

Council Report

Wards affected: All

Report of Chief Finance Officer

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## COVID19: Emergency Budget

### Executive Summary

Guildford Borough Council is a category 1 responder to civil emergencies under the Civil Contingencies Act 2004. This means that the Council has a vitally important role in responding locally to COVID19, to save lives, protect the NHS, and ensure our residents are protected wherever possible. We also have a duty to ensure that crucial council services continue to operate in these unprecedented times. The situation is changing rapidly. The purpose of this report is to set out the Council's response so far to COVID-19, the impact on our services and seeks approval of an emergency budget to support the Council's response. The Council's response to the pandemic has been intense and wide ranging across a number of critical services as set out in section 4 of the report. It is worth mentioning that these are extraordinary times, COVID19 is a world- wide pandemic which has resulted in severe measures to contain the virus both in the UK and nearly 200 other countries . ***It is unprecedented to stand up our National Emergency Plans, Surrey Major Incident emergency response and business continuity plans simultaneously on a protracted scale.***

Section 5 of the report sets out that Officers predict a range of financial implications for the Council depending on how long the government restrictions are in place. The financial implications could be between £5million and £15million (11% to 31% of the Council's Net budget requirement). Whilst further government grant support is anticipated, the amount and timing of that support is currently uncertain. As a result, officers recommend that the Council puts in place an emergency budget of up to £15million funded from reserves to cover both the costs being incurred and the potential loss of income from the COVID19 Pandemic.

Section 9 sets out the Council's response to redeploying staff from non-critical services into critical services to ensure that we can continue to meet the challenge. This has and will mean that in some non-critical services, ordinary council work is being put on hold or suspended for a period of time. The Council is extremely proud of how our staff have responded to this challenging and worrying situation. Many of these public servants are working on the front line delivering critical services and have demonstrated a real commitment in continuing with their work, whilst many others have joined them to provide

additional resource where it is most needed.

The Executive is asked to consider the recommendation to Council set out below.

### **Recommendation to Council (5 May 2020)**

That the Council:

- (1) Notes the Council's duties and response so far in dealing with the COVID19 pandemic
- (2) Notes the initial assessment of the impact on Guildford Borough Council's short-term financial position
- (3) Approves a revenue supplementary estimate of £15million to be funded from general fund reserves, such funding to be drawn down only if further government support is not forthcoming or is insufficient to cover the financial impact of COVID19 on the Council and sufficient cost savings cannot be found
- (4) Notes the advice of the Chief Finance Officer in paragraph 5.18 regarding the level of reserves and the potential need to rebuild reserves to a sufficient level if government grant support falls short
- (5) Notes the changes to Local Authority powers and duties introduced by the Coronavirus Act 2020 and delegates to the Managing Director, in consultation with the Leader of the Council, authority to amend service provision in accordance with the Council's statutory duties as these may be varied by the Act, regulations and guidance made thereunder.

#### Reason for Recommendation:

To enable the Council to continue to respond to the COVID19 emergency.

**Is the report (or part of it) exempt from publication? No**

## **1. Purpose of report**

- 1.1 The purpose of this report is to set out the Council's duties as a Category 1 responder under the Civil Contingencies Act 2004 in responding to the COVID19 Pandemic Emergency and provide an update on the response so far.
- 1.2 Council Constitution Part 3 Delegation to Officers, Managing Director, paragraph 2 states that the Managing Director can, in consultation with the Leader where practicable and the Monitoring Officer, act in an emergency or in relation to matters of urgency in relation to any functions of the Council, subject to the use of this power being reported to the next meeting of the Council, Executive or committee concerned.
- 1.3 Many of the actions the Council has taken so far have involved incurring emergency expenditure that was not included in the Council's 2020-21 Budget approved by Council on 5 February 2020. This report therefore seeks approval of a supplementary estimate for the general fund revenue account and the housing revenue account to deal with the financial impact of the COVID19 Pandemic Emergency.

## **2. Strategic Priorities**

2.1 The budget underpins the Council's strategic framework and delivery of the Corporate Plan.

### **3. Background**

3.1 Councils, like Guildford Borough Council, are category one responders under the Civil Contingencies Act 2004, which sets out the legislative framework for responding to emergencies such as the COVID-19 outbreak. As part of the local resilience forum (LRF), councils work with local partner organisations to plan and activate their emergency responses, and there are established officer-led processes for leading the strategic (gold), tactical (silver) and operational (bronze) responses to emergencies under the 2004 Act. LRFs are based on police areas and so Guildford, along with all the other District and Borough Councils, Surrey County Council, Surrey Police, Surrey Fire and Rescue Service and local NHS bodies are all category 1 members of the Surrey Local Resilience Forum (SLRF). Category 2 responders, such as utility and infrastructure companies are also part of the SLRF. Surrey County Council leads the SLRF.

3.2 A Major incident was declared in Surrey on Thursday 19 March due to the Covid-19 pandemic affecting Surrey. The Surrey Strategic Coordinating Group (gold) was established at Mount Browne on 20 March, with meetings happening in person and virtually. The SCG is working with all partners and agencies across Surrey to provide a co-ordinated response, with the main aims to:

- support colleagues in health to ensure that we reduce pressure on the health system;
- delay the spread of the virus and save lives;
- support communities and protect our most vulnerable residents.

3.3 A number of SCG tactical subgroups (silver) were set up from Friday 20 March onwards to co-ordinate activity across the system to address the impact of COVID19 on individuals, communities and services. Various Guildford Borough Council Officers are playing an active role in all sub-groups.

3.4 At Guildford Borough Council, our initial COVID19 working group had been operating twice weekly since the beginning of March when the first COVID19 cases were announced in Surrey. Initial work focussed on the review and update of our Business Continuity Plans, risk assessments and other preparation work to ensure the continuity of Council services.

3.5 The initial working group was expanded to form the Guildford Operational COVID19 response group (bronze) when the major incident was declared. The Guildford COVID19 response group meets daily and consist of 19 officers (the Managing Director, Directors, 6 Senior Leaders, and other specific officers), the Leader and Deputy Leader of the Council and representatives from Applied Resilience, the Council's Emergency Planning Consultants. The role of the group is to ensure the continued operation of the Council's critical services and ensure the operational implementation of instructions received from Government or Surrey SCG in responding to the emergency.

- 3.6 It is worth mentioning that these are extraordinary times, COVID19 is a world- wide pandemic which has resulted in severe measures to contain the virus both in the UK and nearly 200 other countries . ***It is unprecedented to stand up our National Emergency Plans, Surrey Major Incident emergency response and business continuity plans simultaneously on a protracted scale.***

#### 4. Council response so far

- 4.1 As stated above, Guildford Borough Council has activated both its Borough Emergency Plan (as part of the declaration of a Major Incident in Surrey) and its business continuity plan to ensure we can continue to deliver critical front-line services. Our critical front-line services are:

- Housing & Homelessness Services,
- Waste, Refuse & Recycling,
- Street Cleaning,
- On-street parking management for Highways
- CCTV
- Bereavement Services,
- Emergency Licensing, Food Safety and Pest Control,
- Business Rates, Council Tax and Benefits,
- Emergency planning and response,
- Customers services and communications.

In addition, support services such as HR, Finance and ICT are also required to enable the provision of critical front-line services.

- 4.2 From an emergency plan perspective our key priorities are to support our NHS colleagues and supporting vulnerable individuals and communities in Surrey, with a particular focus on those in Guildford. Specific immediate steps have been taken to support the most vulnerable individuals and communities and to respond to the pandemic emergency. This has included:

- Establishing a Surrey wide Community Hub at Spectrum leisure centre to coordinate measures to support the approx. 15,000 most vulnerable people in Surrey and 'shield' them from COVID-19,
- Establishing 'Locality Hubs' at Park Barn and Shawfield Day Centres to support our day centre, meals on wheels, sheltered and supported housing clients, and other people self-referred to us as needing help, with food parcels, meals on wheels and welfare calls
- Procuring and placing homeless households and rough sleepers in hotel accommodation and providing meals and food parcels to them
- Procuring and placing people discharged from hospital in suitable accommodation and ensuring they have support and food
- Procuring and placing people discharged from the probation service and prison in suitable accommodation and ensuring they have support and food
- Playing our part in the Surrey wide 'surge planning' to put plans in place for a potential significant escalation of COVID19 cases requiring hospital care
- Scaling operations at the Crematorium to deal with Excess Deaths
- Providing business rate relief and grants prescribed by the government to affected businesses
- Providing hardship funding for Council tax and administering an increase in claimants for the local council tax support scheme

- Providing general advice to the public and specific advice to individuals suffering hardship as a result of COVID19
- Playing our part in recovery planning

4.3 From a Business Continuity perspective, the Council, like many other organisations, has had to rapidly enable officers and Councillors to work from home on a large scale. A significant proportion of the Council's officers are classed as Key Workers and so are expected to attend their normal places of work and carry out their roles if it is not possible to carry out their jobs from home. However, in order to ensure the safety and health of our staff, we have taken as many precautionary steps as possible to reduce the risk to their health of carrying out their roles. This has included closing our offices and enabling officers to work from home en-masse where possible. We have also taken steps to ensure that where staff have to attend a place of work or are providing frontline services to the public, that we are able to implement, as far as possible, social distancing and provide appropriate personal protective equipment where risk assessments have identified a need to do so.

4.4 The Council was in a very good position to do this, having just completed its ICT refresh project. As part of the project we had started the migration of services to cloud technology and rolled out laptops to over 700 staff to enable them to work in an agile way. However, allowing working from home en-masse required the following:

- Additional licences for the Council's Virtual Private Network (VPN)
- Additional licences to MS Teams to allow guest and dial-in access
- Additional soft phone licences from Mitel to enable officers who need to, to take calls from members of the public at home on their office phone numbers. This included the roll out of soft phone technology to our customer service centre, housing, business rate, council tax and benefits teams all of whom have played a significant part in responding to the emergency.
- Additional works to enable virtual committee and live streaming of meetings

## 5. Financial implications

5.1 Section 4 outlines the significant work that the Council is doing in responding to the COVID19 pandemic emergency. Many of the actions taken to date, and which need to be undertaken in the next few months, were not included in the Council's budget for 2020-21 when it was approved on 5 February 2020.

5.2 It is currently uncertain as to how long the current restrictions or 'lockdown' is likely to last. We have modelled a number of scenarios, based on various different government announcements, as follows:-

- best case scenario – current restrictions will last for 1 month
- mid-case scenario - restrictions will last for 3 months
- worst case scenario - restrictions will be in place for up to 6 months.

5.3 An estimate of likely costs to be incurred under each scenario are as follows:

<b>Covid19 Additional Expenditure</b>			
<b>Service</b>	<b>Best</b>	<b>Mid</b>	<b>Worst</b>
Revenues and Benefits - Software costs for COVID19 grants and reliefs	9,150.00	9,150.00	9,150.00
ICT - Softphones to enable call centre staff to work from home	1,889.00	1,889.00	1,889.00
ICT - Microsoft Teams Licences x 40	1,480.00	1,480.00	1,480.00
Crematorium - additional coffin storage capacity	6,000.00	6,000.00	6,000.00
Project Aspire - food parcels and grants	50,000.00	50,000.00	50,000.00
Spectrum Leisure Centre: operator support costs & use as food distribution hub	264,220.00	792,660.00	1,585,320.00
Homelessness - additional accommodation	71,972.50	224,160.00	448,320.00
Glive Theatre - business continuity costs	18,109.00	54,327.00	108,654.00
Recovery action	500,000.00	500,000.00	500,000.00
Corporate Finance - short term borrowing for cash flow purposes	9,342.47	28,027.41	56,054.82
	932,162.97	1,667,693.41	2,766,867.82

5.4 In addition to the costs being incurred, like many other organisations, the Council is witnessing a significant reduction, and in some cases, total loss, of some of its service income streams. The main areas are listed below:

- On 27 March 2020, the UK government announced that councils were required to make parking free to key workers. However, car park usage and income had fallen so significantly following the 'lockdown' announced on 24 March that the Council, in line with many others across the UK, suspended all parking charges until further notice. As a result, a total loss of income for a period of time has been predicted.
- Commercial rental income – in line with government guidance to landlords the Council has deferred rental payments to some tenants; however it is anticipated that even with the deferment and various government support to business that some businesses will still fall into liquidation. Estimates have therefore been made for the level of potential default of rent payment across our investment property portfolio due to increased tenant bankruptcy.
- Tourism, Sport & Leisure income – this income stream has suffered a total loss since the government announced the closure of all sites for the foreseeable future.
- Trade refuse – due to significant business closures and other businesses asking staff to work from home, this income stream is also experiencing significant reductions.
- Garden Waste – withdrawal of service in order to focus on core refuse, food and recycling waste collection service

A risk analysis of the potential income reduction against 2020-21 budgeted levels is shown in the table below based on the scenarios outlined in paragraph 5.2, along with a total combined cost and loss of income.

<b>Covid19 Potential Loss of Income</b>			
<b>Service</b>	<b>Best</b>	<b>Mid</b>	<b>Worst</b>
Car Parking Income	£ 2,965,137	£ 4,797,753	£ 7,750,844
Commercial Rent defaults	£ 179,134	£ 341,108	£ 892,558
Tourism	£ 126,996	£ 291,104	£ 372,382
Sports and Leisure	£ 41,454	£ 311,078	£ 649,060
Other (eg, planning, trade refuse etc)	£ 647,590	£ 996,292	£ 1,992,583
HRA Rent Arrears / defaults	£ 17,336	£ 52,008	£ 86,681
Future Guildford Transformation Project benefits realisation delay	£ 230,938	£ 317,198	£ 437,769
	<b>£ 4,208,585</b>	<b>£ 7,106,541</b>	<b>£ 12,181,877</b>
<b>Total combined costs and loss of income (excl HRA)</b>	<b>£ 5,123,412</b>	<b>£ 8,722,225</b>	<b>£ 14,862,065</b>
% Core spending Power	37%	62%	106%
% Net Budget requirement	11%	18%	31%

- 5.5 It is, sadly, inevitable that there will be additional income from Cremation fees and memorabilia that may offset some of the above income loss however, what that may be is difficult to predict at present. Obviously, we hope this amount is not significant.
- 5.6 The potential combined loss of income and additional costs being incurred are material to the Council's budget and financial position. The Council's Net Budget requirement for 2020-21 is £48.7 million. As a percentage of the net budget requirement the potential combined loss of income and additional costs could be between 11% and 31%. The Government expresses local authority spending in a term known as 'core spending power' which represents the government's settlement funding assessment, council tax income and new homes bonus income. The Council's core spending power for 2020-21 is £14million therefore the impact of the COVID19 pandemic ranges from 37% to 106% core spending power.
- 5.7 The costs above include a budget of £0.5million for potential costs of recovery operations. This is a high level estimate, as at present it is too early to know what activities and costs may be involved. A further report may be needed on this at a later date.

### **Council Tax, Local Council Tax Support and Business Rates**

- 5.8 In addition to the direct impact on the Council's General Fund and HRA budget, the Council is likely to see a reduction in Council Tax income over time due to a potential significant increase in people requiring support from the Local Council Tax Support Scheme (LCTSS). Individuals who have lost their job or seen a significant reduction in their salary may be eligible to receive LCTS. It is likely that most people will qualify if they qualify for Universal Credit. It is not possible to estimate the full impact of this at the moment as it is early days; however, over the last week or two we have seen a five-fold increase in the number of weekly applications for LCTS compared to normal and expect that trend to continue. The loss of council tax income will initially hit the Council's collection fund in 2020-21 rather than the general fund, however, if the loss of income results in a significant deficit on the collection fund then the Council's share of the deficit will need to be charged to the general fund in 2021-22.

- 5.9 The government has announced a hardship fund for those households that are struggling financially as a result of COVID19. Those households that are already on LCTS but still pay a contribution towards their Council Tax will be provided with an additional £150 of support. This will be applied automatically to individual accounts so that the adjusted amounts were included in the April direct debit instalments. Revised bills will be sent to individual households in due course reflecting the lower amounts due. In addition, funding has also been provided to make short term discretionary payments to those that are affected by the Local Council Tax Support Scheme and are struggling financially. This funding is being distributed on a case by case basis as people contact us with their difficulties.
- 5.10 The government has also announced a range of support through business rates relief and grants to small medium enterprises and those businesses in the retail, hospitality and leisure industry. Grants of £10,000 are available to small businesses who have a rateable value under £15,000 and grants of £25,000 are available for those businesses whose rateable value is between £15,001 and £51,000 who qualified for small business rate relief or rural business rate relief. This scheme was also extended to cover businesses in the retail, hospitality and leisure industry. Initial indications are that 1,869 businesses will qualify for the relevant grants which may total around £24million. We have received £21 million as an advanced payment from the Government for distributing under the scheme.
- 5.11 The government has now provided the Council with the guidance necessary to deliver the grants to businesses and we expect to start identifying the businesses that qualify and make payments from 6 April. We aim to have paid all grants by the end of April at the latest.
- 5.12 In addition to the grants, businesses in the retail, hospitality and leisure have been awarded 100% relief from business rates for 12 months by the government. We have identified around 930 businesses who qualify for this 100% relief totalling £41.5million. The collectible rates for Guildford Borough for 2020-21 was £86.773million (as reported on our NNDR1 form), therefore the reliefs awarded as a result of COVID19 pandemic represent 48% of our business rates. We have already applied the relief to the business rate accounts so that their business rate bills were reduced ahead of the normal 2 April direct debit run. As a result, the businesses have already started to benefit from this relief.
- 5.13 It is possible that even with the support available to both business and individuals that the Council will see a reduction in overall collection rates for both council tax and business rates due to a potential increase in bankruptcy. The loss of income will initially hit the Council's collection fund in 2020-21 rather than the general fund, however, if the loss of income results in a significant deficit on the collection fund then the Council's share of the deficit will need to be charged to the general fund in 2021-22.
- 5.14 The administration of the various grants and reliefs provided by government for businesses and individuals has caused a significant increase in workload for the teams involved who are working hard to ensure that the financial support is paid to those who need it as quickly as possible.



## **Government grants**

- 5.15 Government has stated that it intends to fully compensate councils for the impact of COVID19. It is currently unclear whether this promise is just in relation to costs incurred or whether it would cover loss of income also. To help with the costs and loss of income the government has so far awarded the Council a £12,000 rough sleepers grant, and a general non-ringfenced grant of £51,000 to cover the impact of the pandemic across all services. As set out in section 5, the costs and loss of income are significantly in excess of the grant awarded so far.
- 5.16 Government has also stated that the funding was an initial tranche of funding and that further funding would be forthcoming. In that respect it has asked for feedback from local authorities via Chief Finance Officer networks as to what the impact on local authorities is and the potential scale of the impact. The Director of Resources has provided this information, which as far as possible is set out in section 5 of this report, to the Society of District Council Treasurers for discussion with the Ministry of Housing, Communities and Local Government (MHCLG). Following the initial request, MHCLG have sent all authorities a data collection template to complete monthly to capture the costs and potential loss of income. Officers will complete and return the data as requested.
- 5.17 The Council has already received the following funding from government:
- (a) £469,000 for the payment of the council tax hardship fund (paragraph 5.7)
  - (b) £21million upfront payment for the business rates grants (paragraph 5.10)
  - (c) An initial £1.2million Section 31 grant for the business rate reliefs
- 5.18 The Council is required to complete a weekly reconciliation for MHCLG on the grants received and those business rate and council tax reliefs and grants paid out to individuals and businesses. From this it is anticipated that further payments on account will be received.

## **Reserves**

- 5.19 When the 2020-21 Budget was reported to Council on 5 February 2020 officers anticipated the level of available general fund reserves to be around £35million. Of this £3.75million is in the unallocated general fund reserve and the remaining £31million is in earmarked reserves. The Council has budgeted to use £13million of earmarked reserves to pump prime its Future Guildford transformation programme leaving a balance of £18million in earmarked reserves and £3.75million in the unallocated reserve.
- 5.20 Although the government has promised further support above the grants that have already been made available, the amount and timing of that support is currently uncertain. It is therefore recommended that the Council allocates an emergency budget of up to £15million funded from earmarked reserves to fund the worst-case scenario potential impact of COVID19 pandemic. The reserves will only be drawn down if the loss of income and expenditure incurred is not offset by further government grant support. In this scenario, Officers will also look for cost savings to partially offset the impact on reserves however, it should be noted that depending on the scale of the shortfall in government funding, it

might be unlikely that sufficient cost savings can be found in year to bring the council's expenditure back in line with its budget.

- 5.21 There is a risk that if further grant funding from government is either not forthcoming or is insufficient to cover the financial impact of the COVID19 pandemic on the Council that the emergency budget will reduce the Council's reserves to a level that the Chief Finance Officer would advise to be insufficient for the operating risks that the Council faces under normal business as usual circumstances. The financial risk register presented to Budget Council on 5 February showed that reserves of around £10million are considered sufficient and sustainable for the Council. If reserves fall to insufficient levels, then the Council will be advised to budget to rebuild the reserves to a sufficient level over its medium term financial plan. It is quite unlikely that sufficient cost savings will be able to be found in any one year, and so it will take a number of years to rebuild reserves.

## **6. Consultations**

- 6.1 Due to the emergency nature of the COVID19 Pandemic it has not been possible to consult the Executive Advisory Boards about this report. The Leader and Deputy Leader of the Council, Cllrs Caroline Reeves and Jan Harwood, are active members of the Council's COVID19 response group and have been consulted about the situation and the Council's response. The Lead Councillor for Finance, Assets and Customer Service, Cllr Joss Bigmore has also been consulted about the financial implications of the emergency situation and the supplementary estimate requested in this report.
- 6.2 The Managing Director has also briefed political group leaders on the emergency situation and the Council's response on a weekly basis.

## **7. Equality and diversity implications**

- 7.1 The outbreak of COVID19 creates a particular issue for some of our most vulnerable residents, particularly those over the age of 70 and with underlying health conditions. The response effort to provide welfare calls, support and food parcels to this group of people is important to ensure that vulnerable residents are not significantly adversely affected and to ensure we are carrying out our duties under the equalities act.

## **8. Legal implications**

- 8.1 The Council is a Category 1 responder under the Civil Contingencies Act 2004 and it is deemed that the current Covid 19 pandemic is an 'emergency' under the meaning of the Act.
- 8.2 Part 3 paragraph 2 of the Council's Constitution permits the Managing Director, in consultation with the Leader where practicable and the Monitoring Officer, to act in an emergency or in relation to matters of urgency in relation to any functions of the Council, subject to the use of this power being reported to the next meeting of the Council, Executive or committee concerned.

- 8.3 The Coronavirus Act 2020 came into force on 25 March 2020. The Act prevents the eviction of residential tenancies and the forfeiture of commercial leases by reason of non-payment of rent during this emergency period.
- 8.4 The State Aid rules continue to apply currently and legal advice will continue to be provided in relation to any 'aid' being provided to businesses throughout this emergency.
- 8.5 The Chief Finance Officer is required by the Local Government Act 1972 section 151 to ensure that the Council's budgeting meets relevant statutory and professional requirements.
- 8.6 The Local Government Act 2003 section 25 provides that the Council's Chief Finance Officer is required to report to the Council on the adequacy of the proposed financial reserves.

## **9. Human Resources implications**

- 9.1 For those staff that are unable to attend work either through illness, or the need to self-isolate due to members of their household having Covid-19 symptoms, or if they are part of the Shielded Group, we have provided an absence policy that provides them with normal pay during this period. For those staff that have dependent responsibilities we have introduced up to 10 days of paid leave. For other staff who wish to self-isolate and are not able to continue to work we have worked with them to offer a mixture of paid and unpaid leave to accommodate their needs.
- 9.2 All services are required to make contingency plans to maintain essential services during the pandemic and identify those which will be closed. A core element of the contingency planning process is to identify areas of potential staff shortages to which staff can be redeployed. Staff will be asked to use their skills and experience to support the continued delivery of essential public services and this may involve covering a different role and supporting the work of other public services providers. Some staff have already redeployed and many more will be asked to do so in the coming weeks as we increase our response to the pandemic. In addition, a number of staff working in critical services have had to cancel leave and will be required to work overtime to ensure that services can continue to operate over the weekends.
- 9.3 The Council is extremely proud of how our staff have responded to this challenging and worrying situation. Many of these public servants are working on the front line delivering critical services and have demonstrated a real commitment in continuing with their work, whilst many others have joined them to provide additional resource where it is most needed.

## **10. Conclusion**

- 10.1 Guildford Borough Council is a category 1 responder to civil emergencies under the Civil Contingencies Act 2004. This means that the Council has a vitally important role in responding locally to COVID19, to save lives, protect the NHS, and ensure our residents are protected wherever possible. We also have a duty

to ensure that crucial council services continue to operate in these unprecedented times.

- 10.2 The Council's response to the pandemic has been intense and wide ranging across a number of critical services. The report sets out that Officers predict a range of financial implications for the Council depending on how long the government restrictions are in place. The financial implications could be between £5million and £15million (11% to 31% of the Council's Net budget requirement). Whilst further government grant support is anticipated, the amount and timing of that support is currently uncertain. As a result, officers recommend that the Council puts in place an emergency budget of up to £15million funded from reserves to cover both the costs being incurred and the potential loss of income from the COVID19 Pandemic.
- 10.3 The Council has redeployed staff from non-critical services into critical services to ensure that we can continue to meet the challenge. This has and will mean that in some non-critical services, ordinary council work is being put on hold or suspended for a period of time. The Council is extremely proud of how our staff have responded to this challenging and worrying situation. Many of these public servants are working on the front line delivering critical services and have demonstrated a real commitment in continuing with their work, whilst many others have joined them to provide additional resource where it is most needed.

**11. Background Papers**

None

**12. Appendices**

None