

<b>Report to:</b>	<b>Cabinet</b>
<b>Date:</b>	<b>4 February 2021</b>
<b>Title:</b>	<b>Recovery and Reset</b>
<b>Report of:</b>	<b>Robert Cottrill, Chief Executive</b>
<b>Cabinet member:</b>	<b>Councillor James MacCleary, Leader of the Council, Chair of Cabinet and Cabinet member for regeneration and prosperity Councillor Zoe Nicholson, Deputy leader of the Council and Cabinet member for finance and assets</b>
<b>Ward(s):</b>	<b>All</b>
<b>Purpose of report:</b>	<b>To update on progress of the Recovery and Reset Programme.</b>
<b>Decision type:</b>	<b>Non key</b>
<b>Officer recommendation(s):</b>	<b>To note the progress made with the Recovery and Reset Programme.</b>
<b>Reasons for recommendations:</b>	<b>The Recovery and Reset Programme provides a structured and accountable approach for delivering the level of significant organisational change needed to respond to current and future challenges.</b>
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## **1 Introduction**

- 1.1 Cabinet will recall that the purpose of the Recovery and Reset Programme (R&R) is to tackle the financial, organisational and district-wide challenges we are facing. These challenges result from the Covid-19 pandemic, the resultant economic climate and the changing needs and demands of our residents, all of which need to be addressed in a sustainable way. The council faces a significant budget shortfall over the next four years (Medium Term Financial Strategy [MTFS] period). R&R will deliver significant changes in the way the council operates which are needed to meet these challenges and to oversee the council's response to the Covid pandemic, helping to support a district-wide recovery.

- 1.2 As previously reported, R&R has four pillars; best use of digital, reshaping delivery, best use of assets, and restart. The progress that has been made in each of these areas is set out in the next section of the report.
- 1.3 The updated MTFS currently includes £583k per annum for savings identified to date, which leaves £617k to be achieved in terms of the targets set out below. Each pillar will contribute to the achievement of these savings targets, except for the restart pillar, whose aims are more focused on recovery. The R&R targets are:

	<b>21/22</b> <b>£'000</b>	<b>22/23</b> <b>£'000</b>	<b>23/24</b> <b>£'000</b>	<b>24/25</b> <b>£'000</b>
Digital	150	150	150	150
Reshaping	820	820	820	820
Assets	230	230	230	230
<b>TOTAL</b>	<b>1,200</b>	<b>1,200</b>	<b>1,200</b>	<b>1,200</b>

## 2 Best use of Digital

- 2.1 This pillar has been focused on the urgent changes that need to be made to enable staff to work as effectively as possible during the pandemic restrictions. One significant improvement that will be implemented is a system for staff working at home to take payments from customers in a secure and compliant way.
- 2.2 Using delegated authority agreed by Cabinet at its meeting in September 2020, the Chief Executive (in consultation with the Leader and Deputy Leader) authorised expenditure of £62,500 (split between LDC and EBC) from the R&R capital allocation. These funds have been used to set up new system for taking customers' payments over the phone securely. This was needed for customer advisors working from home, to ensure security was not compromised. As well as enabling payments to be taken securely, the new system has the benefits of;
- Enabling recurring payments to be set up (making it less likely for customers to miss future payments)
  - Storing bank details so that future calls can be quicker (80% shorter) and easier for customers
  - Enabling customers to schedule a payment for a future date convenient for them (eg after payday)
- 2.3 The pillar will also be leading on the development of the Digital Strategy for the council. The strategy will set out the digital ambitions over the coming years as a result of the new context within which the council is now operating and a roadmap for delivering upon these aspirations. This exercise will articulate how the council intends to exploit current and new technologies over the medium-term to deliver corporate priorities, especially in relation to sustainability.

## 3 Reshaping delivery

- 3.1 The priority focus for this pillar over recent months has been the planning and preparation for the consultation with staff on the reshaping of the Service Delivery department. This exercise will focus on the delivery of the corporate priorities while meeting the savings requirements. The consultation launched in January 2021 and the new shape of the department will come into effect over the coming months.
- 3.2 The next focus for the pillar is to set out a programme of further reshaping exercises. Further detail will be shared with Cabinet in future updates.

#### **4 Best use of Assets**

- 4.1 Central to the work of this part of R&R is consideration of how the council's physical assets are used. Given the current and continuing pressures on the council's revenue budgets, the council has the option of disposing of certain assets to gain capital receipts. These could then be used strategically to further the council's corporate objectives. In particular, capital receipts could help to fund the council's ambitious plans to deliver more affordable housing.
- 4.2 One of the key components of the council's community wealth building plans is to ensure that council land and assets are 'socially productive' where possible. In essence this means that the assets in some way generate wealth or other benefits for local people. There are various ways to achieve this, such as enabling communities to have direct management of assets, for example through transferring land to Community Land Trusts. To this end, officers are considering all council owned land and buildings over time to determine where there may be opportunities for transfers or disposals that would enable community use and/or ownership, or deliver other community benefit, such as through increasing supply of affordable housing.
- 4.3 One particular asset under current early consideration is Southover House, the council's main office building. At its meeting on 22 December, the Strategic Property Board recognised that in 2020 there had been understandably low usage rates of Southover House, but that it was too early to conclude that this was a longer term trend. The Strategic Property Board agreed that further careful consideration and exploration of what the future of Southover House could be was needed, and that this would take time. Officers have been asked to undertake more detailed studies into potential alternatives both for office accommodation generally and the use of Southover House.
- 4.4 Other assets, where socially productive options could be considered, will form the subject of future reports. In particular, the 'meanwhile use' of buildings is being thoroughly investigated.

#### **5 Restart**

- 5.1 The restart pillar continues to focus on ensuring the council is playing its part in supporting local communities through the pandemic, whilst also planning for an approach to recovery underpinned by community wealth building and sustainability principles.

- 5.2 Community support has continued through the council's Community Hub helpline, which has seen an increase in calls since the lockdown started in January 2021. The line continues to offer advice, guidance and signposting to the vulnerable and isolated. Priority supermarket delivery slots can also still be provided to those in need.
- 5.3 The community wealth building approach being taken to recovery was reported in full to the Cabinet at its meeting in December. Following that meeting an officer working group has been established to take forward the Re-imagining Lewes District Action Plan. Progress against this action plan will be reported to Cabinet on a 6 monthly basis.
- 5.4 At the time of writing, a third Recovery Summit is being planned for 1 February 2021. Verbal feedback from that event will be provided at the Cabinet meeting.

## **6 Recovery and Reset Member Board**

- 6.1 As the Recovery and Reset work is being undertaken in conjunction with Eastbourne Borough Council, a joint Member Board has been established to oversee aspects of the work which affect both councils. This Board met for the first time on 4 December 2020 and then subsequently on 29 January 2021. Detailed updates are being provided on the progress of each of the pillars, where they have a bearing on both authorities.

## **7 Corporate plan and council policies**

- 7.1 R&R has been developed being mindful of the priorities set out in the council's Corporate Plan for 2020-2024. Although it is set out within R&R's purpose to have a 'continued focus on the Corporate Plan priorities', Cabinet should note that the level of financial pressure on the council may mean that a further review of Corporate Plan priorities may be required, to ensure that the level of ambition articulated remains realistic.

## **8 Financial appraisal**

- 8.1 As set out in section 1.3 of the report, transformational savings of £583k have been built into the budget, leaving a balance of £617k still to be achieved from the R&R Programme

## **9 Legal implications**

- 9.1 There are no legal implications arising directly from this report but as and when specific proposals under R&R come forward, Legal Services will advise on the legal aspects. These are likely to centre on procurement and capital disposal issues. Any developments in, for example, public procurement and state subsidy rules stemming from the UK-EU Trade and Co-operation Agreement, will be taken into account.

*Lawyer consulted 06.01.21*

*Legal ref: 009830-LDC-OD*

## **10 Risk management implications**

10.1 The risks within R&R will be regularly assessed and managed as part of the R&R and project management activities. The identification and management of any significant risks in relation to the programme will be reported to CMT and the Joint Member Board, along with mitigation plans to address them. At this point there are no high level risks to report.

**11 Equality analysis**

11.1 An equality analysis is being undertaken for each pillar and the outcomes, including any action plans required, will be reported to, and monitored by, CMT.

**12 Environmental sustainability implications**

12.1 A number of the projects within R&R have sustainability implications. These implications will be considered as the detailed project plans are established for each project, being mindful of the council's stated objective, as set out in the Corporate Plan, of achieving net carbon zero by 2030.

**13 Appendices**

None

**14 Background papers**

None