

Cabinet Supplementary Information



Date: Tuesday, 14 July 2020

Time: 4.00 pm

Venue: Virtual Meeting - Zoom Committee Meeting
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16. 2020/21 Period 2 (May) Finance Report

(Pages 2 - 59)

Issued by: Corrina Haskins, Democratic Services

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Date: Tuesday, 07 July 2020



Decision Pathway – Report

PURPOSE: Key decision

MEETING: Cabinet

DATE: 14 July 2020

TITLE	2020/21 Period 2 (May) Finance Report	
Ward(s)	n/a	
Author: Tian Ze Hao	Job title: Senior Finance Business Partner	
Cabinet lead: Cllr Craig Cheney	Statutory Officer lead: Denise Murray	
Proposal origin: Other		
Decision maker: Cabinet Member		
Decision forum: Cabinet		
Purpose of Report:		
<p>The Council budget for 2020/21 was agreed by Council in February 2020 and this report provides the update on the Council's financial performance at Period 2 (end of May) against the approved budget and forecast use of resources for the financial year 2020/21.</p> <p>The Council continues to operate Directorate cash limited budgets and Executive Directors are responsible for ensuring that appropriate action is taken to contain both revenue and capital spending within the directorate's overall budget limit. Budget holders forecasting a risk of overspend which is not related to the pandemic, should in the first instance set out in-service options for mitigation. Where these are considered undeliverable or pressures cannot be contained across the directorate the budget scrutiny process will be triggered and a request may be made for the Executive to consider granting a supplementary estimate redirecting funds from an alternative source.</p> <p>The report includes a separate analysis of the estimated financial impact of the COVID 19 pandemic on the Council's finances; central government funding proposals, indicative residual funding gap, the proposed mitigating actions for 2020/21 and beyond.</p>		
Evidence Base:		
<p>The original budget set in February 2020 was balanced not only for 2020/21 but over a 5 year medium term. For 2020/21 full Council agreed the following:</p> <ul style="list-style-type: none"> ○ The General Fund net budget of £395.7m; (forecast variation at P2 £76.8m o/s) <p>The Ring-fenced Accounts</p> <ul style="list-style-type: none"> ○ Housing Revenue Account (HRA) of £122.4m gross expenditure budget (no forecast variation at P2) ○ The Dedicated Schools Grant (DSG) budget, including amounts recouped by the Education and Skills Funding Agency for Academies is £374.2m (no forecast variation at P2) ○ The Public Health budget is £37.5m (no forecast variation at P2) <p>Capital Programme</p> <ul style="list-style-type: none"> ○ Capital programme 2020/21 only is £210.9m for General fund and £83m for HRA. (forecast variation at P2 £41.5m u/s) <p>The Council is facing a set of fresh financial challenges as a result of the COVID 19 pandemic that could not have been foreseen when the budget was set in February 2020. The estimates of the impact on the Council's finances continue to be refined by officers as more actual data becomes available. The current estimates as outlined in this report, reflect the actual expenditure incurred by directorates, commitments to period 2, forecast spend likely to be</p>		

incurred in our continued response to the pandemic and loss to income streams both in the current financial year and beyond.

The forecast general fund net increased costs for 2020/21 are estimated at £76.8m. The Council's budget holders have separated the forecast variances into those that are specifically due to COVID 19, in terms of additional costs incurred in supporting the delivery of key services to our communities (as per the government request), significant loss on income directly related to restricted activities and /or changing economic climate, and those variations that are not aligned to the pandemic. The non COVID 19 forecast variations for 2020/21 equates to a net £8.7m and the COVID 19 forecasted variations equate to £68.1m.

The COVID 19 related forecast excludes any new burdens associated with operating services with appropriate social distancing measure in 2020/21 and collection fund income losses c.£32.9million attributed to the reduction in the levels of Council Tax and business rates collected, which will have a budgetary impact in the 2021/22 financial year and beyond.

The figures reflect the recent changes in government social distancing restrictions and in some areas such as adult social care a six month period of tapered recovery are assumed. There is still significant uncertainty around the figures and should the recovery take longer than the period assumed or local outbreak ensue, increased costs and income losses in 2020/21 will likely to be higher.

At the time of writing this report, the Government has confirmed that income shortfalls will be assessed separately to expenditure. Nationally at least £4.3billion of support has been specifically aligned to local government and the Council's allocation was £30.5m (excl. hardship funds) of which £0.5million was utilised against the Covid-19 financial impact for the month of March 2020 in 2019/20. A new formula has been calculated for this disbursement (still to be confirmed) and the indicative assessment is that Bristol should receive in the order of £4.0 million of additional non-ring-fenced Covid-19 funding.

In addition to the above, the government have pledged to contribute to local authorities whose finances are significantly affected by covering 75p in every pound of losses in some income streams (predominantly sales, fees and charges) beyond the first 5% variations. The indicative value of the government support is expected to be c.£21m, leaving a residual estimated budget shortfall of £12.7m due to Covid-19 and £8.7m risk to overspend not related to the pandemic. This has required some mitigating actions to be put in place to alleviate the short term effect on the Council's finances.

COVID 19 Mitigations

There is still significant financial uncertainty around the financial implications to the Council as a result of the COVID 19 pandemic especially in relation to key income streams. This report represents the best estimate of what the effect will be in the current year, whilst recognising that the impact will be medium to longer term. The picture will change as the economic recovery begins, but this recovery is likely to take a significant amount of time and with warnings of an economic recession looming the Council may have to factor in additional financial losses yet to materialise.

The recommended strategy for dealing with the implications in the current year are as follows:

- Corporate capital financing proposals for planned investments have been revised to provide greater liquidity and flexibility to enable a release of revenue going forward.
- Utilising the balance in General Reserves (above the policy compliant level of 5%) generated from a more favourable 2019/20 outturn and additional business rates s31 grant
- Utilise £2.1m from earmarked resilience reserve, established for variations in future local government funding formulas to support the in-year budget gap.
- Utilisation of the governments coronavirus Job retention scheme - £1.7m

Proposed in year Accounting treatment and budgetary approach is detailed in Appendix A.

It must however be noted that lowering the reserves reduces the financial resilience of the authority and the financial implications of which will need to be factored into the next budget setting round. The ability to retain some reserves to cover in year risks and further shocks is essential.

Taking short term mitigating action now will give time for the financial impacts on the Council's finances to become clearer and enable the Council to give due consideration to all uncommitted expenditure alongside other priorities during the Medium Term Financial Planning process which will commence shortly.

Non COVID 19 Mitigations

A net £ 8.7m risk of overspend has also been reported at P2 that is not due to Covid 19, which will require local actions to mitigate. It is customary that directorate recovery plans will continue to be developed and at this stage of the year Directors are anticipating that a range of management actions being considered will enable key service requirements to be delivered and a balanced budget position achieved. This position and proposed mitigations will be closely monitored and reported.

Future Action

The Council is required to ensure that it has a balanced financial plan after taking into account deliverable cost savings and/or local income growth strategies as well as useable reserves. If during monitoring of the original budget it is considered that significant variations in either expenditure or income may result in an unbalanced budget then alternative action must be taken to bring the budget back into balance. Such action would include drawing-down further from reserves or reducing expenditure.

We recognise that the impact of the pandemic and economic recovery will go beyond a single financial year, therefore significant, sustainable long-term additional finance will be required in order to deliver services in an adverse economic cycle where demand for public services will significantly increase. Work is underway to refresh our Medium Term Financial Plan which will be brought back to Cabinet and Council in the Autumn.

We will continue the consultation and engagement with the Budget Task and Finish Group to work up the details of changes in Budget and MTFP going forward.

Full detail of revenue spend and forecast is provided in Appendix A

Full details of Capital spend and forecast is provided in Appendix B

Full details of Decisions taken under emergency delegations Appendix C(i)- C(vi)

Recommendations:

That Cabinet Approve:

1. The incorporation of COVID 19 response funding and Infection control totalling £20.4m into the 2020/21 budget as outlined in Appendix A, Section 3.5.2 and Section 3.5.4,
2. Of the £20.4m above, £3m associated with Track and Trace/ Local outbreak to be retained in an earmarked reserve to be utilised in line with the Local Outbreak Management Plan.
3. The incorporation of £99.3m funding received by the Council and temporarily held for the provision of Business Support Grant Funding to local businesses.
4. The £12.7m mitigating actions proposed against the financial impact of the coronavirus for 2020/21. Appendix A, Section 3.5.6.
5. The creation of a central COVID reserve and the transfer to/ from at the end of the financial year to cover the actual increase of net expenditure in 2020/21 which will remove the requirement for supplementary estimates where new corresponding income is available in this reserve.

That Cabinet note,

6. Risks to forecast outturn and long-term financial impact on the Council as a result of COVID-19 pandemic
7. The £12.7m COVID 19 funding gap calculated under (Appendix A, Table 6) is indicative, and may be amended reflecting the actual level of government funding to be confirmed and local / national changes to respond as required and agreed.
8. The estimated Collection fund deficit and potential mitigation in future years Appendix A, Section 3.4.
9. A risk of non COVID-19 related overspend on General fund services, an overall forecast overspend of £8.7m

for 20/21 at Period 2, representing 2.2% of the approved budget and that at this point of the financial year it is expected that the forecast overspend will be managed through management actions / mitigations through the rest of the financial year.

10. A forecasted balanced position with regard to the Housing Revenue Account.
11. A forecasted balanced position for the Dedicated Schools Grant (DSG)
12. A forecasted balanced forecast position for Public health.
13. A forecast £41.5m underspend against the approved Capital Programme, which requires budget re-profiling at the end of Q1.
14. A revised MTFP will be brought back to Cabinet in the autumn followed by new Business and Service plans with new Budget proposition for 2021-22 and beyond.
15. The decisions taken under emergency / urgent payments. Appendix C:
 - The WOE Small Business Grant Discretionary Fund. Appendix C (i)
 - The WOE Small Business Grant Discretionary Fund Cohort 2. Appendix C (ii)
 - Officer Executive decision for Payment Tranche 1, 2, 3 & 4 – totalling £1.420m
 - Additional payments of £0.440m made for Education Vouchers as set out in Appendix C(iii).
 - Additional payments of £4.756m to be made to care providers as set out in Appendix C(iv, v & vi)

Corporate Strategy alignment: This report sets out progress against our budget, part of delivering the financial plan described in the Corporate Strategy 2018-23 (p4) and acting in line with our organisational priority to 'Be responsible financial managers' (p11).

City Benefits: Cross priority report that covers whole of Council's business.

Consultation Details: n/a

Revenue Cost	See Above	Source of Revenue Funding	Various
Capital Cost	See Above	Source of Capital Funding	Various
One off cost <input type="checkbox"/>	Ongoing cost <input type="checkbox"/>	Saving Proposal <input type="checkbox"/>	Income generation proposal <input type="checkbox"/>

Required information to be completed by Financial/Legal/ICT/ HR partners:

1. Finance Advice: The resource and financial implications are set out in the report.

Finance Business Partner: Michael Pilcher (Chief Accountant)

2. Legal Advice: The report, including the detail set out in the appendices, will assist Cabinet to monitor the budget position, the ongoing impact of COVID 19 and mitigations put in place, with a view to meeting the Council's legal obligation to deliver a balanced budget.

Legal Team Leader: Nancy Rollason, Head of Legal Service

3. Implications on IT: There are no additional IT implications arising from production of this report.

IT Team Leader : Simon Oliver, ICT

4. HR Advice: Expenditure on staffing is monitored on a monthly basis. Managers are required to manage expenditure within the agreed staffing budget that has been set for 2020/21. As part of the work to refresh of the Medium Term Financial Plan, the workforce implications arising from estimated reductions in the Council's income will require consideration.

HR Partner: Mark Williams, Head of Human Resources

EDM Sign-off	Denise Murray	
Cabinet Member sign-off	Cllr Cheney	
For Key Decisions - Mayor's Office sign-off	Mayor's Office	

Appendix B – P02 Capital Budget Monitoring Report	YES
Appendix C – Decisions taken under emergency / urgent payments <ul style="list-style-type: none"> ○ Appendix C (i) - The WOE Small Business Grant Discretionary Fund Cohort 1 Policy ○ Appendix C (ii) - The WOE Small Business Grant Discretionary Fund Cohort 2 Policy ○ Appendix C(iii) Decision 002 – Free School Meal Vouchers ○ Appendix C(iv) Decision 003 – Social Care Provider second COVID Payment ○ Appendix C(v) Decision 004 – Infection Prevention Control - Allocation 1 - 75% ○ Appendix C(vi) Decision 005 – Infection Prevention Control - 25% 	YES
Appendix D – Risk assessment	NO
Appendix E – Equalities screening / impact assessment of proposal	NO
Appendix F – Eco-impact screening/ impact assessment of proposal	NO
Appendix G – Financial Advice	NO
Appendix H – Legal Advice	NO
Appendix I – Combined Background papers	NO
Appendix J – Exempt Information	NO
Appendix K – HR advice	NO
Appendix L – ICT	NO

Bristol City Council May 2020 Revenue Finance Report

1 P2 FORECAST REVENUE SUMMARY POSITION

- 1.1 At Period 2 (May), The Council is forecasting a £76.8m overspend against the approved General Fund budget (£395.7m), of which £68.1m overspend relates to the impact of COVID 19 pandemic and the remaining £8.7m attributes to non-COVID financial cost pressures.
- 1.2 The forecasted position in relation to the ring fenced accounts is as follows:
- Public Health (PH) – reported an in year balance position at P2.
 - Dedicated Schools Grant (DSG) – currently reported no variation to budget at this stage of the year.
 - Housing Revenue Account (HRA) – a forecast balanced in-year position
- 1.3 The table below provides a summary of the current 2020/21 forecast General Fund position by directorate.

Table 1 General Fund P2 Directorate Level Forecast

GENERAL FUND (GF)	2020/21 - Full Year				
	Revised Budget	Revised Outturn	Revised Outturn Variance	Covid-19 Pressures (B)	Non-Covid19
	£000s			£000s	£000s
People					
Adult Social Care	148,320	176,040	27,721	20,395	7,326
Children and Families Services	60,418	63,100	2,682	2,517	165
Educational Improvement	11,992	13,874	1,882	1,002	881
Public Health - General Fund	1,623	1,729	106	106	0
Total People	222,353	254,744	32,391	24,019	8,373
Resources					
Digital Transformation	11,481	10,965	(516)	0	(516)
Legal and Democratic Services	7,190	8,190	1,000	940	60
Finance	11,291	13,893	2,601	2,632	(30)
HR, Workplace & Organisational Design	10,368	10,703	334	0	335
Policy, Strategy & Partnerships	3,155	3,282	127	150	(24)
FM Services	2,866	5,181	2,315	950	1,365
Commercialisation & Citizens	7,524	9,280	1,756	1,900	(145)
Total Resources	53,877	61,493	7,616	6,572	1,044
Growth & Regeneration					
Housing & Landlord Services	12,176	17,568	5,393	4,813	580
Development of Place	1,224	2,782	1,558	2,111	(553)
Economy of Place	3,670	11,123	7,453	6,315	1,137
Management of Place	43,484	60,094	16,610	18,831	(2,220)
Total Growth & Regeneration	60,552	91,567	31,014	32,070	(1,056)
SERVICE NET EXPENDITURE					
Levies	857	857	0	0	0
Corporate Expenditure	57,663	63,470	5,807	5,456	351
Capital Financing	405	405	0	0	0
TOTAL REVENUE NET EXPENDITURE	395,708	472,536	76,828	68,117	8,712

2 NON-COVID RELATED RISK OF OVERSPEND

2.1 At P2, budget managers are currently forecasting emerging risks and potential for further overspends by £8.7m with reasons NOT directly attributed to the COVID 19 pandemic. This figure is a net figure reflecting natural reductions in expenditure experienced during the early part of the year resulting primarily from reduced activity. These emerging pressures and risk are in the main aligned to the People and Resources Directorates and are summarised as follows:

People Directorate

- Adult Social care (£7.33m) mainly related to undelivered savings and market pressures resulting in the need for a continuation of funding previously allocated on a one-off basis.
- Home to School Transport (0.88m): this is attributed to underlying service demand pressures which is likely to be further exacerbated with phased school reopening, potential social distancing requirements and need for additional vehicles.

Resources Directorate

- Facility Management services (£1.37m) – this pressure is attributed to the legacy challenge in the service of delivering a centralised service, service efficiencies and income targets, with devolved budget arrangements which are no longer aligned.
- HR overspend (0.33m) - mainly due to the reduced savings on staff annual leave top-up scheme as up take is significantly reduced for 2020/21.

- 2.2 This is the first officer forecast for the financial year; opportunities for recovery and delivering the needs of the service in a sustainable manner are being explored. The Council continues to operate Directorate cash limited budgets and no supplementary estimates have been approved in this regard. Executive Directors will seek to look across the divisions for opportunities to address the emerging challenges and contain both revenue and capital spending within the directorate's overall budget limit and report back to Cabinet in due course with the recovery plans for Cabinet consideration.
- 2.3 If during monitoring of the original budget it is considered that significant variations in either expenditure or income may result in an unbalanced budget then alternative action must be taken to bring the budget back into balance. Such action would include drawing further on reserves or reducing expenditure.

3 COVID 19 IMPACT AND GOVERNMENT FUNDING SUPPORT

3.1 SUMMARY POSITION

- 3.1.1 Based on the P2 Directorate forecast the General fund Revenue funding gap due to COVID 19 (excluding collection fund) is estimated to be £68.1m in 2020/21 (see Table 1). This indicates an improved variance of £1.2m due to the potential to contain additional public health related costs within the ring-fenced budget and capitalisation of ICT additional equipment purchases to support remote working. Please note the reconciliation below comparing the management forecast to figures submitted under the MHCLG COVID Impact return and note that management forecast will form the basis of on-going funding decisions.

Table 2 Forecast Reconciliation

<u>Reconciliation</u>		
Division	Services	Variance
P2 Management Forecast		68,117
Public Health	Public Health	909
Digital Transformation	ICT Remote Working	*Capitalise 394
Various	Other (Verified Variances)	- 150
	Total	1,153
	Total IMHCLG Submission	69,269
	<i>Additional Expenditure (GF)</i>	<i>34,431</i>
	<i>Loss of Service Income (GF)</i>	<i>34,838</i>

3.2 EMERGENCY RESPONSE EXPENDITURE

- 3.2.1 Table below sets our forecasted costs pressures by service area which in some instances such has Adult Social Care are likely to continue in a graduated manner for a large part of the financial year.

Table 3 General Fund COVID 19 Response Expenditure

Service Area	April-May	Full Year 2020/21
	£m	£m
Adult social care	8.504	19.291
Children's Social Care	1.204	2.517
Education	0.097	0.257
Highways	0.342	0.342
Public Health	0.660	1.015
Housing and Rough sleeping	2.333	4.813
Cultural & related	0.062	0.062
Environment & regulatory	1.401	2.433
Finance & corporate	1.075	1.750
Other total (excl. Hardship fund)	2.810	1.950
Total General fund / PH	18.488	34.430

Adult Social Care

- 3.2.2 The Council has acted as system leads in responding to the crisis working directly alongside the CCG, Sirona and NHS Trusts these include:
- 3.2.3 Capacity and Demand c. £3.8 million- The Council (in partnership with NHS and voluntary and community partners) has needed to rapidly increase capacity in joint short term provision to provide support, moving the focus to pre-assessment targeted support work for those with COVID 19. Mobilising for COVID 19 pressures, managing demand and ensure capacity remains in the hospital.
- 3.2.4 Sustain Care Provider Market c. £9.2 million - ensure the local care market has sufficient capacity and of sufficient quality to meet the needs of the population and the Council direct financial support.
- 3.2.5 Targeted capacity c. £2.6 million - Increase the Council's frontline Staff Cover for short term targeted support for up to two weeks after discharge and to provide a short-term up-front response and additional capacity costs for MH services.
- 3.2.6 Additional PPE c. £0.7 million- Costs for Adult social care staff PPE, and additional costs for short term emergency supply of PPE for service providers.
- 3.2.7 Non Deliverable Savings c. £3.0 million - In addition to the direct cost of responding the Council has a “better lives” programme to improve adult social care provision and outcomes, for 2020/21 this include £6.3 million of planned efficiencies.

Children Social Care

- 3.2.8 Workforce Capacity £0.113 million - Short term increase in the workforce capacity to support Child Protection and domestic abuse cases and recruitment/ support to in-house foster carers recruited specifically to provide additional support and respite as a result of COVID 19.
- 3.2.9 Residential Care and foster carers £1.1 million - Increase anticipated in the number of young people coming into care (5%) and also an 5% increase on contract pricing due to associated costs such as infection control measures, and reduced occupancy in residential settings, and additional supports were provided Care Leavers and Children in Need (0.3m).
- 3.2.10 Delays in Savings Delivery c.£1.0 million – part of the £2m Strengthening families transformation and savings programme which includes a re provision of our in house children’s homes.

Education

- 3.2.11 Special Educational Needs and Disabilities £0.257 million – the provision of general additional support required for parents carers and children with SEND as a result of COVID 19

Public Health

- 3.2.12 The largest area of spend is attributed to the increasing demand for domestic abuse services currently being experienced, support and accommodation both exasperated due to the COVID 19 Pandemic.

Housing and Rough Sleeping

- 3.2.13 The Council are currently housing just under 300 rough sleepers in temporary accommodation. In total the Council have supported nearly 400 individuals with over 70 now in permanent accommodation. The Council has also provided 2 sites and sourced suitable water/waste/sanitary provision for up to 50 van dwellers who are in accommodation in which is difficult to self-isolate (in line with the directive from MHCLG on 26 March).

Environment & Regulatory Services

- 3.2.14 During normal operation our mortuary is at or near capacity. We expanded the amount of resting places and staff capacity to accommodate the anticipated increased number of deceased from the pandemic.
- 3.2.15 Waste management services £ 1.7 million and additional cost pressures incurred and estimate include increases in residential residual waste and recycling volumes, market price volatility for waste disposal, and additional measure introduced for social distancing.

Finance & Corporate Services

- 3.2.16 Citizens Services and Strategic Communications £0.250 million – in response to huge increase in city-wide demand for information and communication for residential and businesses communities.
- 3.2.17 Additional administrative burden £1.06m – huge increase in staffing for the administration of Council tax and business rates in the revenue and benefits team.
- 3.2.18 There has been a redirection of commissioned / traded TWS resource (£0.1m) to support schools in responding appropriately to the pandemic and administration.
- 3.2.19 ICT/Remote Working/Virtual Public Meetings £0.3m (to be capitalised) – Over 1,200 piece of additional IT hardware such as phone, laptops, headsets to ensure all newly deployed and existing front line staff have the equipment required.

- 3.2.20 To date the Government funding received and announced has offset to a large extent the in-year COVID 19 related financial pressures in 2020/21; however a £12.7m in-year budgetary gap still remains due to the pandemic. The table below illustrates the government funding allocation that can be utilised to offset the in-year revenue gap.

3.3 LOSS OF SERVICE INCOME

- 3.3.1 The forecasted loss of service income remains in line with earlier forecast and total loss of service income for the year is forecast to be £34.8m.

Table 4 Loss of Service Income

Loss of Service Income	April-May	Full Year 2020/21
	£m	£m
Highways and Transport	3.52	12.418
Cultural & Related	1.9	4.521
Planning & Development	0.924	2.289
Other	3.263	10.337
Sales, Fees & Charges losses sub-total	9.607	29.564
Commercial Income losses	1.882	5.274
Non collection fund losses sub-total	11.489	34.838

Highways and Transport

- 3.3.2 Income from transport breakdown into different streams; Off-Street car parks, On street parking, resident parking schemes, parking charge notices etc. Occupancy has reduced significantly during April and May in the multi-story car parks.

Cultural and Related

- 3.3.3 The Council run 7 museums which are general free to visit however do generate income for the Council as they do run some fee charging exhibitions, cafes and shops. We also run fee paying services within our parks and green spaces.
- 3.3.4 All these are currently closed and whilst some costs may be covered by furloughing relevant staff this doesn't cover all the lost income. These activities will take a long time to return to pre-COVID income levels as capacity will be reduced for the foreseeable future as a result of infection control and social distancing measures.

Planning and Development

- 3.3.5 Due to reduced volumes of property transactions there has been a reduction in planning income and land charges income. Some developments and work will simply be put on pause and create a small amount of "catch-up". However there is only a limited capacity within the market to progress developments, planning applications,

searches etc. Therefore it is anticipated that there won't be 100% "catch-up" and that this will take several months to return to regular levels even before expecting any "catch-up" from delayed works.

Other

- 3.3.6 The other sources of income the Council are experiencing reductions in are set out in table below. We expect that most of this will be one-off irrecoverable losses in year.

Table 5 Loss of Other Income

Other Service Income	April-May	Full Year 2020/21
	£m	£m
Licensing	0.682	2.726
Events Registrars and Markets	0.322	1.12
FM Cleaning & Security	0.125	0.35
Trading with Schools income (including services transferred to Education)	0.25	0.945
Collection of debt	0.767	3.306
Adult Social Care -Self-Funders income	0	1.805
Garden Waste	0.085	0.085
Total	2.231	10.337

Commercial Income

- 3.3.7 Commercial income includes rent receipts from commercial properties, dividend receivables and interest charges on various loans and investment (excluding the Council's own companies). This is in a high risk category where forecast shortfall (c£5.3m).
- 3.3.8 It is also expected that commercial property rental income will also experience up to 25% reduction base on ONS statistics on national business insolvency risk and intelligence from the Council's own property agents who estimates these losses across a national mixed commercial portfolio.

3.4 REGULATORY INCOME LOSS

- 3.4.1 The estimated total income loss on collection fund is £32.9m. Please note that the collection fund shortfalls will impact on the Council's cash position in 2020/21 however the budgetary impact will fall in the following year 2021/22. Recent Government announcement indicates they will be bringing in changes to enable Councils to spread collection fund tax deficits over 3 years rather than all being met in 2021/21. These changes however will not solve the problem but rather buying more time to introduce measures to mitigate the on-going gap.

Council Tax

- 3.4.2 Council tax (CT) including preceptor's income: Like many councils we set our Council Tax budget for 2020/21 with a 3.99% increase (1.99% for general requirements plus 2% specifically for adult social care). The Council's budgeted income from Council Tax is £226.1m and represents 57% of the net budget requirement (£395.7m).
- 3.4.3 For Bristol reductions in Council Tax income is the largest single income loss which is estimated to be £22.3m by March 2021 (same level in April forecast). The reduction mainly due to increase in Council Tax reduction scheme (CTRS) for working age adults, reduction in collection rate and delays in housing growth.

Business Rates

- 3.4.4 Business rates (BR): The Council's BR income is £136.7m in 2020/21 represents 35% of the net budget requirement (£395.7m). Assuming all tax-breaks for businesses are funded by Central Government we estimate a reduction c8% (£10.6m consistent with previous estimate) of business rate income as a result of unavoidable business insolvencies and reduction on debt collection rate within the Bristol area.
- 3.4.5 Note that under the business rates retention scheme, the Government currently operates and levy and the safety net system where BR income is guaranteed at the safety net level for local authorities. However Bristol's safety net entitlements is calculated to be £116.2m for 2020/21, this would meant that the safety net mechanism will not be triggered before income losses reach £20.5m.

3.5 GOVERNMENT COVID FUNDING, GF RESIDUAL GAP AND MITIGATIONS

Government Funding

- 3.5.1 To date the Council had received two tranches of emergency funding support from the Government totalling £26.4m, and £0.5m of which was utilised against the COVID 19 financial impact in 2019/20. This report seeks approval to utilised these funding streams to support mitigate the reported COVID 19 financial pressures.

Table 6 GF Government Emergency Funding and Residual Gap

Government COVID Response Funding	National	Bristol Share
	£m	£m
Emergency Funding Tranche 1 (excl. 0.5m utilised in 19/20)	1,600	13.044
Emergency Funding Tranche 2*	1,600	12.906
infection control in care homes*	600	4.025
Rough Sleepers*	3.2	0.074
Rough Sleepers - Housing Benefit Subsidy	n/a	0.300
COVID 19 Emergency Funding - Third Tranche (Indicative)	500	4.000

APPENDIX A

COVID 19 Funding for Fees and Charge Income Loss (Indicative)	n/a	21.064
Total Offset to GF Revenue Pressures		55.413
P2 Forecast COVID Financial Pressure		68.117
General Fund Residual Gap		12.704

- 3.5.2 The approval is sought under this report to incorporate the highlighted funding allocations totalling £17m (Table 6) into the 2020/21 Budget.
- 3.5.3 On 2 July 2020 a new funding package was announced by Government providing further help to councils to address COVID 19 cost pressures and to cover a proportion of the loss of fees and charges income experienced by councils during the pandemic, final amount still to be confirmed, an indicative estimate shows £25.0m for Bristol.
- 3.5.4 In addition to the above the Government has allocated further funding to the Council in dealing with potential local out-break and help to transition to reopening the economy. The cost related to these are not included under the £68.1m overspend above. This report seeks approval to incorporate the highlighted funding allocation totalling £3.4m into the 2020/21 Budget and to retain the £3.0m track & trace local outbreak funding in a earmarked reserve to be utilised in line with the local Outbreak Management Plan.

Table 7 Government New Burden Funding

Government COVID New Burden Funding	National	Bristol Share
	£m	£m
Track and Trace / Local Outbreak*	300	3.033
Reopening High Streets Safely Fund*	50	0.416
Local welfare assistance (Indicative)	63	0.500
Emergency Active Travel Fund (WECA Share)		3.075
Total New Burden Funding		7.023

- 3.5.5 The government also provided pass-through funding which has been utilised to support local businesses and residents. This report seeks approval for the highlighted funds totalling £99.3m received by the council, temporarily held for the provision of grant support to local businesses.

Table 8 Government COVID Pass-through Funding

Government COVID Pass-through Funding	National	Bristol Share
	£m	£m
Hardship Fund	500	5.005
Small Business and Retail, Hospitality & Leisure Grants Fund*	12,300	94.560
Discretionary Business Grants	617	4.728
Additional Business Rate Relief	9,700	74.922
Local bus networks	167	
Total Pass-through Funding		179.215

General Fund Residual Budget Gap and Mitigation

3.5.6 As illustrated under Table 4, Government emergency funding support (should it materialise at the expected level) will help to close the in-year forecast financial funding gap to a large extent; however £12.7m COVID pressure still remains for 2020/21. In order to balance the in-year this report proposes the following mitigation:

Table 9 GF COVID Proposed Mitigation

COVID Mitigation Plan	£m
Residual GF Financial Gap due to COVID 19	12.704
Estimated Furlough Income	-1.700
Capital Financing (various)	-5.752
Use of general reserve above £20m	-3.100
Use of resilience reserve	-2.152
Balance	0

Utilising CJRS Furlough Scheme

3.5.7 The Council has utilised the Government's CJRS schemes and as at 31 May 2020, 362 staff from General Fund services paid for from traded income had been furloughed through CJRS. This scheme is open until 31 October 2020 assuming a phased return. Should the Council continue to furlough staff in line with this phased approach, it is estimated that £1.7m funding support could be received based on a 20% per month phased return assumption.

Capital Financing In-Year Savings

3.5.8 The Capital Financing fund is proposed to be reduced to reflect changes in interest rates, restructuring financing options for capital investment, such as those in Bristol Waste fleet and Revolving Infrastructure Fund, to create greater liquidity and release of funds. There were also significant slippage in the capital programme in 2019/20

and the delays of current in-flight projects as construction may have been paused temporarily or timescales extended will also naturally reduce the borrowing that was planned for 2020/21. Bank of England also made an immediate cut in interest rate from 0.75% to 0.1%, so any borrowing that is required is expected to be at a more favourable rate. Taking these measures and opportunities to optimise liquidity, an initial in-year reduction in capital financing costs of around £5.7m can be utilised to close the funding gap.

Use of Reserves

- 3.5.9 This report proposes to utilise the balance of £3.1m in General Reserves (above the policy limit of £20m) to support the in-year budget pressure. The £3.1m was a result of £2.341 received in Section 31 Grant attributed to 2019/20 government business rates reconciliation and £0.7m due to an improved 2019/20 outturn position comparing to the initial P10 forecast which meant a reduced level of draw-down required from the general reserve in 2019/20.
- 3.5.10 This report also propose to utilised £2.152m from earmarked resilience reserve (part of £3m set aside for local government funding variations) to support the in-year budget gap. It must be noted that the use of reserves is one-off: once they are gone they are gone. They provide a temporary stop gap only to fund one-off spend.
- 3.5.11 Please note these are provision allocations to balance the budget. The Council is required to ensure that it has a balanced financial plan after taking into account deliverable cost savings and/or local income growth strategies as well as useable reserves. On-going monitoring of the COVID financial impact will be required as any volatility in forecast spends will impact on the overall position and resilience

4 RINGFENCED FUNDS

4.1 HRA

- 4.1.1 HRA is currently reporting a balanced position in 2020/21.
- 4.1.2 HRA is a ring-fence budget, any COVID pressures may be offset by in-year vacancies due to delays in recruitment plans, repair and maintenance programme and capital programme. HRA reserve is also available which will enable the budget to be delivered with any in-year emergent pressures.
- 4.1.3 The forecast COVID impact on HRA ring fenced account is £5m in 2020/21

Table 10 HRA COVID Impact

HRA	April-May	Full Year 2020/21
	£m	£m
Response Expenditure	0.190	0.941
Loss of Income	2.042	4.088
TOTAL	2.232	5.029

- 4.1.4 Rent in arrears: since the beginning of the government's social distancing measures, the Council had seen a marked increase in the level of rent and service charge arrears, as well as an increase in the number of claimants for Universal Credit. The % rent in arrears has been at the rate of 3.4% increase week on week.
- 4.1.5 Not included in the figures above is the impact on the Council's new homes delivery programme. The delay in construction, the disruption of the global supply chain and the social distancing measure on site after reopening will all impact on the building speed. It is estimated that a slippage of the programme around £9m for the year is to be expected. As Development of New Homes utilises Right to Buy (RTB) receipts to part fund (30%) their costs. A £9m reduction in development cost would put £2.7m of receipts at risk of having to be repaid to MHCLG If the receipts are not utilised within a certain time-frame.
- 4.1.6 For the time being no in year adjustment of spend for 2020/21 is required for HRA related budgets although this position will be monitored in the context of the issues raised above. Forecast overspends if they materialise will be charged against the HRA reserve.

DSG

- 4.1.7 DSG had also seen additional emergency expenditure in supporting key-workers and vulnerable children. This include costs incurred in setting up a local Free School Meal voucher scheme to bridge the gap (£0.4m) before the national scheme was in operation, but it is anticipated that these costs are reimbursed by ESFA.
- 4.1.8 DSG challenges will remain in 2020/21, whilst pressures are not forecasted in this early stage of the year, we commence the year with a deficit of £3.5m on the High Needs budget, which will continue to have challenges. It is expected that the pandemic could exacerbate the issues and the early year sector is also experiencing some challenges due to the pandemic. These needs to be closely monitored in 2020/21 along with the delivery of the education improvement programme.

4.2 Public Health

- 4.2.1 Public Health is anticipated to be contained within the £37.5m approved budget, however should there be additional cost attributed to COVID 19 or other pressures, a draw-down from ring-fenced reserve (available balance £3.8m) should enable the services to be delivered.

5 COVID 19 BUDGET ALLOCATION PROPOSAL

- 5.1 It is proposed that the COVID funding identified above including Government funding and list of mitigations totalling £68.1m will be retained in an earmark reserve for COVID 19 in order to provide a central funding route for current and future COVID related costs when required.
- 5.2 The accounting treatment where funds are earmarked as eligible for COVID funding, transfers payments or subsequently invoices will be coded directly to the relevant service cost centres. Where an associated draw down from the central COVID reserve is assumed, budget holders must ensure the draw down is included in the 2020/21 forecasted outturn and clearly identified in the monitoring reports.
- 5.3 In recognition that the financial position of service may change in year due to reduced levels of spend, vacancy management and natural attrition, therefore the actual central funding for COVID payments will be determined at year-end based on provisional outturn figures; and the release of central funding for COVID payments will require the approval of the S151 officer.
- 5.4 It is currently estimated that the 2020/21 provision will be fully utilised but the Council will propose to carry forward any unspent and uncommitted balance of the central COVID provision from 2020/21 to reduce the level of allocation required from expenditure limits for 2021/22 and beyond.

6 Future Actions

- 6.1 Clearly the Council's financial challenges will be long lasting and a longer term view of the Council's operating model and service readjustment will be required as we go forward. Planning for the new norm will be an integral part of the budget setting process which would normally commence around August of each year for preparing for consultation through to December with Council agreeing the budget in February.
- 6.2 The strategic thinking in relation to recovery has already commenced and work will be undertaken over the coming months which will feed into the refresh of the Medium Term Financial Plan, Business and Service Planning and the 2021/22 Budget.

Bristol City Council May 2020 Capital Programme Finance Report

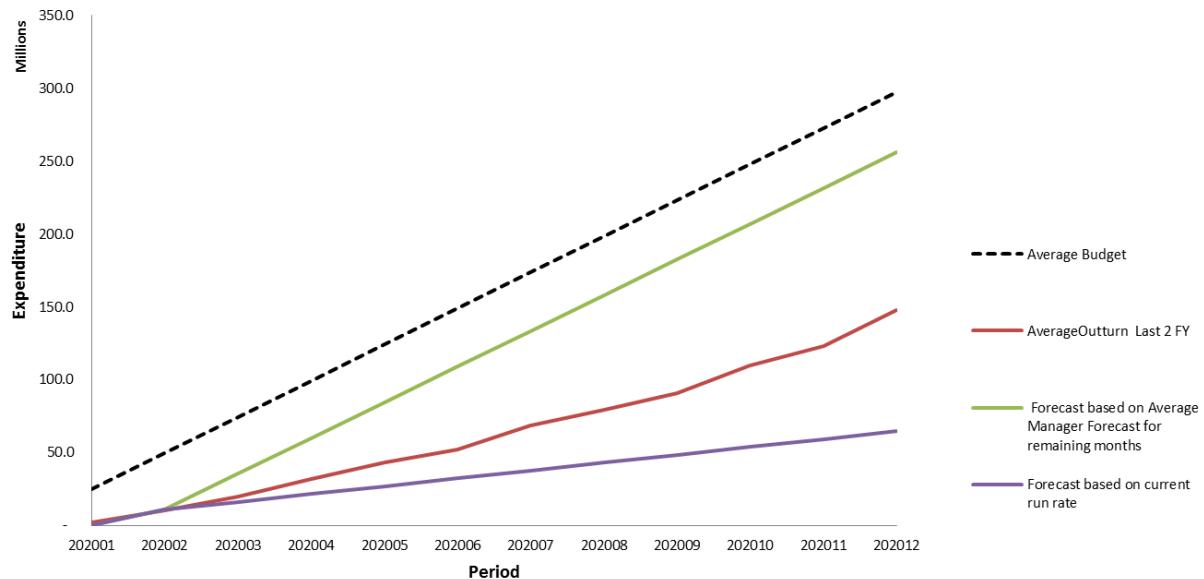
1. Capital Programme Summary

- 1.1. The following table below (Figure 1) sets out the forecast Capital Outturn position for 2020/21 by Directorate with a full programme summary at the end of this report.
- 1.2. The overall programme for 2020/21 has slipped from the original planned £295.1m to a forecast of £252.4 million.
- 1.3. The overall forecast being a total of £252.4 million the current forecast assumes that the average monthly spend for the remainder of the year will increase significantly from the current spend run-rate and also in comparison to previous years. This is due to forecast at project level containing a level of optimism bias which when accumulated across the wider programme gives a high forecast than other comparable information would suggest.
- 1.4. Given the level of spend to date (£10.8 million) and the current run rate table along with making comparisons with previous years expenditure the outturn is projected to be region of £150m based on current and previous spend trends. As a result the capital financing forecast has been based on an overall spend of £150 million for the General fund.

Figure 1 - Capital Forecast Outturn position for 2020/21 by Directorate

Approved Budget (Feb 20)	Budget Changes upto P2	Directorate	Revised Budget	Actual Spend to date	Budget Spend to date %	Forecast Outturn	Variance
£m	£m		£m	£m		£m	£m
32.3	3.0	People	35.3	0.8	2%	33.9	(1.4)
14.3	3.4	Resources	17.7	5.4	31%	18.7	1.0
164.0	-7.0	Growth and Regeneration	157.0	3.3	2%	137.9	(19.1)
210.6	-0.6	Sub-total	210.0	9.5	5%	190.5	(19.5)
1.5	-0.6	Corporate	0.9	0.0	0%	0.9	0.0
83.0	0.0	Housing Revenue Account	83.0	1.3	2%	61.0	(22.0)
295.1	-1.2	Total Capital Programme	293.9	10.8	4%	252.4	(41.5)

Figure 2: Capital Programme Spend run rate comparators



2. Capital Financing Scenarios

Figure 3: Capital Programme Financing Scenarios

Source of Finance	Original Budget	Revised Budget P2	Forecast Spend P2
	£m	£m	£m
General Fund			
Prudential Borrowing	-71.560	-71.560	-50.000
Economic Development Fund	-13.960	-13.960	-10.000
Grants	-76.690	-76.690	-55.000
Capital Receipts	-25.209	-25.209	-18.000
Developer Contributions	-9.140	-9.140	-7.000
WECA / LEP	-13.314	-13.314	-10.000
Revenue & Reserves	-2.241	-.127	
Capital Funding - General Fund Total	-212.114	-210.000	-150.000
 HRA Self - Financing			
HRA Self - Financing	-34.873	-34.873	-34.873
Prudential Borrowing	.000	.000	.000
Capital Receipts	-29.620	-29.620	-26.127
Revenue and Reserves	-18.498	-18.498	.000
Housing Revenue Account Total	-82.991	-82.991	-61.000
	-295.105	-292.991	-211.000

3. Directorates

People

Ref	Scheme	Budget	Expenditure to Date	Forecast	Variance	Expenditure to date	Forecast
		£000s			%		
PE01	School Organisation/ Children's Services Capital Programme	23,312	770	27,241	3,929	3%	117%
PE03	Schools Devolved Capital Programme	2,685	0	2,685	(0)	0%	100%
PE04	Non Schools Capital Programme	0	18	0	0		
PE05	Children & Families - Aids and Adaptations	266	0	168	(98)	0%	63%
PE06	Children Social Care Services	2,455	6	1,785	(670)	0%	73%
PE06B	Adult Social Care – Better Lives at Home Programme	6,049	37	1,762	(4,287)	1%	29%
PE08	Care Management/Care Services	5	0	0	(5)	0%	0%
PE10	Sports Capital Investment	546	9	309	(237)	2%	57%
Total People		35,317	840	33,949	(1,368)	2%	96%

- 3.1. The People Directorate capital programme is predominantly spend on schools, of the £23 million the biggest schemes relates to Cathedral Schools Trust Trinity Academy, which has been delayed due to covid-19 however is anticipated to complete works in January 2021. The other major works relate to KnowleDGE where design work is on-going.
- 3.2. Besides schools scheme in both Adults and Children social care to investment in improved accommodation has both been delayed as a result of covid-19 with project plans being reviewed. These are investing to save proposals which will delay planned savings in both these areas which is factored into the revenue forecast.

Resources

Ref	Scheme	Budget	Expenditure to Date	Forecast	Variance	Expenditure to date	Forecast
		£000s			%		
Resources							
PL21	Building Practice Service - Essential H&S	3,301	105	2,601	(700)	3%	79%
PL27	Vehicle Fleet Replacement Programme	2,344	145	1,244	(1,100)	6%	53%
PL35	Harbourside Operational Infrastructure	739	0	739	0	0%	100%
PL36	Investment in Markets infrastructure & buildings	444	(4)	413	(31)	-1%	93%
RE01	ICT Refresh Programme	5,253	2,965	5,643	389	56%	107%
RE02	ICT Development - HR/Finance	467	103	496	29	22%	106%
RE03	ITTP – IT Transformation Programme	5,175	2,023	7,626	2,451	39%	147%
RE05	Mobile Working for Social Care (Adults & Children)	0	12	0	0		
Total Resources		17,723	5,349	18,761	1,038	30%	106%

- 3.3. ICT have made significant progress with the refresh of equipment and also delivery of the IT Transformation Programme with £5.1 million spend in April and May. The forecast overspend represents acceleration of the initial planned programme.
- 3.4. Facilities management are progressing with their approved plan for the financial year and covid-19 impacted on completing works during April and May, however the run rate is expected to increase in the later part of the year.

Growth and Regeneration

Ref	Scheme	Budget	Expenditure to Date	Forecast	Variance	Expenditure to date	Forecast
		£000s			%		
GR01	Strategic Property – Temple Meads Development	6,054	0	8,768	2,714	0%	145%
GR03	Economy Development - ASEA 2 Flood Defences	8,568	(632)	12,608	4,040	-7%	147%
GR05	Strategic Property - Hawkfield Site	500	0	167	(333)	0%	33%
GR06	Innovation & Sustainability - OPCR 2	1,846	110	1,700	(146)	6%	92%
GR08	Delivery of Regeneration of Bedminster Green	225	11	225	0	5%	100%
HIF	HIF BID match funding	6,000	0	0	(6,000)	0%	0%
NH01	Libraries for the Future	609	0	580	(29)	0%	95%
NH02	Investment in parks and green spaces	1,580	123	1,532	(48)	8%	97%
NH03	Cemeteries & Crematoria - Pending Business Case Development	909	5	789	(120)	1%	87%
NH04	Third Household Waste Recycling and Re-use Centre	5,624	3	3,571	(2,053)	0%	63%
NH06	Bristol Operations Centre - Phase 1	286	66	151	(135)	23%	53%
NH06A	Bristol Operations Centre - Phase 2	1,876	(0)	1,126	(750)	0%	60%
NH07	Private Housing	3,110	619	3,110	0	20%	100%
PL01	Metrobus	172	(320)	1,898	1,725	-186%	1101%
PL02	Passenger Transport	1,487	(180)	1,406	(80)	-12%	95%
PL03	Residents Parking Schemes	3	0	3	0	0%	100%
PL04	Strategic Transport	534	128	5,947	5,412	24%	1113%
PL05	Sustainable Transport	9,524	188	7,825	(1,699)	2%	82%
PL06	Portway Park & Ride Rail Platform	3,038	0	3,038	0	0%	100%
PL08	Highways & Drainage Enhancements	191	(64)	191	0	-34%	100%
PL09	Highways infrastructure - bridge investment	2,849	5	849	(2,000)	0%	-30%
PL09A	Highways infrastructure - Cumberland Road Stabilisation Scheme	5,140	113	5,140	0	2%	100%
PL10	Highways & Traffic Infrastructure - General	8,987	417	9,640	653	5%	107%
PL10B	Highways & Traffic - Street Lighting	591	5	591	0	1%	100%
PL10C	Transport Parking Services	1,881	27	1,135	(746)	1%	60%
PL11A	Cattle Market Road site re-development	2,858	109	2,858	0	4%	100%
PL14	Bristol Legible City Scheme	315	10	134	(181)	3%	43%
PL15	Environmental Improvements Programme	319	(1)	174	(145)	0%	55%
PL17	Resilience Fund (£1m of the £10m Port Sale)	53	1	53	0	2%	100%
PL18	Energy services - Renewable energy investment scheme	1,678	21	1,348	(329)	1%	80%
PL18A	Energy Services – Bristol Heat Networks expansion	16,480	920	13,188	(3,292)	6%	80%
PL18B	Energy Services - School Efficiencies	151	(3)	151	0	-2%	100%
PL18D	Energy Services - EU Replicate Grant	(115)	19	37	152	-16%	-32%
PL19	Energy Services Phase 2 Investment & commercialisation opportunities	1,200	0	400	(800)	0%	33%
PL20	Strategic Property	332	17	244	(88)	5%	73%
PL22	Strategic Property - Investment in existing waste facilities	1,057	0	800	(257)	0%	76%
PL23	Strategic Property - Temple St	355	3	28	(327)	1%	8%
PL24	Colston Hall	19,468	1,681	22,005	2,537	9%	113%
PL25	Strategic Property - Community Capacity Building	998	0	333	(665)	0%	33%
PL30	Housing Strategy and Commissioning	30,296	(145)	14,549	(15,747)	0%	48%
PL30A	Housing Programme delivered through Housing Company	9,500	0	9,500	0	0%	100%
PL32	Western Harbour Design Development	480	0	100	(380)	0%	21%
Total Growth & Regeneration		157,009	3,257	137,892	(19,117)	2%	88%

Economy of Place

- 3.5. Avonmouth/sevenside Enterprise Area (AES) flood defence scheme has entered delivery with work at various stages of delivery across the costal area, with groundworks being completed and construction expected to start during the financial year, also works with Temple Quarter and Temple Island are progressing and haven't at this point been significantly impacted by covid-19 in terms of overall scheme progress.
- 3.6. Additional costs during construction of Colston Hall have resulted in increase in in-year spend; work is on-going to understand the full implication on the capital programme.

Transport

- 3.7. Key schemes within transport this financial year include Cumberland Road stabilisation, Redcliffe Bridge and implementation of a clean air zone.
- 3.8. £11.6 million grant has been received relating to implementation of the clean air zone which will be added to the capital programme as per Cabinet approval.

Housing Delivery

- 3.9. The biggest element of the Council's capital programme for the next five years is to support housing delivery. A large part relates to the Council's grant scheme for delivery of affordable housing.
- 3.10. The Council also have a wholly owned Housing Company, Goram Homes, for which there are plans to dispose of land in order to develop housing. Two sites have been identified which are progressing towards disposal during the financial year.

HRA

- 3.11. Covid has had a significant impact on HRA activity, with the lockdown meaning that many planned activities have had to be delayed. The planned programme of works will be pushed back and the speed of delivery will be dependent on both working arrangements being safe and meeting guidelines and also on being able to access residences as necessary.
- 3.12. HRA – There is forecasting an underspend of £6.6m against Major Projects and £3.4m on Building Maintenance and Improvements due to Covid restrictions limiting access to homes and delaying tender releases. These programmes of works are delayed and will take place when safe working arrangements are in place, though progress is dependent on accessing properties as necessary.
- 3.13. The HRA New Build programme has also been affected as building sites have been closed and some planning permissions delayed and is now forecasting an underspend of £9.6m, which may also lead to being unable to utilise £2.7m Right to Buy receipts within the necessary timeframe. Although some sites have recently re-opened, and others will do so in the future, social distancing measure will impact on the speed at which new homes can be built.
- 3.14. Due to the potential HRA capital underspend in 2020/21, and in order to deliver affordable homes relatively quickly and to maximise the use of Right to Buy receipts, the HRA may seek to increase the number of acquisitions from developers during the year - though any diversion of capital funds for this will be subject to further Cabinet approval.

4. Investment Summary

4.1 Value invested as at P2 is illustrated in the table below:

Figure 4: Value of Investment

Investment	Value (£m)*	Narrative
Avon Mutual Bank	£0.1	Purchase of foundation shares to explore the creation of a regional local bank with an inclusive finance ethos that supports the local community and economy.
Bristol Port Company	£2.5	Residual share interest in the Bristol Port Company, also known as First Corporate Shipping.
Bristol Energy Company	£36.5	Investment to supply green energy and reduce fuel poverty within the City.
Bristol Waste Company	£9.396	The provision of a loan (£9.75m) to a wholly owned subsidiary to support the waste vehicle replacement programme
Goram Homes	£0.799	Working capital loan to support the provision of new housing.
Bristol Old Vic	£0.423	The provision of a loan of £0.948 million to support the redevelopment of the theatre to support the performing arts within the City
Bristol Credit Union	£0.5	A loan of £0.5 million to allow the Credit Union to lever in additional £0.350 million from Charitable and Social investors to enable a new online platform , grow membership and provide more loans to people in the most deprived wards who might otherwise borrow from high cost lenders.
Homelessness	£9.65	To support the delivery of homes for homelessness. This fund has so

Property Fund		far delivered 229 properties nationally of which 99 locally.
City Funds LP	£0.786	The fund of £10 million, minimum duration of 10 years will support the provision of loans to local communities, anticipated.

*Value of investment less repayments

Appendix C - Decisions taken under emergency response / urgent payments

1. Business Support Grants

1.1. The Department for Business, Energy & Industrial Strategy (BEIS) announced two grant schemes to support businesses vulnerable from impact of the pandemic, a small business grant fund and Retail, Hospitality and Leisure grant fund. The Council's allocation for supporting eligible businesses has been uplifted from the original £88.838 million to £ 94.560 million. The fund remains open and as at week ending 5 July 2020 the total value of grants paid to eligible businesses is £ 89.945 million.

1.2. To provide additional support for some small and micro businesses previously outside the scope of the business grant funds above, the government has set up a small discretionary fund to be administered by local authorities and for Bristol this equates to £4.728 million. The fund is intended to focus predominantly on charities and community organisations, small businesses in shared offices or other flexible workspaces, regular market / street traders, bed & breakfasts and guest houses and some limited discretion is provided to consider other small business subject to the availability of funding.

1.3. The West of England (WOE) unitary authorities (Bath & North East Somerset Council, Bristol City Council, North Somerset Council and South Gloucestershire Council) developed regional policies for each cohort (attached at Appendix C (i) & (ii)) to provide some consistency in the additional support available to businesses across the wider region. The volume of eligible businesses indicated that this grant scheme could be oversubscribed and as such smaller values have been assigned to increase the number of businesses that can be supported and a cohort approach adopted.

1.4. Bristol has received 825 applications to date and as at 5 July 2020, 514 businesses have been awarded grants via 4 tranches of payments to the value of £1.420 million. The associated Officer Executive decision can be found by using the following [Link](#).

2. Education Vouchers

2.1. (Decision 002) Education vouchers – this payment was attribute to the temporary term-time voucher scheme, set up following the closure of Schools, to provide free school meals during the coronavirus and replace the distribution model that was previously in place. The value of the scheme was £0.440 million as set out in Appendix C (iii) and this amount is expected to be fully reimbursed by the Department for Education (DfE). The DfE have subsequently launched their own voucher scheme and schools were able to move across to the new system at the end of April and order directly from the DfE.

3. Adult Social Care Payments

3.1. Adult Social Care - £9.2 million COVID-19 funding has been earmarked to sustain local care providers during the crisis and in addition to the £1.359 million previously reported to Cabinet in April 2020, a further £4.756 million has been allocated as follows:

- (Decision 003) To implement a second temporary increase to adult social care provider fees for a further period of seven weeks from 18 May to 5 July 2020 at a costs of £2.240 million as set out in Appendix C (iv).
- (Decision 004) Infection Prevention Control Grant (IPC) - The allocation of the first tranche

of the IPC grant to adult social care providers to reduce the rate of transmission in and between care homes and to support workforce resilience. 75% of the fund will be passed to all Care Homes (those with whom the authority has a contract and those which it does not) based on a rate per 'registered bed'. Payment of the first tranche of the IPC grant totalled £1.510 million as set out in Appendix C (v).

- (Decision 005) Infection Prevention Control Grant (IPC) - Allocation of the 25% of IPC monies amounting to £1.006 million, to be distributed in two tranches, and allocated for; PPE for micro providers , whole setting testing (supported accommodation); infection control monies for domiciliary / supported accommodation providers, relative to hours commissioned as set out in Appendix C (vi).

COVID-19 Business Support Grants – Discretionary Fund

1. Introduction

1.1. To provide additional support for some small and micro businesses previously outside the scope of the business grant funds scheme, the government has set up a discretionary fund to be administered by local authorities.

1.2. This fund is intended to:

- Support some charities and community organisations in receipt of mandatory charitable business rates relief that otherwise would have been eligible for Small Business Rates Relief or Rural Rate Relief and are not eligible under the existing grant schemes.
- Support some small and micro businesses directly impacted by Covid-19 that meet the following eligibility criteria:
 - Businesses with relatively high ongoing fixed building-related costs such as rent, service charges and council tax
 - Businesses which occupy property, or part of a property, with a rateable value or annual rent or annual mortgage payments below £51,000.
- The following types of businesses are prioritised for grants from within this funding pot:
 - 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/street traders with fixed building costs, such as rent, who do not have their own business rates assessment; and
 - Bed & Breakfasts and guest houses which pay council tax instead of business rates.

1.3. Government has confirmed:

- Local authorities may disburse grants of £25,000, £10,000 or any amount under £10,000. The value of the payment to be made to a business is at the discretion of the local authority.
- It will be for local authorities to adapt this approach to local circumstances, such as providing support for micro-businesses with fixed costs or support for businesses that are crucial for their local economies. Government expects that payments of under £10,000 may be appropriate in many cases.

1.4. The West of England unitary authorities (Bath & North East Somerset Council, Bristol City Council, North Somerset Council and South Gloucestershire Council) have

developed a regional policy to provide some consistency in the additional support available to businesses across the wider region.

2. How much funding will be provided to businesses?

- 2.1. To provide support to as many businesses as possible the discretionary grants, which the council will award, will be capped to a maximum of £5,000.
- 2.2. The West of England unitary authorities will collaborate when assessing and awarding grants, and eligible charities and businesses will only be entitled to one grant across the West of England region.

3. Criteria for grants

- 3.1. **Charities and community organisations** – with a property that has a rateable value of up to and including £15,000, in receipt of mandatory charitable business rates relief, that otherwise would have been eligible for Small Business Rates Relief or Rural Rate Relief and are not eligible under the existing grant schemes.
- 3.2. **Businesses:**
 - **Shared/flexible workspaces** – small businesses that have exclusive use of a unit within a shared/flexible workspace, but do not have their own business rates assessment. Examples include units in offices, industrial parks, science parks and incubators.
 - **Regular market/street trader** – regular market / street traders with a fixed pitch, and a street trading licence or lease agreement if in a covered market.
 - **Bed & Breakfasts and guest houses** – eligible businesses where the business owner lives on site, holds a valid Food Safety registration with the council and is paying council tax rather than business rates.
- 3.3. Unitary authorities within the region have discretion as to the prioritisation of all applications received – this is likely to be based on local economic need and subject to the availability of funding. Limited discretion is available to consider a small number of businesses that meet the eligible business criteria below, but do not fall into the priority categories detailed above.

4. Eligible businesses

- 4.1. **If your business meets all of the following eligibility criteria, you could be eligible for a grant:**
 - Businesses with their premises located within the West of England region (you can [check the postcode of where your business is trading](#) to see if Bath & North East

Somerset Council, Bristol City Council, North Somerset Council or South Gloucestershire Council is your local council).

- Businesses not entitled to a grant under the original business support grant schemes or any other grant awarded in support of dealing with COVID-19.
- Businesses with ongoing fixed building-related costs, e.g. rent, service charges and council tax.
- Businesses which can demonstrate that they have suffered a significant fall in income (including online activity) due to the Covid-19 crisis.
- Businesses with 49 or less employees (a person who has received remuneration via your payroll system in the last 6 months (up to March 11 2020) and who has a contract of employment).
- Businesses that were trading (active in buying/selling goods or services – excludes activities undertaken for the purposes of acquiring or setting up a proposed new trade) on 11 March 2020.
- Businesses which occupy property, or part of a property, with a rateable value or annual rent or annual mortgage payments below £51,000.

4.2. Grant types:

4.2.1. One application only is permitted within the West of England region.

4.2.2. **Charities and community organisations** in receipt of mandatory charity rate relief based on the billing authority's records of the position as at the 11 March 2020 with a property that has a rateable value of up to and including £15,000, will receive one grant only of £5,000.

4.2.3. Businesses:

- **Shared/flexible workspaces** – agreement must have been signed before 11 March 2020 and those with not more than 10 employees will receive a grant of £2,500, and those with 11 – 49 employees will receive a grant of £5,000.
- **Regular market/street traders** – based on the agreement/licence signed prior to 11 March 2020, each trader will receive one grant only to a value equivalent to the fixed payment associated with using a pitch or property as outlined in the agreement/licence up to a maximum of £2,500.

- **Bed & Breakfasts and guest houses** – based on the billing authority's records of the position as at the 11 March 2020 will receive a grant to a value equivalent to the 2020/21 council tax liability to a maximum of £2,500.

4.2.4. Any grants awarded at local discretion must be based on the evidence submitted in justification of a claim and award values can be for any amount up to a maximum value of £5,000.

5. Who will receive this funding?

5.1. The person, business or organisation who according to the billing authority's records was the taxpayer or ratepayer in respect of the hereditament on the 11 March 2020; or

5.2. Should the hereditament not be registered for business rates, the person listed on the lease or tenancy arrangement for the business.

6. Exclusions to the Discretionary Fund

6.1. If your business's premises is outside of the West of England region, you will not be eligible for this grant.

6.2. Businesses that are eligible for other grants from the government as a result of coronavirus (COVID-19).

6.3. Businesses that are in administration, in liquidation, are insolvent or where a striking-off notice has been made will not be eligible.

6.4. Businesses who are neither liable in their own right for their business premises or make payment to a landlord under an agreement lasting less than 6 months.

6.5. Businesses with short term lease/rent agreements (less than 6 months) or who have to give minimal notice (less than a month) to terminate their agreements are not eligible.

6.6. Businesses that do not have fixed, building or pitch related costs.

6.7. Businesses that are part of a national chain or franchise.

6.8. Wages cannot be claimed as part of this scheme because these are covered by government schemes.

6.9. The council will not provide grant support to a business where there is evidence to support that they are having a detrimental impact on the region, our residents or our communities.

7. Will this grant scheme be subject to tax?

- 7.1. Grant income received by a business is taxable therefore the Discretionary Fund grants will be subject to tax.
- 7.2. Only businesses making an overall profit once grant income is included will be subject to tax.

8. Managing the risk of fraud

- 8.1. Local authorities will not accept deliberate manipulation and will work collaboratively across the region to share intelligence and resources to detect fraud. Any business found to be giving false eligibility information or seeking to gain additional grant by claiming to more than one council will be investigated. The councils will recover money paid in error and fraudulent claims will be prosecuted in the courts.

9. State aid

- 9.1. State aid rules apply and businesses must make a declaration when applying for this scheme.
- 9.2. Payments of up to and including £10,000 can be provided under the De Minimis rules, meaning applicants can receive up to 200,000 euros of aid within a three year period.

10. Process for application

- 10.1. Businesses must apply to their own local authority using the online application form (which will include the ability to upload documents at point of application).
- 10.2. Applicants will need to provide, where relevant and/or appropriate the following:
 - Business type/sector and use of property
 - Number of employees
 - Company registration number
 - Charity number
 - VAT registration number
 - Business rate account number or council tax account number
 - Lease, rental, license agreement or mortgage statement

- Details of premises occupied – address, terms, size of space occupied
- Photo ID of applicant who must be company director/liable for party for lease agreement or named charity secretary
- Evidence of how the business has been detrimentally financially impacted by Covid19, this could include a short statement supported by:
 - Income and expenditure accounts certified by an accountant or financial adviser
 - Business bank statement – either three months from February to April and/or corresponding period from 2019.
- Declaration as to state aid
- Bank details for payment
- Email or correspondence address
- Declaration of accuracy and consent to use the data for wider verification.

10.3. Sector specific evidence

Charities and community organisations in receipt of mandatory charity rate relief	<ul style="list-style-type: none"> • Photo ID of applicant • Business rate account number
Shared/flexible workspaces	<ul style="list-style-type: none"> • Photo ID of applicant • Business registration retails • Signed lease, rental or license agreement • Snapshot of payroll/personnel records • Income and expenditure accounts certified by accountant or financial advisers; or • Bank statements
Regular market/street traders	<ul style="list-style-type: none"> • Photo ID of applicant • Signed lease, licence, rental or concession agreement • Income and expenditure accounts certified by accountant or financial advisers; or • Bank statements
Bed & Breakfasts and guest houses	<ul style="list-style-type: none"> • Council tax account number • Food Safety registration
Other	<ul style="list-style-type: none"> • Justification and relevant supporting evidence underpinning your claim.

- 10.4. The volume of eligible businesses within the region indicates that this grant scheme is likely to be over subscribed. It is up to each local authority to decide how to structure and prioritise eligible grant applications received, based on their own economic need. This may vary across the region and the local authority decision will be final. No separate dispute mechanism is in place with this fund, and the dispute resolution process under the constitution of the respective council would apply.
- 10.5. To enable the total grant awards to be managed within the funding available to the council, and clearly evidence the demand (should additional funding be subsequently available), a cohort approach is proposed.

Cohort one: application open – the grant process for all applicants will be open for a defined period.

Within this period, eligible charities and community organisations in receipt of mandatory charity rate relief will be continuously processed for payment following successful verification of the details submitted.

All business applications received will be assessed against the criteria, scored and prioritised for award. Applicants not successful will receive written notification and successful applications will be accelerated for payment. This will ensure discretionary grants are awarded based on priority need across all business applicants and not on a first come, first served basis, which will result in in-equitable outcomes.

- 10.6. **Cohort two** – will be considered should additional funding be made available, including proportional top ups to original awards.
- 10.7. Businesses are encouraged to apply early in order for the assessment and payment deadlines to be achieved, and each local authority will aim to process applications promptly, subject to accurate and appropriate evidence being provided at the point of application.

COVID Business Support Grants – Discretionary Fund (cohort two)

1. Introduction

1.1. To provide additional support for some small and micro businesses previously outside the scope of the business grant funds scheme, the government has set up a discretionary fund to be administered by local authorities. To enable the total grant awards to be managed within the funding available to the council, and clearly evidence the demand, a cohort approach was proposed. Cohort one closed on 8 June 2020 and this policy is attributed to cohort two.

1.2. This fund is intended to:

- Support some charities and community organisations in receipt of mandatory charitable business rates relief that otherwise would have been eligible for Small Business Rates Relief or Rural Rate Relief and are not eligible under the existing grant schemes.
- Support some small and micro businesses directly impacted by Covid-19 that have relatively high ongoing fixed building-related costs such as rent, mortgage, service charges and Council Tax.
- The following types of businesses were prioritised for grants from cohort one:
 - 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/street traders with fixed building costs, such as rent, who do not have their own business rates assessment; and
 - Bed & Breakfasts and guest houses which pay council tax instead of business rates.
- Whilst the business types outlined above are not excluded from applying for this grant; priority for cohort two will be:
 - Small businesses that have **49 or fewer employees** that have experienced significant loss as a result of Covid-19 and do not fit the three categories outlined above.

1.3. Government has confirmed:

- Local authorities may disburse grants of £25,000, £10,000 or any amount under £10,000. The value of the payment to be made to a business is at the discretion of the local authority.
- It will be for local authorities to adapt this approach to local circumstances, such as providing support for micro businesses with fixed costs or support for businesses that are crucial for their local economies. Government expects that payments of under £10,000 may be appropriate in many cases.

- 1.4. The West of England unitary authorities (Bath & North East Somerset Council, Bristol City Council, North Somerset Council and South Gloucestershire Council) have developed a regional policy to provide some consistency in the additional support available to businesses across the wider region.

2. How much funding will be provided to businesses?

- 2.1. To provide support to as many businesses as possible the discretionary grants, which the council will award, will be capped to a maximum of £5,000.
- 2.2. The West of England unitary authorities will collaborate when assessing and awarding grants, and eligible charities and businesses will only be entitled to one grant across the West of England region.

3. Criteria for grants

- 3.1. **Charities and community organisations** – with a property that has a rateable value of up to and including £15,000, in receipt of mandatory charitable business rates relief, that otherwise would have been eligible for Small Business Rates Relief or Rural Rate Relief and are not eligible under the existing grant schemes.

3.2. Businesses:

- **Small businesses** – other small businesses that have suffered a significant loss of income as a result of Covid-19, have ongoing fixed property cost, meet the eligible business criteria and do not fall into the categories detailed below.
- **Shared/flexible workspaces** – small businesses that have exclusive use of a unit within a shared/flexible workspace, but do not have their own business rates assessment. Examples include units in offices, industrial parks, science parks and incubators.
- **Market/street trader** – market/street traders with a fixed pitch and a street trading licence or lease agreement if in a covered market.
- **Bed & Breakfasts and guest houses** – eligible businesses where the business owner lives on site, holds a valid Food Safety registration with the council and is paying council tax rather than business rates.

- 3.3. Unitary authorities within the region have discretion as to the prioritisation of all applications received. Cohort two will be prioritised based on small businesses that are a key part of the local economy, have total employee numbers of 49 or less and have experienced significant loss of income as a result of Covid-19. As always, this will be subject to the availability of funding.

4. Eligible businesses

- 4.1. If your business meets all of the following eligibility criteria, you could be eligible for a grant:

- Businesses with their premises located within the West of England region (you can [check the postcode of where your business is trading](#) to see if Bath & North East Somerset Council, Bristol City Council, North Somerset Council or South Gloucestershire Council is your local council).
- Businesses not entitled to a grant under the original business support grant schemes or any other grant awarded in support of dealing with COVID-19.
- Businesses with a total number of employees not exceeding 49 (a person who has received remuneration via your payroll system in the last 6 months (up to March 11 2020) and who have a contract of employment).
- Businesses which occupy property, or part of a property, with annual rent or mortgage payments below £75,000.
- Businesses that were trading (active in buying/selling goods or services – excludes activities undertaken for the purposes of acquiring or setting up a proposed new trade) on 11 March 2020.
- Businesses with ongoing fixed building-related costs, e.g. rent, mortgage, service charges and council tax.
- Businesses which can demonstrate that they have suffered a significant fall in income (including online activity) due to the Covid-19 crisis.

4.2. Grant types:

4.2.1. One application only is permitted within the West of England region.

4.2.2. **Charities and community organisations** in receipt of mandatory charity rate relief based on the billing authority's records of the position as at the 11 March 2020 with a property that has a rateable value of up to and including £15,000, will receive one grant only of £5,000.

4.2.3. Businesses:

- **Small businesses** – must provide justification and relevant supporting evidence underpinning the claim and agreements must have been signed prior to 11 March 2020. Those with 49 or fewer employees will receive a grant of up to £5,000.
- **Shared/flexible workspaces** – agreement must have been signed before 11 March 2020 and those with not more than 10 employees will receive a grant of £2,500 and those with 11 – 49 employees will receive a grant of £5,000.
- **Market/street traders** – based on the agreement/licence signed prior to 11 March 2020, each trader will receive one grant only to a *value equivalent* to the fixed payment associated with using a pitch, property or workspace as outlined in the agreement/licence up to a maximum of £2,500.

- **Bed & Breakfasts and guest houses** – based on the billing authority's records of the position as at the 11 March 202 will receive a grant up to a value equivalent to the 2020/21 council tax liability to a maximum of £2,500.

4.2.4. Any grants awarded at local discretion must be based on the evidence submitted in justification of a claim and award values can be for any amount up to a maximum value of £5,000.

5. Who will receive this funding?

- 5.1. The person, business or organisation who according to the billing authority's records was the taxpayer or ratepayer in respect of the hereditament on the 11 March 2020; or
- 5.2. Should the hereditament not be registered for business rates, the person listed on the lease or tenancy arrangement for the business.

6. Exclusions to the Discretionary Fund

- 6.1. If your business's premises is outside of the West of England region, you will not be eligible for this grant.
- 6.2. Businesses entitled to a grant under the original business support grant scheme.
- 6.3. Only one grant per charity, business or individual is permitted. If a business, charity or individual has already received a grant from the main scheme, it is not eligible for a grant under the cohort two discretionary scheme.
- 6.4. Businesses that are in administration, in liquidation, are insolvent or where a striking-off notice has been made will not be eligible.
- 6.5. Businesses who are neither liable in their own right for their business premises, or make payment to a landlord under an agreement lasting less than six months.
- 6.6. Businesses with short term lease/rent agreements (less than six months) or who have to give minimal notice (less than a month) to terminate their agreements are not eligible.
- 6.7. Businesses that do not have fixed, building, pitch or other workspace related costs.
- 6.8. Businesses that are part of a national chain or franchise.
- 6.9. Wages cannot be claimed as part of this scheme because these are covered by government schemes.
- 6.10. The council will not provide grant support to a business where there is evidence to support that they are having a detrimental impact on the region, our residents or our communities.

7. Will this grant scheme be subject to tax?

- 7.1. Grant income received by a business is taxable therefore the Discretionary Fund grants will be subject to tax.
- 7.2. Only businesses making an overall profit once grant income is included will be subject to tax.

8. Managing the risk of fraud

- 8.1. Local authorities will not accept deliberate manipulation and will work collaboratively across the region to share intelligence and resources to detect fraud. Any business found to be giving false eligibility information or seeking to gain additional grants by claiming to more than one council will be investigated. The councils will recover money paid in error and fraudulent claims will be prosecuted in the courts.

9. State aid

- 9.1. State aid rules apply and businesses must make a declaration when applying for this scheme.
- 9.2. Payments of up to and including £10,000 can be provided under the De Minimis rules, meaning applicants can receive up to 200,000 euros of aid within a three year period.

10. Process for application

- 10.1. Businesses must apply to their own local authority using the online application form (which will include the ability to upload documents at point of application).
- 10.2. Applicants will need to provide, where relevant and/or appropriate the following:
 - Business type/sector and use of property
 - Number of employees
 - Company registration number
 - Charity number
 - VAT registration number
 - Business rate account number or council tax account number
 - Lease, rental, license agreement or mortgage statement
 - Details of premises occupied – address, terms, size of space occupied

- Photo ID of applicant who must be company director/ liable party for lease agreement or named charity secretary
- Evidence of how the business has been detrimentally financially impacted by Covid-19, this could include a short statement supported by:
 - Income and expenditure accounts certified by an accountant or financial advisers; and/or
 - Business bank statement for the last three months and a corresponding period that demonstrates the variation from 2019
- Declaration as to state aid
- Bank details for payment
- Email or correspondence address
- Declaration of accuracy and consent to use the data for wider verification.

10.3. Sector Specific Evidence

Charities and community organisations in receipt of mandatory charity rate relief	<ul style="list-style-type: none"> • Photo ID of applicant • Business rate account number
Shared/flexible workspaces	<ul style="list-style-type: none"> • Photo ID of applicant • Business registration details • Signed lease, rental or license agreement • Snapshot of payroll/personnel records • Income and expenditure accounts certified by accountant or financial advisers; and/or • Bank statements
Market / Street Traders	<ul style="list-style-type: none"> • Photo ID of applicant • Signed lease, licence, rental or concession agreement • Income and expenditure accounts certified by accountant or financial advisers; and or • Bank statements
Bed & Breakfasts and guest houses	<ul style="list-style-type: none"> • Council tax account number • Food Safety registration
Small business (other)	<ul style="list-style-type: none"> • Photo ID of applicant • Income and expenditure accounts certified by accountant or financial advisers; and/or • Bank statements • Justification and other relevant supporting evidence underpinning your claim.

- 10.4. The volume of eligible businesses within the region indicates that this grant scheme is likely to be over subscribed. It is up to each local authority to decide how to structure and prioritise eligible grant applications received, based on their economic need. This may vary across the region and the local authority decision will be final. No separate dispute mechanism is in place with this fund, and the dispute resolution process under the constitution of the respective council would apply.
- 10.5. **Cohort two: application process** – the grant process for all applicants will be open for a defined period.

Within this period eligible charities and community organisations in receipt of mandatory charity rate relief will be continuously processed for payment following successful verification of the details submitted.

All business applications received will be assessed against the criteria, scored and prioritised for award. Applicants not successful will receive written notification and successful applications will be accelerated for payment. This will ensure discretionary grants are awarded based on priority need across all business applicants and not on a first-come, first-served basis, which will result in in-equitable outcomes.

Proportional top ups to awards in cohort one and two will be considered should additional funding be available at the end of this process.

- 10.6. Businesses are encouraged to apply early in order for the assessment and payment deadlines to be achieved, and each local authority will aim to process applications promptly, subject to accurate and appropriate evidence being provided at the point of application.
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BRISTOL CITY COUNCIL

DECISION

DECISION OF: S151 OFFICER

WITH ADVICE FROM: EXECUTIVE DIRECTOR OF PEOPLE AND DIRECTOR OF ADULT SOCIAL CARE

DIRECTORATE: PEOPLE

DECISION NO: 002

(2020/21 FREE SCHOOL MEALS COVID 19)

SUBJECT: Free School Meals, Voucher Scheme

KEY DECISION: No

REASON:

This is the replacement for the free school meals provision in schools that was set up when some schools closed and to replace the distribution model that was in place by Chartwells and other Catering Providers in Bristol Schools as required,

BACKGROUND:

Due to the Government announcement that schools were to close and that only Key Worker Children and in some cases vulnerable pupils should attend, it was no longer possible for the Free Schools Meals catering provision to be delivered in schools. To try and prevent food poverty for children entitled to Free School Meals, the Government announced that they would set up a National Voucher Scheme that schools could join, to provide a £15 food voucher per week for these pupils.

Due to the delay in this scheme being set up by Central Government in week one Bristol City Council (BCC) set up a 5 day food hamper provision for collection/delivery in schools which was fraught with logistical issues. In the absence of any other provision BCC set up a voucher scheme that all schools could join in order to be able to deliver vouchers to parents so they could purchase food for their children. There is now a National Scheme in place and schools have been advised that they must now join the Central Government Scheme by no later than 1st May 2020. We have received notification from the DfE that schools will be able to claim these costs in line with Covid-19 guidance on school funding.

DECISION:

To implement a temporary Free School Meal voucher scheme and approve the purchase of vouchers costing £439,797

REASONS:

To prevent food poverty and ensure a meal for children entitled to a Free School Meal due to a delay in the government scheme.

OPTIONS CONSIDERED:

Possible options included providing eligible pupils not attending school with meals or food parcels through a current food provider. Doing nothing was not an option.

FINANCIAL IMPLICATIONS:

This is a full recharge situation and BCC will be reimbursed for this amount (£439,797) by the DfE/schools. Now that the DfE have launched their own voucher scheme, schools will move across to this system at the end of April and order directly from the DfE.

LEGAL POWERS AND IMPLICATIONS

The Education Act 1996 requires maintained schools and academies (including free schools) to provide free school meals to disadvantaged pupils who are aged between 5 and 16 years old. At a time of national emergency with schools closed and the absence of a national scheme, BCC has a community leadership role to help schools to provide food as a replacement for free school meals.

CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

None.

CONSULTATION

Discussions have taken place with schools.

RISK MANAGEMENT

N/A

EQUALITY IMPLICATIONS

Have you undertaken an Equality Impact Assessment? Yes / No

APPENDICES

BACKGROUND PAPERS

This decision is being taken under the urgency/emergency powers provided in the Council's Constitution and scheme of delegation.

The Head of Paid Service and / or Section 151 Officer can take emergency action on behalf of the Council on any matter in cases of urgency or emergency, wherever possible in consultation with the Mayor or Deputy Mayor for Finance, Governance and Performance and subject to a full report as soon as possible afterwards to the relevant forum explaining the decision, the reasons for it and why the decision was treated as a matter of urgency.

SIGNATORIES:

DECISION MAKER:



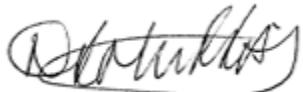
Signed:

Alison Hurley, Director Education and Skills

S151 Officer and / or Head of Paid Service

Title Director of Finance/S151 Officer

Signed



Date: 1 May 2020



**BRISTOL CITY COUNCIL
DECISION**

DECISION OF: S151 OFFICER

WITH ADVICE FROM: EXECUTIVE DIRECTOR OF PEOPLE AND DIRECTOR OF ADULT SOCIAL CARE

DIRECTORATE: PEOPLE

DECISION NO: 003 (2020/21 ASC: COVID-19 EMERGENCY RESPONSE FUND)

SUBJECT: COVID-19 Emergency – Care Market Sustainability: Temporary fee uplifts for Adult Social Care providers – 2nd Payment Period

KEY DECISION: Yes

REASON:

The increase is considered urgent in response to the COVID-19 crisis, ensuring capacity and supporting the sustainability of the social care market. This is the second decision to extend the payment arrangements, the first having ended on the 17 May 2020.

BACKGROUND:

The immediate impact of the current crisis for care providers has been both complex and significant, and has highlighted major challenges for the sector. Care providers continue to be understandably anxious about the additional costs that they are incurring to ensure safe and effective delivery of their services and Bristol City Council is keen to continue to support them in this situation. The financial strategies emerging from recent ADASS discussions with authorities have typically suggested that between 5% and 10% uplifts for providers have been applied by councils across the country.

Bristol opted to offer a flat rate increase of £100 per week on all care home placements and an increase of £1 per hour on all domiciliary care packages, which was similarly adopted by North Somerset Council. Whilst South Gloucestershire Council adopted a temporary 10% fee uplift for all commissioned Adult Social Care services (except block contracts) and a case by case evidenced approach for services that did not involve personal care e.g. day services.

REVIEW OF THE FIRST SIX WEEKS

- The calculation and processing additional payments in such a way that there is clear audit trail, a number of different variables are considered and the payments are not confused as being an increase in base rates has taken time.
- We have had positive feedback from providers about the support this affords, and, from providers who work at our Bristol rates, positive that it is a flat rate for all.
- At the same time pressures on providers have if anything increased, in particular with the much increased specification for PPE to be used by home care providers (who do not generally need to use masks), so some feedback that £1 an hour is welcome but will not cover additional costs. We are considering ways that the PPE pressures could be addressed directly.

- There is feedback from some care homes about additional voids due to infection control and some increase in deaths. We are considering this issue strategically with neighbouring authorities and in the context of emerging national guidance and action plan on infection control in care homes.

DECISION:

To implement a second temporary increase to adult care provider fees as follows for a further period of seven weeks from 18 May to 5 July 2020.

- A flat rate increase of £100 per week on all care home placements currently contracted by Bristol City Council
- An increase of £1 per hour on all domiciliary care including Extra Care, Reablement and Supported Living; and the equivalent percentage increase for Direct Payments
- Pay a month in advance to ease cash flow for the providers
- Pay a top up amount to Home Care and Community Support Service providers who have had packages of care suspended, cancelled or not submitted all / some of the timesheets . The amount of the top up will be calculated to make the total payment equivalent to the average of the latest 3 months (average plus 10% for Extra Care Housing Providers)
- Pay Shared Lives carers £47 per week for long term carers and average of 80% of commissioned hours for day support and night time care. Commence from 6 April 2020 and continue for seven weeks to 5 July 2020
- The payment is to be paid as a temporary Exceptional Special Need to distinguish it from everyday rates. Payments do not constitute a formal increase in relation to the individual care package.

This second payment tranche will cost c.£2.24m for the seven week period.

REASONS:

This proposal reflects guidance provided by the Local Government Association (LGA) and the Association of Directors of Adult Social Care (ADASS), and recognises the significant additional costs that continue to be incurred by care providers during the COVID-19 crisis.

OPTIONS CONSIDERED:

The following were considered.

- A 'do nothing and review on a case by case' basis was considered and discounted given the scale of the pandemic, Government policy and the LGA/ADASS guidance was very clear about the emerging pressures, indicating that the care market will not be able to sustain its back office and administrative processes in face of COVID-19.
- A simple 10% increase was initially considered, but a differentiated approach to reflect the different costs being sustained by different providers was felt to be more appropriate.

FINANCIAL IMPLICATIONS:

The table below summarises the payments made to date for the initial period from 6 April to 17 May 2020 , together with a projected cost for the second round of payments covering the remaining seven weeks of the three month COVID programme.

The projected total cost of £4.185m is higher than the original forecast of £3.359m (by £0.827m) due to the scale of funds required to ‘top-up’ the shortfall on commissioned hours for community support and home care services.

It is evident that the scope and scale of the initially-projected effects of the COVID-19 pandemic in Bristol and the South West has not occurred as predicted. This is primarily due to the success of ‘lockdown’ measures. The COVID-19 ‘curve’ has become flattened and elongated, necessitating fewer high-level emergency responses, and a more prolonged period of lower-level intervention to sustain the activity of all of the organisations in the health and care sector. For care providers, this means that it will be necessary to extend the support already offered, in order that providers can remain financially and operationally viable, and can access testing and PPE as required.

Due to this, it would be beneficial to reconsider the initial allocation of the £9.3m ASC resource in order to ensure that necessary support can be delivered across the sectors as the situation develops. In addition, it will be necessary to access further funding as the present situation is likely to prevail for months/years.

Additional and Commissioned Hours ('Top-up') Payments	6 Weeks	7 Weeks	Total
	6 Apr - 17 May	18 May - 5 July	
Additional Payment - Residential & Home Care - Phase 1 to 17 May	1,354,429	1,580,167	2,934,596
Direct Payments	115,361	115,361	230,722
Top-up CSS	340,876	397,689	738,565
Top-up Home Care	110,474	128,886	239,360
Shared Lives - Additional & Top-up	19,464	22,708	42,173
Total	1,940,604	2,244,812	4,185,416

The payments will be funded from the COVID-19 government response grant paid to the Council at the beginning of April. However, it is worth noting that additional costs and loss of income for the period of the emergency are likely to far exceed this initial allocation from government.

LEGAL POWERS AND IMPLICATIONS

The Council has a duty to support the care market and ensure capacity and sustainability.

CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

None.

CONSULTATION

Discussions have taken place with care providers.

RISK MANAGEMENT

The main risk, as described above, relates to affordability, given the value of the initial

grant made available to the Council by central government.

The Council also commissions packages of care on behalf of the CCG and they will need to agree any continued increases to those prices.

EQUALITY IMPLICATIONS

Have you undertaken an Equality Impact Assessment? Yes / No

An equalities impact assessment will be completed on this work.

CORPORATE IMPLICATIONS

None, other than those already highlighted.

This decision is being taken under the urgency/emergency powers provided in the Council's Constitution and scheme of delegation.

The Head of Paid Service and / or Section 151 Officer can take emergency action on behalf of the Council on any matter in cases of urgency or emergency, wherever possible in consultation with the Mayor or Deputy Mayor for Finance, Governance and Performance and subject to a full report as soon as possible afterwards to the relevant forum explaining the decision, the reasons for it and why the decision was treated as a matter of urgency.

SIGNATORIES:

DECISION MAKER:

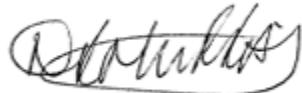
Signed:



S151 Officer and / or Head of Paid Service

Title Director of Finance/S151 Officer

Signed



Date: 20 May 2020



DECISION

DECISION OF: S151 OFFICER

WITH ADVICE FROM: EXECUTIVE DIRECTOR OF PEOPLE AND DIRECTOR OF ADULT SOCIAL CARE

DIRECTORATE: PEOPLE

DECISION NO: 004

(2020/21 ASC: COVID-19 Emergency Infection Control Fund Grant)

SUBJECT:

COVID-19: Infection Control Fund Grant - Allocation to Care Home and Domiciliary Care Providers

KEY DECISION:

Yes

REASON:

To authorise the allocation of COVID-19 Infection Control Fund Grant to Care Homes. The grant, announced by Government on 13 May 2020 makes available £4.025m to Bristol City Council to support adult social care providers to reduce the rate of transmission in and between care homes and to support workforce resilience.

The conditions for the grant require that it is allocated in two tranches on the following basis:

- 75% passed to all Care Homes (those with whom the authority has a contract and those which it doesn't) based on a rate per 'registered bed'.
- 25% allocated to Home Care and / or Domiciliary Care providers to support wider workforce resilience

The paper is seeking authority to pay the first tranche, £1,509,471 of the 75% Allocation to Home Care Providers based on 3,032 registered beds in Bristol (from CQC Care Home Register details) at a rate of £497.85 per bed (50% of the full rate of £995.69 per CQC-registered bed.).

BACKGROUND:

The Government has provided a Section 31 grant, ring fenced exclusively for actions which support care homes and domiciliary care providers mainly to tackle the risk of COVID-19-19 infections. This is in addition to the COVID-19 funding already received.

The grant represents the next phase of the Governments response for care homes, using the latest domestic and international evidence brought together by Public Health England, and drawing on the insights of care providers.

The provisions set out the steps that must be taken to keep people in care homes safe, and the support that will be brought together to help care providers put this into practice.

In preparation for the allocation the authority has been asked to put in place a care home support plan, drawing on local resilience and business continuity plans which was submitted to Department of Health on 29 May. The Chief Executive, Director of Public Health and Director of Adult Social Care together with BNSCCG submitted the care home support plan including:

- i) A cover letter setting out a short overview of the current activity and forward plan;
- ii) A short template confirming the current level of access to the support offer including number of care homes in Bristol, where the commitments are being delivered, including homes that the authority doesn't directly commission from, as well as details of issues and support needs; and
- iii) Confirmation of arrangements to carry out a daily review of the local care market (including all relevant data, especially on care homes), and taking actions immediately where necessary to support them.

The grant provisions require that it must be issued in accord with the conditions. Failure or breach could result in the grant being clawed back. Any grant not allocated is required to be repaid.

In order to ensure compliance the distribution of the grant will be accompanied by a letter outlining the conditions and notifying that an Agreement will be issued detailing the arrangements and conditions which each Care Home will be required to sign and return confirming acceptance.

The agreement itself will set out the basis upon which the grant is being allocated and specifically the provisions under which the grant complies the with relevant state aid legislation. To address the agreement has followed Department of Health advice and mitigate the risk of challenge by including the specific provisions under which the grant is being issued:

- i) That the grant is covered under the Services of General Economic Interest Decision (SGEI) 2012/21/EU as the measures will help reduce the incidence and spread of COVID-19 and are over and above normal contract requirements
- ii) That the grant is within the de minimus provisions in accordance with Commission Regulations:
 - a. (EU) No 360/2012 of 25 April 2012 (Articles 107 and 108)
 - b. (EU) No 1407/2013 of 18 December 2013 9Articles 107 and 108)
 - c. Temporary Framework for COVID-19,

The preferred approach to ensuring compliance with State Aid regulations will be incorporated in the agreement between the authority and each of the care providers receiving the grant.

DECISION:

To authorise payment of the first tranche of the IPC grant totalling £1,509,471 to Care Home providers.

The payment is from the 75% of the IPC Fund allocated Home Care Providers based on 3,032 registered beds in Bristol (from CQC Care Home Register details) at a rate of £497.85 per bed (50% of the full rate of £995.69 per CQC-registered bed).

OPTIONS CONSIDERED:

Government policy and arrangements to distribute the IPC Fund as a grant to providers

FINANCIAL IMPLICATIONS:

The COVID-19 Infection Control Fund Grant totalling £4.025m will be received in two instalments, 50% already received on 27 May and the remaining 50% balance is scheduled for receipt in July. The primary purpose of this fund is to support adult social care providers, including those with whom the local authority does not have a contract. It will be allocated to support:

- a) Care Homes, to reduce the rate of COVID-19 transmission in and between care homes. This payment will be based on 75% of the grant and paid in two instalments within ten days of receipt. It will be paid on condition that:
 - The Care Homes complete and maintain the BNSCCG Care Home Tracker
 - The Care Homes sign an agreement to the grant conditions and to provide details evidencing the spend in accord with the conditions

The fund will be allocated to Care Homes based on the number of CQC registered beds at a rate of £995.69 per bed, 50% on the first instalment and the remaining 50% on the second instalment.

The paper is requesting authority to release the first payment on the above basis totalling £1.509m.

- b) Care Homes and Domiciliary care providers to develop and sustain wider workforce resilience. This payment will be based on 25% of the grant and the purpose and basis of the allocation is to be decided.

The table below provides a breakdown of the grant, the instalments and the CQC details including the number of registered beds and the rate per bed for each instalment.

Service	TOTAL £	Registered Beds No.	Tranche 1 (T1) Payment - June 12, 2020 £	T1 x 75% £	£s / bed £.p	T1 x 25% £	Tranche 1 (T2) Payment - July 2020 £	T2 x 75% £	£s / bed £.p	T2 x 25% £
Bristol	4,025,256	3,032	2,012,628	1,509,471	497.85	503,157	2,012,628	1,509,471	497.85	503,157

As part of the plan to prevent the risk of breach or claw back the service has undertaken a review with each of the providers to confirm:

- That the Care Tracker has been updated
- Arrangements in place within each care Home
- The number of beds.

LEGAL POWERS AND IMPLICATIONS

The Council has a duty to support the care market and ensure capacity and sustainability.

CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

None.

CONSULTATION

Discussions have taken place with care providers.

RISK MANAGEMENT

Risk of contravening State Aid provisions will be addressed through the Agreement with each Care Home which will set out the basis of how the grant complies with regulations

Risk of claw back of the Allocation has been addressed by:

- Supporting Care Homes to complete the BNSCCG Care Tracker
- Letter sent to care Homes advising that in order to receive the grant they will be required to sign an Agreement accepting the terms and
- The Agreement will detail the terms and conditions of the grant and requirements for the provision of documents to evidence that the grant has been spent in accord with the conditions.

EQUALITY IMPLICATIONS

Have you undertaken an Equality Impact Assessment? Yes / No

An equalities impact assessment will be completed on this work.

CORPORATE IMPLICATIONS

None, other than those already highlighted

This decision is being taken under the urgency/emergency powers provided in the Council's Constitution and scheme of delegation.

The Head of Paid Service and / or Section 151 Officer can take emergency action on behalf of the Council on any matter in cases of urgency or emergency, wherever possible in consultation with the Mayor or Deputy Mayor for Finance, Governance and Performance and subject to a full report as soon as possible afterwards to the relevant forum explaining the decision, the reasons for it and why the decision was treated as a matter of urgency.

Background Documents:

- Infection Control Fund Grant Agreement
- [Coronavirus \(COVID-19\): care home support package](#)
- [Support for care homes: letter from the Minister of State for Care](#)
- [Adult Social Care – Infection Control Grant: Guide and Conditions: May 2020](#)
- [Adult Social Care - Infection Control Ring-Fenced Grant: Guide and Conditions May 22 2020](#)

SIGNATORIES:

DECISION MAKER:

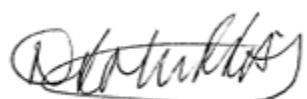


Signed:

S151 Officer and / or Head of Paid Service

Title Director of Finance/S151 Officer

Signed



Date: 12 June 2020



BRISTOL CITY COUNCIL

DECISION

DECISION OF: S151 OFFICER

WITH ADVICE FROM: EXECUTIVE DIRECTOR OF PEOPLE AND DIRECTOR OF ADULT SOCIAL CARE

DIRECTORATE: PEOPLE

DECISION NO: 005

(2020/21 ASC: COVID-19 Emergency Control)

SUBJECT:

COVID-19: Infection Control Fund (ICF)- Allocation and Support to Care Providers

KEY DECISION:

Yes

REASON:

To authorise the allocation of COVID-19 Infection Control Fund grants. The fund, announced by Government on 13 May 2020, makes available £4.025m to Bristol City Council to support adult social care providers with infection control measures. This is one-off funding and in the absence of new burden funding from central government, it is expected that care providers will make plans to cover equivalent needs in future as they transition to recovery business plans.

The conditions for the fund require that it is allocated in two tranches on the following bases.

- 75% passed to all Care Homes (both those with whom the authority has a contract and those with whom it doesn't) based on a rate per 'registered bed'.
- 25% allocated to Home Care / Domiciliary Care providers to support wider workforce resilience

This decision relates to the use of the 25%, amounting to £1.06m, payable in two tranches.

BACKGROUND:

The Government has provided a Section 31 grant, ring fenced exclusively for actions which support care homes and domiciliary care providers mainly to tackle the risk of COVID-19 infections. This is in addition to the COVID-19 funding already received.

- Grant conditions explicitly state that the payment must not be used to fund:

- Fee uplifts
- Expenditure already incurred
- Activities for which the Authority has earmarked or allocated expenditure
- Activities which do not support ‘the primary purpose of the Infection Control Fund’

Payments will be received in two tranches. The first tranche is £2.012m. Of this, 75% (£1.5m) has been paid to Care Home providers. Whereas the use of that 75% was strictly stipulated, there is some flexibility around use of the 25% ($2 \times £0.503m = £1.006m$), but it is still prescribed as follows.

‘Local authorities may use 25% of the grant on other COVID-19 infection control measures, including payments to domiciliary care providers or wider workforce measures. These wider measures could include, for example, additional financial support for the purchase of PPE by providers or by the local authority directly (although not for costs already incurred) or measures the local authority could put in place to boost the resilience and supply of the adult social care workforce in their area in order to support effective infection control.’

The grant provisions require that it must be issued in accord with the conditions. Failure or breach could result in the grant being clawed back. Any grant not allocated is required to be repaid.

Adult social care commissioners have set out proposals for the use of these monies. It is necessary to indicate that the total of the first tranche has been allocated/spent by 30 June in order to call down the second tranche.

Across the South West the majority of authorities appear to be using the monies to support the wider care market.

In addition to the Infection Control Fund monies care homes have just received, the provider market is receiving the following additional COVID 19 funding to help address the additional costs associated with COVID 19:

- **Care Homes:** based on £100 per week per bed commissioned by BCC
- **Home Care, Supported Living, Extra Care Housing,** based on £1 per hour commissioned by BCC

These payments are due to end on 6th July.

What plans are there for managing infection control in care settings for the rest of year (including any potential local outbreak)? The grant is very specific on time frames and has to be spent by 30 September and unspent money then returned. There is a NHS Bristol, North Somerset and South Gloucestershire (BNSSG) Care Provider Cell that brings together local authorities (Adult Social Care and Public Health), Sirona (the community NHS provider), and the Clinical Commissioning Group to look at outbreaks. A Bristol Care Homes outbreak plan is being developed, and the potential financial impact on providers and on the wider Council is being identified.

Commissioners have considered a number of options for use of ‘the 25%’ and checked them against the grant conditions. We propose the following to support providers and Bristol citizens to improve infection control, within the criteria of the grant.

**1. Infection Control Funding for Providers to support workforce resilience.
Minimum £756,314**

Current additional funding for providers through COVID-19 monies ends on 6 July. We propose the majority of the money should be used to provide infection control funding for non-care home providers (home care, supported living, shared lives, CSS) to support workforce resilience, and other measures. Whilst this is not a fee increase, we would share out monies available amongst our providers using the same basis of calculation as COVID-19 monies: based on hours per week commissioned. Other proposals set aside monies which may not be used in entirety. We propose therefore (as unused monies have to be returned) that agreement is provided in advance that any underuse of proposals 2 and 3 is added to the monies shared amongst providers when we receive the second tranche of monies.

2. Small PPE Fund for micro providers £100k

COVID-19 has brought to the fore the role of a range of micro ‘care providers’ that have not previously used PPE and cannot easily access it. Includes (unpaid) family carers where people have ended formal care because of anxiety about contagion; Direct Payment holders employing their own staff; smaller community organisations needing to use PPE for activity with vulnerable groups who don’t access other provision, in particular BAME led organisations and community organisations supporting people with learning difficulties.

3. Whole Setting Testing Fund for non care home settings. £150k.

Supported Living and Extra Care housing do not have access to whole setting testing in the way that care homes do. Supported Living settings support people for whom social isolating can be challenging. Adult Care and Public Health are working together on outbreak plans, and feel a small fund to purchase whole setting testing, will enable us to respond timely and address additional human financial and social impact,

The cost is £225 per test. An average supported living setting could cost £7500 per run of tests. If repeated this three times could be £22,500 per setting. We propose a fund of £150,000 to use in extremis.

DECISION:

To authorise allocation of the 25% of Infection Protection Fund monies amounting to £1.06m, to be received/distributed in two tranches, and allocated

as follows.

- **PPE for Micro Providers maximum sum £100k**
- **Whole setting testing (supported accommodation) maximum Sum £150k**
- **Remainder to be allocated as Infection Control Monies for Domiciliary/ Supported Accommodation Providers (relative to hours commissioned)**
Minimum £756,314

OPTIONS CONSIDERED:

- **Retain 25% of Fund as Savings or set against previous spend**
The Grant Circular is clear that the monies cannot be set against existing spend or spend for which monies have already been earmarked. All unspent monies have to be returned. **Not Recommended.**
- **Provide additional monies for Care Homes.**
Whilst it is clear that care homes have borne the brunt of outbreaks so far other providers also need to pay an increasing role in infection control. Very few authorities we spoke to are providing more of the grant allocation for care homes. **Not Recommended.**
- **Infection Control Funding for Providers to support workforce resilience.**
Minimum £756,314

Current COVID funding for providers ends on July 6th. We propose to use most of the fund to provide additional funding for domiciliary providers (non-care home providers). We intend to share it out on the same basis as the COVID-19 monies: an additional payment calculated on the basis of number of hours commissioned. It is unclear whether there is an expectation that the 25% should be used for all provision in city boundaries, in the way that the care home focused 75% was. However, if we did this for these providers, in absence of national guidance, some supported living providers could receive double funding. For home care and ECH providers there is a potential issue for providers supporting self-funders. However we do not propose to offer additional financial payment for self-funder providers, as it would be difficult to decide on what basis we would do that. This may be challenged by providers.

Other proposals set aside monies which may not be used in entirety, we propose therefore (as unused monies have to be returned) that agreement is provided in advance that any underuse of proposals 2 and 3 is added to the monies shared amongst providers when we receive the second tranche of monies.

- **Small PPE Fund for micro providers £100k**

PPE is an infection control measure. As recovery begins, the role of small providers who may not normally purchase PPE is changing and they need to protect themselves and the people they are supporting.

Rules for the 75% passported to care homes explicitly exclude using that proportion on PPE. The 25% can be used for PPE, but cannot be used for previous spend (before May 13). BCC is now enabling providers to access cost effective PPE by using its purchase power. ASC commissioners feel that further subsidy for the market is not justified. However, COVID-19 has brought to the fore the role of a range of micro 'care providers' who have not previously been supported in this way. This includes (unpaid) family carers where people have ended formal care because of anxiety about contagion; Direct Payment holders employing their own staff; smaller community organisations needing to use PPE for activity with vulnerable groups who don't access other provision, in particular BAME led organisations and community organisations supporting people with learning difficulties

- **Whole Setting Testing Fund for non care home settings. £150k.**

Supported Living and Extra Care housing do not have access to whole setting testing in the way that care homes do. Supported Living settings support people for whom social isolating can be challenging. Adult Care and Public Health are working together on outbreak plans, and feel a small fund to purchase whole setting testing, will enable us to respond timely and address additional human financial and social impact.

The cost is £225 per test. An average supported living setting could cost £7,500 per run of tests. If repeated this three times could be £22,500 per setting. We propose a fund of £150k to use in extremis

FINANCIAL IMPLICATIONS:

The COVID-19 Infection Prevention Control (IPC) Grant totalling £4.025m will be received in two instalments, 50% already received on 27 May and the remaining 50% balance is scheduled for receipt in July. All monies need to be spent or returned. The Grant Circular includes a reporting template.

LEGAL POWERS AND IMPLICATIONS

The Council has a duty to support the care market and ensure capacity and sustainability.

CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

None.

CONSULTATION

Discussions have taken place with care providers.

RISK MANAGEMENT

Risk of claw back of the Allocation has been addressed by:

- Allocating all monies.

Letter to be sent to providers advising that in order to retain monies they must be used for infection control.

EQUALITY IMPLICATIONS

Have you undertaken an Equality Impact Assessment? Yes / No

An Equalities Impact Assessment will be carried out.

CORPORATE IMPLICATIONS

None, other than those already highlighted

This decision is being taken under the urgency/emergency powers provided in the Council's Constitution and scheme of delegation.

The Head of Paid Service and / or Section 151 Officer can take emergency action on behalf of the Council on any matter in cases of urgency or emergency, wherever possible in consultation with the Mayor or Deputy Mayor for Finance, Governance and Performance and subject to a full report as soon as possible afterwards to the relevant forum explaining the decision, the reasons for it and why the decision was treated as a matter of urgency.

SIGNATORIES:

DECISION MAKER:

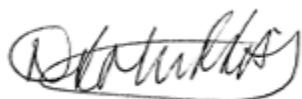


Signed:

S151 Officer and / or Head of Paid Service

Title Director of Finance/S151 Officer

Signed



Date: 1 July 2020