

CABINET	DATE 18 May 2020	ITEM NO 4
TITLE Update on the impact that COVID-19 is having upon the Royal Borough of Greenwich	WARD (S) All	
CHIEF OFFICER Chief Executive	CABINET MEMBER Leader of the Council	
DECISION CLASSIFICATION Non-key Non-exempt	IS THE FINAL DECISION ON THE RECOMMENDATIONS IN THIS REPORT TO BE MADE AT THIS MEETING? Yes	

I. Decision required

This report makes the following recommendations to the decision-maker:

- I.1 To note the impact of the COVID-19 pandemic on the Royal Borough of Greenwich and the actions undertaken by the council to maintain and develop services to support the community with a focus on vulnerable people (Section 5 and Appendix B).
- I.2 To particularly note, the development of a community hub to ensure that our shielding, housebound and other vulnerable residents had sufficient food, medicines and other essentials.
- I.3 To note the challenges of supporting our NHS and care sector in and delivering a range of frontline services in the face of extreme difficulties in procuring PPE.
- I.4 To note the work that has been done to enable a range of Council services to be delivered by staff working remotely and to support their physical and mental wellbeing.
- I.5 To note the financial impact and measures taken to date to mitigate the impact of the COVID-19 pandemic (Section 6) and financial risks going forward.

2. Reasons for Urgency

- 2.1 The COVID 19 pandemic has had and continues to have a profound effect upon the borough. Comments from the government in recent days have

heightened the financial risk to the borough and it is essential that Cabinet is made aware of this developing position in order to consider the potential effects upon the council and also understand how the council is moving forward.

3. Purpose of Report

- 3.1 The COVID-19 pandemic is having a profound effect upon residents, businesses, staff and wider civil society in the borough and across the world. This report seeks to provide an initial update for Cabinet on the impact of COVID-19 on the community, council services and the measures taken to mitigate these impacts.
- 3.2 Due to the unprecedented measures that the Council has had to take in response to the pandemic, Members are requested to note the above and the financial environment within which the council is working.

4. Introduction and Background

COVID-19 History

- 4.1 On 31 December 2019, a case of pneumonia with an unknown cause was reported to the World Health Organisation's (WHO) Country Office in China, following its detection in Wuhan, China. The cause of this case of pneumonia was subsequently identified as a new type of coronavirus.
- 4.2 Coronaviruses are a family of viruses causing illnesses ranging from the common cold to more severe diseases. Previously identified coronaviruses include Middle East Respiratory Syndrome (MERS) and Severe Acute Respiratory Syndrome (SARS).
- 4.3 The outbreak of this new coronavirus was declared a Public Health Emergency of International Concern by the WHO on 30 January 2020.
- 4.4 The first cases in the UK were reported on 31 January 2020, when two members of the same family tested positive after travelling to the UK from China.
- 4.5 On 11 February 2020, the WHO announced that the new coronavirus had been named SARS-CoV-2, and the disease it causes was named COVID-19.

- 4.6 The first confirmed case of COVID-19 in the Royal Borough of Greenwich was reported at Queen Elizabeth Hospital on 9 March 2020.
- 4.7 On 20 March 2020, the Prime Minister instructed a range of businesses and services to close, including bars, pubs, museums, gyms and leisure centres. In response, all leisure centres and libraries operated by GLL on behalf of the Royal Borough of Greenwich were closed.
- 4.8 On 23 March 2020, the Prime Minister announced the introduction of a UK-wide “lockdown”, with significant restrictions on individuals.
- 4.9 Prior to suspending sittings, Parliament passed the Coronavirus Act 2020, which received Royal Assent on 25 March 2020. The Coronavirus Act 2020 contains emergency powers to enable public bodies to respond to the Covid-19 pandemic. The Act has a two-year time limit that may be shortened or lengthened by six months at Ministerial discretion. The Act is additionally subject to parliamentary renewal every six months.

5. Initial preparations and emergency response

Initial Preparations for the Pandemic

- 5.1 The Director of Finance advised Audit and Risk Management Panel on 25 February 2020 that the council had begun initial preparations in relation to the growing Public Health Emergency of International Concern which was also beginning to affect global stock markets.
- 5.2 To prepare the council for the potential effects of the COVID-19 outbreak, a COVID-19 Taskforce was established. The officer-led Taskforce included representatives of all council services and was co-chaired by the Director of Public Health and Wellbeing and the Assistant Director, Communications and Democratic Services. The first meeting of the Taskforce took place on 13 March 2020.
- 5.3 A range of initial actions were taken to prepare for the pandemic; internal and external communications were issued to advise staff and residents of the measures that they needed to take and to provide support and reassurance.
- 5.4 Measures were taken to increase remote access to the Council’s network to enable more officers to work from home, particularly for those in critical roles who need access to systems not available through Office 365.

- 5.5 The Council's supplies of hand sanitizer, an item in high demand, were controlled to ensure that it was prioritised for customer-facing staff and those without access to handwashing facilities, while procurement of new supplies were centralised, ensuring both that stocks were prioritised and that only hand sanitizer that was effective procured.
- 5.6 The Council worked with local NHS services to increase the rate of hospital discharge, in order to reduce the number of patients in hospital, increasing capacity.
- 5.7 The impact of school closures on families with children in receipt of free school meals was identified as a particular concern, with discussions taking place between the Council, schools and GS Plus to support families.

Activation of Emergency Response Arrangements

- 5.8 In response to rapidly changing circumstances the London Local Authority Coordination Centre (LLACC) requested that all London Boroughs activate their Borough Emergency Control Centres (BECCs) on March 17. This activation established a Gold, Silver and Bronze procedures to ensure all decision response actions are properly recorded (Appendix A provides the Command Structure for Emergency planning purposes used throughout the public sector). Greenwich BECC has been in operation seven days a week since this date and is staffed by the Emergency Planning and Business Continuity Team and staff from across the Council. A central part of the BECC's role during the pandemic has been to coordinate information flows to and from the pan-London, regional and national response arrangements.
- 5.9 The COVID-19 Taskforce then became the COVID-19 Silver Group. It provides daily updates on the impact of COVID-19 on Council services and coordinates the directorates' response to the pandemic. The response is cleared by Gold ahead of submission to the LLAC.

Pandemic Impacts and Mitigation Measures

- 5.10 The COVID-19 and associated response measures have had far reaching impacts on service provision and council staff, which have required a range of measures in mitigation. Additionally, the impact of COVID-19 has created new needs, requiring the Council to create new services to respond. The sections below summarise some of the key impacts and mitigations measures taken in response to the pandemic. A broader list of measures with further detail can be found in Appendix B of this report. COVID-19 has affected

every service provided by the council and it is therefore not possible to capture all of the mitigation measures taken by the council in this report.

- 5.11 In addition to maintaining delivery of Council services, and introducing new measures to support residents, the Council has been responsible for supporting the Government and other public sector partners in their response to the pandemic. This has included Operation Boundary, to support the enforcement of social distancing measures; Community Shielding, to ensure that the most vulnerable individuals are supported; and working with the NHS, helping to free up hospital beds during the pandemic. Further details of this work is included later in this report.

Council-Wide Impacts and Mitigations

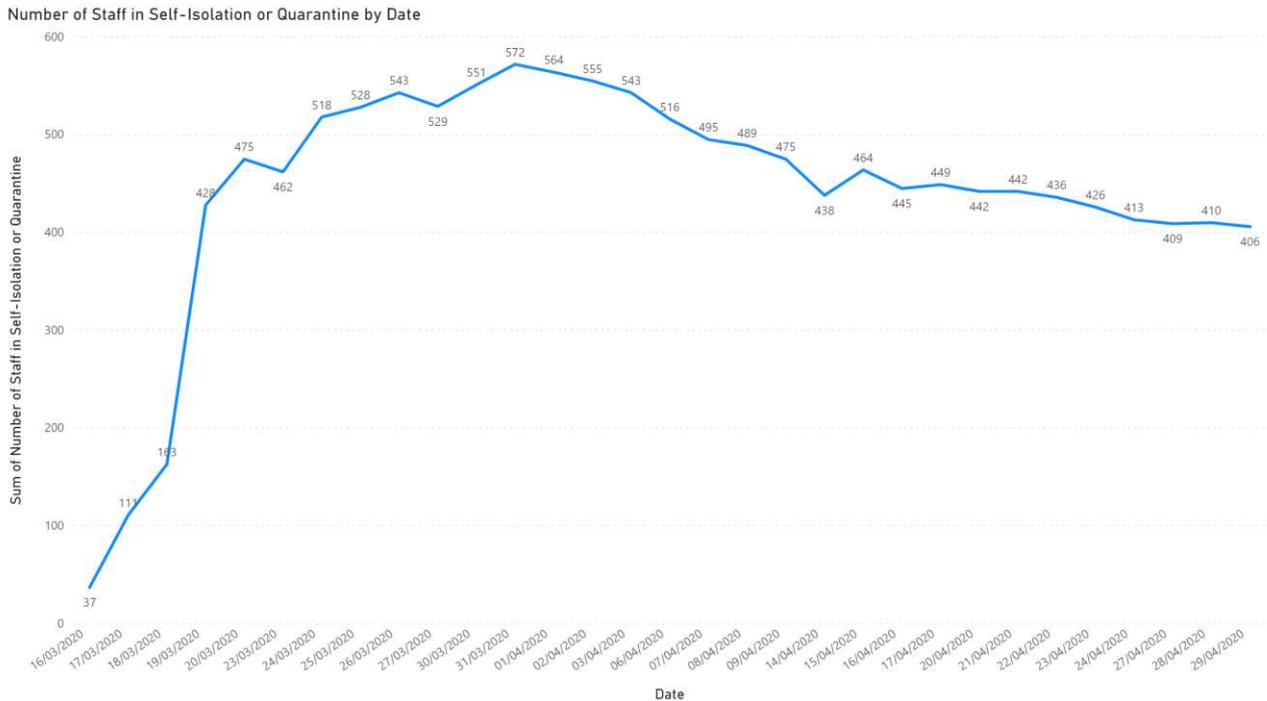
- 5.12 Demand for Personal Protective Equipment (PPE) has been very high amongst frontline services, who require this equipment to protect officers and service users. Severe shortages of PPE and hand sanitizer has limited the services that could be provided by the Council at times. This situation reached near crisis point and resulted in the Leader of the Council having to launch a successful public appeal for donations in the media and via local social media. The response to this was incredible; local building contractors and developers donated the safety equipment that they had for construction contracts which had been paused and local schools, dental practices and even beauty salons provided face masks and other much needed protective kit. Shortly afterwards London Boroughs received a supply of PPE from the British Army. The amount provided was less than expected or needed. Despite the launch of the government sponsored “Clipper” service for PPE procurement, this has only been rolled out to 1,400 primary, community and social care providers, out of the 58,000 total in the UK. The council has therefore relied upon its existing contact with Medequip and undertaken its own procurement, so that now it has a one to two-week supply of most items. Since the end of March, the borough has distributed...

52,400 gloves (26,200 pairs)
18,750 aprons
142 coveralls
185 FFP3 masks
28,230 IIR fluid resistant masks
1,817 pairs of goggles
4 face shields
325 bottles of hand sanitiser

...to nursing and residential care homes, supported living services, homecare providers, Telecare services, refuse staff frontline social care staff (e.g. Occupational Therapists), prison social care staff, Demelza and Bexley and Greenwich hospices and even to our registrars who were given consent to perform a deathbed wedding ceremony.

- 5.13 The pandemic has had a major impact on Council staff, with most staff having to work remotely, rather than from the office, either due to social distancing measures or due to self-isolation or quarantine. The safety of our staff and their physical and mental wellbeing has been a major consideration throughout the pandemic.
- 5.14 Measures have been introduced to support social distancing for staff in critical areas who cannot work from home. These have included the introduction of screens on the Woolwich Centre reception desk, controlled access to the Service Centre for emergency cases, reductions in the numbers of staff sharing vehicle cabs and changing office seating patterns and rota systems to reduce the number of staff in the office each day. As referred to above, the Council's lack of supplies of hand sanitizer have required existing supplies to be restricted to front line staff without access to hand washing facilities. Arrangements have also been made for staff to access hand washing facilities at various locations across the Borough. As many cafes have closed and queues have formed outside shops the Council has provided a basic sandwich lunch for staff, as has been done for other frontline workers.
- 5.15 Remote working has been a particular area of challenge, with large numbers of officers not previously able to work remotely needing to do so. ICT Customer Services have worked extremely hard to increase remote working capacity and capability, with most officers able to access a range of Microsoft Office services through 365, including Outlook, Word, Excel and Teams. Remote access to the Council's network is more limited, as the system can only support a certain number of simultaneous users. ICT Customers Services have worked hard to significantly increase the number of simultaneous users, particularly for critical services, with the network now able to support a far larger number of users through Horizon View, Global Protect and other legacy systems. This has increased the number of staff able to work remotely in some way from a few hundred to almost 3,900 people.
- 5.16 Staff sickness, self-isolation (either due to being symptomatic or having symptomatic household members) and quarantine due to COVID-19 had been identified as a particular challenge prior to the pandemic and new reporting arrangements have been agreed. No staff will be subjected to staff

sickness processes for following Government advice to self-isolate. The table below sets out the numbers of staff reported as self-isolating or quarantining. Some self-isolating officers have continued to work during self-isolation. For context, the number of Council employees on 31 March 2020 was 3,868.



- 5.17 A Community Hub was established at very short notice in order to provide support to community, shielded vulnerable individuals (those particularly at risk from COVID-19). The Council developed the hub with a range of third sector organisations, including GCDA, CACT and Volunteer Centre Greenwich, registering approximately 1,300 volunteers to provide a range of services, such as deliveries of food parcels, personal shopping, picking up medicines, befriending and making well-being calls.
- 5.18 The volunteers have come from across the borough and 2164 people responded to Council publicity and submitted an initial expression of interest in becoming a volunteer. The cumulative number of volunteers provided proof of identity and went on to be been registered is 1259. As of 1 May 2020, 1325 Volunteer Hours had been provided with an average of 3 hours 15 minutes of volunteering completed per volunteer. There are currently 401 Registered volunteers with DBS checks.
- 5.19 As of 1 May 2020, more than 35,000 calls requesting support had been received by the hub. These resulted in a wide range of support services being provided including 6,389 community meals and 1,319 boxes of food being distributed to shielded individuals.

- 5.20 In addition, in the first couple of weeks of lockdown more than 3,000 calls were made to tenants over the age of 70 to understand if they had any vulnerabilities and required support with tasks such as shopping. This resulted in approximately 300 residents being identified as requiring support. These were referred to the Community Hub.
- 5.21 To help support the NHS and Health and Adult Services, a cross-directorate project was implemented to recommission Langton Way Sheltered Housing Unit for Hospital Discharge. Housing Services, Repairs and Investment and SCOTTS worked together to recommission the unit to its currently 20 bed capacity to support escalated hospital discharge to ensure no bed blocking.

Children's Services

- 5.22 On 18 March, the Government announced the closure of all schools, colleges and early years settings to most children and young people from 20 March. Children's Services have been working with settings to ensure the continuation of services for eligible children and with GS Plus to ensure continued provision of school meals, particularly free school meals. Where some schools have closed, education provision for eligible children is continuing at neighbouring schools. A voucher scheme has been introduced for children who are eligible for free school meals but are not at school. Children's Service has worked closely with schools to ensure that vulnerable children attend school or are contacted by the school and their social worker. A daily submission is made to the DfE of children of critical workers and vulnerable children attending schools. As of 1 May 2020, an average of 18% vulnerable children are attending school. Schools are additionally contacting all children on a minimum of weekly basis and making referrals to the multi-agency safeguarding hub (MASH) or relevant agency as appropriate.
- 5.23 A number of care leavers have lost their jobs, particularly those working in the construction and hospitality industries. Measures are being put into place to provide support, including deliveries of frozen meals and providing advice.
- 5.24 Due to difficulties placing children and placement breakdown, the Council has opened an additional Children's Home. Staff have been redeployed to cover COVID-19 related staffing shortages at the Council's existing Children's Home.
- 5.25 Social distancing measures have adversely affected the ability for front line services to remain in contact with children and families receiving services.

While methods such as Zoom and WhatsApp have been used, these are dependent on families having access to WiFi and / or smart phones.

- 5.26 The majority of commissioned provision, such as our Children's Centres and Universal Youth Service, have adapted services to support children, young people and families virtually. Children's Centres are also working closely with GCDA and partners to support the delivery of food to families in need.
- 5.27 Early year's childcare providers are being supported in managing the impact of COVID-19. This includes working with settings on the implementation of Government guidance and to maintain sufficiency of provision for essential workers and vulnerable children.

Communities and Environment

- 5.28 As referred to in paragraph 5.8, the Borough's emergency response arrangements have been activated, with Greenwich BECC operational seven days a week. A central part of the BECC's role during the pandemic has been to coordinate information flows to and from the pan-London, regional and national response arrangements.
- 5.29 In response to the challenges COVID-19 has posed for the Council, HR policies have been reviewed and some new ones introduced to support the temporary redeployment of staff to support critical services. Support services have also been provided to staff to maintain good mental and physical health.
- 5.30 The Council's refuse service has performed magnificently and maintained all three kerbside collections throughout the pandemic. To achieve that staff from street sweeping in residential roads and the bulky waste collection service were redeployed to the service. Many back office staff also volunteered to work on the bid rounds.
- 5.31 Parks have been very busy throughout the pandemic providing space for people to get their daily exercise. Social distancing has been a challenge in some parks at times.
- 5.32 Cemeteries and the grounds of Eltham Crematorium were closed to the public, due to the challenges of enforcing social distancing in these areas while burials and cremations are taking place. They reopened to the public on weekends only from Saturday 2 May 2020.

- 5.33 Excess deaths during the pandemic have created challenges for Bereavement Services, particularly as Greenwich Mortuary receives deceased individuals from some other boroughs. In order to manage this, some bodies have been transferred to hub facilities, and a temporary mortuary is being set up to provide additional capacity in the area.
- 5.34 In order to ensure social distancing, the Council has had to impose restrictions on the number of guests attending funerals and cremations, and self-isolating households, including those where the deceased has died with COVID-19, are unable to attend. Due to the increased number deaths, the Registrars service has had to suspend registrations of births and marriages and increase staff numbers to provide sufficient capacity, through redeploying officers from areas such as audit and legal services.
- 5.35 A dedicated section of the Council's website has been created with service updates relating to changes due to COVID-19. A range of messaging about Council services, social distancing and other activities has been published regularly. The Council has continued to publish Greenwich Info to help ensure residents who may not have access to the internet are able to access this information.
- 5.36 Staff information has been crucial and a new website has been set up enabling officers working remotely (who are therefore not able to access the Council's intranet) to access useful information, guidance and COVID-19 policies. All staff also receive a daily email update with the latest information. This email is also used to highlight good performance by Council officers who have gone the extra mile to deliver services.

Finance and Legal Services

- 5.37 Due to job losses during the lockdown period, there have been large increases in applications for Universal Credit, with daily applications increasing to more than ten times normal levels at its peak, from 25 per day to 280 at its peak in April (Appendix C). Application levels remain more than double their normal levels, averaging over 50 per day. More housing benefit applications are being received, the benefits team have worked hard to reduce the backlog caused by the high demand, with housing benefit claims outstanding over 28 days at 7% of the total, which is a lower percentage than going into the crisis.
- 5.38 For those members of the community facing extreme hardship, the council Emergency Support Scheme has seen a sharp increase in applications. Before

the crisis, the team would award up to 50 cash payments per month – during April there were 355 payments totalling over £40,000. Again, staffing has been bolstered in this area.

- 5.39 The council's business rates team has been processing applications from businesses for Small Business Rate Relief grants every day since the end of March. Over 2,000 local businesses, accounting for around 80% of those eligible, have received £30m in total to their bank accounts, most within 24 hours of receipt by the council. These payments are essential lifelines for many businesses in the borough and the rate of payment has above the average for London boroughs.
- 5.40 The continued effects of the lockdown restrictions, combined with limitations in respect of remote working, have created challenges in respect of some financial procedures that the Council is required to complete, such as account closure and the draft Statement of Accounts. Measures are being explored to mitigate these impacts and further details are available in Appendix B to this report.
- 5.41 The broader impacts of the pandemic on the Council's finances and the proposed mitigation measures can be found in section 6.
- 5.42 In the light of the restrictions on travel and public gatherings, all formal Member meetings were postponed until the end of April. Regulations came into force on 4 April 2020 under the Coronavirus Act 2020 enabling local authorities to hold meetings remotely including by (but not limited to) telephone conferencing, video conferencing, live webcast and live interactive streaming. Officers have been working to set up the technology and draft the protocols to enable selected virtual meetings to take place from the beginning of May. The focus has been on setting up the arrangements for those essential decisions which are not covered by the Chief Executive's existing urgency delegations. This is to enable the Council's resources to be focused on the response to the COVID-19 crisis.

Health and Adults

- 5.43 Health and Adult Services (HAS) and its partners have been at the forefront of responding to the COVID-19 crisis in Greenwich.
- 5.44 The Public Health Team provides daily updates on COVID-19 local and national data. The team's specialists in health protection have worked across social care services to ensure that front line staff have infection control

training and advice. A programme of training has been provided to all care homes, including face-to-face advice and support and offered to all home care agencies as well as in-house services.

- 5.45 Public Health has also been integral in supporting the establishment of the Community Hub, with its commissioned service, Live Well Greenwich, delivered by Charlton Athletic Community Trust (CACT) forming the foundation of the hub.
- 5.46 In response to the anticipated impact of out of hospital demand for social care support HAS set up two cross-department groups with a focus on stepping up the social care workforce and ensuring capacity and supply of care to meet the demand and new challenges presented by Coronavirus. The department swiftly reorganised the Operational and Commissioning teams service into 3 hubs which provide cover 7 days a week:
- Front Door – focused on prevention and maintenance of those currently receiving Adult Social Care Services
 - Discharge Hub – focused on supporting effective discharge of residents back home as quickly as possible with the additional support of redeployees from housing to act as Discharge Navigators to enable residents to move through step down beds
 - Supply Hub Team – focused on assuring that providers of Care Homes, home care agencies and community equipment are able to deliver the capacity of care that demand projections indicate will be required. The team has worked with new and existing homecare providers to increase potential capacity from 20,000 hours per week to 24,000 hours and to ensure that the care home capacity for 663 residents across the borough is available to meet a surge in demand. The team has been monitoring conditions in care homes many of which have been affected by outbreaks of COVID-19 among residents and works with partners in the NHS in ensuring homes are supported to maintain quality of care through the current crisis. Many providers have had a financial impact from COVID-19 due to increasing costs of PPE and staffing and fluctuations in the number of placements. The department has developed plans to provide appropriate financial support, in line with ADASS and LGA guidance.
- 5.47 The supply team tracks provision of PPE to social care teams, care providers and personal budget holders and while working with Birchmere depot for day to day supplies, is able to order emergency supplies from the local resilience forum when required and to ensure that deliveries can be made within hours of an urgent request coming through to the Council.

- 5.48 The reablement services and Greenwich Living Options have continued to provide front line support for 32 adults with learning disabilities and 42 residents at any one time requiring reablement and have adapted their work practise to care for people who have tested positive for COVID-19. This has been achieved despite at times having only just over 60% of staffing capacity in these services. The department has worked on maintaining sufficient service levels not to need the Care Act easements permitted by the Coronavirus Act.
- 5.49 We have supported significant numbers (108) of hospital discharges through our Hospital Integrated Discharge Team in the last month.
- 5.50 We have prevented hospital admissions through our CAT and JET responses with CAT having 713 contacts and 119 JET contacts.
- 5.51 When the initial guidance on social distancing was released, the department had to close down day services for adults with a learning disability and older adults over a few days and suspend respite services to avoid the movement of vulnerable people beyond their household. The CLDT team and Day Services team has continued to make contact to ensure residents are safe and supported.
- 5.52 The support to care homes in respect of PPE and Testing has been rolled out along with bespoke support for the providers from public health. There is further support being developed as we move into the next phase and this includes financial support. Support to care providers on recruitment has been provided in partnership with Visit Greenwich and #ProudtocareLondon.
- 5.53 When the first COVID-19 testing slots were released to social care in excess of 200 tests were taken up for key front line staff.
- 5.54 Other services that the directorate runs have continued to function for example the NRPF function has seen rising demand and has continued to manage the demand for these vulnerable residents. The Direct Payment team has provided bespoke support such as PPE packs and advice. They have contacted 720 residents by letter and phone; prepared and delivered 350 packs of PPE.
- 5.55 The Directorate leadership team has adapted an approach to communications with staff meet the need for regular information and comply with social distancing. DMT members email daily quick updates about different aspects of

the services and the department is using technology to ensure teams are working effectively together and being briefed with daily bronze meetings to monitor progress of emergency plans and a 2 weekly Director's Zoom meeting that is accessible to all staff and recorded for people to view later.

- 5.56 A key piece of innovation Langton Way – opening a bespoke stepdown facility of 20 beds to support residents who need a short period in a non-medical setting to move to from hospital following a hospital stay. A partnership led by the Occupational Therapy service with support from teams within housing and HAS as well as Telecare has ensured that within five weeks this unit is environmentally and staffing wise ready to open.
- 5.57 There has been work undertaken with the Mental Health trust to ensure that the councils statutory obligations for providing an Approved Mental Health Professional Service is delivered.
- 5.58 The new social care charges that Cabinet have agreed have been postponed until a later date for implementation.
- 5.59 There has been strong work across the directorate with partners such as LGT; Oxleas and the CCG to develop and adapt new services in the face of the crisis including developing plans for a significant additional amount of beds to support hospital discharge.

Housing and Safer Communities

- 5.60 The Council's Safer Spaces team is leading Operation Boundary working with the police to enforce and promote social distancing measures. Op Boundary is now joined by LA Support (3rd party) enforcement, a cohort of Tenancy Patrol staff and around 9 officers attached from Parking Enforcement on a semi-permanent basis. These officers have now received a specific training package to support this work and ensure it is trauma informed and consistent with service values / approach. Staffing levels vary over the days depending on data led demand but shifts cover 10am-6pm / 12pm-8pm. This is an intelligence led, rather than a response service.
- 5.61 Where businesses are found to be operating in breach of the measures, enforcement action is being carried out by the teams in Environmental Health, primarily Trading Standards. This is being staffed through an emergency only service comprised of a reactive team of Environmental Health Professionals covering a range of disciplines. In addition, Trading Standards have responded to reports of scams and sub-standard goods and

have issued communications about such issues via social media and the Council website.

- 5.62 Environmental Health have produced public facing information to support landlords and tenants through this time, signposting to the latest government advice and guidance on the changes that impact the private rented sector with a particular focus on changes to the eviction process and moving home during the pandemic. This guidance has been shared with wider council services, members, the business club and lettings agents.
- 5.63 Environmental Health has seen a higher number of reports of noise and anti-social behaviour and like many frontline services has faced the challenges of not being able to respond in the usual way. We are now using the 'Noise App' as an additional investigation tool for noise complaints. We are really pleased to have introduced this earlier than anticipated in order to help manage risk and demand during the COVID Pandemic. It simplifies reporting and introduces the ability for users to submit their own recordings.
- 5.64 The Environmental Health teams will be working closely with Public Health Colleagues and may be involved in future contact tracing work at a local level once the lockdown measures have eased. This will form the next key stage in the national strategy to seek to keep the infection rate as low as possible. It is not yet clear what the demand or resources required will be, but the team are preparing for it to move at pace once clearer guidance is provided.
- 5.65 Environmental Health are working with colleagues in ICT and the webteam investigating the potential for introducing a platform whereby residents can upload videos or other large files evidencing their issues with their rented accommodation. This service will be helpful in progressing and resolving service requests while complying with social distancing requirements.
- 5.66 Several Housing services, including Repairs and Caretaking are running reduced or emergency only services due to staff availability and the difficulty of ensuring social distancing. A risk assessment has been carried out for repairs staff attending people's homes. Where a resident may be self-isolating, staff will use the PPE issued and take steps to ensure distancing e.g. asking the resident to stay in another room whilst works are carried out. A number of the Council's contractors to carry out works are not able to carry out work at present, due to staff being absent or furloughed, or because they have been instructed by RBG to cease as part of the lockdown pending further instructions.

- 5.67 Key compliance and safety checks were suspended during the initial lockdown period and are being re-mobilised subsequently. A key issue e.g. with gas servicing has been the lack of up to date contact information on systems and resident concerns about allowing access during the lockdown period. Having been at 100% for a number of months, the Council is now below 100% compliance on gas safety. Steps are being taken to turn this round and bring this figure down. Lift servicing and fire risk assessments have resumed.
- 5.68 Void works have re-commenced in accordance with the MHCLG guidelines, to help ensure a supply of homes to facilitate move on from temporary accommodation.
- 5.69 All capital works have remained suspended during lock down except where suspension of a project would cause a safety risk or significant inconvenience to residents.
- 5.70 Dedicated pages within the Council's Covid update section on the website have been created to provide residents updates on repairs services.
- 5.71 As of 1 May 2020, the costs to the Repairs and Investment Service associated with Covid-19 are £110,000 in capital and revenue costs. These do not account for the staff costs and overheads associated with reduced productivity.
- 5.72 In response to the Government's call for local authorities to temporarily house all rough sleepers, the Council has worked to identify rough sleepers in the Borough. As of 30 April, the Council is aware of 46 rough sleepers with five still sleeping rough who were not engaging. There has been a significant effort taken in housing rough sleepers who have been verified and ensuring where people have engaged we have taken them off the street. The Navigator Service has continued with a presence in the borough with one Navigator actively out identifying rough sleepers and offering advice and support.
- 5.73 The Housing Inclusion and Support Service has continued to receive approaches over the lockdown period where households may have been sofa surfing with friends or family, or where households may have had somewhere to live but not a legal tenancy and the agreement has come to an end. The Team has received between 20 and 30 homelessness approaches a week and use of Temporary Accommodation had increased to 1,307 as at 28 April. This has increased from 1,241 on 1 March.

- 5.74 To date, the anticipated rise in approaches linked to domestic violence has not occurred, although the Her Centre has confirmed there has been a rise in the number of calls to their service from victims of abuse seeking advice. Refuges in the Borough are not currently accepting referrals. However, Housing for Women are seeking alternative placements, such as the use of hotels. The Community Safety Team has prepared local guidance on responding to cases of domestic violence during the pandemic, and a small unit has been established in the Early Help Service in Children's Service to provide support to families experiencing domestic abuse, but that do not require a statutory intervention.
- 5.75 Many Housing Services staff member have been redeployed to support other services. Tenancy staff members are supporting the Community Hub as Area Coordinators. HISS Officers are working with Health and Adults in a new Discharge Navigator Role. The Disability Home Improvement Team have been working 7 days weeks to support escalate hospital discharge and the SCOTTS team in Health and Adults.

Regeneration, Enterprise and Skills

- 5.76 Due to the changes in working arrangements, including the reduced access to some back office systems, this has caused delays to planning and building control applications. Where necessary, applications are being prioritised to ensure there is no deemed consent. There have also been issues with the land search activity and an improvement plan is being put in place.
- 5.77 In relation to construction being led by the Council, a small number of sites have continued safely and some have stopped and then since resumed with additional measures in place to ensure social distancing is possible on the sites. Where essential works planned in schools, discussions are taking place to agree with the schools how and when the works can take place.
- 5.78 Street lighting services have been reduced to the minimum level safely possible to minimise unnecessary movement of people and support social distancing. The service maintains its full capability to respond to any emergency issues that may arise. Discussions are ongoing with the term contractor Riney about recommencing work over and above emergency maintenance works.
- 5.79 Routine parking enforcement has been suspended, with a limited reactive service on standby. Some Civil Enforcement Officers have been redeployed to assist the Safer Spaces team with Operation Boundary.

- 5.80 In support of Operation Boundary, two stretches of Thames river path - adjacent to the Old Royal Naval College and on west side of the Peninsula, between O2 and Enderby Wharf - have been closed to prevent compromising social distancing. Barriers are being heightened and strengthened to prevent people climbing over. Access to a further stretch of riverside path and foreshore has been closed due to excessive use without adequate social distancing. Greenwich and Woolwich Foot tunnels have been restricted to key workers only, with an enhanced cleaning regime and improved signage being implemented (including on lift usage). Some weekend closures of the tunnels has been required to prevent non-essential use.
- 5.81 Council officers have been promoting the Government's various business support measures and have participated in three virtual Chamber events hosted by South East London Chamber of Commerce, with a panel of banking, legal, finance and business support experts to provide advice to businesses. The first event saw lots of businesses make generous offers of support during the live chat, including offers from businesses for use of kitchens and chefs on furlough, some offers already sent to GCDA with some further follow up on offers taking place. The Council has also developed an approach to businesses who occupy Council owned commercial premises.

GS Plus / GSS

- 5.82 Due to reduced pupil numbers, the numbers of meals delivered to schools has been reduced. Measures to reduce the amount of staff travel where there has been a significant reduction in meal numbers are being considered.
- 5.83 Other school services, such as cleaning, are continuing with modifications

6. Impact on Council Finances and Proposed Mitigation

Background

- 6.1 Council on 30 October 2019 was presented with the results of multi-year modelling of scenarios across key Medium Term Financial Strategy (MTFS) drivers which produced a central path of projections that point to steady growth pressures. This accumulated to a total base budget gap of £57m by the end of the next 4-year MTFS planning window in 2023/24.
- 6.2 The MTFS was further updated at Council on 26 February 2020:

- noting the actions of the Budget Recovery Board to date realising £7m in cost reduction measures from 2020/21
- a further spending reduction programme including an end to end review with adults services, totalling £6m from 2020/21 stretching to £15m by the end of the period
- taking decisions at that meeting for the forthcoming year.

6.3 The result was to reduce the net gap down to £37m by 2024.

Chancellors Budget of 11 March 2020

6.4 The budget was presented on the same day as WHO declared a global pandemic. Within the budget was a range of coronavirus related measures to assist the economy:

- £5bn emergency response fund to support the NHS and other public services
- statutory sick pay to be paid to all those who choose to self-isolate, even if they don't have symptoms
- Contributory Employment Support Allowance benefit claimants able to claim sick pay on day one, not after a week
- £500m hardship fund for Local Authorities for vulnerable people
- firms with fewer than 250 staff to be refunded for sick pay payments for two weeks
- small firms able to access "business interruption" loans of up to £1.2m
- business rates in England to be abolished for firms in the retail, leisure and hospitality sectors with a rateable value below £51,000
- £3,000 cash grant to any business currently eligible for small business rates relief
- business rates relief announced for shops and cafes.

Measures post Budget

6.5 The Hardship Fund was distributed on the basis of working age claimants for Local Council Tax Support, which has seen the council receive £3.2m. This sum is primarily to be used by councils to reduce claimants liability by up to £150 extra so that they can potentially receive the maximum benefit. Council resolved in January 2020 to provide 100% support to its eligible working age residents, so the use of the £150 will not be a major factor within Greenwich. However, the second level of use for this sum is to fund the additional LCTS claimants that will arise through residents making new Universal Credit claims. The council has seen a significant rise (Appendix C) in these claims

during April and this fund will need to cover the whole years increase – at this stage, it is too early to estimate the need for the year.

- 6.6 The Chancellors initial measures above were revised in the ensuing days as it became clear that a larger response was going to be needed. This started with a larger package of business rates support for businesses.

Business Rates Relief

- 6.7 100% relief for Retail, Hospitality and Leisure, with no rateable value limit or state aid limit. Latest estimate of the cost to Greenwich for 2020/21 is £46.6m – to be met by the government by way of a grant.
- 6.8 100% relief to include nursery (childcare) relief. All the occupied properties that meet the criteria will pay no business rates for 2020/21. Latest estimate of the cost to Greenwich for 2020/21 is £0.4m - to be met by the government by way of a grant.
- 6.9 Businesses have been re-billed to show these reliefs.

Government Grants to Local Businesses

- 6.10 At Budget 2020 the government announced a grant of £3,000 to businesses claiming Small Business Rate Relief. This grant was subsequently increased to £10,000.
- 6.11 The government has also introduced a further Retail, Hospitality and Leisure Grant Fund. For properties that fulfil the criteria and with an RV of up to £15,000 a grant of £10,000 can be awarded. For properties with a RV of over £15,000 but less than £51,000 that fulfil the criteria a grant of £25,000 can be awarded.
- 6.12 The government have made a national estimate of the cost of the above grants of £12.3bn for 2020/21. Greenwich has received a share of £36.8m. Performance in paying these grants is returned to the government weekly, whom in turn have published returns for all authorities and by the first half of May over 2,000 local businesses, accounting for around 80% of those eligible, had received £30m in total to their bank accounts, well above the average rate for London.
- 6.13 On 1 May, the government announced a new discretionary fund for businesses. This additional fund is aimed at:

- small businesses in shared offices or other flexible workspaces. Examples could include units in industrial parks, science parks and incubators which do not have their own business rates assessment
- regular market traders who do not have their own business rates assessment
- bed & breakfasts which pay council tax instead of business rates
- charity properties in receipt of charitable business rates relief which would otherwise have been eligible for Small Business Rates Relief or Rural Rate Relief.

6.14 Local authorities may choose to make payments to other businesses based on local economic need and the allocation of funding will be at the discretion of local authorities, but other relevant factors include businesses:

- with ongoing fixed building-related costs
- which can demonstrate that they have suffered a significant fall in income due to the Covid-19 crisis
- with fewer than 50 employees
- that were trading on 11th March.

6.15 There will be three levels of grant payments. The maximum will be £25,000. There will also be grants of £10,000. Local authorities will have discretion to make payments of any amount under £10,000.

6.16 At the time of writing, it was expected that a top up of 5% of the original £36.8m funding could be made available (£1.8m), but allocations and further formal government guidance are awaited before the council can move forward with this.

Impact upon Revenue Budgets

6.17 The immediate financial impacts of the crisis upon the council's budgets can largely be summarised in three areas:

- a) additional costs
- b) lost income
- c) foregone savings.

6.18 Analysis has been undertaken across the council and is presented below.

Adult Social Care

6.19 Whilst the full impact of the virus is unknown, initial impressions indicate a severe impact upon adult social care. Prior to the onset of the Covid-19 virus, Health and Adults Services had an ongoing revenue budget pressure (2018/19 outturn was £11½m). Plans to reduce this budget deficit have been put together over the last financial year, culminating in, amongst other plans, a recent decision to introduce a revised Income and Charging Policy. The implementation of this policy estimated that there would be an additional annual revenue stream of income of £1.4m, which would help to reduce the current budget pressure. In addition, intensive work had begun with Newton, who have been working with both the Service and Finance in order to implement a rigorous program of detailed work which would further reduce the pressure. It was envisaged that, along with estimated increases in Government funding, the reductions that Newton have predicted would enable the revenue position to be contained. Further MTFs savings based upon contract efficiencies and service reconfigurations enabling there to be reductions in staff numbers, have been introduced which would bring further cost reductions over the next 4 years.

6.20 Early indications of the financial consequences of the Covid-19 virus, are as follows:

Adult Social Care Additional Demand

6.21 Greenwich has seen additional demand created in the initial covid phase by supporting discharges to enable hospital capacity to be maintained. This has come in the form of homecare and reablement costs.

6.22 Greenwich is also facing additional demand for assistive technology and equipment to help keep people safe and well in their homes in order to reduce the pressure on social care placements and hospital admissions. The estimated additional pressure due to extra demand on these services could be utilised to fund two thirds of the existing Telecare and assistive equipment activity.

Adult Social Care Supporting the market

6.23 Market management and resilience was a role that the borough played prior to the crisis but has been exacerbated by it and the government has encouraged further proactive action, including to providers that it does not already contract with. In order to support adult social care providers through

the COVID 19 crisis and help prevent the social care market from collapsing, Greenwich is expecting to have to spend several millions extra for a range of care services. There has also needed to be additional funding to support those with no access to day services

- 6.24 This additional funding to providers to help stabilise the market with an estimated annual cost of £7.8m could equate to over 60 high cost residential placements for a year for clients with learning disability or physical disability needs.

Adult Social Care Workforce Pressures

- 6.25 Adult social care staff (key workers and others) are on the front line of Greenwich's COVID-19 response and are having to longer hours and take on additional duties. Additional staffing has been required including extending interim arrangements to assist with hospital discharges and ensuring effective entry and exit from interim care facilities.
- 6.26 There has also been additional care provision put in place such as the refurbished Langton Way provision where the cost of refurbishment and additional staffing have had to be spent.
- 6.27 Additional expenditure of up to £3m on adult social care staff is projected. This sum is equivalent to the annual salary costs of over 50 extra members of staff.

Adult Social Care Other (incl. PPE)

- 6.28 Adults social care is expecting to incur considerable expenditure in procuring PPE for in-house service provision and on behalf of external providers.
- 6.29 Additionally, the current focus of activity and resources is on the provision of the COVID-19 response which has meant that plans and proposals due to be implemented in order to achieve efficiencies in service delivery have been put on hold, at a significant cost to ASC and Greenwich as a whole (annual effect projected to be in excess of £5m).

Children's Social Care Workforce Pressures

- 6.30 Due to COVID-19 the CS Service has been unable to progress with permanent recruitment. As a result, the contract for agency workers have had to be extended. This applies to 15 agency workers within the CS Service.

Additional costs are based on the difference between the costs of the agency staff and cost of the corresponding substantive post. The estimated additional expenditure of £200k on children's staff could fund the annual salary costs of 4 level 2 social workers.

Children's Social Care Other

- 6.31 In order to support children's social care providers through the COVID 19 crisis and due to an increase in LAC Placements, Children's is expected to spend up to another £1m. This additional cost could fund 15 LAC placements.
- 6.32 There will be a delay in the achievement of 2020/21 savings. This is due to the current focus of activity and resources on the provision of the COVID-19 response which has meant that plans due to be implemented to achieve efficiencies in service delivery have been put on hold.

Children Services – SEND

- 6.33 There will be an additional cost of £5k per month on increase in SEN care packages. This is the equivalent of 1 SEN placement.

Communities and Environment

- 6.34 Covid 19 is likely to have a significant financial impact on Waste Services for the Council. There will inevitably be a large reduction in the Commercial Waste Collection Service which will impact upon income.
- 6.35 Collection costs are increasing due to staff carrying out double shifts and overtime. With front line staff self-isolating, some back-office staff have been trained and deployed, but there is still a residual requirement for double shifts and overtime.
- 6.36 There is also likely to be an increase in disposal costs, some of which arising from fly-tipping.
- 6.37 The crematorium and mortuary services are part of joint local authority arrangements, where costs are shared between respective boroughs. However, additional costs are being incurred in respect of both services, with increased capacity being utilised.

- 6.38 The effective shutdown of libraries and leisure centres across the borough has had serious financial implications for GLL due to the loss of revenue at borough leisure centres. This is the subject of pan-London discussions.

Housing Revenue Account (HRA)

- 6.39 The HRA faces potential losses of income (increased bad debts) from Housing Rents and Tenant Service Charges, where some tenants are facing increased hardship. Pressures are likely around the recovery of leaseholder charges and also commercial rental income, through the offering of rent free periods where the council is the freeholder (and the site belongs to the HRA). There will also be delays to savings planned in the HRA budget agreed in February and higher level of empty properties leading to additional rent loss
- 6.40 Housing Rent, Tenant Service Charges and Leaseholder Charges may be recoverable over a longer period, through agreeing arrears repayment plans with tenants.
- 6.41 Commercial Rental income will see a real loss, depending upon the number of rent free periods agreed with local businesses and the lockdown period / return to trading.
- 6.42 There may also be pressures for Repairs and Investment as only work is being carried out on voids and emergency repairs at the current time. There are also additional costs arising from supplying PPE and staff undertaking non HRA related work such as food deliveries.

Housing & Safer Communities General Fund

- 6.43 There is an increased cost relating to homelessness and those needing support when leaving hospital. The service has exhausted its £12k grant awarded by the government in March and still faces bills in the tens of thousands for those vulnerable persons that the borough has successfully housed over this period. At the onset of the lockdown significant work was undertaken to bring Rough Sleepers into hotels. There will be increased costs in relation to enforcement work to maintain social distancing in Safer Spaces and a loss of licensing applications and other environmental health income during the lockdown.

Regeneration, Enterprise and Skills

- 6.44 As the current lockdown restrictions remain in place, parking could see an estimated reduction in income of up to £2m for the first 3 months of 2020/21
- 6.45 Based on April data there has been a reduction in planning applications received of 50%. The annual fee target is £1.46m. In the last 7 years this has been achieved for 3 years only, the remaining years falling short. If this application trend continues over Q1 there could be a drop of 50% planning application income. Monthly planning fee data is complicated by receipt of major applications which if received can beneficially skew the income picture. Based on the income target and averaging out the year the monthly income pcm amounts to £122k or £366K a quarter, a 50% reduction could reduce income for quarter 1 to £183K. Application volumes and type of application (majors) will be monitored, alongside fee income and this will be reviewed each month.
- 6.46 TfL have furloughed 7,000 staff and experiencing a serious loss of income with 80% of their normal funding comes from fare revenue (based on media reports this has dropped by over 90%). As a result, TfL have stopped work on all projects. TfL therefore anticipate boroughs receiving similar funding to that they would have received under LIP up until September, albeit this money can only be spent on contractually committed/sunk spend on LIP projects. All other LIP projects should be halted and effort redirected to measures to facilitate/support social distancing. TfL have identified three areas for social distancing work and indicated they want boroughs to submit proposals as soon as possible, namely:
- to ease pedestrian crowding in town centres, at transport hubs and schools
 - to facilitate a strategic cycle network
 - to protect neighbourhoods, with specific mention of Low Traffic Neighbourhoods.
- 6.47 There is £10.2m worth of delayed spending of Right to Buy receipts (via Meridian, Greenwich Builds and our own street property acquisition programme) which may leave to a requirement to pay back to Government with interest. In addition, there is £0.79m (worst case scenario) in the quarter ending June 2020 in lost rental income from the Council's commercial estate. There will be some additional cashflow impact from rents deferred.
- 6.48 A number of construction sites were temporarily stopped when lockdown was implemented. This resulted in works stopping whilst contractors

assessed whether works could continue. Contractors undertook detailed risk assessments to develop Safe Operating Plans (SOP) for their sites. The SOP identified a number of changes required to sites to enable them to operate safely on line with social distancing rules. The changes to comply with the SOP have resulted in sites being less productive than they were pre-lockdown. This is because less operatives can be accommodated on site due to social distancing and because the supply chain is not fully operational meaning sub-contractors and materials are not fully available. An example of the productivity reduction is a site that had 250 operatives prior to lockdown can now operate with a maximum of 150, which equates to 60% productivity. This is representative of most sites and the construction industry is forecasting that between 60-80% is the maximum productivity whilst social distancing continues. The reduced productivity will extend project programmes, which in turn will increase costs to the Council.

6.49 In relation to s106 and CIL income this is already less than for the last financial year – in some cases this will be COVID 19 related with expected payments not being received by the end of the financial year:

- developers have contacted the council requesting that CIL and Section 106 payments be deferred. A decision report has been prepared recommending that all CIL payments due dates be extended by 3 months. For Section 106 payments it has been recommended that requests are reviewed on a case by case basis to consider the financial implications, and where acceptable that payment due dates are extended by 3 months.
- in the short term payments may be a little delayed. It is possible that some developers will be unable to pay even with the extension, in which case a view will need to be taken with regard to enforcement, surcharges and late payment interest.
- in the longer term a reduction in schemes coming forward may significantly reduce the money received and as consequence the CIL admin, Neighbourhood CIL and Woolwich Crossrail payments.

Council Tax and Business Rates

6.50 The council has seen a significant number of cancelled direct debits through March and April and with residents and businesses focussing on other dominant issues, manually made payments have also dropped. For April, the actual collection rate has dropped by over 1% on Council Tax and almost 2% on Business Rates – in total this is almost £2m less credited to Greenwich's resources than expected, in just the first month.

- 6.51 The council tax figures suggest that the vast majority of residents are continuing to pay as usual, but there is a sizeable number that are looking to delay or reorganise their payments in the current financial year. Within this cohort, there will be a number that have likely claimed Universal Credit for the first time and are contributing to the spike in activity reported elsewhere in this report. Those claims could see those residents eventually receiving Local Council Tax Support, for which the council received £3.2m of government funding, so in those cases, the income is not “lost” for the current financial year.
- 6.52 For businesses, a significant element of the taxbase has a business rates holiday for the current year so we are only looking at collecting just over half the amount of cash that we would usually collect. A number of businesses stopped their direct debits at the end of March and this is reflected in the depressed collection rate for April.
- 6.53 Payment patterns over the coming weeks and months are being scrutinised closely.

Pension Fund

- 6.54 The latest valuation of the pension fund was undertaken as at March 2019, with new employer contribution rates set from April 2020. Funding levels had increased from 91% three years prior, to 97% this time round. Stock market levels have been severely impacted by COVID 19 and remain volatile, however, there are two more years before the fund is valued again and it will be starting from a strongly funded position, with an employer contribution rate that has been frozen for over a decade and remains one of the lowest.

Capital, Treasury management and Cash flow issues

- 6.55 Capital schemes are being reviewed to determine the effects of the lockdown period and any additional costs arising due to delays.
- 6.56 A reduction in income combined with an increase in expenditure leaves cash balances lower than forecast and therefore any interest receivable depressed. The government has rearranged its payments so that it is paying as many grants to local authorities “up front” and not claiming back monies (where necessary) until later in the year. The changes to payment of council suppliers to more immediate and the utilisation of advance payments also have a cash flow impact.

Government Funding

6.57 Additional government funding of £1.6bn was announced on 19th March, with 87% of this allocated on the basis of adults' relative needs factors across authorities and 13% on the basis of general need factors. **The allocation for Greenwich in Tranche 1 was £9.2m.**

6.58 This is intended to cover:

- increased demand for adult social care, with authorities expected to place a portion of this funding into a pooled budget with the CCG
- costs of extra demand and a higher business-as-usual costs of providing children's social care
- providing additional support for the homeless and rough sleepers
- supporting those at risk of severe illness from COVID-19, and
- meeting pressures across other services.

6.59 A second tranche of £1.6bn of funding for local authorities was announced on 18 April. Allocations were announced on 28 April and are distributed on a per capita basis. **The allocation for Greenwich in Tranche 2 was £7.9m.**

6.60 Funding has shifted from inner to outer London and from counties to districts (Table 2).

Table 2 - £3.2bn allocation of funding

Tier	First Tranche of Covid-19 Funding		Second Tranche of Covid-19 Funding		Total of Covid-19 Additional Funding		Change from Tranche 1 to Tranche 2 £m
	£m	% share	£m	% share	£m	% share	
England	1,600.0	100.0%	1,594.0	100.0%	3,194.0	100.0%	-6.0
London Boroughs	254.2	15.9%	245.0	15.4%	499.2	15.6%	-9.3
Inner London	110.2	6.9%	90.5	5.7%	200.7	6.3%	-19.7
Outer London	144.0	9.0%	154.5	9.7%	298.5	9.3%	10.4
Metropolitan	395.2	24.7%	332.5	20.9%	727.7	22.8%	-62.7
Unitary	382.8	23.9%	379.6	23.8%	762.4	23.9%	-3.3
Shire Counties	542.2	33.9%	385.2	24.2%	927.4	29.0%	-157.0
Shire Districts	9.7	0.6%	214.0	13.4%	223.8	7.0%	204.3
GLA	9.3	0.6%	9.2	0.6%	18.6	0.6%	-0.1
Fire	6.5	0.4%	28.5	1.8%	35.0	1.1%	22.0

- 6.61 The ***direct financial effect through additional expense, lost income and foregone savings is likely to run into the tens of millions of pounds*** and with £17.1m received to date, it now appears that the government will not meet this gap pound for pound, but will concentrate on the costs of those functions it has specifically requested to be undertaken. The Communities Secretary Robert Jenrick, giving evidence to the Commons' Housing, Communities and Local Government Committee on 4 May 2020 said “*we wouldn't want anybody to labour under a false impression that what they [councils] are doing will be guaranteed funded by central government...but where we have asked councils to do things, we are going to ensure they are fully compensated.*” The council will likely incur costs for capital programme overruns, receive less income from council tax, business rates and fees and charges, plus be unable to achieve planned efficiency savings. The comment above generates a significant risk that the financial effect of these areas may not be covered by the government and will fall instead to the local authority to meet by way of its own financial resilience and ultimately potential service reductions, at a time when the community needs its local support services the most.
- 6.62 If the government does not provide the additional funding (beyond that already allocated), it follows that the council would need to consider the extent to which it stops expenditure on non-essential work across both the revenue and capital budgets and what resources can be reallocated to fund the council's response to the COVID-19 crisis. The council would also need to review the cost of all non-essential services to assess what savings could be made if the council enters into a period of severe financial constraint.

2019/20 Outturn and Statement of Accounts

- 6.63 Due to the lockdown, ceasing of non-critical work and temporary redeployment of staffing, the government has recognised that the production of the Statement of Accounts will take authorities longer than usual to produce. As such, draft accounts will be required to be prepared by 31 August (was 31 May) and accounts signed off by the external auditor by 30 November (was 31 July). The council's outturn report for 2019/20 will also be later than normal (usually published late May / June). This figure is critical in helping the council understand its baseline as it progresses through 2020/21.

Medium Term Financial Strategy and Risk

- 6.64 The report has focussed a lot on the immediate impact and its financial effect in 2020/21. However, the effects are likely to be far reaching and will impact

future years. This is particularly so for business rates, where almost half of the taxbase has a business rates holiday this year (the government fully compensates councils for this loss of income), but in 2021/22, as things currently stand, all of these businesses will be expected to be paying again – some of whom may not be trading or doing so in a much weakened state.

- 6.65 We must also recognise that the costs the Government has incurred in respect of the COVID-19 pandemic and the consequences for the economy, in particular the substantial one off costs and inevitable reduction in tax revenues, will have to be paid for and so the likelihood of a further round of public sector austerity post 2020/21 is a real possibility. The Office for Budget Responsibility has recently published a report which looks at possible outcomes for the economy, accounting for the furloughing of employees and potential ultimate effects upon employment and welfare provision. One such reference scenario paints a picture of a sharp contraction in the country's economic output with a third of the economy effectively removed for a quarter of the year, followed by a quick rebound, leading to an annual contraction of 13%. The shape of the recovery will be different in various parts of the country and those with exposure to the most vulnerable economic sectors will take longer to rebuild. This will also have potential implications for our services and the stability of our financial position going forward.
- 6.66 Significant government funding changes over the life of the MTFS have previously been identified as follows:
- the size of the National funding pot
 - changes to business rates baseline
 - fair funding review - including changes to the Area Cost Adjustment (ACA)
 - changes to the new homes bonus scheme
- 6.67 On 28 April the government announced the Fair Funding Review and the move to 75% business rates will no longer be implemented as planned in 2021/22. The government indicated that they will continue to work with councils regarding the approach to the 2021/22 local government finance settlement.
- 6.68 On 6 May, the government announced that it would no longer be bringing forward by a year the revaluation of business rates to April 2021. Valuations would have been based on a pre COVID-19 date of April 2019.

6.69 The Communities Secretary has recently said that the Spending Review is likely late summer / early autumn, but was unable to say whether it would cover a one or three year period at this stage.

Next Steps

6.70 The world has changed and continues to do so on a daily basis. The council will need to revise its MTFs, but first needs to undertake a brief period of reflection, to consider the following:

- outturn for 2019/20 and hence our overall financial resilience
- refined estimates for the overall direct costs of the pandemic, lost income and foregone savings proposals
- review of projects and schemes within the capital programme
- what steps it needs to take to increase budgetary control measures at a time of significantly heightened financial risk
- what the crisis period has taught us in respect of our operating model and our service provision
- how demand is shifting
- building a socio-economic recovery for Greenwich in partnership with the borough's anchor institutions.

Conclusion

6.71 Covid-19 has been extremely challenging for the Council as it has worked to maintain and develop services to support our communities – with a particular focus on vulnerable residents.

6.72 Staff across the Council have responded extremely well and many have volunteered to work in new areas to ensure that the Council could meet its statutory requirement and to deliver a range of services. The Council has supported staff to help ensure that they can deliver the services that they are committed to providing.

6.73 It is expected that social distancing will be required for some time and it is essential that the Council works to restore its services in a safe manner and in readiness for any further waves of COVID-19 or any other emergency.

7. Available Options

7.1 This report outlines the actions taken in response to a fast-moving situation.

8. Cross-Cutting Issues and Implications

Issue	Implications	Sign-off
<p>Legal including Human Rights Act</p>	<p>The Coronavirus Act 2020 came into effect on 25 March 2020. It contains emergency powers to enable public bodies to respond to the Covid-19 pandemic</p> <p>The Act will expire in two years and is subject to a six-month parliamentary review.</p> <p>The Act is very wide ranging and provides Local Authorities with specific powers in relation to many areas including the following:</p> <ul style="list-style-type: none"> - Business and Charity support - Funerals and care of the deceased - Homelessness and rough sleeping - Housing - Local Government finance and funding - Parks and Public Places - Planning and building safety - Public Health - Schools and education - Shielding and volunteering - Social care - Food supply - Virtual meeting and general local authority governance <p>The report sets out the actions taken by the Council to date in response to the the pandemic. Those actions have been carried out with the benefit of legal advice and support from the Council's Legal Services Team.</p>	<p>Azuka Onuorah Head of Legal Services 5 May 2020</p>
<p>Finance and other resources including</p>	<p>The Director of Finance has co-authored this paper and comments are set out in Section 6 of the report.</p>	<p>Damon Cook,</p>

procurement implications		Director of Finance, 7 May 2020
Equalities	The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no apparent equality impact on end users.	David White, Information, Knowledge and Systems Manager, 1 May 2020

9. **Report Appendices**

9.1 The following documents are to be published with and form part of the report:

- Appendix A: Emergency Planning Command Structure
- Appendix B: Impacts and Mitigation by Council Services
- Appendix C: Universal Credit impact

10. **Background Papers**

None

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