



Committee report

Committee	CABINET
Date	11 JUNE 2020
Title	COVID 19 RESPONSE AND RECOVERY
Report of	CHIEF EXECUTIVE/DIRECTOR OF REGENERATION

EXECUTIVE SUMMARY

1. This report summarises the key activities undertaken by the council in response to the coronavirus pandemic since 16 March 2020 (see attached background paper) and outlines the council's proposed approach to planning for recovery from its wide-ranging impact on the wellbeing of our population, the economy and the environment.
2. With the council continuing to fulfill its role as place leader, the report recommends agreement to the proposed policy, budgetary and organisational approach needed to manage the continuing Island response to the Covid-19 emergency. The risks connected with the pandemic will be present for the foreseeable future requiring continued vigilance and continued maintenance of a response framework alongside planning and acting for recovery.
3. The report also recommends noting of the work on response and recovery undertaken to date and the establishment of an Island Recovery Task Force to co-ordinate and mobilise the collective resources of the public, private, voluntary and community sectors in development and implementation of the emerging Covid-19 Recovery Plan.
4. Cabinet are also requested to note and agree the aim and objectives of the Island Recovery Plan set out in paragraph 40 and in Appendix 1.

BACKGROUND

5. The Council has been acting in response to the Covid-19 Pandemic since the evening of Monday 16 March 2020 (day 0). The aim of this work has been to protect the community and staff and minimise the impact of the coronavirus on the Island's overall social and economic wellbeing. Its principle objectives are shared with the Hampshire and Isle of Wight Local Resilience Forum (HIOWLRF) which is acting to coordinate a regional multi agency regional response to the disease which is informing and being directed by the national response:

- Prevent spread of infection
- Maintain critical services
- Protect the most vulnerable
- Maintain public confidence and order
- Restore recovery to the new normal

6. The council’s approach to responding to the pandemic and in preparing for recovery is undertaken as part of its involvement, as an upper tier authority, with the Hampshire and the Isle of Wight Local Resilience Forum.
7. The council’s response to the pandemic is based on the current reasonable worst-case scenario provided by the Strategic Coordinating Group of the HIOWLRF. This indicates a growth in infection rates that is described by a curve with people being infected over a longer period and that the top of the curve will be reached in early to mid-September.
8. This scenario is dependent on the impacts of the national ‘lockdown’ and the impact of the phased relaxation of social distancing approaches announced by the Prime Minister on 10th May and set out in [“Our Plan to Rebuild the UK”](#) published on 11th May .
9. This plan focuses on a three-step plan to begin some easing of lockdown measures

Step 1 - Starts 13 May	Step 2 - Starts 1 June	Step 3 - Starts 4 July
<ul style="list-style-type: none"> • Working from home wherever possible as a default • Hospitality and non-essential retail remain closed – except garden centres which are now allowed to open • Avoid public transport if possible, if not travel at off peak times • Consider face coverings in confined spaces – especially public transport and smaller shops • Increased powers of enforcement for the police 	<ul style="list-style-type: none"> • Reopen schools for years R, 1 and 6 (some face to face contact for years 10 and 12) • Phased opening of non-essential retail • Permit cultural and sporting events behind closed doors • Reopen more localised public transport • Linked households allowed for safe distancing arrangements 	<ul style="list-style-type: none"> • Reopen some of (possibly using pilots): <ul style="list-style-type: none"> ○ Personal care (e.g. hairdressers) ○ Hospitality (e.g. cafes and pubs) ○ Public places (e.g. churches) ○ Leisure facilities (e.g. cinemas)

10. The current LRF capacity and demand model has been updated to reflect the possible impact of relaxing social distancing restrictions the current reasonable worst case scenario is based on a reproduction rate of 1.3.
11. The lockdown strategy has ensured the reasonable worst case scenario has not overwhelmed health services, however the spread of the infection in care and nursing homes and the likelihood of a second peak later in the year requires continued vigilance and ongoing maintenance of the “response “ structures designed to prevent the spread of infection and protect the most vulnerable.

12. The unprecedented nature of the Covid-19 pandemic therefore requires ongoing, parallel deployment of “response” and “recovery” approaches, severely testing the human and financial resources of all those organisations charged with protecting and supporting our population.
13. A HIOWLRF Recovery Co-ordinating Group has been established to lead the development of recovery across the LRF area, bringing to bear the combined resources of local authorities, emergency services and other key stakeholders. Strategic issues affecting the whole of the area’s recovery will be considered and addressed at this forum with the Islands own recovery plan informing and being informed by this regional effort.

RESPONSE

14. The actions taken to respond to the health, humanitarian, economic and environmental impacts of the pandemic are set out in the report to Corporate Scrutiny Committee on 7 June and attached as a background paper.
15. The Island, responding to the committed leadership provided by the council and the NHS, has demonstrated, as a whole community, its concern, compassion and commitment to protect and support fellow islanders.
16. At the forefront of this health and care emergency has been the extraordinary effort of those working in the health and care systems on the Island and across the UK. Their commitment and professionalism have reinforced how important community protection and care for our most vulnerable is to every family and individual living on the Island.
17. The response approach has also been characterised by highly effective collaborative working between the public sector agencies, the re-purposing of private sector businesses to manufacture equipment to fight the virus and the voluntary effort across all our local communities to assist in supporting “shielded” members of the population. All this continuing is a shining example of when threatened, the best and bravest characteristics of places come forward and represents an excellent foundation on which to build a short, medium and long term approach to recovery.

Understanding the Impacts of the Emergency

18. In considering how to plan for recovery from the pandemic both as a council and as place leader for the wider Island community an important starting point will be sight of the main issues to be addressed in the recovery plan. Some of these are listed below and will be added to as the scale of impact continues to be fully understood:
 - Loss of life and the mental wellbeing of those affected
 - Staffing issues –safety, absence, changes in ways of working, functions/roles
 - Uncertainty
 - Changes in behavior – provision of services, daily lives
 - Continuing and increased needs of protected, vulnerable groups
 - State of Economy
 - Brexit
 - Public transport – safety, availability

- Businesses becoming unsustainable
- Public finance pressures
- Impact of second wave on infection rates

19. Keeping up to date, local intelligence in relation to these impacts and how they are mitigated is at the heart of taking any informed recovery actions.

20. In summary the impacts of the pandemic on every aspect of day to day lives are unprecedented and continuing, requiring continued leadership and effective planning. The performance of the council to date in response, and in preparing for recovery provides confidence in the wider community that working together on the island and with regional partners future challenges can be effectively addressed.

STRATEGIC CONTEXT

21. Officers continue to work to deliver the corporate objectives in line with the corporate plan wherever possible. However, the short-term focus has been on maintaining critical services to support the most vulnerable in our community, delivering statutory services and assisting our business community to ‘survive’ the pandemic.

22. Up until February 2020 the council was making good progress in meeting its objectives in it’s the Corporate Plan 2019-2022

23. While the vision remains the same *“the Isle of Wight to be an inspiring place in which to grow up, work, live and visit.”* The key objectives of the plan will need to be reviewed and updated considering the impact of the pandemic.

24. A sense check of all other key strategies will also be required to assess their continued relevance, potential review and deliverability in a post pandemic policy and funding environment.

These include:

- The Health and Wellbeing strategy
- “Inspiration Island” – the regeneration strategy
- Draft Island Plan
- Digital Island
- Draft Climate Change strategy and action plan
- Updated transport plan

25. The pandemic has also forced changes to the way in which services have been delivered and accelerated the ways in which working on-line and in cross disciplinary teams had already been heading.

26. Understanding how the best features of this approach, in improving productivity and collaboration can best be captured and mainstreamed, while maintaining staff safety and working conditions will be an important part of recovery. Changed working spaces and home working in the short-term point towards the need for a substantive review of ongoing and future accommodation needs.

FINANCE

27. A key impact for the council of the pandemic has been the impact on the council’s

budget. Having set a budget for 2020-21 immediately before the onset of the Covid-19 emergency, the costs associated with delivering the necessary response and the impacts of known and anticipated lost revenue require a fundamental review of budget provisions:

28. At the beginning of the crisis the council received from Government a sum of £5m towards its costs of responding to the crisis; this was to:
 - Meet the increased demand for adult social care
 - Meeting the cost of extra demand and higher business-as-usual costs of providing children's social care
 - Provide additional support for the homeless and rough sleepers
 - Support those at higher risk of severe illness from COVID-19.
 - Meet pressures across other services
29. The council also received from Government a £1.2m hardship fund allowance to provide £150 of support to each household of working age in receipt of local council tax support.
30. On Tuesday 28 April the Government confirmed a further £4m of funding for the council towards its costs of responding to the Covid-19 pandemic. This sum is not ring fenced. It also confirmed a delay in the implementation of the outcomes of the fair funding review.
31. The current reasonable estimated of the financial risk to the council as a result of the coronavirus crisis is set out below:

Description	Amount (£m)
Additional Costs	7.4
Budget Savings unable to be achieved	1.1
Income Losses (eg. rent, fees, charges)	8.0
Funding Losses (ie. Council tax and Business Rates)	2.3
Less Emergency Covid 19 funding	(9.0)
Total Shortfall:	9.8

32. The council's budgeted level of reserves is £12.2m, planned to fall in 2021/22 to provide for the transfer of £0.5m to the new Combined Fire Authority and falling again in 2022/23 to £10.1m before stabilising at that level. Planned Reserves at £12.2m for 2020/21 represent just 3.3% of total gross expenditure in the year.
33. It remains unclear whether there will be further funding allocated from central government to meet the £9.8m shortfall. Whilst a financial impact at this level is clearly beyond the council's approved budget, an emergency budget at this stage would be premature.
34. The council however has an obligation to plan its financial management responsibly. It is not allowed to either set a deficit budget or to draw on its general reserves to the extent that they fall below a minimum of £7m.
35. A deficit recovery strategy is therefore being prepared to enable the council to continue to operate without the need to consider emergency spending controls and service restrictions under a S.114 Notice. There is confidence that the emerging

strategy, to be developed into a detailed plan, will be sufficient to identify savings of £9.8m. Given the uncertain nature of the £9.8m deficit, the strategy intends to place a number of previously approved spending plans “on hold” until such time as the overall financial position becomes clearer.

RECOVERY

36. As the council moves through the response and recovery planning phases of the coronavirus pandemic it also needs to consider how it will both recover, restart and re-set its own services and also help the Island recover its wider social and economic wellbeing.
37. The response to the pandemic is being led by the Assistant Chief Executive with the Director of Regeneration, supported by the Director of Neighborhoods leading recovery planning and implementation.
38. The Council’s Corporate Management Team will act as “Recovery Executive” and the Cabinet will act as the council’s “Recovery Board”.
39. Attached at Appendix 1 is a paper setting out the proposed scope of the recovery plan and the proposed approach to its continuing refinement and delivery.
40. The key aim of the recovery plan is ***“To lead the restoration of the social, economic and political well-being of the people, communities and businesses of the Isle of Wight”***.

The plan’s key objectives are:

- Help IOW communities and businesses to recover and move forward as speedily as possible through an effective, collaborative, and well-communicated multi-agency response led by the local authority
- Develop and maintain an impact assessment for the COVID 19 pandemic on IOW
- Develop a concise, balanced, and affordable recovery action plan
- Ensure a system is in place for the monitoring and protection of public health and that plans are in place for swift intervention should the need arise
- Utilities and transport networks are brought back into use as soon as practicable
- A pro-active and integrated framework of support to businesses is established
- Help those traumatised by their experience of the impact of COVID 19 on themselves, their families and their loved ones address their trauma (and grieve their loss)
- Reinforce and restore public confidence in the resilience of agencies to protect the public from critical incidents
- Celebrate and commemorate the contributions made to support our communities through the incident and give the public opportunities to express their appreciation
- Collaborate to help re-build those critical services most ravaged by the incident and reflect on future prioritisation
- Co-ordinate environmental protection and recovery issues arising
- Information and media management of the recovery process is coordinated
- Establish effective protocols for restoring the democratic process
- Cherish and implement the learning from the pandemic, including capturing best practice and reflect on future priorities in the light of collective experience.

41. The plan outlines three stages to recovery

Stage 1 – short term actions – 3- 12 months

Stage 2 – medium term actions – 12-18 months

Stage 3 – 18 months onwards

The main themes for action in the recovery plan are around Humanitarian recovery, Economic recovery, Environment and Infrastructure and a cross cutting theme centred on staffing and logistics issues.

42. Stage 1 - Short- term – 3 -12 months

A Stage 1 short term action plan addressing key issues and recovery actions up to the end of June has enabled:

- The socially distancing reopening of recycling facilities
- Development of initial measures, in collaboration with town and parish councils, to ensure social distancing is maintained in high risk areas as a result of the easing of lockdown measures starting on 1st June
- Finalise, agree and implement a “Care Home Support Plan (CHSP)”. Government guidance was issued on the 14 May: our CHSP must be submitted and published on the council’s website on 29 May. Government has made available £600M in the form of an Infection Control Grant, from which the council has been allocated £2.45M. These funds are ringfenced and will be received in two tranches in June and July. The grant conditions were published on 22 May and specify that 75% of the Grant must be allocated directly to care homes on a “per beds” basis to care homes (regardless of how many people are actually funded by the council in a care home). The remaining 25% of the Grant can be used more flexibly, including to enable domiciliary care providers and Personal Assistants meet some of their covid-19 challenges in preventing and responding to infections of Covid-19.
- Development of testing and contact tracing arrangements to support the council’s successful piloting of the national NHS Covid -19 app
- Preparations for the phased reopening of Island schools and expansion of a system of social support to reassure children and families in adjusting to this change
- Accelerated and enhanced Implementation of the Island’s Mental Health plan with a specific response to Covid-19
- Targeted risk assessments and introduction of protective measures for the phased re-opening, where appropriate of public facing services
- Development of a sustainable 18-month supply and distribution of PPE to meet service needs
- Commencement of a review of office working practices and policies to enable sustainable arrangements to enable safe and productive working from home, in offices and other works spaces
- Review of housing support services to address increases in presentation of homelessness
- Development of funding bids to further improve cycling and walking
- Advice and guidance to businesses on their responsibilities in terms of social distancing

43. Further work to acknowledge the efforts of the Island community in responding to the pandemic and commemorate those who have been lost will be undertaken. An

assessment of key lessons learnt during the response will also be commissioned.

44. The next few months are central to the Isle of Wight's economic wellbeing; this is the key time for tourism related businesses to generate the income that sustains them over the winter to next year, the agricultural industry needs to harvest and transport its produce and the ferry companies will need to transition back to their usual competitive situation assuming there are sufficient people wishing to use their services.
45. Sustaining the economy relies on a greater movement of people than at present, which creates the potential for increased spread of the coronavirus with consequent impacts on the health of the population and pressure on the health and care sectors.
46. Therefore, what is needed is an agreed 'plan' for how to manage the increase in visitor numbers (and where they should go) setting aside the need for agricultural workers and proportionate increase in ferry sailings. This needs to sit alongside a local outbreak plan (led by the Director of Public Health) which could allow certain parts of the Island to be closed down should they become 'hotspots' for the disease. This is a new requirement of Government and needs completion by the end of June

Stage 2 – 12-18 months

Recovery in the medium term will require a review of the Council's Corporate Plan with a view to supporting sustainable recovery of services and the wider island socio-economic position, given available resources.

47. A renewed vision for the island, as a prosperous, digitally well connected and confident community, enjoying a unique and internationally recognised natural environment offering the best quality of life in the UK. The nurturing of healthy, vibrant and caring communities will also underpin the island community's internal and externally facing identity.
48. New ways of working across council services and working with partner organisations will be established to respond to the changed cultural and funding environment created by the pandemic.
49. Acting on an assessment of the impacts of the pandemic on key sectors of the economy and focused on mitigating impacts on any future reoccurrence, a programme of key interventions around improving island infrastructure and embedding resilience of local businesses and communities will form the basis of island bids for regional and national recovery resources.

50. Stage 3 – 18 months onwards

The "new normal" will have been established enabling the Island to move forward with confidence in planning and delivering sustainable communities, stronger for the experience of overcoming the Covid-19 emergency.

51. The council is in a good position to monitor and evaluate the impact of the recovery plan and its actions following the publication of an updated island economic profile in December 2019 with a return to pre pandemic performance levels being the initial objective.

COLLABORATION IN RECOVERY

52. Collaboration with other partners in the public, private and community sectors has proven its worth in responding to the pandemic. Building on the One Public Service approach and the success of the community hubs, the establishment of an Island Recovery Task Force that oversees the recovery plan and mobilises collective resources around agreed recovery priorities is proposed.

LEGAL IMPLICATIONS

53. The HIOW LRF has declared a major incident (an emergency). The Chief Executive and other officers have, within the council's constitution, utilised constitutional emergency decision making powers to make decisions on a day to day basis in order to respond to an emergency and maintain business as usual.
54. In moving forward into the recovery phase, the council will rely on its existing duties and powers and utilise any additional powers and responsibilities the UK Government confers on councils to support successful recovery.

OPTIONS

55. The options available to members in considering adoption of the recommendations and appendices in this report are:
 1. In acting in its "Place leadership" role to agree the development and regular update and review of an Island Recovery Plan with the aim and objectives proposed in the report to be developed in partnership with Island stakeholders, through the establishment of an Island Recovery taskforce , linking with the Regional Recovery approach.
 2. Cabinet agrees the aims and objectives of recovery and the draft action plan at appendix 1 noting that it will be revised and updated as the work progresses.
 3. To adopt the Recovery Plan for the wider Hampshire and the Isle of Wight, once developed and be led by the regional approach to addressing key impacts and actions in recovering from the pandemic
 4. To address recovery issues on an ad-hoc basis as requested by national government guidance and reflecting local circumstances in recovering local service provision
56. Options 1 and 2 form the basis for the recommendations in the report due to the wide-ranging impacts, the evidenced need for place leadership experienced during the continuing response phase and the need to review the council corporate plan going forward.

EQUALITY AND DIVERSITY

57. In responding to the coronavirus pandemic, the council will need to keep in mind its responsibilities in accordance with the Equalities Act (2010) -
 - eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the act,
 - advance equality of opportunity between people who share a protected characteristic and those who do not,

- foster good relations between people who share a protected characteristic and those who do not.

The impact of the pandemic will have been disproportionate on the those with protected characteristics and our recovery plan will be informed by an Equality Impact assessment of the Recovery Plan as it evolves and reviewing this during its implementation

RISK MANAGEMENT

58. The response and recovery actions to date and going forward are informed by a risk led approach deployed under the Local Resilience Forum arrangements.
59. The Recovery plan sets out the risks that will impact on our recovery approach. Key risks and mitigations the plan addresses include:
- Significant future outbreaks of diseases and the resulting impact on the councils ability to delivery recovery plans – key services and protect the most vulnerable
 - Public ‘disquiet’ with visitors returning and therefore slowing down economic/social recovery
 - Too many Island businesses do not recover leading to high rates of unemployment and potential costs for the council in support to the most vulnerable (eg local council tax support scheme)
 - High sick levels for staff given the length and intensity of response and recovery – build and support their resilience
 - Positive learning and benefits from the response is lost as we slip back into old ways of working – need to capture the best of both
60. Documenting the risks to effective recovery and tracking their mitigation is at the heart of the recovery approach in addition to taking actions to mitigate the impacts of the pandemic itself.

EVALUATION

61. In considering the options available and the recommended Option 1 “to agree the development and regular , update and review of an Island Recovery Plan with the aim and objectives proposed in the report, to be developed in partnership with Island stakeholders” the Cabinet will want to consider the following:
62. Focusing on our needs as an island in terms of recovery, while also needing to access the expertise and resources available in the wider LRF area will be important. All organisations will be facing similar issues and the opportunity for learning and sharing best practice will be key
63. If no action is taken in managing the approach to recovery and the ad-hoc approach outlined in Option 3 is adopted, the risk of some services, particularly those supporting the most vulnerable ,not recovering or being at risk of collapse, without the support of an agreed corporate approach, is heightened.
64. The pandemic has fundamentally changed the way in which services have been and will need to be delivered in the future. Reinstatement of previous approaches without taking this into account in planning for future delivery is not possible.

65. Every aspect of life on the island has been disrupted by the pandemic. As the “place leader” the council has the responsibility to protect, develop and reassure the population through proactive, ongoing, engagement and effective communications around a comprehensive approach t. Leading recovery therefore becomes the council’s key priority requiring a reset of the way which the council works as a corporate body and its relationship with the wider population .

RECOMMENDATION

66. In acting in its “Place leadership “role the Cabinet agrees the development, regular update and review of an “Island Recovery Plan” with the aim and objectives proposed in the report, to be developed in partnership with Island stakeholders, through the establishment of an Island Recovery taskforce , linking with the Regional Recovery approach

67. Cabinet agrees the aims and objectives of recovery and the draft action plan at appendix 1 noting that it will be revised and updated as the work progresses.

APPENDICES:

[Appendix 1](#) - Covid-19 Recovery plan – scope and initial actions - attached

BACKGROUND PAPERS:

[Report to Corporate Scrutiny Committee outlining the council’s activities in response to the pandemic](#)

Contact Point: Chris Ashman: ☎ 821000 e-mail chris.ashman@iow.gov.uk

JOHN METCALFE
Chief Executive

CHRIS ASHMAN
Director of Regeneration