

Briefing to Overview & Scrutiny Board

1 July 2020

Living and working with Covid-19 and building back a better and fairer Salford

i Workforce Update:

We are now three months in to living and working in different ways in response to the current situation and have had to adapt and adjust accordingly, making changes to how and where we work.

With outstanding efforts across the organisation we have continued to both deliver and support the delivery of our frontline services through people and technology working together. We have continued to run many of our services from home and, where working from home is not possible, we have developed new and different ways to do things. We have proved our concept that work is what we do, what we achieve and the outcomes we deliver – not just somewhere you go. Throughout this time distributed leadership and a 'positive permission' culture has meant that frontline staff have been empowered and trusted to make the right decisions. We couldn't have achieved what we have without the hard work and dedication of our workforce who have demonstrated our values and the Spirit of Salford throughout.

The leadership team have been planning for working and living with COVID-19, whilst also considering what we have learnt during the last three months so that as we plan for the future we don't just go back to the old way of doing things. There is a recovery co-ordinating group in place with representation from across our Salford system, not just the council, who have identified a number of priority workstreams including workforce. The lead officers for each workstream are developing plans across 3 phases of 'recovery' - release of lockdown, living with Covid-19 and building back a better fairer Salford.

The MyWork Board are co-ordinating the workforce and workspaces strand of our recovery plan focused on supporting services across the city to take the opportunity to use MyWork to build back a better fairer Salford.

We are an inclusive organisation and recognise that people will have differing personal circumstances which need to be considered. We will ensure a co-design approach, where engagement and employee voice are at the heart of developing our future ways of working. The plans for workforce and work spaces will all be developed based upon a number of key principles:

Our Key Principles

- ✓ Health, safety and wellbeing first.

- ✓ Build on our values and the Spirit of Salford to maintain the sense of team and Salford identity.
- ✓ Maintaining frontline services.
- ✓ Maximising digital tools and technologies to work effectively and stay connected.
- ✓ Focus on outcomes.
- ✓ Enable maximum flexibility.
- ✓ Ensure inclusivity.
- ✓ Workforce engagement and co-design of future ways of working.

The MyWork programme board have agreed to split the programme in to two clear phases - phase one is our short term plan for the next six months. Phase two is our medium to long-term strategy taking the opportunity to think more creatively about how, where and when we work and how we use the workspaces that we have available.

The default position remains that those that can work from home must continue to do so. We have asked that everyone working from home undertake the 'safe home working practice health check' which is based on the Health and Safety Executive Display Screen Equipment (DSE) risk assessment to ensure that people's working practices and workstation are healthy and safe. Where it is identified that equipment is needed arrangements are in place for this to be collected. However, there are certain services and roles where for specific reasons homeworking cannot be maintained on a full-time basis. This may be due to a service imperative or specific role requirement which results in the need for work space being available in the city for example a community-based service, a role working with families or visiting premises in the city.

To better understand the different service and individual needs we are currently undertaking a data gathering exercise co-ordinated through the MyWork Board. Individual services have been asked to provide information which will help provide the intelligence needed to identify the minimum number of people requiring access to workspace in Salford. This intelligence will help inform decisions about where that workspace should be, together with the measures and adaptations needed to manage and reduce risk, ensuring the continued delivery of services and safety of our people. In addition, services are also being asked to provide information about any additional equipment that is needed for people continuing to work from home beyond that which has already been provided including monitors.

With the health and safety of all colleagues being of utmost importance, we must keep occupancy levels in our workspace to a minimum which means that we will all have to work differently and use the space differently going forwards.

Workforce communications and engagement has been vital throughout and we have maintained regular and ongoing dialogue with the trade unions and our different staff

groups. We are having really constructive discussions with some of our trade union stewards about how we can build on the learning from the last three months to inform our future ways of working and we have had a similar discussion with our Salford100 who have shared some really great and useful feedback.

ii Digital update:

The digital appetite of the business feels like a very different space from before. Technology is moving at a pace within the organisation like never before but it's been the human factors that have really shone through as we've delivered change over these past months.

The early stages of the crisis were all about improving our infrastructure to handle the vast numbers of remote workers (90% of our workforce). The infrastructure team enhance some of the existing infrastructure to make sure that we could cope with the numbers working from home:

- **We increased the internet capacity into the data centre**
- **Increased the cyber and threat analytics capability**
- **Accelerated completion of M365 and the new kit roll out to over 1000 staff members in 9 days**
- **Rolled out voice over internet capability to the workforce**

In essence we created everything that you traditionally had on your desk and unified them into a single device, this allows users to work from any location coupled with the maximum amount of security that we can deploy to protect the organisation.

The usage of the Microsoft office 365 suite was imperative to the response especially Microsoft Teams, the use of this platform really exploded. Things quickly caught on we put this down to numerous factors. The pace of change to both a necessity and what was happening in people's personal lives with similar technology. We have used Microsoft Teams to recruit, carry on with the democratic process of the organisation and engage with our residents, young people/families just to name a few examples.

Behind the scenes we began to use data in new ways. We had already started building an intelligence platform using Microsoft Power BI and had delivered multiple insights dashboard. We developed dashboards for our senior team to view data on COVID-19 cases, shielded/vulnerable households, deaths in the city, staffing levels, school attendance and requests coming into our help hub. There's been

multiple iterations since. With management information at our fingertips live, enabling the organisation to work smart and be data driven.

The ability to develop and iterate applications internally has been critical throughout the response period. The capabilities in the team coupled with the complex integration architecture allowed systems to be developed in days. The team developed solutions for the SoS humanitarian response, discretionary business grants, triangulation of Childrens services data and a bespoke application to manage testing, tracing and outbreak management.

The progress of the department has been down to real collaboration, appetite for change focusing resources and skillsets on the right priorities. Our staff and teams have been outstanding to a person. Above all it's been about a One organisation approach to digital and an open door for Agile transformation/squad working.

iii Financial update:

1 Introduction

The COVID19 coronavirus has had an immediate impact on the health and wellbeing of our residents. It is also having a profound financial impact on residents, the local business economy and public sector institutions including the council.

The purpose of this section of the briefing paper is to update members on the council's financial position, specifically with respect to:

- Expenditure and income pressures
- Reserves and financial resilience

The financial impact on the council is against the backdrop of a number of years of budget cuts for local government during the period of austerity which follow the 2008 Worldwide economic downturn.

2 Expenditure and income pressures

Finance and service directorates have been working to gather to capture, quantify and forecast financial risks and pressures. This information is also reported on a monthly basis to MHCLG.

Our latest estimate of COVID pressures provided to MHCLG in June indicated an overall pressure of £55m compared to our pre-COVID19 expectations. Combined with the March 2020 submission we have estimated total COVID19 pressures of £57m (£18m additional expenditure and £39m lost income), ie **a shortfall of £41m compared to the £16m of government grant that we have received so far**. This headline position is summarised in the table below.

Table 1 Headline position		Forecast pressure
		£m
Additional expenditure		18.2
Income shortfall		39.1
Total pressure		57.3
Emergency COVID funding		16.1
Shortfall		41.2

Notes to table 1

- £3.4m of the pressures relate to 2019/20, £37.8m to 2020/21.
- Expenditure pressures are seen across all services, particularly social care
- The largest pressures relate to forecast lost income, particularly in the collection fund, ie council tax and business rates
- Owing to the statutory way it is accounted for, the impact of the collection fund on general fund is deferred for a year and will thus fall on 2021/22
- The table is net of some elements of the council's financial response that are expected to be fully funded. These elements are listed in section 4.

3 Assumptions and risks

We have had to make assumptions about the length and severity of the impact and its financial effect on residents and businesses. At this stage our evidence base is limited, but some of the extrapolations from early indications on income loss are alarming and have fed into our estimates. **We will continue to revise our estimates and forecast as more evidence becomes available.**

Our current default assumptions is that where financial impacts are recurrent, they will last for 6 months. Clearly, should the impact on the economy be prolonged, we will face additional risks of lost income and additional expenditure demands to support our residents.

4 Additional financial response (funded)

For completeness, the following additional local responses can be noted. As these streams are funded, the net financial impact of them on the council is expected to be zero.

Table 2 Funded financial response		£m
Business grants	Grants administered by SCC on behalf of government	41.7 to date
Business rates reliefs	Funded by CLG	28.5
Hardship fund	Funded by CLG	3.6

Test & trace	Funded by DHSC	2.0
Infection control	Funded by DHSC	1.9
ASC via NHS: hospital discharge	Claimable by CCG Funded by DHSC	£3.9m to July

While funded, the administration of these responses to COVID19 does fall on the council, placing an additional burden on hard-pressed teams.

5 Medium term strategy

The allocation of funding is currently not sufficient to meet the deficit. The government has indicated that a further “support package” of assistance will be made available to local government but it is unclear how much additional funding this could mean or how it would be allocated.

We are currently reviewing our 2020/21 revenue and capital budgets and our medium-term financial strategy. Our ability to manage the pressures will depend upon:

- Further government support
- Review of any provisions or reserves (we have identified the potential use of £4m of reserves)
- Review of the smoothing strategy within our MTFS
- Continuing assessment of the level of impact
- The profile of the impact over financial years, including that of the collection fund

If we are unable to manage the pressures, we will be forced to consider service reductions in order to achieve a balanced budget. Consideration of financial impact will be built into existing arrangements for budget monitoring and reporting.

6 Financial resilience

There have been several references in the media about s114 notices. We will do everything we can to avoid issuing a s114 notice: freezing council expenditure in the middle of the crisis could be disastrous for our residents. We will look at our overall financial position as set out in 5 above and continue to lobby the government for more funds.