demise, more events may encourage usage, but people may not

be keen to congregate so much in the future. The answer may lie in encouraging more people to live in towns to generate the income and usage they need, possibly through converting unused accommodation for flats, or building higher.

1.3.19 Place and identity

With an upsurge in local participation comes an increasing sense of awareness of the community and the place it occupies. This may increase a sense of locality and how service provision works at local level, which may impact on our Council Wards and Councillors. It may also challenge how agencies work together in localities and the investments required to delivery what each locality needs. This increased sense of locality may run counter to a top down view on local government reform – or it may create an opportunity to redesign what Arun DC stands for.

1.3.20 Agile leadership

Local Authorities always work well in a crisis and we should be rightly proud of what we have achieved. We have demonstrated an agility and flexibility in leadership that has seen changes implemented in two weeks that might otherwise have taken two years. It would be such a shame if, as the crisis and its consequences unfold, the Council lose the gains we have made and miss the opportunity to create new ways of working. This may also have an effect on the need for all the Committees we envisaged, as part of our recent Governance review.

1.3.21 The challenge

Out of every crisis comes an opportunity and this is no exception. Society will have changed, communities will have been unleashed, and demand will have shifted. We need to create an organisation that responds to this systemic change and be optimistic about how Arun District Council can adapt to meet the shifting needs of its community. Our recovery plan, therefore, will need to focus on the recovery of the Arun organisation, its community, local economic activity and the wellbeing of the District's inhabitants.

1.3.22 Summary

Officers had, prior to Covid-19, been working on the Council's financial position. The pandemic now raises a lot of concerns about the Council's future finances and working practices. It will be imperative that Members and Officers work collaboratively to agree our recovery phase over the next 12 months. It is envisaged, that reports will be presented to Cabinet and OSC over the forthcoming months to establish our recovery action plan.

2. PROPOSAL(S):

Cabinet are requested to note the contents of this report and support the actions taken during this emergency situation.

Further discussion to take place to agree recovery action.

3. OPTIONS:

Not to support the actions taken.

4. CONSULTATION:

Consultation on the actions referred to in the first part of this report (what we have done) was undertaken with the Leader and/or Deputy Leader of the Council, and with the relevant Portfolio Holder, as appropriate.

Has consultation been undertaken with:	YES	NO
Relevant Town/Parish Council		X
Relevant District Ward Councillors		X
Other groups/persons (please specify)	✓	
5. ARE THERE ANY IMPLICATIONS IN RELATION TO THE FOLLOWING COUNCIL POLICIES: (Explain in more detail at 6 below)	YES	NO
Financial	✓	
Legal		X
Human Rights/Equality Impact Assessment		
Community Safety including Section 17 of Crime & Disorder Act		X
Sustainability		X
Asset Management/Property/Land		X
Technology		X
Other (please explain)		

6. IMPLICATIONS:

The final picture regarding the Council's financial position will not be known until the emergency situation is over. We project that the potential cost to the council will be in the region of £2.4m, and we have already received £1.6m in funding from Central Government. Any future funding is unknown. Additionally, expenditure is difficult to predict as we don't know how long the situation will last. We are also experiencing loss of income e.g. from car parks, for which we would 'normally' experience a peak during the summer holiday period.

7. REASON FOR THE DECISION:

This report is for information only. No decision required.

8 EFFECTIVE DATE OF THE DECISION:

No decision required.

8. BACKGROUND PAPERS:

[Coronavirus Webpage](#)