

# Decision Pathway – Report Template



**PURPOSE:** Key decision

**MEETING:** Cabinet

**DATE:** 28 April 2020

<b>TITLE</b>	Covid-19 Emergency Decision Making		
<b>Ward(s)</b>	All		
<b>Author:</b> Michael Pilcher	<b>Job title:</b> Chief Accountant		
<b>Cabinet lead:</b> Craig Cheney	<b>Executive Director lead:</b> Mike Jackson		
<b>Proposal origin:</b> <i>BCC Staff</i>			
<b>Decision maker:</b> Cabinet Member <b>Decision forum:</b> <i>Cabinet</i>			
<b>Purpose of Report:</b> The Council declared a major incident and implemented its Gold Command arrangements to respond to the COVID19 emergency and as such the Council is required to take decisions on the basis of a Command, Control and Co-ordination basis. There is currently provision within the Council's Constitution and scheme of delegation for finance for the Head of Paid Service or Section 151 in consultation with Mayor or Deputy Mayor for Finance, Governance and Performance to make decisions on matters requiring immediate action or in an emergency. This report requests an extension and expansion of existing emergency decision making powers to continue functioning in a timely and responsive manner as events unfold quickly and urgent decisions need to be made.			
<b>Evidence Base:</b> <b>Context:</b> As a result of the exceptional circumstances facing the Council and the whole of the Country in the light of the COVID-19 Pandemic, all Councils have moved to Gold Command and Control arrangements and looking to streamline their decision-making processes in order to respond quickly and effectively to situations as they arise in order to meet obligations to protect life, contain and mitigate the impact of the emergency and to create the conditions needed for an eventual recovery to normality. The Council's scheme of delegation for finance gives delegated authority to Head of Paid Service and / or section 151 officer in consultation with Mayor or Deputy Mayor for Finance, Governance and Performance to make emergency payments up to £2m where funding is available, however budget provision has not been made as per the policy and budget framework and the payment cannot be covered within the relevant service's existing budget. As part of the delegations a full report must be produced to the relevant forum explaining the decision, the reasons for it and why the decision was treated as a matter of urgency. Outlined below is the emergency funding announced by government to support local authority response and where known Bristol City Council's proportion, including the funds held on account for passporting direct to businesses eligible for business support grants.			

## Emergency Funding:

Table 1: Summary of funding or payment on account received to date

Funding / Payment on Account	National Allocation £bn	Bristol City Council Allocation £m
Covid-19 Emergency Funding Initial allocation (19 March)	1.600	13.5
Covid-19 Emergency Funding Second allocation (18 April)	1.600	tbc
Hardship Fund	0.500	5.005
Business Support Grants	12.333	88.338

## Decisions taken under emergency response / urgent payments

### 1. Emergency response fund:

On 19 March 2020 in response to the Covid-19 outbreak central Government allocated an initial £2.9 billion funding to strengthen care for the vulnerable across the Country. Of this, £1.6 billion was allocated to Local Government to help respond across all the services they deliver, including increasing support for the adult social care workforce and for services helping the most vulnerable, including the homeless and rough sleepers. Bristol City Council received an allocation of £13.5 million.

A further £1.6 billion funding was announced on 18 April in recognition of the significant cost to local authorities in responding to the crisis over the period of the contagion / crisis, the allocation to Bristol City Council is not known at the time of publication.

Outlined in the table below are agreed allocations and provisional allocations from the initial tranche of funding relating to the immediate spending for the incident response phase, many of which will be extrapolated to reflect the extended period of severity. The Mayor and relevant Cabinet Members have been appraised of decisions as they have been made.

Table 2: Breakdown agreed and provisional allocations of emergency response fund

	Agreed Allocation £m	Provisional Allocation £m
Personal Protective Equipment	0.000	0.400
Additional ICT equipment and licenses	0.000	0.250
Adult Social Care	9.370	9.370
Public Health	0.000	1.030
Housing/Homelessness	0.000	2.350
Death Management Process	0.000	0.840
Communications	0.000	0.030
	<b>9.370</b>	<b>14.270</b>

**Personal Protective Equipment** – The provision of PPE for staff and frontline care workers is essential for the safety of staff and in combating the pandemic. £0.4 million represents an initial allocation but additional allocation is likely to be required in this area.

**Additional ICT Equipment and licenses** – In order to ensure Council colleagues supporting front line services such as registrars and social care are able work and communicate effectively additional mobile phones, laptops and conferencing software has been purchased.

**Adult Social Care** – circa £3.12 million of the funding to be placed into a pooled budget with the CCG to cover costs including rapid increase in discharge support and short-term interventions. £4.04 million is allocated to support the sustainability of local care market during the crisis including £1.359m as temporary

uplifts to fees for Adult Social Care providers to support sustainability of the sector and support with increase in costs being incurred. £2.21 million is also required for additional capacity with the Council's front line staffing and voluntary care sector.

**Public Health** – The pandemic puts great pressure on all areas of public health and additional funding is required to support the pandemic but also related issues which are more acute because of the social distancing measures such as support for domestic abuse and drug and alcohol services.

**Housing/Homelessness** – The Council have put all rough sleepers into accommodation, an allocation of £2.4 million supports the related costs of this during the incident response phase.

**Death Management Process**– An initial £0.840 million has been proposed for initial costs of preparing and management of death processes, including additional capacity in registration of deaths, coroners and, storage and transportation costs.

**Communications** – good communication is an essential part of the response and also recovery and an initial allocation of £0.030 million is earmarked to support strong communications across the City during this crisis.

Actual expenditure incurred will be captured in the monitoring report of the relevant services following which funding will be allocated.

It should be noted that this allocation is not exhaustive and only reflects the first tranche of funding required for our early response and indicates that the authority's portion of the £1.6bn (£13.5m) will be insufficient to respond to the crisis or support acceleration to recovery.

At this stage of the response it isn't possible to accurately identify the full financial impact on all individual services due to the fast paced and changing nature of the outbreak. However the key services which may require additional funding above that set out above are listed below:

- Council Tax Reduction Scheme
- Children and families
- Education/Schools/SEND
- Recycling and Waste services
- Social Housing Tenants
- Health & Safety

Approval is sought to incorporate the announced funding within the Council's budget and delegate authority to Head of Paid Service and Director of Finance in consultation with the Mayor and Cabinet Member for Finance, Governance and Performance any urgent decisions required in relation to the emergency response and allocation of funding where necessary.

## **2. Hardship Fund:**

The Government announced a £500 million hardship fund to help provide relief and support for vulnerable people and households to help those affected most by coronavirus. Bristol City Council received an allocation of £5.0 million.

The guidance recommends that any household already in receipt of working age Council tax relief to receive up to an additional £150 reduction in their bills. Further detail on the implementation of this is available in Appendix A2 - Council Tax s13a relief - Coronavirus Hardship Fund. This measure will likely cost up to £0.8 million and therefore residual funds are therefore available to allocate to other local welfare schemes.

Noting that a reduction in Council Tax reduces a liability rather than providing immediate support to those most in need, £0.4 million was allocated to increase the funding available under the Local Crisis Prevention Fund which provides emergency payments for those who can't afford basics like food, gas, electricity and other household goods.

£0.2 million was allocated to increase the funding for Discretionary Housing Payments to provide additional support to those who's Housing Benefit or Universal credit doesn't provide enough money to cover the rent. Further details are available in Appendix A1 – Hardship Fund.

Small changes have been approved to the Local Crisis Prevention Fund policy to include eligibility as result of pandemics and to remove of any previous medical supply restrictions. The revised policy is available at:

<https://www.bristol.gov.uk/benefits-financial-help/emergency-payments-local-crisis-and-prevention-fund>

The residual funding of £3.6m is currently earmarked to support the additional number of applications being made to the Councils Council Tax Reduction scheme which has seen an increase of 500% since the crisis commenced.

### **3. Business Support Grants:**

The Department for Business, Energy and Infrastructure announced two grant schemes to support businesses vulnerable from impact of the pandemic, a small business grant fund and a Retail, Hospitality and Leisure grant fund.

Under the Small Business Grant Fund (SBGF) all businesses in England in receipt of Small Business Rates Relief (SBRR) will be eligible for a payment of £10,000.

Under the Retail, Hospitality and Leisure Grant (RHLG), businesses in England that would have been in receipt of the Expanded Retail Discount (which covers retail, hospitality and leisure) with a rateable value of less than £51,000 will be eligible for the a cash grant of either £10,000 or £25,000 dependent on the rateable value of the property.

Bristol has increased resources to support this distribution and aspire to have assessed the majority of applicants by the end of April 2020.

### **Financial Impact**

The funding received by Central Government is new funding to be spent on costs directly related to the response, and doesn't consider other impacts such as loss of key incomes streams or the longer term impact to the Council's financial position. The Government have provided funding for some of our key grants upfront and also deferred some minor payments due from the Council which has helped the short term cash position but does not go far enough in mitigating cash-flow risks.

It should be noted that the material loss of income anticipated in the medium and long term tail will significantly impact upon the council's 2020/21 budget, the Medium Term Financial Plan, Treasury Management and Capital Strategy. These will require remodelling during the year as the wider picture and financial impact is more fully understood. As part of this review the council will need to consider mitigations and review all previously earmarked reserves, redirect and reprioritise to ensure sustainability, delivery of core services and drive recovery.

This position will be kept under review, working closer with partners and representation will continue to be made to Government on this basis

### **Procurement**

COVID-19 is having an impact on public procurement activities, including on delivery of existing contracts and on tendering for new contracts. A protocol has been put in place which sets out how the Council intends to respond to challenges during the incident response phase. It is recognised that the current situation means that adoption of typical and expected processes related to procurement and contracting matters will be difficult to maintain in whole or in part.

The protocol sets out principles to make use of existing provisions, as well as defining additional flexibility whilst this protocol is in force, within the Council's own Procurement Rules in order to meet the significant challenges presented. Full detail of the protocol is available in Appendix A3.

### **Risk Management**

Risks relating to the COVID19 emergency are being managed through the incident management team and the Council's business continuity processes.

The proposed amendment to the Scheme of delegation is designed to reduce the risk of decision making being delayed where urgent decisions need to be taken to contain and protect life, protect vulnerable residents within the City and to contain and mitigate the impacts of the emergency

### **Cabinet Member / Officer Recommendations:**

That Cabinet,

#### **Approve:**

- The incorporation of £18.5m (£13.5m COVID 19 emergency response fund and £5m hardship fund) into the Council's budget.

- The incorporation of £88.3m funding on account held temporarily in the Councils reserves for the provision of Business Support Grant Funding.
- The delegation of authority to the Head of Paid Service and the Director of Finance in consultation with the Mayor and the Deputy Mayor, Cabinet Member for Finance, Governance and Performance, to make any urgent decision relating to the emergency response which involves new policy or a change to existing policy and to make any necessary technical adjustments or adjustments to the budgets upon receipt of the above and future Government funding in response to the COVID 19 pandemic; with transfers to and or from reserves as appropriate.

**Note ,**

1. decisions taken under emergency / urgent payments:
  - The protocol for the disbursement of the Hardship fund and indicative funding streams as set out in Appendix A1.
  - The section 13a policy for additional Council Tax relief as set out in Appendix A2
  - The revised Local Crisis and Prevention Fund Policy.
  - The emergency procurement protocol as set out in Appendix A3.
  - Additional payments of £1.359m to be made to care providers as set out in Appendix A4.
2. The 2020/21 budget is being reviewed and a redirection of existing budget and earmarked may be required during the year.
3. The indicative allocations from initial grant funding (detailed in Table 2) and that the Director of Finance in consultation with the Head of Paid and Cabinet Member for Finance will amend these allocations within the overall funding limit to respond to need as required.

**Corporate Strategy alignment:** This report seeks to update Cabinet on some of the decision making take and financial implications associated with the response of the current Covid-19 pandemic. At the heart of the Council's response is ensuring the services that support those most in need are prioritised acting in line with priorities of empowering and caring and supports citizens wellbeing

The pandemic impacts on all areas from health and care to the local economy and the Council aims to ensure its decisions are aligned to fair and inclusive commitments by understanding and supporting the social and economic impact on all different groups.

The report also updates on initial financial impact and steps the Council may need to take to address acting in line with our organisational priority to 'Be responsible financial managers'.

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

**Consultation Details:** No Consultation has taken place

**Background Documents:**

<https://www.gov.uk/government/news/government-confirms-500-million-hardship-fund-will-provide-council-tax-relief-for-vulnerable-households>

<https://www.gov.uk/government/news/2-9-billion-funding-to-strengthen-care-for-the-vulnerable>

<b>Revenue Cost</b>	<b>£18.5m</b>	<b>Source of Revenue Funding</b>	£13.5m - Covid-19 Emergency Funding Grant £5m - Hardship Fund
<b>Capital Cost</b>	<b>£0</b>	<b>Source of Capital Funding</b>	n/a
<b>One off cost</b> <input checked="" type="checkbox"/> <b>Ongoing cost</b> <input type="checkbox"/> <b>Saving Proposal</b> <input type="checkbox"/> <b>Income generation proposal</b> <input type="checkbox"/>			

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

<b>1. Finance Advice:</b> The financial implications arising from this decision are included in the body of the report.		
<b>Finance Business Partner:</b> Michael Pilcher, Chief Accountant 20/04/2020		
<b>2. Legal Advice:</b> The recommendations in this report will ensure that the Council is able to meet its financial and legal obligations relating to the emergency response. The emergency response touches upon all parts of the Council's functions and ongoing legal advice is being provided to support the emergency response and changes to legislation arising from the Coronavirus Act 2020.		
<b>Legal Team Leader:</b> Tim O'Gara, Director: Legal and Democratic Service 20/04/2020		
<b>3. Implications on IT:</b> No anticipated impact on IT Services		
<b>IT Team Leader:</b> Simon Oliver, 20/04/2020		
<b>4. HR Advice:</b> There are no HR implications as a direct result of the recommendations in report. There are significant HR implications are part of the on-going response to the Covid-19 pandemic managed through HR, the incident management team, and CLB Gold. There is regular communication with all staff, managers and unions on any HR implications of decisions taken in the response.		
<b>HR Partner:</b> Mark Williams 20/04/2020		
<b>EDM Sign-off</b>	Mike Jackson	20/04/2020
<b>Cabinet Member sign-off</b>	Craig Cheney	20/04/2020
<b>For Key Decisions - Mayor's Office sign-off</b>	Mayor's Office	20/04/2020

<b>Appendix A – Further essential background / detail on the proposal.</b>	<b>YES</b>
<b>Appendix B – Details of consultation carried out - internal and external</b>	<b>NO</b>
<b>Appendix C – Summary of any engagement with scrutiny</b>	<b>NO</b>
<b>Appendix D – Risk assessment</b>	<b>NO</b>
<b>Appendix E – Equalities screening / impact assessment of proposal</b>	<b>NO</b>
<b>Appendix F – Eco-impact screening/ impact assessment of proposal</b>	<b>NO</b>
<b>Appendix G – Financial Advice</b>	<b>NO</b>
<b>Appendix H – Legal Advice</b>	<b>NO</b>
<b>Appendix I – Exempt Information</b>	<b>NO</b>
<b>Appendix J – HR advice</b>	<b>NO</b>
<b>Appendix K – ICT</b>	<b>NO</b>
<b>Appendix L – Procurement</b>	<b>NO</b>