

BATH AND NORTH EAST SOMERSET

CABINET

These minutes are draft until confirmed as a correct record at the next meeting.

Thursday, 2nd July, 2020

Present:

Councillor Dine Romero	Council Leader and Liberal Democrat Group Leader
Councillor Rob Appleyard	Cabinet Member for Adult Services
Councillor Tim Ball	Cabinet Member for Housing, Planning, and Economic Development
Councillor Neil Butters	Cabinet Member for Transport Services
Councillor Paul Crossley	Cabinet Member for Community Services
Councillor Kevin Guy	Cabinet Member for Children's Services
Councillor Richard Samuel	Deputy Council Leader and Cabinet Member for Resources
Councillor Sarah Warren	Cabinet Member for Climate Emergency and Neighbourhood Services
Councillor David Wood	Cabinet Member for Climate Emergency and Neighbourhood Services
Councillor Joanna Wright	Cabinet Member for Transport Services

12 WELCOME AND INTRODUCTIONS

The Chair welcomed everyone to the meeting by explaining that this meeting is being held under The Local Authorities and Police and Crime Panels (Coronavirus)(Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020. The Council has agreed a protocol to cover virtual meetings and this meeting would operate in line with that protocol. The meeting has the same status and validity as a meeting held in the Guildhall.

13 APOLOGIES FOR ABSENCE

There were no apologies for absence.

14 DECLARATIONS OF INTEREST

The Legal Services Manager issued a dispensation on behalf of the Monitoring Officer in relation to any Councillors, including their family members, that were in receipt of any grants that had been awarded by the government under the COVID-19 Regulations, such as business grants or furloughing or were in receipt of Council services, to allow all Members of the Cabinet to take part in the debate.

15 RULE 16 COVID19 LOCAL OUTBREAK MANAGEMENT PLAN (LOMP) - URGENT BUSINESS AGREED BY THE CHAIR

The Chair informed the meeting that she has agreed to bring Covid-19 Local Outbreak Management Plan under urgent business agreed by the Chair.

This decision would be made under Part 4B Rule 16 of the Council's Constitution as an urgent decision. This matter was urgent because of the expectation that the Council would need to have an agreed plan in place for the beginning of July 2020 in light of the Covid19 pandemic.

The report has received an endorsement from the Health and Wellbeing Board on 23rd June.

Councillor Rob Appleyard said that the COVID situation has always been fast moving and clarity on what was required from all of us was not always been as we would have liked it. The Council were tasked by the government to have a Local Outbreak Management Plan (LOMP). The Director of Public Health, Dr. Bruce Laurence, and his team have been working very hard over the last few weeks to bring this quite comprehensive document together, which should give an indication of actions needed. This document was not just about the Council; it's about working with partners such as the CCG, hospitals, Virgin Care and a range of other partners.

Councillor Rob Appleyard moved the recommendations.

The Chair seconded the motion by saying a particular thank you to Dr Bruce Laurence, and also to officers who have managed to put this plan together in record time, in order to meet the demand of government to have this plan published by the beginning of July. The Chair thanked to all those who have been part of the pandemic stakeholders' group (group that will form the basis for the local outbreak engagement board) and for their continued commitment to working together. The Chair also thanked all those that have worked above and beyond to help and support others and provide services during this crisis, such as staff and a wide range of volunteers and many others, including those who think they have just helped their neighbours.

RESOLVED (unanimously) that the Cabinet agreed to:

2.1 Accept the Covid-19 Local Outbreak Management Plan as a suitable framework plan on which to base further planning of the local response to this pandemic.

2.2 Commit the Council to providing local leadership during this period of crisis, working with communities and other stakeholders in order to protect the health, wellbeing and prosperity of people in Bath and North East Somerset.

2.3 Commit to the provision of adequate material support for the implementation of this plan, while also taking into account other Council needs and pressures. (This is a commitment in principle: the framework plan does not detail any specific requests, but these will follow and be subject to separate decision making processes).

There were 15 questions from Councillors and 1 question from member of the public.
[Copies of the questions and responses, including supplementary questions and responses if any, have been placed on the Minute and are available on the Council's website.]

17 STATEMENTS, DEPUTATIONS OR PETITIONS FROM PUBLIC OR COUNCILLORS

David Redgewell in a statement [*a copy of which is available on the Council's website*] addressed the issues around bus travel around West of England Combined Authority during Covid-19 pandemic.

Councillor Eleanor Jackson in a statement [*a copy of which is available on the Council's website*] brought up some issues that residents and traders from Radstock and Westfield were facing during Covid-19 pandemic.

18 MINUTES OF PREVIOUS CABINET MEETING

RESOLVED that the minutes of the meeting held on Friday 29th May 2020 be confirmed as a correct record and signed by the Chair.

19 CONSIDERATION OF SINGLE MEMBER ITEMS REQUISITIONED TO CABINET

There were none.

20 MATTERS REFERRED BY POLICY DEVELOPMENT AND SCRUTINY BODIES

The Chair invited Councillor Paul Myers (Chair of the Corporate Policy Development and Scrutiny Panel) to address the Cabinet.

Councillor Myers read out the statement [*a copy of which is available on the Council's website*] in which he summarised findings by the Panel from its meeting on 30th June 2020, and the recommendations made by the Panel to the Cabinet.

The Chair thanked Councillor Myers for the statement and said that the Cabinet have noted comments and recommendations from the Corporate PDS Panel.

21 SINGLE MEMBER CABINET DECISIONS TAKEN SINCE PREVIOUS CABINET MEETING

The Cabinet agreed to note the report.

22 COVID-19 2020/21 FINANCIAL RECOVERY PLAN

The Chair invited Councillor Richard Samuel to introduce the report.

Councillor Richard Samuel read out the following statement:

'The COVID crisis has wreaked havoc across our economy and throughout our populations in the UK with this Council being no exception. So, just as businesses and households have to repair the damages to their finances, we have to do the same to ensure that we remain financially viable today, and ways ahead. Now, there are some who say that this shouldn't could been anticipated. However, those people are flying in the face of the facts globally no country, no government, a local administration, fully anticipated the scaling problem, and none was able to set aside funds to cover the current scale of the crisis. Those who make such arguments are seeking to make cheap, political capital, out of the misery of a truly global crisis. It could have been different if the UK acted more quickly, as countries such as New Zealand did well probably, but that's a debate for a different day.

Now, as members will know pressure has been building on the government to honour the commitments they gave at the start of the pandemic. And we have played our part in lobbying our special case for this little assistance. We are delighted that the detailed work we have carried out with government officials, finally appears to have paid off with the announcement of new assistance this morning by Robert Jenrick.

It is actually too early to interpret exactly what the additional local additional funding announcement means for the council and the detail is yet to be published. However, on the face of it, it seems that we are now more in the green scenario we originally planned, where budget reductions will still be required, but will be less severity yet it remains unlikely that all the losses that we have identified will be covered. And there will still be a need to reduce expenditure this year.

However, it was never the case that we should do nothing and rely on hope that at the end on finances would magically return to balance because income has returned to pre COVID levels, and our government has provided lots of unexpected funds. Well the choice we had was to take control of that situation and take decisive actions to secure our finances thus securing a quicker return to stability. It was never an option to do nothing.

I want to turn to the root of the difficulties faced by the Council because this is relevant in the light of today's announcement.

As members will know the council achieved the highest levels of externally generated income of all unitary councils in proportion to its budget. This means that our budget was one of the most exposed to reductions in income, and why we have had a particularly difficult position to deal with. And those income reductions can be exactly traced to the government's decision to lock down population thus choking off those income streams. And as I said earlier, we have argued strongly for assistance with ministers and officials and last week as we held a meeting with the local government minister Simon Clarke to press our case for special support.

Now today's announcement, not only provides unrestricted emergency funds although those are very limited, and they've already produced a negative reaction from local government sector, but they also announced the grant support package that recognises authorities income losses in a bespoke way as we have argued for right from the beginning. Now, in a nutshell, the government has argued as

announced that losses, over and above first 5% of planned income from sales fees and charges will be compensated at a rate of 75 p in every pound. This appears to cover heritage and parking income losses, but it is silent as to whether commercial estate income will be compensated.

The detail as to how this scheme will be administered has not yet been announced, and when we are aware of that we will return to later on.

I just want to just deal with some of the points that Councillor Myers raised in his presentation to Cabinet at the PDS panel earlier this week.

I speculated as to what might happen to those three main income streams and I'm just going to repeat these for the record, we do not believe that heritage income will fully recover in 2021. So, although the Roman Baths will open next week, because of social distancing requirements, we still expect capacity to be reduced to 30% of normal. And, the same applies to the Assembly Rooms and the Pump Room, longer term prospects depend, to some extent, on the world appetite for international tourism.

Some mitigation is possible through increased UK tourism, but we expect income to be depressed below 2019/20 levels on parking income. We do expect that to return closer to pre COVID levels, particularly if greater car use occurs due to social distancing requirements on public transport.

Commercial income is not expected to return to pre COVID levels during 2021, and longer term prospects are highly unpredictable due to uncertainty about the financial health of the retail and hospitality sector, many of whom are our plans and some businesses have argued publicly for rent free periods to be granted. I have asked what the estimated additional loss to the council would be where we do that. And what I've been advised is that the increased losses, would be around a million pounds a month if we were to grant rent free periods, say to all of our tenants. I think in the environment the report sets out, it is not prudent to go down that road with our tenants, but we are prepared to negotiate and discuss deferrals and different payment arrangements with all of our tenants and indeed have been doing so.

I want to just return now to the report itself. First to say what the report is not. It is not a new medium term financial strategy that tries to plot the course of the next three years, rather it is a recovery plan that deals with the urgent situation we face. A revised medium term financial strategy will be prepared that addresses and examines some future cost pressures the council will face, and will as part of its content consider the fiscal environment post COVID. I believe that's the correct way to approach our financial management, not in reverse order as suggested by opposition members. When there is fire - you put it out quickly, and then you rebuild your house. You do not rebuild your house and then allow the fire to take hold. So, we are taking urgent action as is necessary to secure this year's finances, and we will deal with the longer term position in due course. I would like to place on record thanks to everyone who has shaped this plan and prepared this plan in such a short time. This has been a terrific piece of council wide teamwork, in quite difficult circumstances. And, as has been mentioned, our auditors have expressed their satisfaction with it.

I'm not going to repeat the headline savings they remain at the moment in this report at £20.7m.

It would mean that when we are aware of any additional government funding, we will have choices about whether we need to do any draw down from reserves and to what extent.

Now, in the light of the high levels of government unrestricted grant announced today, the Cabinet will reassess the position when full of details are known, and we will make adjustments to these proposals. We will also keep a very close watch on COVID related spending to ensure it can be contained within the resources provided by government, and that would apply in the event of any second spikes within our area.

As members will know as part of the recovery plan of prepper preparation a full review of the capital programme was undertaken and adjustments made to reducing the borrowing costs as well as reprogramming slippage caused by the COVID lockdown.

We were concerned about the continuing impact pandemic would have on the ability of council tax and business ratepayers to pay their bills, as this ultimately feeds into future year's budgets. So, in this regard we welcome the announcement by the government state of greater flexibility in the treatment of election fund deficits. The full details of our proposals for the plan are contained within the appendices in the report, together with a full equalities impact assessment. I do not propose to speak to these details but I'm happy to take comments on them.

As we know the pandemic is a fast moving situation, and they will be, and there may be unexpected twists and turns ahead.

And it is really impossible to predict these future events, because so much depends on sensible behaviour by the public and adherence to government and local public health guidance.

We intend to monitor the delivery of this plan very closely, but also changing conditions locally, that may impact on the council's finances will be followed by corrective action if that is required. I have no intention, as some members opposition members have suggested to allowing the council's finance to drift. Such an intervention is necessary by the director of finance and it remains my intention that despite the exceptional circumstances we face, the books will balance at year end.

I commend this report to the cabinet for approval. I move the recommendations set out in report but they also move and additional recommendation 2.7:

2.7 - To welcome the announcement of additional government funding to the Council in particular the proposed income compensation scheme and agrees that once the detail has been received and analysed a further report will be brought forward setting out any adjustments to the Financial Recovery Plan.'

Councillor Richard Samuel moved the recommendations 2.1 to 2.6 with additional recommendation 2.7 (as above).

The Chair seconded the motion by thanking Councillor Samuel, other Cabinet Members and officers for their input in the report. The Chair also said that she welcomed additional support to councils and that she was grateful that the government had listened their concerns. However, the 'devil is in the detail' and the

Council would need to analyse carefully the announcement from the government and consider the impact it would have on Council's recovery plan. The Council would need set a framework which would be flexible enough to deliver services to its residents.

Councillor Paul Crosley made an appeal to all residents to take their litter home rather than leaving it across parks in the area. The collection of litter over the last few weeks has had significant financial impact on the Council. Councillor Crossley also said that Roman Baths have re-opened but with reduced visitor capacity due to social distancing. This would have negative financial impact on the Council, too. Also, Fashion Museum and Victoria Art Gallery would open around Easter 2021. Councillor Crossley concluded his statement by thanking Stephen Bird and his staff on drawing plans for re-opening Roman Baths and Pump Room.

Councillor Sarah Warren also welcomed the report and thanked the officers who worked so hard to resolve the financial difficulties that have arisen directly after the pandemic. The climate emergency was one of the highest priorities of this administration, and despite the turmoil brought to the community by COVID-19, this priority would must remain. Councillor Warren also said that the climate and nature emergency has not gone away and that she was delighted that despite the enormous financial challenge, the Council would keep the additional funding allocated in February for work on the climate emergency. Councillor Warren added that the Council would continue to work with local business to create new jobs and also to continue with the climate emergency measures as set out in the vision.

Councillor Tim Ball also supported the report and paid tribute to Council officers who have worked hard to deliver services to the community in these difficult times. Councillor Ball also welcomed the announcement from the government for additional support to councils and highlighted the need for funding grass cutting in the area.

Councillor Rob Appleyard welcomed the report and the news about government's additional support, and thanked the volunteers from 3SG and third sector for their support to the community. Councillor Appleyard highlighted that people who were shielding due to their medical conditions should be looked at in terms of their re-engagement with the community.

Councillor Joanna Wright also welcomed the report and highlighted the work of the Community Compassionate Hub did in the last few months. Councillor Wright felt that the report was well written and added that the Council would face real challenge to deliver its services to the community taking into consideration financial difficulties. Councillor Wright expressed her concern of community expectation from this Council to deliver a huge amount of infrastructure that would support lots of people to move to sustainable transport, The Council would need to make sure that our pavements were wide enough, and that parking is removed, so that people can move about as easily as possible, and to stay well and healthy. Councillor Wright thanked Andy Rothery and his team for the report and also to officers from highways and transportation for their hard work in the last few months.

Councillor Kevin Guy thanked the officers for the report and added that these were quite challenging times to protect and enhance services for children in need. The Council has been working closely with its partners to find new ways to support children and young people. The Council commissioned services from a range of charities and organisations to support vulnerable children and young people.

Council Guy informed the Cabinet that resources and support have been put in place with an offset of up to £57,000 by an agreement reached with St John's Trust. This would benefit most vulnerable children in the society. This support would be formalised with the relevant providers and would form part of the wider work, which St John's are implementing in Bath and North East Somerset, as part of their recently launched a foundation fund to help enhance children's lives. This cooperation means that there would be zero frontline reduction in preventative services that provide support for the most vulnerable in our society.

RESOLVED (unanimously) that the Cabinet agreed to:

- 2.1 To note the Covid-19 financial impact on the Council's revenue budget.
- 2.2 To note the planned commitments and utilisation of the £10m Covid-19 grant.
- 2.3 To note and approve the Director recovery plans, which are in line with the delegation given within the Council's Budget Management Scheme.
- 2.4 To support and approve the 2020/21 revenue budget financial recovery plans.
- 2.5 To note the changes in the capital programme as result of the capital review and approve the rephrasing of the programme budgets as set out in appendix 2.
- 2.6 To note the commitment of £11.43m Council reserves to be earmarked and utilised as the deficit funding source in the event of an over budget position after revenue mitigations and government grant.
- 2.7 To welcome the announcement of additional government funding to the Council in particular the proposed income compensation scheme and agrees that once the detail has been received and analysed a further report will be brought forward setting out any adjustments to the Financial Recovery Plan.

The meeting ended at 3.20 pm

Chair _____

Date Confirmed and Signed _____

Prepared by Democratic Services