

NORTHUMBERLAND COUNTY COUNCIL

CORPORATE SERVICES AND ECONOMIC GROWTH OVERVIEW AND SCRUTINY COMMITTEE

At a meeting of the **Corporate Services and Economic Growth Overview and Scrutiny Committee** held on Monday, 13 July 2020 at 10.00am.

PRESENT

Councillor D. Bawn
(Chair, in the Chair)

COUNCILLORS

Beynon, J.
Cessford, T.
Grimshaw, L.
Parry, K.

Roughead, G.
Seymour, C.
Simpson, E.
Swithenbank, I

ALSO PRESENT

Dodd, R.
Oliver, N.

Wearmouth, R.

OFFICERS

Angus, K.
Barnes, G.
Hand, C.
Hunter, P.
Lally, D.
McLoughlin, J.
Morgan, L.
Nicholson, S.
O'Farrell, R.

Executive Director of HR&OD and
Deputy Chief Executive
Revenues & Benefits Manager
Executive Director of Finance and
Section 151 Officer
Service Director: Policy
Chief Executive
Executive Director: Regeneration,
Commercial and Economy
Director of Public Health
Scrutiny Coordinator
Interim Executive Director: Place

43. APOLOGIES FOR ABSENCE

Apologies were received from Councillor Robinson.

44. MINUTES

RESOLVED that the minutes of the meeting of the Corporate Services and Economic Growth OSC held on 9 March 2020, as circulated, be confirmed as a true record and signed by the Chair.

The Chair referred to the email update sent to members on the highways maintenance investment programme. Councillor Seymour queried whether this was the final programme and the Chair agreed that this would be checked.

45. DISCLOSURES OF INTEREST

Councillors Bawn, Cessford and Oliver disclosed personal, non prejudicial interests in respect of item 4.2 on the agenda as members whose businesses or organisations they were involved with had received small business relief grants.

46. SCRUTINY OF CABINET REPORTS

The following reports of the Chief Executive were considered by the Cabinet on 13 June. The Committee was requested to consider issues arising from those reports.

46.1 Covid-19 - Northumberland County Council Response

This report provided Cabinet with a full update on the impact of the Coronavirus (Covid-19) pandemic on the work of Northumberland County Council and provided an overview of the Council's immediate emergency response from mid-March until the date the report was published copy attached to the signed minutes as (Appendix A).

46.2 Covid-19 - Planning for Recovery in Northumberland

This report outlined the Council's plans to support residents, businesses and communities to recover from the Covid-19 crisis in the coming weeks and months. The report was not intended to be guidance to residents, businesses or other organisations regarding the Covid-19 restrictions and nothing in this report should be interpreted either explicitly or implicitly as guidance. In all cases, residents were asked to refer to the latest Government guidance which was available online (copy attached to the signed minutes as Appendix B).

The Chief Executive made a presentation to members drawing on the main points of the report. The Council had quickly established structures to provide clear and accountable arrangements in place. These were:

- Covid Executive Team (Gold (strategic) Command), led by CX, which set the strategic direction and response priorities for the organisation; and
- Business Interruption Management Team (Silver (tactical) Command) Chaired by the Service Director of Adult Social Care, which ensured operational issues were managed across services and essential service delivery was maintained.

Priorities were:

- To respond to a rapidly changing situation which meant establishing new structures and delivery.
- Continuing to deliver essential services for residents in much changed circumstances.

- Looking after the safety and wellbeing of staff; and
- At a very early stage starting to think about recovery and resuming business as usual.

There had been three key aspects to the work:-

- **Northumberland Communities Together** provided a hub for individuals and communities to provide support. The hub delivered and facilitated activity, with a lot of the action taken by communities with support from local businesses; making deliveries, donating food, products and money.
- **The Business Hub** had been quickly established with a dedicated team of Advisors to sign-post businesses to the latest Government guidance and support.
- **Adult Social Care** - a lot of additional support had been provided for this essential service. These were businesses too, and contributed to the wellbeing and economic wellbeing of the County. Residents had been supported through the provision of free PPE, ensuring good contact and infection control training.

The Recovery report contained a lot of detail about the work which was ongoing around economic recovery and about working safely with partners going forward.

Councillor Oliver wished to place on record his thanks to officers for the phenomenal response to an unprecedented situation. The crisis had highlighted the importance of local government and the impact Councils had on everyday life. As the Chief Executive had detailed, new structures had had to be put in place including the Business Hub and the Northumberland Communities Together Hub which had both played vital roles. Members, staff and the public had been kept well informed through a variety of mediums and he had had many comments about how useful the website had been as a source of information.

Council staff had taken on the role of distributing Government funding, quickly and in accordance with the guidance. It had been a real joint effort between departments and he paid tribute to them for that. £86m had been handed out to businesses. It was unfortunate that not every business had been able to be helped as they had not met the criteria, though the Council had lobbied the Government hard for changes and some small tweaks had been made.

There would be three phases to the recovery:-

- Adapt, plan and take early action which had already taken place
- Manage the transition which had started
- Rebuild the economy going looking ahead 18-24 months, this would be done by working with the Government and the LEP to have projects which were ready to move on quickly.

Councillor Wearmouth commended the level of support which had been put in to help all businesses across the County and efforts were constantly being made to identify new opportunities for funding. The team both at the Council and in Advance had made a tremendous effort in getting grants out to where they were needed, ensuring the Council was consistently in the top five Councils in the country in distributing funding.

Members asked a number of questions:-

- Councillor Cessford asked what safeguards the Council had put in place to detect fraud. Councillor Oliver advised that the three funding streams had all had different eligibility criteria and MHCLG had set out an audit process which involved regular returns being made to them. He was confident that the processes had been robust.
- Councillor Beynon passed on thanks from many businesses he had spoken to for the quick response and funding they had received from the Council, which had kept many of them in business. He queried whether there would be any help from the Council in the future to put pressure on national property owners to look at the rents being charged. Councillor Oliver advised that lobbying was being done constantly, and the Government was encouraging companies to provide interest and capital repayment holidays to private landlords and encouraging them to pass that benefit on to their tenants. He expected to see some structural changes in this sector going forward.
- Councillor Parry asked whether there was any update on the figures provided in paragraph 3.3 regarding the number of cases and deaths. Liz Morgan advised that there had been 1577 positive cases in the County and 265 deaths as of 7 July. The rate for positive cases across the County had varied over the last three weeks from 2.81 per 100,000 to 3.43 per 100,000 which was good.
- Councillor Grimshaw thanked officers for their work during the crisis and queried the effect of it on the Council's capital programme. She asked whether any funding would be taken from reserves and if so, how much. She had also had concerns expressed from small businesses who had used their government grants to pay their rent and rates up front, but now had nothing coming in to keep the business going, and as a result, were having to give up their leases. She asked whether Advance would do the same with their properties. She also asked whether there were any plans to sell Council assets to fund the recovery without having to use reserves. Councillor Oliver replied that the capital works programme would be kept under constant review. There was a huge amount of work being done by the Finance team to keep on top of the finances and a lot of forecasting budgeting being done to assess the short, medium and long term impact of the crisis. MHCLG also required a monthly return on the impact of Covid-19. Around £20m of funding had been received to deal with Covid pressures and officers were waiting to see what else would come in from a further tranche of funding. Discussions were also taking place with Government around lost income as well as extra costs. The pressures on the Council's finances were in a wide range and would depend on a number of factors - such as how long it went on, and how quickly economic confidence returned. The Council's finances were in a good position and he was confident the position could be managed. At the moment he felt it was important to continue with the capital programme to contribute to the County's prosperity.
- Councillor Grimshaw asked whether the County Hall refurbishment would continue if there were to be more staff working at home, and also asked what the difference was in income budgeted for and what could be expected now. Councillor Oliver advised that the County Hall project would continue, and the Administration would be looking across the estate at all Council buildings. He agreed things would have to be different to meet the changed accommodation requirements of the Council.
- Councillor Wearmouth advised that Advance rents were looked at on a case by case basis. Some tenants had sought support but everyone had managed to pay their rent thus far. There had been an impact on the value of some assets eg Manor

Walks, but he was confident that this would recover. Councillor Grimshaw asked that members be kept updated on the plans for recovery and how money was being brought back into the County through future projects. The Chair agreed that the recovery of the Council and Advance should be included in the work programme.

- Councillor Seymour asked whether additional staff would be recruited in view of the additional work being undertaken. She also asked whether the infrastructure support specification for the VCS would be altered to increase funding. Councillor Oliver advised that there was no need to recruit additional staff because some workstreams had been curtailed due to Covid-19 and those staff reallocated to other work. Mrs Lally added that teams had risen to the challenge and performed different roles in some cases. Looking forward, it would be important to ensure that the right staff were in the right places. Regarding the VCS infrastructure contract, some work would need to be done to ensure that the new arrangements were refreshed to build on the great work which had been done recently.
- Councillor Roughead felt it would be useful to see how Northumberland's work fitted into the wider regional recovery being led on by the LEP. Also, at the NoT OSC meeting last month there had been a report on recovery which he felt could usefully be brought to this Committee. Regarding services, he commented that North LAC members had concerns that planning decisions had been taken away from the local area. He hoped local planning committees could start meeting again soon. Mrs Lally responded that the national crisis had required certain delegations to be put in place but officers were very mindful of the need to keep local members consulted on decisions. As Chief Executive, she had a duty to ensure that staff, members and communities were kept safe. The first phase of the easing of lockdown was taking place and she would be talking to Cabinet about how to take meetings forward, but this had to be done in a timely and risk managed way.
- Councillor Swithenbank commented that recent events had shown the importance of local government in its ability to deal with everything it had done. Without local government, the Government's response would have been very limited and Northumberland had much to be proud of in what had been achieved.

RESOLVED that the reports be noted and the issues identified by members be included in the work programme.

47. SCRUTINY REPORTS

47.1 Annual Update Report for Workforce 2019/20

The report provided an annual position statement in relation to workforce related areas of assurance, workstreams/associated action plans and progress to date within key areas for Northumberland County Council for the full financial year of 2019/20; provided assurance to the Committee that there was provision and monitoring in place to achieve necessary Key Performance Indicators relating to the workforce on an ongoing basis; provided members with an overview of the monitoring and actions taken during the period from 1st April 2019 to 31st March 2020 in accordance with the Council's Whistleblowing Policy for employees. Details of other aspects of Whistleblowing which were not employee related were logged and maintained by the Council's Monitoring Officer (copy attached to the signed minutes as Appendix C).

The report was presented by Kelly Angus, who highlighted the key issues:-

- The report covered the 2019-20 period before Covid-19 and next year's report would look very different.
- The Workforce Committee met monthly and managers and directors provided feedback and accountability on the performance of their service.
- The HR/OD People Strategy had been revised for 2020-21 focussed around ten strategic themes.
- Some new roles had been added to the structure which were detailed on page 5 of the report.
- The HR Schools Team now worked jointly with North Tyneside's HR Schools Team which gave significant strength to the service.
- She detailed some of the highlights of the key performance metrics. Whilst the numbers were down slightly on performance appraisals completed it was still a very strong performance. A review of the performance appraisal process had been carried out after Covid to focus more on the individual and the role they undertake. On statutory and mandatory training, she advised that the figure for Appraisal should read 80.8%. Health and Wellbeing policy cases had now been split up into four stages as the policy had been changed.
- Staff sickness had cost just over £4m in 19-20 which was a significant cost and which was being closely monitored. There had been a strengthening of support and wellbeing to employees in the past year with the introduction of wellbeing action plans. These helped the authority identify the differences between when employees functioned well and when they didn't, which helped to identify what was causing sickness absence. Managers were also asked to have a very pragmatic approach about an individual's wellbeing during supervision.
- Information was provided by directorate on sickness absence and the picture post Covid looked extremely different, which the Committee may want to look at in more detail in due course.
- Benchmarking information had been included in the report as requested by members.
- Information on agency staff was closely monitored to ensure it was well managed and work had been undertaken with agencies on the introduction of IR35 legislation.
- There had been a record 80.5% return on the staff survey, the highest ever return rate recorded by the Picker Institute and she detailed the key themes of the responses.

Councillor Oliver drew members' attention to the North East CIPD Inspirational Practitioner award won by Mrs Angus, and the National Apprenticeship of the Year Award which was very good to see and showed the quality of the HR function and the importance placed on workforce development.

- Councillor Cessford commented positively on the work of the staff health and wellbeing group led by Kelly Handyside. Regarding the fall in performance appraisals, he queried whether those who had not had them last year would be the first ones to be held in the current year. Mrs Angus advised that a small number of appraisals scheduled for March had had to be pushed back due to Covid and had therefore rolled over into the following appraisal year. However, as these related to the 19-20 year, appraisals for 20-21 would still

need to be held. There was an expectation that appraisals would be held for every member of staff.

- Councillor Grimshaw queried the effect on staff mental wellbeing of the pressures that had come from being seconded to do new and different jobs, often having to deal with difficult situations and she hoped that this was being addressed by management. Mrs Angus acknowledged that the mental health support needed by staff in the current conditions would look very different. There was already excellent support in place, but she was looking at what else staff might need, adding that the degree of support needed would vary depending on an individual's circumstances. There was always more that could be done and she would feedback to members on this in due course.
- Councillor Roughead asked whether members could have an update in six months in order to understand the effect of the impact of Covid on the workforce going forward, and identify any mitigation measures which might be needed. Mrs Angus agreed this could be done.

RESOLVED that:-

- (a) the contents of the report be noted;
- (b) an annual update of the report be received for every financial year;
- (c) the data contained in the whistleblowing report and the ongoing work to promote a safe environment for staff to raise concerns through various mechanisms across the Council be noted;
- (d) the continued use of Safecall across the Council as a mechanism for staff to raise concerns accordingly be supported; and
- (e) the issues identified by members for further action be followed up.

47.2 Debt Recovery Update

The report provided members with information relating to the level of outstanding debt owed to the Council so that the Committee could satisfy itself as to the efficiency and effectiveness of its collection and recovery policies and systems (copy attached to the signed minutes as Appendix D).

Councillor Oliver detailed the main points of the report:-

- Levels of write off were very much in line with previous years.
- The level of sundry debt had fallen slightly on last year and the level of unpaid council tax had increased. The collection rate had been 97.6% against a target of 97.8% which he felt was a very good outcome.
- Arrears in Business Rates had increased from £3.1m to £3.6m, and £1.93m within the last financial year compared to £1.2m in the previous year, most of the uplift due to Covid.
- Housing benefit overpayments - £2.4m had been collected in 19-20 compared to £2.6m in 18-19.
- Housing rent - receipts had fallen slightly short of target but proactive work with tenants was ongoing.

- Chris Hand advised members that whilst the national benchmarking data was not yet available, regionally the Council had the best performance rate for council tax collection across the LA12.
- Councillor Grimshaw asked for details of what had been collected, what was still outstanding and how much it was costing to recover it. She also asked about the recovery of debt when taking into account the cumulative effects of the rollout of Universal Credit as more people were moved onto it. She asked for update reports on these issues.
- Councillor Oliver advised that in terms of the council tax support scheme, the expectation had been to collect an additional £1.1m, with a collection rate of 83% for those who received council tax support, and this had been borne out with a collection rate of 82.62%. A lot was being done by officers to work with those who were having difficulties and this would be closely monitored. He acknowledged the point regarding Universal Credit and the report detailed the measures which were being taken by officers to manage the transition. People could get an up front payment and staff were being proactive in supporting those affected, but he acknowledged it was a difficult transition period.
- Councillor Grimshaw commented that the highest levels of arrears were in the most deprived areas and queried how such severe levels could be addressed. She asked for more regular update reports with comparisons over a three year period rather than year on year so local members could be kept informed of the issues relative to their wards.
- Councillor Oliver acknowledged there were disparities and that it was important to take a long term approach to addressing them. This was also important for economic recovery.
- Councillor Swithenbank referred to the breakdown of non payment per council tax band figures and queried whether it would be possible to get a percentage figure of the properties in debt for each band. Graeme Barnes agreed that the detail Councillor Swithenbank was seeking could be extracted and provided to members.
- Councillor Grimshaw expressed her thanks to Graeme and his team for their excellent and dedicated work on the front line. Their commitment was greatly appreciated. All members echoed this.

RESOLVED that the contents of the report be noted and the issues identified by members for further action be followed up.

Chair _____

Date _____