

**The Future Council – Delivery Plan phase 2**

**Report of Directors of Public Services, Interim Director of Regeneration & Strategy and Head of Finance**

**1. Purpose of Report**

- 1.1 Cabinet received and agreed a report at its meeting on 7 September setting out the process that the Council is going through in order to learn from the experience of dealing with the pandemic, working with partners and the community to re-design the operating model for the Future Council. The first phase of the implementation of the delivery plan for this approach was agreed by Cabinet on 5 October and focussed on the transformation of a number of universal services i.e. those received by most if not all of the borough's residents. Cabinet agreed the proposals within the report on the re-shaping of Public Services and delegated authority to the Director of Public Services in consultation with the Cabinet Member for Public Services and Communities to implement the proposals capable of being dealt with through delegated authority but to bring back to a future Cabinet meeting those that require a further Cabinet decision specifically decisions around Library provision and Waste and Recycling.
- 1.2 This report requests approval from Cabinet for the second phase of the Future Council delivery plan with proposals on further services within the Public Services directorate but also some universal services within Regeneration & Strategy. It also provides additional information on proposals for Libraries and Waste services which were considered in the phase 1 report.

**2. Need for a decision**

- 2.1 The report to Cabinet on 7 September explained the Future Council approach but also the extremely challenging financial position of the Council in the current year and over the medium term as the recovery process will not be instant and the impact of Covid-19 will be felt for some considerable time. The recovery process must be built upon a sound financial base and decisions are required in the current year in order to provide these foundations. This will also allow the Council to make decisions on its sustainability and resilience over the next three years with greater confidence when it discusses and agrees the Council's budget in February next year. Some changes were agreed to service delivery in Public Services as a result of the report to Cabinet on 5 October on phase 1 of

the delivery plan. Cabinet agreed that for Library and Waste services the options would require further consideration and additional information is provided within this report to allow this to happen.

- 2.2 The recommendations within this report will attempt to implement the learnings from our experience during the pandemic to date, ensure that services are fit for purpose in the post pandemic environment and provide a more sustainable financial position for the Future Council for a further group of services. Wherever possible the recommendations will apply the principles of Keep it Local to work with our communities and voluntary sector and Town and Parish Councils to re-shape service provision. The report explains the process that the Council will go through to stimulate and support community interest in taking over some of the buildings and services. This process for community engagement and interest will also be undertaken for those buildings which were considered as part of phase 1 of the delivery plan such as public halls and Heptonstall museum. The review also includes some services which have needed to be enhanced as a response to the pandemic, such as enforcement and housing services for rough sleepers, and where the lessons learned suggest that we should try to make some of the improvements more sustainable. The proposals in this report therefore reflect the Council's priorities in terms of supporting the recovery of its market towns, act upon our climate emergency and reducing inequalities.
- 2.3 Recommendations on other services will be reported to Cabinet for decision under subsequent phases of the review.

### **3. Recommendations**

- 3.1 That Cabinet agrees the proposals within this report on the re-shaping of services highlighted within this report and to delegate authority to the relevant director and Cabinet member to implement the proposals set out in sections 4.17 to 4.21 of the report.
- 3.2 That the necessary consultation is undertaken with service users, staff and trade unions under the existing Council policies and negotiations with contractors on commissioned services to ensure that the services are fit for purpose.
- 3.3 That Cabinet agree that more detailed investigations be undertaken into the options presented in sections 4.23 and 4.24 of the report so that decisions can be made on the options available as part of the budget process for 2021/22.
- 3.4 That Cabinet notes the current position on services set out in sections 4.26 to 4.28 of the report and that the sustainability of these services be considered as part of the budget process for 2021/22.

## 4. Background and/or details

- 4.1 Cabinet received and agreed a report at its meeting on 7 September setting out the process that the Council is going through in order to learn from the experience of dealing with the pandemic, working with partners and the community to re-design the operating model for the Future Council. This will use the principles of Keep it Local to inform what we do next and define how services might be delivered in the future working with our communities, moving away from a dependency upon the Council and harnessing the potential within the place.
- 4.2 Cabinet subsequently received a report to its meeting on 5 October about progress with reviews of some Public Services and making recommendations about the implementation of the proposals subject to the appropriate consultation processes. This report provides an update of progress on further reviews and makes recommendations about more immediate changes to some discretionary services over which the Council has more control and flexibility in terms of service transformation. This does not mean that statutory or targeted services cannot be provided in different ways and we will continue to explore how they may be undertaken as effectively and efficiently as possible.
- 4.3 The Council and local government more generally are facing greater challenges from the Covid-19 pandemic than they have ever experienced before in their history and these challenges are likely to be with us for some time. These challenges have financial implications both in the current year and in subsequent years as explained in the financial recovery plan and the Medium Term Financial Strategy which forecast that the Council may need to identify savings of around £15m next year mainly as a result of the ongoing financial impact of Covid-19.
- 4.4 The financial recovery plan in the current year emphasised the approach being taken with:
  - Implementation of the agreed savings
  - Containment of additional costs relating to Covid-19 within the Government support wherever possible
  - Reviewing discretionary spend and re-shaping services towards a business critical model.

Overall directorates are currently forecasting an overspend of £3.3m this year which we will partly address on a short term basis through the use of reserves but also through action being taken to reduce this figure during the course of the year and on a more sustainable basis moving forwards. The budget challenge sessions being held between directors and Cabinet Members will continue to focus on these budget pressures and will be held on a regular basis during the year to maintain momentum and progress.

- 4.5 Public Services are forecasting in the current year a projected overspend of £9.0m of which £8.4m relates to Covid-19. The underlying budget pressures of around £900k in relation to Transport, Libraries, Halls, and other service areas are however being partially mitigated in the current year by savings from vacancies and buildings closed during the pandemic. These one off savings are

clearly not sustainable in the longer term as services re-start and therefore a first phase of proposals was agreed at Cabinet in October to address these budget pressures on a more permanent basis and to provide a more resilient budget position.

- 4.6 Similarly, the Regeneration & Strategy directorate has budget pressures of around £1.2m which are being largely mitigated in the current year using directorate reserves and other one- off funding sources and again are not sustainable. The key budget pressures within Regeneration & Strategy relate to savings targets which have either been delayed, such as implementation of the Community Infrastructure Levy or which are no longer achievable due to changes in Government policy e.g. the phased removal of the New Homes Bonus and the proposed removal of the ability of local authorities to borrow from PWLB for commercial investment. In addition, there are existing budget pressures brought about by change in customer preference such as Markets and services where the demand has fundamentally changed as a result of Covid-19 such as ISCAL.
- 4.7 Public Services has 738.5 members of staff and a net revenue budget of £24.5m. The directorate brings together a basket of universal services that enhance the quality of life in our local communities and neighbourhoods and have an everyday impact on health and wellbeing.
- 4.8 Regeneration & Strategy has 205 members of staff and a net revenue budget of £16.0m. The directorate brings together a range of universal and statutory services covering Corporate Projects, Corporate Asset and Facility Management, Planning, Building Control, Economy, Housing & Investment, Strategic Infrastructure and Markets.
- 4.9 This report provides further information in relation to those services which were considered in phase 1 of the review but which Cabinet wanted to consider further, namely Waste and Library services. In addition, this report presents proposals on further Public Services which have been reviewed in light of our experience during the pandemic i.e. Victoria theatre, Mixenden Activity Centre and Enforcement.
- 4.10 In this report the services within Regeneration & Strategy which have been reviewed in light of our experience during the pandemic are the Visitor Information Centres, Markets, ISCAL, Public Conveniences and the Gathering Place housing hub.
- 4.11 To frame the transformation work it was agreed that we would use the following operating principles over the next 12 months:
  1. We will need to operate differently to be financially stable and resilient
  2. We want to design public services with the communities and partners
  3. We need to prioritise and take decisions at pace
  4. We need to support the workforce and deliver services to the best of our abilities
  5. We need to do democracy differently embracing digital innovation and improving work-life balance.

- 4.12 We know that these services are important to our communities and contribute towards the Cabinet's objectives. We recognise that there needs to be a strong focus on those most in need and that will mean reducing, ceasing and/or finding different ways of delivery for some of our services.
- 4.13 The outcome of the reviews undertaken is that there are some service areas where Cabinet is being asked to make decisions about the future operation of these services at this meeting. These are services where aspects of the service cannot be delivered at the moment or for the foreseeable future due to social distancing requirements or where customer preference has changed and the opportunity should be taken to plan for responding to these changes. Decisions on these service areas now will help the Council target its reducing resources on tackling its priorities.
- 4.14 There are other reviews however where it is recommended that further, more detailed investigation is carried out and information provided before a decision is made and that these may be considered by Members as part of the Council's budget process in February.
- 4.15 Finally, this report contains information about some service areas where the service has been enhanced or has operated in a different way during the pandemic and these lessons will be used to understand how these service improvements might be delivered in the future and made more sustainable.
- 4.16 **Service reviews requiring immediate Cabinet decision**

The following services have been reviewed and more immediate decisions are required in order to agree a direction of travel for those services and help mitigate in-year budget pressures:

- **Libraries**
- **Mixenden Activity Centre**
- **Visitor Information Centres**
- **Markets**
- **Public Conveniences**

#### **4.17 Libraries**

At the meeting on 5 October, Cabinet requested further information in terms of the likely cost of maintaining the community libraries over the next few years and their condition. Cabinet also asked for further information about the consultation process for disposal of these buildings.

**Greetland Library** – is a prefabricated single storey modular building, at the end of its useful life, and is clad in a soft wood tongue and grooved cladding. The building has single glazed timber windows and doors and is accessible by way of a concrete ramp. The condition of current library building is very poor,

and identified repairs to the building are estimated at approximately £70,000 including significant replacement of large sections of external wall and replacement of installed services, heating, lighting etc.

If the library were to re-open it would be recommended that the existing building be demolished and a new modular building be erected to provide facilities in a modern, energy efficient environment. The existing library building offers few opportunities for a reconfigured library space to provide modern library facilities and will only continue to deteriorate. A new facility, excluding demolition and alterations to utility connections would be in the order of £50 to £60K.

Greetland is one of the quietest libraries, in terms of the number of books issued, it is the 18th busiest out of 20. In terms of computer use it is 17<sup>th</sup> and in terms of library visits it is 19<sup>th</sup>.

Whilst there is strong community support for the library, there has been no overt community interest in delivering or adding value to library services. Elland Hub library, which is 1.5 miles away, is currently undergoing a major refurbishment and will provide modern facilities. It is expected to reopen in April 2021, but in the meantime our Home Delivery service can support those who are unable to travel to our other libraries. It is proposed that the library remains closed unless community interest is shown.

**Hipperholme Library** – is situated on the first floor with steps providing access from the street to the ground floor entrance, and an internal staircase /lift (end of life) between the ground and first floor, and it is not easily accessible. The library requires an upgrade of furniture, fittings and a replacement lift, totalling approximately £220,000.

To provide an accessible library would require the remodelling of the current 2-storey layout, to improve access to the library and provide opportunity for improved commercial space. A feasibility report has been previously considered and rejected, as being prohibitively expensive. As the level of investment required is not available, the recommendation has been made to close the library and signpost people to Brighouse/Central Hub Library.

Hipperholme is a middle ranking static library, and in terms of issues it is the 13th busiest out of 20 and in terms of computer use it is 11th and in terms of library visits it is also 11th.

From past consultation and engagement with the community, the Council recognises that there is a strong support for a library service in Hipperholme. However, until now there has been no overt community interest in delivering or adding value to library services. Officers will follow up on the recent interest shown to establish whether there is an opportunity for the community to take on this service. However, if this not possible the library will remain closed.

**Mytholmroyd Library** – situated on the ground floor of the building, space within the library is restricted and the building needs refurbishment both internally and externally. The building and library space require investment of approximately £80,000. The building has been unaffected by flooding and has been used as a flood hub in the past.

Mytholmroyd is one of the quieter static libraries, and in terms of issues as it is the 15th busiest out of 20. In terms of computer use it is 19<sup>th</sup> and in terms of library visits it is 16<sup>th</sup>.

The current building is inadequate to develop further as a community hub and Hebden Bridge Hub Library is 1 mile away.

There has been a very strong desire to retain a library service in Mytholmroyd, delivered by Council and some interest in community delivery of services. The most recent option was a revised Mytholmroyd Rail Station scheme (with Council-provided service) which required feasibility/investment to adapt to library use. This was not progressed due to Covid-19. Officers will follow up this up to establish whether there is interest in the Rail Station Scheme or other Community interest to take on this service. However, if this not possible the library will remain closed.

**Ripponden Library** – there is a strong sense of the library as a community hub in a central location, but there is no appetite to relocate from the current location and no obvious alternative venue to deliver library services in Ripponden. Ripponden is one of the middle ranking static libraries, and in terms of issues it is the 12th busiest out of 20. It falls into the quieter category in terms of computer use as it is 18th and in terms of library visits it is also 18<sup>th</sup>.

There have been recent approaches from Ripponden Parish Council to bring additional services and improve links with and usage of the library. Some remodelling of the current library layout or an extension may be needed. The current building is in reasonable repair, but some modernisation required within next five years at a cost of around £35,000. Officers will follow up on the recent interest shown to establish whether there is an opportunity for the Parish Council to take on this service. However, if this not possible the library will remain closed.

**Shelf Library** – The current building is of modern design and in good repair, with the library being a purpose-built wing of Shelf Village Hall (2009). The only work required internally in the library in the next 5 years is some redecoration. A condition survey of the hall is currently being undertaken to confirm the position of the remainder of the building.

Shelf is a middle ranking static library, and in terms of issues it is the 14th busiest out of 20, in terms of computer use also 14th and in terms of library visits it is 13<sup>th</sup>.

There has been a recent enquiry with regard to a private company taking over the delivery of services at the village hall. Officers will follow this up and establish whether it would be possible. However, if this is not possible the library will remain closed.

**Skircoat Library** – built in 1926, the building needs both internal and external repairs estimated at £90,000 over the next 5 years. Significant access-work to utilise any of lower-level areas of current library would be required (un-costed).

Skircoat is a middle ranking static library, in terms of issues it is the 10th busiest out of 20, in terms of computer use it is 14<sup>th</sup> and in terms of library visits it is 13<sup>th</sup>.

Halifax Central Library is 1.5 miles away and King Cross Hub Library is 1 mile away.

There has been some interest recently from the community in relation to the future of the library. Officers will follow up on this to establish whether there is an opportunity for the community to take on this service. However, if this not possible the library will remain closed.

**Southowram Library** – was built in 1959 and the building needs significant renovation and modernisation, the estimated building costs to bring to appropriate standard stands at £84k. The interior furniture and fittings need modernisation but are currently un-costed. Southowram is the quietest static library lying 20<sup>th</sup> out of 20 in terms of issues; computer use and library visits.

Halifax Central Library is 2 miles away and Brighouse Hub Library is 2.8 miles away. It is proposed that the library remains closed.

**Stainland Library** – There is strong community use, including out-of-library-hours activity. The library also houses a set-down desk for the Town Clerk. There is potential to explore further options for the Community and/or Parish Council to enable them to operate and maintain the facility for the local community in the future.

The current building is in good repair, however repairs to the building may be required in the next 5 years at a cost of approximately £75,000.

Stainland is one of the quieter static libraries, and in terms of issues it is the 16th busiest out of 20. In terms of computer use it is 15<sup>th</sup> and in terms of library visits it is 17<sup>th</sup>.

Officers will liaise with the Parish Council to establish whether there is an opportunity for them and/or the community to take on this service. However, if this is not possible the library will remain closed.

In each of the above cases, even when social distancing requirements are eventually removed, it is either uneconomical for the Council to continue to operate these community libraries, the service demand from users is relatively low, there are future maintenance liabilities which the Council has no resource to fund (more than £600k would be required over the next 5 years) or there is alternative provision within a reasonable radius. This has led to the recommendation that these community libraries remain closed. There are two main options available in respect of properties which become surplus to requirements. Disposal to obtain a capital receipt or giving the opportunity to community organisations to make an expression of interest under the Council's discretionary Community Asset Transfer (CAT) Policy.

Officers will develop a webpage that provides details of what buildings are being made available for CAT. We will liaise with colleagues in the VSIA and Locality and Ward Members to let communities know what they need to do if they are



interested in taking on any of these buildings. We will also arrange a press release and social media coverage and will pull together a detailed pack of information that explains the revenue costs associated with each building, a basic condition survey that highlights where we think investment will be needed and information on sources of funding that may be available to community groups, that the Council have been unable to access.

If the CAT policy is invoked then there is a defined process where community organisations must successfully pass through gateways, including expression of interest, outline and full business cases explaining what they propose to do with the building and how they intend to fund its operation. The overriding principle of a CAT is that it would provide added community benefit. Disposal in order to realise a capital receipt would provide some funding which the Council could re-invest in the retained community libraries which require around £400k investment in repairs and maintenance over the next five years, a large part of which relates to Beechwood library which serves an area of large deprivation.

Discussions with community organisations or parish councils will continue to establish the interest in taking over responsibility for the buildings and providing a service to the local community but this will need to be time limited and at no cost to the Council otherwise the building condition will continue to deteriorate. It is intended that all the information about each building will be available by the end of this year and this will be followed by a period of three months during which time community groups have the opportunity to express an interest in the CAT process. Our Neighbourhoods team and colleagues in VSIA/Locality would be able to support where necessary with this. It is therefore proposed that a deadline of 31<sup>st</sup> March 2021 be set for expressions of interest and that these expressions of interest be reported to Cabinet for decision.

Those expressions of interest once considered by Cabinet and any that appear to have a reasonable chance of success would be asked to submit an outline business case.

**Recommendation:**

That the above libraries should not be re-opened and a process should be put in place to determine the community interest in taking over the buildings and service provision from the council, otherwise the buildings will be disposed of and the capital receipts generated set aside for re-investment in the remaining community libraries.

#### **4.18 Mixenden Activity Centre (MAC)**

**Background:**

MAC has been run and managed since 2017 by Sports Services on behalf of Children's Services. MAC delivers activities to Young People in Calderdale. The scope of the work has reduced over time and now the majority of the work is for Children's Services. This includes open access work for Youth Services along with arranging expeditions away and holiday activities for Youth Clubs.

The service also provides services to schools where they work with young people who are at risk of permanent exclusion or disengagement from mainstream education and life opportunities. This is 1:1 face to face work. A few schools also book the centre for outdoor activities at the start of each summer term.

On the 1 June, a Cabinet report was submitted by The Director of Children's Services, to restructure Youth Services. The report refers to a different approach to delivering the service and that open access provision is unlikely to continue in the foreseeable future but that the voluntary sector should be commissioned to reduce inequalities for young people in the areas of highest deprivation and improve their outcomes by focussing on the most vulnerable young people. This directly impacts on the service offered at MAC as CYPS provided income of around £80k per annum for these services and without this income MAC is not financially viable. The future of the grant funded Special Educational Needs monies that came into MAC is also uncertain and places yet another financial burden upon MAC and the Council.

The role of the Local Authority in delivering youth work has changed nationally over the last 10 years. Calderdale has protected its Youth Service and has continued to offer a breadth of activity that has ceased in many areas across West Yorkshire and within the country. The Scrutiny Review was clear that it needed a new direction and vision. The aim is for the voluntary and community sector to be commissioned to deliver open access, socially distanced and virtually in the areas of high deprivation in Calderdale. The Council's youth workers will work with young people to reduce the risk and improve their emotional and physical wellbeing. Both will make the best use of technology and virtual ways of working. The way in which services are delivered at Mixenden Activity Centre cannot be delivered virtually or at distance. This puts it at odds with the agreed way for working with Young People in Calderdale.

All youth service open access and delivery has been affected by Covid-19. It has not been safe to bring larger groups of young people together, but support has been offered to individuals socially distanced and groups of young people virtually from all parts of the Borough using social media. Young people are coming together in virtual groups with youth workers to get support with their emotional wellbeing.

Encouraging young people to be active is a focus of Active Calderdale and the use of local parks and green space which Mixenden has. The voluntary and community sector will be delivering the Council's open access youth delivery in future. There is a lot of community engagement in the area and as a high area of deprivation and any bids for the funds available to run provision in the area will be considered. The Council's youth workers will be still offering a targeted service to those with higher levels of need, e.g. to young people at risk of exclusion, missing, using substances or becoming engaged in anti-social behaviour.

MAC are not the only suppliers of alternative education within the borough and young people could be accommodated by these other suppliers.

The service has previously operated with a £25k deficit. Removal of the £80k budget and the reduction in income due to Covid-19 increases this pressure to £209K, which cannot be absorbed elsewhere within the Directorate.

Given the reduction in income, the financial pressures on Mixenden Activity Centre, the directorate and the Council and the agreed way of working with Young People in Calderdale it is proposed that community organisations be engaged to determine the level of interest in taking over the facility and its services. If there is no community interest in the facility, then the Council would need to close it due to it not being financially viable. In the short term the Council will explore options for provision of a temporary library facility there until the Mixenden hub has been developed.

The service has 4.5 FTE posts (a senior manager, a Senior Youth Worker and 2.5 outdoor instructors). Closure of MAC would potentially see the deletion of 4.5 full time posts. The Council's HR policies and procedures i.e. Restructuring, and Redundancy and Redeployment policy will be followed. However, redeployment opportunities will be explored through the Council's process.

**Options available:**

In this case the only two options available are to continue to operate the Mixenden Activity Centre but with reduced activity on the site and provide additional budget of around £200k per annum or to close the facility and examine alternative uses for the site. Officers will pull together information on the cost of operating the site, condition surveys and the investment required and potential sources of external funding which might be available to community organisations which may be interested in taking over the buildings and facilities. This information will be promoted in to establish whether any community interest is possible.

**Recommendation:**

- a) That the Mixenden Activity Centre remain closed and alternative use for the site be examined including potential community use and
- b) Cabinet approve a 45-day consultation period with affected staff and Trade Unions, with subsequent implementation delegated to the Director of Public Services.

#### **4.19 Visitor Information Centres**

**Background:**

Currently there are three Visitor Information Centres in Calderdale. Two are Council run facilities at Halifax and Hebden Bridge with all functions paid for from the Council budget. The third is Todmorden Visitor Centre, an independent trust,

which receives an annual grant in the region of £20k from Todmorden Town Council. This grant pays for the Manager and the rest of the staff are volunteers.

Halifax Visitor Information Centre was originally located in the Library and moved into a unit in the Piece Hall in March 2019 as part of the Visitor Information Centre review undertaken in 2018. The new location was designed to generate more income due to better footfall. The centre now operates single staffed and on shorter hours. According to figures the centre had 27,000 visitors in 2019/20; this is a 75% increase from 2018/19 when located in the library. The council pays £6k per annum rent to the Piece Hall.

Hebden Bridge Visitor Information Centre received just under 22,000 visitors in 2019. Like Halifax there has been an increase in visitors from April 2017 to April 2018. The Council has the premises for the Hebden Bridge centre on a long-term lease and pays a peppercorn rent for the building. There is a rental income target for the Visitor Information Centre of £7,500 p.a. which is secured through an arrangement with Pennine Prospects who let the entire upper floor.

Currently the total cost for delivery of both Visitor Information Centres is £84k per annum. This includes both service-controlled budgets which are part of the Tourism budget, and buildings-controlled budgets which are held centrally by CAFM. This figure also takes into account income generated by both centres.

In response to the pandemic, the following provision is in place:

1. Both centres are currently closed
2. Visitor Information staff are working for library services.

**Options available:**

The options presented below indicate how the service could adapt to meet the current needs of the visitor whilst reducing the cost to the Council.

**Option 1 – Return to full-service provision:**

Return to operating both centres full time with a single staff rota, Monday to Friday 10am to 5.30pm.

Hebden Bridge Visitor numbers from April 2019 to February 2020 equate to 21,195. Income generated in financial year 19/20 was £42k. This includes income generated in rent from Pennine Prospects of £7,500 per annum.

Halifax Visitor has been in the Piece Hall since March 2019. Due to Covid -19 the centre has only been fully operational for 12 months. Visitor numbers since relocation in March 2019 equate to 27,191. Income generated in the financial year 2019/20 was £34k.

It is worth noting that the Council are currently paying full rent on the Halifax unit of £500 per month and that Hebden Bridge Visitor Centre had to close in February 2020 due to the floods and re-opened for a very short period before closing again due to the pandemic so full retail income was not achieved. Under this option there would be no saving to the Council.

### **Option 2 – Investigating alternative delivery of the service:**

In 2018, conversations regarding the relocation of the Hebden Bridge Visitor Centre took place with Hebden Royd Town Council. The Town Council looked at the option to take on the building and the staffing of Hebden Bridge Visitor Information Centre, but after detailed research they concluded that it would not be financially viable. This was due to the cost of TUPE and the premises. The Town Council are, however, very supportive of developing the tourism offer in Hebden Bridge.

Halifax Visitor Information Centre is now located in a small unit in the Piece Hall. The cost of the rent is £6k per annum. Due to COVID the Piece Hall's Visitor Centre has not yet re-opened, which is located on the ground floor, next to the Square Chapel.

Discussions could be reopened with Hebden Royd Town Council and would need to take place with the Piece Hall, to gauge their interest in taking on the delivery of the respective area's Visitor Information function.

If the two parties do not feel it is something they would like to take on, then this option could be opened for discussion with other organisations.

The savings under this option would depend upon the arrangements which would have to be negotiated with the service deliverer.

### **Option 3 – Permanently close both centres and continue to optimise digital engagement:**

The focus of visitor information services has changed with the development of digital technology, and less than 2% of visitors would now use a Visitor Information Centre when planning a trip. The main channel of information is now online. This correlates with statistical information relating to the destination management website [visitcalderdale.com](http://visitcalderdale.com) where web traffic is increasing year on year. In addition, the social media channels are performing well, the Visit Calderdale Facebook page has secured just under 5,000 followers, Twitter has 4,400 and the newest channel Instagram has 1,350 followers.

The closure of both centres will present the biggest saving. However, funding needs to be invested into the digital offer. The Visit Calderdale website currently needs an investment of £40K to bring it up to date, and ensure it is fully responsive. This investment is critical and will ensure Calderdale maintains a

competitive advantage as a desirable, national and international tourist destination.

The tourism service would continue to work with other customer facing council services, for example, libraries, museums and theatres, as well as our trusted tourism businesses, attractions and accommodation providers around the borough, to continue the display of visitor related printed materials.

In the first year this would only achieve a part year saving but could realise savings of £84k per annum once fully implemented. In the first instance around £40k would be required as investment in improvements to the digital offer. It also does not take into account any redundancy/retirement costs which might be necessary although options to redeploy staff would be explored in the first instance in accordance with the Council's Restructuring, Redundancy and Redeployment procedure.

It is worth noting that if the decision is to close both Visitor Information Centres; notice for Halifax must be issued three months in advance of January 10<sup>th</sup> each year. So, although option 3 outlines the proposal to close both centres, due to the lease and timescales Halifax will have to remain open until January 2022. Therefore, it will be a phased closure over the next 14 months.

**Recommendations:**

It is recommended that Cabinet agrees that:

- a) Hebden Bridge Visitor Centre remains closed.
- b) Halifax Visitor Information Centre reopen with the intention of giving notice in September 2021, in line with the tenancy agreement, for closure on 10<sup>th</sup> January 2022.
- c) A sum of £40k is invested into the development and to enhance the Visit Calderdale digital offer.
- d) That Cabinet approve a 45-day consultation period with affected staff and Trade Unions, with subsequent implementation delegated to the Director of Regeneration & Strategy.

## **4.20 Markets**

**Background:**

The Council currently operates: 2 market halls, 5 open markets, 2 car boot sales, and a monthly local produce market. In addition, there are an increasing number of ad hoc special market-type events throughout the Borough. They comprise a collection of approximately 400 independent retailers, influenced by the highly competitive and dynamic retail environment.

The Markets Service aim is to support the creation of a sense of place within the Borough's local town centres. Facilitating social cohesion, keeping it local, broadening the economic offer and contributing to the cultural and visitor economy, markets add to the identity and vibrancy of the Borough.

When taking account of the service and premises costs, the Council's market operations represented a net cost to the Council of £192k in 2019/20. The COVID-19 pandemic has interrupted trade for many, and is likely to have a long-term impact, which is yet to be understood fully. The financial position does vary across the individual market operations.

Halifax Borough Market is a Grade 2\* listed Victorian covered market, which is a key feature of Halifax Town Centre. The Market is in poor condition after years of under-investment but has received significant capital investment in recent years. It is the subject of a bid to the Future High Street Fund, with £6m earmarked to reinvigorate the Market if the bid is successful. There has been an increase in vacant stalls over the last 2 years due in part to trader retirements but also changes in indoor and outdoor trader activity. Of the 91 internal stalls and shops, 70 are currently occupied and 21 are vacant, giving an occupancy level of around 77%, compared with the last reported national average of 81%. There has been a fall of almost 20% in occupancy in the last 3 years and a reduction of £139k in annual income since 2017/18.

The rents have not been increased since 2007 and the service charge has not been reviewed for over a decade. There is also a rental incentive scheme in place, to attract and support new and fledgling businesses. Currently, 11 of the 70 traders (16%) are at various stages of the incentive scheme. The revenue outturn for Halifax Borough Market for 2019/20 (for the internal units only) reported a net cost of £105k.

Todmorden Market Hall is a Victorian covered market. Originally built in 1879, it was refurbished in 2018 at a cost of circa £500k. Vacancies have increased recently but 27 of the 31 indoor stalls are occupied, giving an occupancy level of 87%. This compares favourably with the national average of 81%. There is also current interest in all the empty units, and it is anticipated that the Market will soon return to full occupancy.

The rents for Todmorden Market Hall have not been increased since 2004 and the service charge has not been reviewed for over a decade. As with Halifax Borough Market, an incentive scheme is in place to attract and support new and fledgling businesses. There are currently 2 traders benefitting from the incentive scheme, which would also apply to any new traders for the currently vacant units. The revenue outturn for Todmorden Market Hall for 2019/20 reported a net cost of £6k.

Of the 5 Open Markets in Brighouse, Elland, Hebden Bridge, Sowerby Bridge and Todmorden, all but one of them (Todmorden Open Market) reported a net cost during 2019/20. Subject to the required consultation, in July Cabinet agreed that Sowerby Bridge Open Market would be demolished to facilitate delivery of the Corridor Improvement Programme. A proposal has been developed for an alternative use for the existing market area, as an events space, which would bring environmental improvements, meet the community's needs and support the re-structure of the high street. It is intended that this space will be used to host occasional markets in Sowerby Bridge, which would need to be self-funding. For the remaining 4 Open Markets, since their re-opening in June there has been a significant increase in occupancy, including some unmet demand.

The 2 Council-operated Car Boot Sales at Halifax and Brighouse have been suspended since the outbreak of the pandemic, due to the requirement to socially distance and reduce the handling of products. Staffing of the Car Boot Sales is the largest operational cost and this was predominantly undertaken by existing staff working additional hours on enhanced rates of pay. This led to a majority of the team working in excess of the European Working Time Directive and was therefore addressed during the re-structure of the Markets Service in 2017. The staffing costs combined with a decrease in occupancy and reduced tenders for specialist concessions have resulted in these events operating at a net annual cost to the Council of £63k.

A significant proportion of the existing rental incentives at Halifax Borough Market will expire by 31 March 2021. Allowing for a potential loss of traders and rental income in line with recent trends, an increase in net income is still forecast. The retention and recruitment of market tenants is a continuing risk generally and a top priority, particularly in the current climate. Even with the expiring incentives and no further losses, there would still be a significant shortfall on the Borough Market's potential income.

It is proposed to undertake a review of the Council's support for the operation: to build on learning from the lockdown, including the introduction of cashless rental payment systems; to realign functions; and to deliver cost reductions. It is estimated that this, coupled with the expiring incentives, would deliver a £77k improvement on the Borough Market's net cost position.

There is also an opportunity to review the Council's support for Todmorden Market Hall. Along with the streamlining of internal processes, this would deliver an improvement of almost £11k and would mean that Todmorden Market Hall's income would exceed its expenditure.

There are a range of opportunities to build on the current increased demand at the Open Markets, expanding provision and reducing costs across the various



markets. A package of proposals has been developed that would deliver an overall net annual improvement of £30k, reflecting an improved financial position for all the remaining Open Markets.

If all existing market costs are removed in demolishing Sowerby Bridge Open Market, then this proposal would remove the net cost of £19k from the service costs.

Both Car Boot Sales have been suspended since the outbreak of the pandemic, due to the requirement to socially distance and reduce the handling of products. Given the challenges associated with social distancing requirements and the significant net costs, it is proposed not to reintroduce the Car Boot Sales. If all existing costs are removed, then this proposal would remove the net cost of £63k from the service costs.

The Council has a proud tradition of operating markets across the Borough. However, the economy has been through unprecedented change in recent years, which has presented major challenges to the viability of market operations nationally and has been exacerbated by the current pandemic. When taking account of the service and premises costs, the Council's market operations represented an annual cost of £192k in 2019/20.

A package of proposals has therefore been put together:

- to reduce the Council's costs / increase cost recovery in relation to the operation of markets.
- to expand parts of the operation, building on recent successes; and
- to make some general efficiencies.

There would be costs associated with delivery of some of these proposals, which have been taken into account in determining the savings which might be achieved. However further work would be needed to deliver the savings, but they would achieve a cost neutral service in the longer term. The total value of the proposals is £200k pa, against a pressure of £192k. There is therefore a very small contingency to mitigate the risks associated with implementation and the volatility of the economy. The package of proposals would have staffing implications, which would be subject to the required consultation and approval requirements, and therefore timelines would need to be confirmed. The proposals would therefore have a part-year effect in 2021/22, with full effect anticipated from 2022/23.

**Options available:**

Without the changes proposed above, the existing budget pressure will increase, and additional budget will need to be provided as part of the budget process to maintain the service as it is.

## **Recommendations:**

Once an overall direction of travel has been agreed it is recommended that Cabinet agrees that:

- Car boot sales are not reintroduced.
- In association with the Cabinet Markets Working Party, further work will be done to firm up the proposals, costs and timelines, to inform a detailed implementation plan.
- the planned provision would be reviewed to ensure it is firmly focused on the Council's priorities.
- the budgets would be recast to ensure that they are realistic and sustainable; and
- a business plan would be drawn up to achieve a surplus for re-investment into the provision to ensure it is sustainable.

### **4.21 Public conveniences**

#### **Background:**

The provision of public conveniences is discretionary. Calderdale Council has significant provision across the Borough: 8 units in town centres; 9 units in parks; and 5 units in outer areas. Customer toilet facilities are also provided inside some buildings, linked to building use, e.g. Borough Market, libraries, leisure facilities.

The Council's public conveniences were all closed as an immediate response to the national lockdown. However, as the position changed and with the introduction of enhanced cleaning regimes in response to the pandemic, 6 of the 22 toilet blocks were re-opened in July (Tuesday to Saturday 09.30 to 16.30) using the full existing resources. There is therefore current provision of one block per town.

The cost of provision in 2019/20 including central transport costs was £193k and based on the current cleaning regime the cost of providing the 6 units could be met within the existing budget. If we were to return to the previous full provision with the current enhanced cleaning regime then more staff would be required at a significantly increased cost.

#### **Options available:**

At some point in the future, the Borough will move through the Recovery Phase and current measures will be reduced. At this point, it may be possible to reduce the current enhanced cleaning regime of 3 cleans per day and return to the

previous regime of 2 cleans per day. At this time, it is not clear when this might be. However, when we reach this point, the following options would be available:

**Option 1 - Continue with the provision in place now:**

This would involve 1 unit per town (6 units in total) open Tuesday to Saturday 9.30 to 16.30 and with 2 cleans per day. This should be able to be provided at a reduced cost and generate a saving on the current budget estimated to be around £100k per annum. This includes a proportion of cleaning costs (around £40k which could only be realised if staffing can be reallocated).

**Option 2 - Return to the previous full provision:**

This would involve all 22 units re-opening, Tuesday to Saturday 09.30 to 16.30 with 2 cleans per day for the most frequently used facilities. This could be provided within existing budget, i.e. with an ongoing cost of £193k per annum and no saving against the existing budget.

**Option 3 - As discretionary provision, it would be possible to cease to provide altogether:**

This would deliver a saving of £193k per annum, including central transport costs.

**Option 4 - Targeted provision to reflect geographical coverage / areas of highest demand**

There is currently an imbalance of geographical coverage, with some facilities in relatively close proximity in parts of the Borough. Also, some units are frequented much more than others, and some units are very rarely used. So, when taking both aspects together, there may be an alternative, more targeted option:

Enhancement of current town provision to create a core Council offer, 13 units:

<b>Town centres: 6 units - already open</b>	<b>Parks: 7 units - additional</b>
Albion Street (Halifax)	Calder Holmes Park (Hebden Bridge)
Brook Street (Todmorden)	Centre Vale Park (Todmorden)
New Road (Hebden Bridge)	Manor Heath Park (Halifax)
Thornton Square (Brighouse)	Ogden Water
Town Hall Square (Elland)	Peoples Park (Halifax)
Wharf Street (Sowerby Bridge)	Shibden Park Playground (Halifax)
	Savile Park (Halifax)

This would deliver an equitable spread of provision and cater for popular areas, such as parks and would open Tuesday to Saturday, 09.30 to 16.30 with a return to previous cleaning regimes, 2 cleans per day and possible seasonal provision

to reflect demand. This could be provided at a reduced cost and would therefore generate a saving on the current budget currently estimated to be around £45k per annum (of which around £15k relates to staffing).

One of the biggest logistical challenges is covering the breadth of the Borough to open and close the provision. Once the proposed footprint of provision has been determined, then it would be possible to consider the use of staff from across the Council, based in the various localities, to unlock and lock the provision. This would increase productivity, reduce costs and potentially reduce our carbon footprint. There would also be the possibility of using locality-based staff to undertake the cleaning. However, this is not an appealing job, it is very different to other tasks, it would require inoculations and is likely to be resisted by staff and trade unions.

There may be opportunities for other organisations / groups to take over the management of non-core provision, e.g. Parish Councils. Again, this can be actively explored once the core provision has been determined. Once this more detailed work has been undertaken the annual saving that will be achieved will be determined.

It should be noted that this is based on the existing 5-day operation, currently Tuesday to Saturday inclusive. Should there be a desire to go beyond this, then there may be contractual implications and increased costs.

### **Recommendations:**

It is recommended that Cabinet agrees:

- To maintain the current provision, i.e. 1 unit per town, 6 units in total, until it is considered safe and appropriate to reduce the cleaning regime.
- To determine the footprint of future core Council provision, subject to the relaxation of the current requirements, to inform further detailed work and costings.
- To work across appropriate Council services and partners to consider in detail how provision could be delivered more efficiently and appropriately.
- Using the model developed when it is safe and appropriate to reduce the cleaning regime, to introduce an extended core Council offer of targeted provision to reflect geographical spread / areas of highest demand based on the 6 town centre units currently opened and the 7 park units listed above.
- To determine whether any other organisations / groups, e.g. Parish Councils, would wish to take over the management of any non-core provision. Should there be no interest, then this provision would not be reintroduced.

#### **4.22 Service reviews requiring further investigation**

There are some service reviews where it is recommended that further more detailed information and investigation is carried out before a decision is made and that these may be considered as part of the Council's budget process. These consist of:

- Waste services
- ISCAL

#### **4.23 Waste services**

A range of options were considered in the report to Cabinet on 5 October 2020 in relation to waste collection services. At that meeting a number of questions were raised by Members about the potential impact of these options. These have been considered further by officers with the following conclusion:

##### **Options available:**

**Option 1 Reduce the number of household waste recycling centres (HWRCs)** - The Council has a relatively high level of service in terms of household waste recycling centres compared with other local authorities, but the option of reducing the number of sites by not reopening the two least-used following the lockdown closure has previously been rejected by Cabinet. The closure of these two sites would have resulted in savings of around £200,000 per annum to the Council.

The contract with SUEZ for these services extends until 21<sup>st</sup> July 2024, with an option to extend for 8 years. However, certain variations were included as part of the procurement process and in the pricing schedule SUEZ were asked to submit a price for closing each HWRC either fully, or for one or two days per week. Therefore, it would be possible to implement these changes in a timely manner and have confidence about the savings that will be made. Other changes, such as variations to operating hours, could be negotiated with SUEZ but may take longer to achieve.

Reducing the operational hours of household waste recycling centres would provide more modest revenue savings but would potentially have little impact on overall recycling performance. There are a range of options available, including reducing the opening hours at all sites by an hour a day during the summer months (i.e. opening for winter times all year round) which would save around £25,000 per annum, or reducing the opening hours at all sites by an hour a day all year round, which could save around £43,000. These figures are approximate as they would need to be negotiated with the contractor. Alternatively, there are options which could involve closing the HWRCs at Brighouse, Elland and Sowerby Bridge on the quietest days of the week (Tuesday and Wednesday) which would achieve savings to the Council of around £85,000 per annum. Although this option is available to the Council under the contract, there would be

staffing implications for the contractor which they would look to the Council for support with.

Therefore, further discussions are taking place with SUEZ to identify the financial and operation impact of either:

- i. A reduction in operating hours across all sites.
- ii. One or two-day closures across three sites (on the least busy days):
- iii. Full closure of one or more sites.
- iv. The Council could consider operating the HWRCs in-house in future, but this could not be done before the end of the current contract in 2024.

In terms of accessibility, Todmorden and Sowerby Bridge HWRCs require the use of gantries, but the other 3 sites are split level for ease of use. In normal circumstances most problems would be avoided as the site staff are available to help any residents who are struggling. Though this is not possible at the moment, the operation of the sites is kept under constant review and this service will be reintroduced when it is safe to do so.

**Option 2 Move to a three weekly refuse collection (recycling remaining weekly)** -This would require the replacement of some refuse collection vehicles with recycling vehicles at additional cost but could provide significant increases in recycling performance. Experience of this system in other local authorities suggests that a 15% reduction in waste disposal costs could be achieved which would save around £550,000 per annum if this were reflected in Calderdale. After allowing for increased investment in recycling vehicles and other costs, the net saving could be around £400,000 per annum. Although there may be a public perception of a reduced service and the capacity of bins, particularly for large families, would need to be considered, the introduction of three weekly refuse collection in other local authorities has driven an increase in recycling, thereby giving an environmental and financial 'win/win'.

The waste would be stored in the same way as for the current fortnightly collections - no additional waste will be permitted, i.e. just one wheeled bin or 4 blue refuse sacks - as the whole point of this option is to shift material from the general waste stream into recycling. Therefore, households should not be accumulating any significant amount of extra waste in 3 weeks (and recycling will still be taken away weekly). As mentioned above, this has worked in other authorities where similar schemes have produced reductions in general waste of between 13% and 28%. Should residents require more containers to enable them to recycle more efficiently, then of course these will be provided.

It would be important to ensure that missed collections were rectified in line with the contractual requirement of within 24 hours of report, and this would be monitored and rigidly enforced to make sure people did not have to store the waste for longer than three weeks. It would certainly not be acceptable for someone to have to wait until next scheduled collection, i.e. 6 weeks.

SUEZ have been approached to provide fully researched operational details of what would be required to introduce this proposal, including a clear indication of the financial savings achievable.

**Option 3 Introduce 'end of lane' collections** -There are around 2,100 (predominantly rural) properties currently served by the smallest collection vehicles (4x4 Land Rover-style). There may be potential to remove the need for one or more of these vehicles by collecting the waste and recycling differently from many of these households.

This would involve some properties being rerouted to a larger vehicle and waste collected in wheeled bins from the edge of the nearest adopted public highway (or Lane End) where bins can be sited on a permanent basis. This would make sense where there are five or less properties on the affected lane (meaning it is less efficient for the vehicle to visit) and so a kerbside collection would be provided from an agreed designated point.

If there is no suitable collection point, there are more than five properties at the location, or the residents require an assisted collection, then the 4 x 4 service would be maintained.

The collection points would be assessed to ensure they are in an appropriate, safe location and do not pose a risk of littering or other unintended consequences. All containers should be anchored as securely as possible. The bin would be situated at an agreed location, on an adopted highway if possible (or other suitable location that would be agreed with the landowner) and affected residents would be informed well before any change in collection point is introduced.

There are no additional liability issues when a resident takes their waste or recycling to a designated collection point. Residents must use their own judgement on how to safely place the waste out for collection, whether this is directly outside the house, down steps or a driveway, at the kerbside or at a lane end collection point.

The rural routes cost far more per property than the urban routes. Per collection round, a 4 x 4 will generally service no more than 200 properties per day, compared with around 1,000 properties in a larger vehicle on an urban or suburban route. The possibility of additional charging through a precept to maintain rural collections could be explored if felt desirable.

Three vehicles are currently used, at a total cost of £180k per annum and so, depending on how many properties might have to remain on the current service due to the need for an assisted collection or the lack of a suitable collection point, it would be possible to save £60k with one less vehicle or £120k if it was possible to service all the remaining properties from a single vehicle. Again, discussions with SUEZ are ongoing to refine this option.

**Option 4 Move to fortnightly recycling** - Currently only around a third of households put recycling materials out for collection on a weekly basis, suggesting that the majority of households would be unaffected by a change to fortnightly recycling collections, i.e. they would still put their recycling out in exactly the same as they do now and thus see no change in service.

It is acknowledged that there may be issues around food waste in particular, with people unable or unwilling to store this for two weeks and so some of it could end up in general waste (as this will be collected in the week that recycling isn't). Whilst this is not desirable from an environmental point of view, and it would increase disposal costs (thereby reducing savings from this option) it would be an available disposal route for residents. However, in accordance with the waste hierarchy, what we should be doing is minimising or reducing the amount of food waste in the first place, and extra efforts would be put into educational campaigns to this end.

As with the refuse service option, any reports of missed collections would be treated the same way they are currently in that there is a contractual requirement to rectify them within 24 hours of report, and this would be monitored and enforced robustly.

A fortnightly recycling collection will not mean a reduction in the fleet by half as there will be more recycling presented and the number of properties each lorry services on a daily basis will be reduced as the vehicles will tip off more frequently (probably twice daily).

However, initial estimates suggest that up to £330k net savings could be achieved through a move to alternate weekly collection of recycling and residual waste, even after taking into account that there could be some reduction in recycled waste (such as food). As with the other options, Suez have been approached to provide fully researched operational details of what would be required to introduce this proposal, including a clear indication of the financial savings achievable.

### **Recommendation:**

Most of these options will require further negotiation with the provider SUEZ and further analysis of how any unintended consequences might be mitigated. For this reason, it is recommended that Cabinet agree these negotiations be continued but a final decision on which options are necessary be taken as part of the budget process for 2021/22 in February next year.



## 4.24 ISCAL

### **Background:**

ISCAL is a Council service delivering training and skills, in a supported environment, for local people with health, disabilities and barriers to employment, through a manufacturing service producing paper coasters and napkins. It supplies mainly to the leisure and hospitality sector. Its 9 machines produce over 1.3 million coasters a week and 45% of the orders are exported.

ISCAL's workforce comprises 15 core staff, 80% of whom have a disability or mental health issues, and they help train and support up to 200 volunteers a year developing their skills to access work after their 26-weeks programme with ISCAL. We have a 75% success rate of people still in employment 18 months after leaving ISCAL.

ISCAL offers a bespoke person-centred employability programme which supports people who have multiple barriers to accessing employment. They are referred from a range of organisations and take self-referrals. The support is very flexible and can range from 2 hours per week up to 16 hours for a maximum of 26 weeks. This work is voluntary, and the volunteer will leave ISCAL with a range of skills to help them move on into further employment in the local economy. It offers support to find employment and has strong links across a wide range of business sectors, and once they are employed, we deliver in-depth in work support to help keep that person in employment. We keep in contact with our customers for 18 months after leaving ISCAL and so far we have a 75% success rate of people still in employment 18 months later.

The nature of occupations they move into ranges from manufacturing, tree surgeon, cleaner, graphic designer, care worker, administration, logistic co-ordinator and someone retrained and is now a teaching assistant.

The skills ISCAL develops form part of the manufacturing processes used to make paper coaster and catering products which include tray liners, plate holders and glass drip mats. It has warehouse and forklift truck training as well as admin and logistics, and cleaning occupations which can help the volunteer see a variety of occupations.

The pandemic has meant costs for this year have been inflated as ISCAL has not operated at all this financial year, the staff were not furloughed, and income has been small. The options therefore will include looking at how the service will diversify and perform in the next 2 financial years so that recovery and growth can be fully planned and investigated.

The current costs for the operation for the Council is £300k per annum but ISCAL aims to have the operation cost neutral by April 2023.

### **Options available:**

Currently the service is working on 4 options to take the service forward.

### **Option 1 – Re-open ISCAL but with a changed offer.**

Through the pandemic the managers have been working, they have kept in contact with the shop floor staff who are all at home to ensure they are well and to monitor their wellbeing.

Several key areas will support this option:

- PPE delivery for the Borough moved to ISCAL and was managed by the service
- Introduce a picking and packing service for the new activity
- Stronger links as a service to Adult Social Care clients for paid services
- Register for the Kick Start programme to offer paid placements
- Revive the 12 Access to work supported employment places
- Embed ISCAL fully into the Inspire Programme and gain salary revenue
- Deliver the YPO activity around PPE and recycle products as a registered supplier / distributor
- Develop further the outsource links with Celebrations to help exchange work
- Continue to deliver the final phase of the Change Programme with paid placements

This option would need a fixed subsidy by the Council to make it viable until 2022/23.

### **Option 2 - ISCAL with a new Governance and business status**

ISCAL has operated as a business / commercial model but has been unable to access any investment and growth grants as it is part of the Council and becomes ineligible. This option is to review the legal operating arrangements to find a more suitable status to enable access to different growth support.

The review will highlight the range of structures and provide a cost benefit analysis of the most appropriate for the future.

Suggestions so far will include:

- Social Enterprise
- Corporate Charity Trust
- Co-Operative

Leeds Beckett University have been commissioned to review this aspect and to then link into the development of a business plan for change. This option may prove difficult to implement immediately and it is anticipated that it could be implemented by April 2022.

This option would offer some saving for the Council in the longer term, and still maintain delivery of a service to help vulnerable people access employment.

### **Option 3 – ISCAL as an entity is sold**

This option would review the value of ISCAL in the commercial world and look to either selling as an entity, or source an investor / partner to take the lead on the

operation. The option would need some initial investment to use an external agent to investigate the range of potential investors / organisations who may see the value in the service. Given that ISCAL is not trading profitably then it is unlikely to be attractive to investors without a Council subsidy.

Other than this, the key issue to be assessed with this option is around the lease which still runs until 2027, and recently procured equipment. The Council may wish to retain the building for future uses or look to be part of the sale package and transfer to the new owner.

This option would need to review the staff options and TUPE obligations and would be unlikely to be possible to implement before April 2022. Despite the need to find a use for the building and equipment it would provide a saving to the Council.

#### **Option 4 – ISCAL is closed**

The full costs are being investigated for this option which would include the ongoing commitment to the lease and prudential borrowing. The staff and consultation periods would need to be considered, and a schedule of goods would be developed so that as much stock, equipment and finished goods could be sold to gain back some return.

This option would mean the Council covering the full costs of closure and looking to either sublet or use the building until 2027 but would still provide a saving to the Council.

#### **Summary and next steps**

The Council has a clear priority to reduce inequalities and through the ISCAL service is directly influencing how a service can help the most vulnerable access training and employment. However, this might be achieved in different ways and when taking account of the service and premises costs, the Council's ISCAL operations represented an annual cost of circa £300k in 2019/20.

Efficiency activity has been implemented over the past 18 months and a new pricing structure has been agreed to cover the full costs of the premises and staffing. The Covid-19 pandemic has had a massive impact as the business has been closed since 25<sup>th</sup> March, and the hospitality trade it services has been forced to close until very recently and will only now be operating for the foreseeable future with a significantly reduced demand.

A package of proposals has therefore been put together:

- to reduce the Council's costs / increase cost recovery in relation to the operation of sales.
- to diversify the product offer such as PPE in the short term, building on recent successes with PPE distribution and demand due to the pandemic.
- to develop a service offer which will be charged to all referral agents who wish support for their clients.

There would be costs associated with delivery of all these proposals, which would need to be confirmed. However, in the view of ISCAL they would achieve a cost neutral service by April 2023, but this would require a detailed business plan. The package of proposals would have staffing implications, which would be subject to the required consultation and approval requirements, and therefore timelines would need to be confirmed. The proposals would therefore have a part-year effect in 2021/22, and 2022/2023 with full effect anticipated from April 23.

**Recommendations:**

It is recommended therefore that Cabinet agree that a full appraisal of the above options be carried out with clear costs and timelines for a decision by Cabinet on the future approach. This option appraisal should include a business plan which is realistic and sustainable but with the aim of producing a cost neutral service and should be completed by December this year.

**4.25 Service reviews where no further decision is required at this stage**

This report also contains information about some service areas where the service has been enhanced or has operated in a different way during the pandemic and these lessons will be used to understand how these service improvements might be delivered in the future and made more sustainable. This includes:

- Victoria theatre
- Enforcement
- Gathering place

**4.26 Victoria theatre**

**Background:**

The Victoria theatre employs 12.9 FTE staff across management and programming, box office, technical & maintenance, marketing and business development and front of house and bars. Currently 7.5 FTE contracted staff are furloughed until 31<sup>st</sup> October and will return to work on 1<sup>st</sup> November.

It relies very heavily on casual staff to deliver in all these areas except for management and programming.

Whether there is meaningful work for the returning team depends on the following factors:

- The venue can reopen to deliver a small-scale programme as described below.

- The Bid to Arts Council Culture Recovery Fund for £301k, which will further mitigate described financial losses.
- The Bid to the Future High Street Fund and whether there are preparations and planning to set in train.
- There is a last-minute decision on delivering a Christmas programme in the venue.

The success of the current model is validated by the ongoing confidence in the venue from promoters – only 4 shows have been cancelled since March 2020, all other shows have been re-contracted into Spring 2021 and beyond. Similarly, only around 5% of all customers who had bought tickets for performances have requested a refund. The remainder have requested that their tickets be moved to the rescheduled show dates evidencing a strong desire for a return to the venue.

The theatre is currently holding over £550k in box office takings on account.

The theatre has 2 active grant applications and has been successful in its application for £301k under the Cultural Recovery Fund. This grant should cover operating costs and COVID set up costs from 1<sup>st</sup> October 2020 to 31<sup>st</sup> March 2021. It would also cover the costs of redundancies for some staff. The grant will not cover loss of income (approximately £500k) from closure from 1<sup>st</sup> April 2020 onwards but the Council should be able to claim a proportion of this back from Government under the income compensation scheme. A key condition of the Cultural Recovery Fund grant is that the venue is open and operational (in a socially distanced model – see below) by mid-February 2021. The smaller grant application from the Arts Council will not now be progressed. The Council will receive approximately £100k from the Government for furlough payments for casual and contracted theatre staff which again will mitigate the in-year losses.

### **Financial information:**

Prior to closure due to Covid-19 the theatre had a significant upward trend in box office turnover and retained income highlighted below, and this trend was set to be consolidated in 2020/21. The underlying financial model for the theatre is therefore arguably robust, should it be able to return to a model of operating social distancing in place, and within the agreed Council subsidy. The table below shows the net cost of the Victoria theatre prior to overheads each year and compares the forecast cost of the theatre (after taking into account the Cultural Recovery Fund) with the original budget and the forecast prior to the pandemic.

	Actual	Actual	Actual	Actual	Budget	Current Forecast	Pre-Covid Forecast
	2016/17	2017/18	2018/19	2019/20	2020/21	2020/21	2020/21
Contracted Employees	429,138	502,658	503,304	547,638	480,331	441,916	460,000
Casual Employees	112,140	123,663	161,035	169,971	116,320	80,780	160,000
Supplies & Services	143,324	228,940	487,013	394,511	272,290	70,000	450,000
Premises	132,217	119,968	157,021	157,041	84,240	84,240	84,240
Covid re-start costs						40,000	
<b>Service Totals</b>	<b>816,819</b>	<b>975,229</b>	<b>1,308,373</b>	<b>1,269,161</b>	<b>953,181</b>	<b>716,936</b>	<b>1,154,240</b>
Service Income	-517,855	-685,352	-996,895	-838,041	-718,529	-94,722	-949,385
Cultural Recovery Fund						-200,000	
<b>Direct Costs</b>	<b>298,964</b>	<b>289,877</b>	<b>311,478</b>	<b>431,120</b>	<b>234,652</b>	<b>422,214</b>	<b>204,855</b>

After taking into account the furloughing of some staff and amounts which may be claimed under the Government's income compensation scheme it is anticipated that the cost of the Victoria theatre this year can be contained within the existing budget. Clearly it is unlikely that the audiences to the theatre will return to their previous levels quickly in 2021 and therefore any funding not utilised in the current year, including the Cultural Recovery Fund, should be carried forward to support the budget next year. In the above table it is assumed that £101k from the Cultural Recovery Fund will be carried forward into next year when a new business plan will be required based on the social distancing and other requirements at that time.

The venue is also part of a strategic bid to the Future High Streets Fund, requesting £1.5m for essential works to upgrade and improve the public areas, provide full disabled access for the first time, and introduce daytime opening and a café-bar. A decision is due in December 2020.

The venue has undertaken its own modelling of operating with social distancing in place, and the large-scale nature of the venue is a significant asset which supports social distancing. The venue (subject to approval by H&S and Public Health England) can accommodate approximately 282 people in a socially distanced auditorium.

Whilst this is not financially viable for the usual programme at the theatre, it means that a small scale programme of music, stand-up comedy is logistically and financially viable – in the sense that a small scale programme would return a small profit - and would be safe. The venue could operate in this way until such time as normal operations could be resumed at which point there is already a full programme in place and scheduled, meaning recovery could be very rapid.

Service operating costs during a period when the venue was operating as a small-scale venue would be minimised by placing restrictions on expenditure, reducing establishment costs by making 3 staff redundant and ensuring box office and secondary sales were maximised. Under this model there would

continue to be a financial pressure as the venue would not be able to generate volume sales to achieve its income targets.

Taking the above into consideration, 4 options for the future of the venue emerge.

### **Options available:**

#### **Option 1 Close the venue**

The venue would be permanently closed, all staff would be made redundant or redeployed. The net saving to the Council based on previous years' actual costs of the theatre would be around £300k per annum. In addition to this there could be a significant saving in support costs from management and other overheads/corporate support which are charged to the theatre. This would require a review of these support functions to ensure that the overheads are not simply reallocated. Redundancy or redeployment costs would need to be calculated in addition to the above.

The positive impact of the venue's year-round capacity to attract up to 1,600 people to the town on a nightly basis would be lost, impacting local bars and restaurants and the local economy. A large number of community groups and businesses would lose access to a large-scale theatre space.

#### **Option 2 Mothball the venue**

This option would see the venue placed into hibernation until such time as normal operations could be resumed. Depending on the nature and length of the mothballing a range of savings in expenditure would be made and these would need to be modelled in response to the parameters provided. There would however be additional costs associated with mothballing a building. As in Option 1 the above positive benefits associated with the venue would be lost i.e. to the local economy, the social value to the community and the wider cultural infrastructure for Calderdale.

Staff could be redeployed until such time as operations resumed. As the Council has received Cultural Recovery Funding then this option is no longer appropriate.

#### **Option 3 Reopen in the Spring (February 2021)**

This would enable the venue to generate income mitigating cost when closed. This will be significantly mitigated by the award of the Cultural Recovery Fund in the current year. To achieve the above, the theatre would re-orientate its business model to operate as a small-scale venue until such time as a return to normal operations can be achieved.

The theatre would be able to deliver a live programme of arts and events with fewer events and a lower seating capacity, meaning that income streams from ticket and secondary sales could be realised. The theatre's establishment would

be adjusted accordingly to enable delivery of the reduced programme in a safe and optimised manner. Tight restrictions on expenditure would be maintained to help offset the shortfalls in income.

A professional programme could be staged which would help to build confidence in customer and promoter base and would help support local bars and restaurants. If legally allowable, socially distanced community events could take place– which would help support local performing arts business such as dance schools as well as enabling young people to have access to the arts and performing opportunities.

#### **Option 4 Radical review of governance and operations**

This could include:

- a. Outsourcing the venue
- b. The venue becoming an independent charitable organisation

These options would require further detailed consideration if progressed.

#### **Recommendation:**

It is recommended that based on the above considerations and the recent welcome grant support from the Cultural Recovery Fund that the Victoria theatre plan to re-open in February 2021 for small scale events with social distancing in place (option 3).

This decision, to re-open or re-start the service does not require a Cabinet decision.

## **4.27 Enforcement**

### **Background:**

A review of enforcement functions across the Council in 2018 led to the creation of an integrated Community Protection Service, including an enhanced intelligence capability and a new team of 22 Community Safety Wardens who operate 24/7 and also run the Council's CCTV facility and Out of Hours service from Battinson Road. In essence, the review was about making sure the Council can deal quickly, firmly and transparently with people who display a lack of consideration or respect for fellow community members. If left unchecked, this behaviour can have a corrosive impact on neighbourhoods, whether that's through planning breaches, fly-tipping, dangerous housing conditions, poor air quality, or other common forms of anti-social behaviour such as noise nuisance or dog fouling. The service is now well established and has delivered an increasing number of interventions, based upon the principles of education, engagement and enforcement and using a standard framework.

As a result, the ground capacity and visibility of enforcement has been increased – we now have 20 Wardens and 2 Senior Wardens with 5 teams working on a



rota basis to ensure 24/7 cover and one person will always be in the CCTV facility. We need to manage expectations but, coupled with an increase in Neighbourhood Policing, we now have far more partnership resources on the streets than we have had for a number of years.

These resources are starting to make their presence felt ... in the last 12 months enforcement interventions have increased with 281 warnings issued in August this year compared with 7 the previous August. This has not necessarily resulted in a significant increase in fixed penalty notices but has a deterrent effect.

This is being achieved by a long overdue cultural change where we work together as 'One Council' and the customer comes first, with a willingness to take calculated risks to protect people's quality of life and using all the powers available to officers, not just those they would traditionally think of within their service. Two regular cross service meetings using a 'case conference' approach now take place - one focussing on priorities and solutions at a local level, and the other focussing on more complex issues that need a coordinated, multi-service, strategic response, as well as coordinating the thematic days of action. We are also embracing technology, with body cameras, mobile CCTV and handheld devices being trialled or in place. Last, but not least, the review has delivered the £100k saving required in the Council's Medium Term Financial Strategy.

The Covid-19 pandemic and associated regulations have placed a huge, unforeseen demand on the service as it seeks to, amongst other things, provide advice to businesses, deal with transgressions and support track and trace activity. Whilst the new team puts the Council in a strong position to respond to these challenges, the current crisis has raised questions about the sustainability of the level and intensity of enforcement activity moving forward, and particularly the need to manage expectations from both the public and Members. The agreed temporary uplift to staffing levels is helpful in the short term but may heighten these expectations further.

Therefore, this report suggests there is a need to think about how we ensure that we get the best from our resources, by operating as smartly and efficiently as possible.

The focus of the enforcement activity during the pandemic has been on licenced premises, the environmental health role of test and trace and coping with the more general increase in demand.

i) Licensed premises

On 4th July licenced premises could re-open with guidance as to how they should operate. Compliance has been managed through partnership (council and police) patrols across the Borough, resulting in 378 visits (up to 20<sup>th</sup> September 2020) to premises to ensure they are operating within the current guidelines. This includes an inspection of the premises and a review of Covid-secure practices, as well as

sharing information with licensees and staff on the latest regulations and why they are in place.

Premises that appear not to be adhering to the rules are served with a Stage 1 Letter. 29 of these have been issued to date. This acts as a reminder of their responsibilities and requirements under the Licensing Act and particularly in response to the current pandemic.

Officers then make a return visit to ensure that the issues identified have been rectified. If there are still problems, then a Stage 2 Letter is issued which outlines an intention to return and issue a Direction if necessary, under the Health Protection (Coronavirus, Restrictions) (England) (No. 3) Regulations 2020.

Local authorities may issue a Direction if they deem there is a serious and imminent threat to public health in their area. Calderdale has issued 10 of these Directions to date.

Any Directions served are for a 7-day period. The premises/activity is then reviewed, and a decision taken to keep the Direction or revoke it. It is pleasing to note that on all occasions in Calderdale where a Direction has been served appropriate remedial action has been taken and all have now been revoked (as of 21/09/2020).

#### ii) Increased Demand

Covid-19 created an unforeseen demand and the Community Protection Team has stepped up to deliver focused, intelligence-led weekend patrols, supported by West Yorkshire Police. However, ever-changing national and local guidance has seen this demand and remit increase. Therefore, a decision was taken in August to look at a temporary uplift in key areas of the team and the following additions were agreed for a period of 6 months, taking into account the concurrent risks around winter preparedness etc.:

- Community Safety Wardens - increasing from 20 FTE to 25 FTE (which includes creating a supervisor role on each of the five teams)
- Community Safety Enforcement Officers - increasing from 7 FTE to 12 FTE (with a lead on Licensing and Covid Compliance patrols)
- Partnership Intelligence Officers - increasing from 2 FTE to 4 FTE (supporting operational response through intelligence-led tasking, reviewing, collating and dissemination of partnership information etc.)

#### iii) Environmental Health role within Test and Trace

The Food Officer (Environmental Health) has been seconded into Public Health to deliver on the Test and Trace initiative. Two additional temporary members of staff have been brought in to support ongoing work. The seconded officer has been managing a number of local outbreaks, which creates further demand on other Environmental Health Officers. For example, during the week commencing 7<sup>th</sup> September, there was a need to deal with 4 outbreaks - these were generally small in terms of the number of people involved but it still creates a demand on the wider team.

It is clear that as things develop through the Covid-19 pandemic the demands on the Community Protection Team are increasing. The team is currently operating 7 days a week with a specific focus on evening patrols/inspections from Friday through to Sunday.

This is testing the resilience of officers and there is no indication that the demand will decrease in the foreseeable future.

The Government recently announced that it would be making available £30m nationally to police forces and £30m to local authorities to spend on Covid-19 compliance and enforcement activities. There is some flexibility around the use of funding, but the Government is encouraging local authorities to use it to fund Covid-19 secure marshals. The Calderdale allocation of this funding will be £120k and will help fund the temporary expansion of resources within the enforcement team above plus any further resources required in the short term.

Calderdale has enjoyed strong partnership working relationships for a number of years. However, if we look across the region, it appears that we are clearly delivering a level of enforcement and engagement activity within the council that is above the level seen in other districts. The question remains whether this is the right approach and what is required in Calderdale, and, if so, how it can be maintained.

A number of measures are already in place to further increase the efficiency and effectiveness of the council's enforcement activity:

- Delivering an increased number of day to day enforcement interventions, using appropriate legislation and prosecution routes as necessary within the new Street Scene Enforcement Framework, and maximising publicity to deter further anti-social behaviour.
- Continuing to deliver focussed and joined up Thematic Days of Action and promote the outcomes widely (at the moment this is superseded by the need to deliver Covid-focussed activity, both proactive and reactive).
- Sorting out back office systems to give a much better intelligence picture to underpin effective targeting of resources and introducing automated processes / standard operating procedures to ensure complainants are kept updated and informed of what we are doing and why.
- Delivering a proactive communications strategy to increase public confidence and satisfaction, linking this to Vision 2024 and the Council's ambition for Calderdale as a place.
- Continuing to embed the new integrated Community Enforcement Team and the wider principles of the Enforcement Review to deliver everything from daily briefings, triaging and tasking of front-line resources, to preparation of detailed case files for prosecution of more serious issues.

In reality, expectations will continue to be high and though these can be managed to an extent, the real challenge is to get the best we can from what will continue to be finite resources.

**Options available:**

In the case of the Enforcement the two main alternatives are to reduce the service provision in line with demand and previous budget provision or to continue with the existing budget provision but attempt to manage the demand and expectations using technology and service efficiencies.

**Recommendations:**

It is recommended that:

- the use of single reporting channels by both the public and Members be implemented through simple web forms that allow us to capture all the relevant information at first point of contact, which makes it easier to assess, prioritise and effectively deal with the issue, rather than having unnecessary involvement of multiple officers and services, and further avoidable contact.
- making best use of digital technology to increase efficiency, particularly through the use of hand held devices which allow officers to access information to give them a fuller picture or wider context on specific matters, and to input information in real time to 'close the loop' with customers. This also underpins the 'right resource, right time' principle where specialist resources are conserved and focussed.
- Ensuring that patrols, specific interventions and wider enforcement activities are Intelligence-led, as this is the best way to ensure maximum effectiveness rather than spreading resources too thinly and diluting the impact.
- there needs to be an ongoing dialogue between agencies to continue the sort of partnership approach that has been so effective in Calderdale over the years.

**4.28 The Gathering Place hub****Background:**

In March 2020 when faced with the challenge of bringing those who are homeless or rough sleeping off the streets as we faced national lockdown the Council commenced discussions with Christian's Together to request that they extended the winter shelter beyond the end of March 2020 to provide an enhanced Covid Shelter response for this group of vulnerable people. Whilst other towns and cities used hotels for this purpose, this was not possible in Calderdale, the larger hotels refused to participate and using hotels/B&B's would have meant looking outside of Calderdale, it would have involved security and transport costs, alongside increased costs in delivering wrap around services, such as drug and alcohol services, mental health support and access to medication.

Therefore to ensure we could secure the continued employment of some of the existing staff team from the Winter Shelter (which was coming to an end and staff were looking at securing work elsewhere), we needed to offer attractive and secure terms of employment to retain these staff, and with advice from the then Director of Public Health planning was made for a 6 month project. All stakeholders agreed that if it were prudent to step down before the 6 months then this could happen, and the grant agreement built in a 3-month review period for this purpose.

The provision required was for both Covid Protect and Covid Care. Covid Protect enabled people to be in accommodation for the prevention of Covid 19 spread. This consists of 14 beds for 12 men and 2 women to stay on a night by night basis. This provision is for people with multiple and complex needs, such as drug, alcohol and mental health issues. It was initially envisaged that people would be staying for a significant amount of time as it was not possible to move any one on into permanent accommodation during lockdown.

There are 15 Covid Care Beds for people who are symptomatic, where they could self-isolate and rest whilst being unwell. Once well they would move into the Covid protect beds. It was envisaged the Covid Care beds would require minimal support, for example, checking temperatures, providing food etc. Staff were trained to use the correct PPE. This provision was only used by two individuals for one night each.

The Covid Protect provision is the significant cost, due to the requirement of providing staffing 24 hours a day. Set up costs included beds, and minor changes to the building as advised by Public Health for the purpose of infection control.

Calderdale is on a journey to improve its response to adults with multiple and complex needs specifically in the four main HARM areas, that is Homelessness, Addiction, Reoffending and Mental health. Since April 2020 we have been part of the MEAM (Making Every Adult Matter) coalition, where we are being supported to design and deliver better coordinated services for this group.

This work is currently focusing on developing pathways Adult Social Care, Mental Health services and Safeguarding to improve our system response.

We have also learnt of the vulnerabilities of this group through the findings of the thematic review into the circumstances of the deaths of five men over a four-month period during winter 2018/19, who all lived street-based lifestyles in Halifax, three of whom died in the same week.

The shelter was commissioned by housing services as a crisis response in partnership with numerous local stakeholders' agencies, from local services and enforcement agencies. Whilst there is still much work to do there have been cultural shifts that we will be able to build on going forward.

- Primary Care – all residents are encouraged to register with a GP which has been facilitated by Rosegarth surgery
- Calderdale Recovery Steps our local adult drug and alcohol treatment provider has provided onsite clinics and rapid access to treatment.

- Key relationships are being developed with the local Mental health team, resulting in navigation support for workers accessing that system
- Close working amongst local homeless service providers (Horton, Smartmove and Christian together) have been developed to support individuals in a flexible way meaning services working outside and above their service specifications.
- Peer support has been provided by The Basement recovery project on site by local people in recovery from substance misuse
- Access to virtual mutual aid and support groups has been made available via Kindle's
- To be able to offer a housing response to early unplanned prison releases that were a result of the pandemic.

This group have often faced trauma in their lives and we have to be able to provide a service, where they are supported with a roof over their heads, kind and caring people to talk to and watch over them, whilst they seek help with their problems and remain Covid free. Some have successfully detoxed from drugs or alcohol, some successfully rehoused, some have engaged in mental health and substance misuse treatment, most have been able to register with a GP, and for many it has been to experience kindness and friendship for the first time in many years.

The thematic review highlighted the costs of significant pressures to A&E departments where multiple attendances by this group rarely resulted in positive health outcomes or follow up treatment. In early lockdown the shelter worked really hard to prevent hospital admissions by this group, using a range of creative interventions never tried in Calderdale before, such as providing a managed alcohol programme to prevent alcohol withdrawal fits and encouraging use of primary care.

During the last 6 months the shelter have only had to call upon the Ambulance service 12 times for 4 individual residents.

There have been 75 individuals stay at the shelter, some on more than one occasion including 9 current residents, this has resulted 1311 occupied bed nights.

- 65 were men and 10 women
- The ages of residents ranged from 18-69, the majority being between 30 and 49
- 57.3% of residents had a mental health need (44% had a formal diagnosis)
- 80% of residents reported substance misuse, drugs, alcohol or both.

It is important to note that it was difficult through lockdown to secure alternative accommodation. Social housing providers stopped allocating and private landlords stopped taking on new tenants. In ordinary times it is challenging to secure longer term accommodation as landlords do not want to take on tenants who have complex needs. 29 residents have been accommodated by Housing Services and another 7 moved on to local housing support projects or family. 4

were arrested for outstanding warrants or recalled to prison. This equates to a 46.8% success rate for accommodating clients who arrive at the shelter which is 29 individuals from a total of 62 residents.

6 individuals (9.7% of residents) have moved on to their own accommodation having engaged in support and treatment to be in recovery from all substances when they left the shelter, a much larger group have engaged in ongoing treatment with Calderdale Recovery steps, many of whom were initially resistant to accessing services.

The initial costing for the shelter for six months was agreed at £433k and a grant agreement was made at an initial cost of £72,255 per month, this was understood as an additional financial burden to the Council as we had received only £1650 from central government for this work. Both the provider and the Council and have worked hard to reduce these costs and to date have managed to reduce this to 67% of the original forecast i.e. around £300k. More recent work on budgets means that the cost of continuing with the Shelter open all day would be somewhere between £20k and £35k a month, Christians Together Calderdale have done some work to try and pare down staffing costs and increase the use of volunteers that are used to volunteering in the winter shelter. This is not affordable within Homelessness or Public Health budgets on an ongoing basis.

We have sought to pursue some available charitable funding but unfortunately all our local providers involved are either too small or too large to meet the criteria requiring an annual turnover of between £1M and £5M.

Calderdale and Horton Housing have submitted bids for both capital and revenue funding to provide a longer-term solution to this local gap in service. We have been supported by our MCHLG advisor and hope to hear in the coming month if the capital bid is successful. This residential project would not be available until January 2021 at the earliest.

We have recently been informed that we have been successful in the revenue bid of £149k. This is for 2 posts in the Homelessness Service, one specifically for move on and another one which yet remains unclear, additional funding to pay for access to the private rented sector (e.g. bonds and rent in advance) plus money for a personalisation fund. Whilst it is not yet confirmed it seems unlikely that this funding could be used to directly support the shelter, although it could be used to help people to move on from the shelter, including access private rented accommodation.

In the short term it has been agreed that Public Health will provide funding of £50k which will allow the Hub to continue until at least the end of November. Further financial contributions have been agreed from the Better Care Fund to continue with the six month extension.

Without this funding the Gathering Place Hub would have to revert to the previous winter shelter meaning that there would be no sanctuary on offer during the day regardless of winter weather. This would be at a time when local restrictions are in place and could be increased, and the rates of coronavirus cases continue to be high.

Calderdale has two crash pads delivered by Horton Housing, these have had to close during the pandemic as they cannot be delivered in a Covid secure way, these crash pads are used to house rough sleepers directly from the street. The crash pads are not planned to reopen in the foreseeable future. However, the Council are required to provide accommodation for those who are verified as sleeping rough and this would continue using alternative accommodation solutions.

### **Options available:**

The main risks should the Gathering Place Hub close are how to manage the event that a resident of the Winter Shelter either displays symptoms or a positive test when we have no facility for individual or group isolation, the shelter has operated as a bubble and the communal living arrangement would result in all residents needing to isolate.

Given the current situation, if there are further restrictions relating to Covid we would have no facility to keep this group indoors.

We are also very aware of the pressures on both hospitals and enforcement agencies, this group are often heavy users of A&E and support their addictions through begging and shoplifting, putting pressure on health services and the Police. To date we have only managed to rehouse 46.8% of those who presented to the shelter and are aware of those still circulating who are likely to represent for shelter over the coming Winter. We have explored local low-cost alternatives to the shelter provision for both Covid Protect and Covid Care and options are limited.

It is possible for Homelessness Services to retain an apartment for use by anyone needing to isolate that has symptoms or a positive test, either straight from the street if picked up by outreach or to be transferred from the winter shelter with food parcels dropped off. This would cost around £3k to keep free for the six-month period. We do not have outreach capacity in the system to offer any additional support or security.

If all the winter shelter residents are required to isolate it may be possible to disperse the whole group into B&B and vacant flats. If this were the case this would be an emergency response with no additional support and would accrue unplanned costs and may need to happen more than once.

### **Recommendations:**

It is therefore proposed that joint funding of a 6-month extension to the Hub be confirmed. This would also provide the opportunity to explore a more permanent solution and how this would be funded.



## **5 Options considered**

- 5.1 The Council could, when restrictions allow, return to operating and commissioning services as it did prior to the pandemic. This would not however be affordable based on the latest financial projections, but also would not use the valuable experience learned during lockdown to inform the design of future services. Without changes in the types of public universal services proposed in this report then compensatory savings would be required from other discretionary services which the Council has prioritised in recent years or a more risk based approach to targeted services to vulnerable people would need to be adopted.

## **6 Financial implications**

- 6.1 The latest estimate provided to Government is that the additional cost to the Council in the current year is likely to be around £34.9m with around £21.2m of additional Government funding and CCG contributions to cover this i.e. a shortfall of £13.7m. Around £10.6m of this relates to potential losses on council tax and business rates income which the Government has said that it will allow local authorities to recover over the next three years. There is therefore currently an in-year shortfall of around £3.1m which relates to the delayed implementation of planned savings. Budget challenge sessions are being held with directors to agree actions to address these budget pressures wherever possible and reduce the in-year shortfall. It is also anticipated that the Government income compensation scheme and further funding from Government which was announced as part of the statement on the new three tier system for local restrictions will help reduce this shortfall and make some contribution to the deficit on council tax and business rates income which the Council will have to carry forward to next year.
- 6.2 The reliance on short term funding is however not sustainable and more permanent solutions need to be put in place for existing budget pressures and unachievable savings in advance of the budget process for 2021/22. Our initial estimate of the potential impact on next year's budget position is that the Council may be faced with having to find on-going savings of around £8m in a best case scenario and up to £20m in the worst case. This will increase if existing budget pressures are not addressed and by any unfunded shortfall in relation to the coronavirus, for example, the deficit on Council Tax and Business Rates income in the current year.
- 6.3 In the case of Public Services, there were existing budget pressures prior to the pandemic on income targets in libraries, halls and in particular on transport where the demand and cost of transporting special educational needs children has escalated. Although these pressures are being partially mitigated in the current year by vacancies being held and one-off savings from not being able to re-start some services, this is not sustainable. Although proposals to reduce these budgetary pressures were agreed in January it has not been possible to implement some of these plans due to the pandemic and the planned changes on transport contracts and policies cannot now be implemented until September 2021 at the earliest due to the current social distancing arrangements and the need to consult on any changes.

- 6.4 Similarly there are budget pressures of around £1.2m in Regeneration & Strategy as a combination of savings which have been delayed (the Community Infrastructure Levy), savings which are no longer achievable due to changes in Government policy (Commercial Investment income and New Homes Bonus) and other budget pressures caused by changes in customer preferences (e.g. Markets, and Iscal). The proposals in this report under phase 2 of the delivery plan could make the following contributions to reducing the shortfall in a full year:

	<b>Full year (saving)/ cost (£000)</b>
Victoria theatre	nil
Mixenden activity centre	(£200k)
Enforcement	nil
Visitor information centres	(£84k)
Markets	(£200k)
Iscal	(£300k)
Public conveniences	(£45k)
The Gathering Place hub	£300k*
*alternative funding is being sought	

- 6.5 The table excludes proposed savings on Library services which were included in the financial implications section of the previous report but would generate annual savings of around £150k per annum once fully implemented. Similarly, initial estimates of the potential savings from each of the Waste services options is included in this report but will be worked up more fully with the contractor and considered as part of the budget process for 2021/22. The potential saving on ISCAL will depend upon the option appraisal and business plan which are being prepared but are based on a full recovery of costs (break-even) position by 2023/24 or through closure of the facility.
- 6.6 The proposals in this report would deliver realisable savings to the Council and help put the Council's financial position on a more sustainable footing in advance of the budget process for 2021/22 which is expected to be even more challenging. The information above highlights the full year savings which might be achieved from the recommendations within this report. In the first instance there may be initial one-off costs associated with making the change and the part year effect depending upon the date of their implementation. This will depend upon a number of factors including the need for consultation with staff, with service users and contractors where necessary, and with the community about their willingness to take on services or buildings. Where buildings are taken over by communities the savings will not be realised until the Council

hands over responsibility or disposes of the building. Mothballing buildings would result in the Council continuing to incur running and maintenance costs until the transfer or disposal is completed.

## **7 Legal Implications**

- 7.1 All the proposals within this report and under the approach being taken to re-starting and reviewing Council operations will need to comply with appropriate guidance and legislation in terms of the responsibilities of local authorities. The Head of Democratic and Partnership Services will be consulted on all relevant proposals.

## **8 Human Resources and Organisation Development Implications**

- 8.1 Once the principles of the service requirements have been agreed, detailed staffing requirements will be determined, and consultation undertaken with the trade unions and staff in accordance with the Council's HR policies for restructures. Where there is a proposed reduction in staffing numbers, in the first instance we would seek expressions of interest in applications for Voluntary Redundancy/Voluntary Early Retirement. We would also seek to redeploy individuals to alternative roles before making any compulsory redundancies. The Council's HR policies in relation to Redundancies, Restructuring and Redeployment will be followed and subject to consultation.
- 8.2 As the report refers to, the Council has furloughed a number of staff, particularly in Sports and Cultural services, during the pandemic but this scheme will close at the end of October. Many of these staff have returned to duties anyway as the Council has re-opened facilities such as sports centres. The Government has however introduced a lockdown job support scheme (when a business must close due to lockdown requirements) and a part-time job support scheme (when an employee can continue to do at least 20% of their hours). The Council is currently exploring whether there are any staff within services which have not re-started, who the part-time job support scheme might apply to and the Council could recover 49% of the cost through Government. In the first instance however, the Council would look to redeploy staff into areas of work where additional staffing resource is needed due to social distancing requirements or additional responsibilities such as local track and trace.

## **9 Consultation**

- 9.1 The proposals within this report will require consultation with the community, service users, and affected staff through the Council's HR policies and procedures.

## **10 Environment, Health and Economic Implications**

- 10.1 The Director of Public Health is included on the Future Council Group and will be involved, along with other key services and professional advisors, in the decision making on when to re-start and review services.

## **11 Equality and Diversity**

- 11.1 Equality impact assessments will be undertaken on any significant service changes resulting from the recommendations within this report.

## **12 Summary and Recommendations**

- 12.1 The Covid-19 pandemic has given us an opportunity to re-engage with the community and our partner organisations to think about and re-design the role of the Future Council. At the same time the Council is facing significant financial challenges both in the short term but likely also to be over the next three years as the country and the borough start to recover from its impact.
- 12.2 This report is the second phase of a delivery plan to re-shape the Future Council which will concentrate on protecting the most vulnerable people in the borough and providing business critical services. The first phase of the delivery plan was agreed at Cabinet on 5 October except for proposals on Waste Services and Libraries which Cabinet wanted more information on. Further information is provided within this report.
- 12.3 There are some service areas within this report where reviews have been undertaken and immediate decisions are required in advance of the budget process. In these service areas (Libraries, Mixenden Activity Centre, Visitor Information Centres, Markets, and Public Conveniences) it is not possible to operate services fully due to restrictions brought about by the coronavirus and social distancing requirements and there are changes in customer demand and the Council needs to consider how they will operate in the future.
- 12.4 Further information is provided within the report on the condition and maintenance requirements of the community libraries which it is proposed to offer for community interest or close. The report sets out the process whereby the Council will engage with the community to establish whether there is any community interest in providing these services. Where there is no community interest then the proceeds from sale of the assets could be re-invested in maintaining the remaining libraries.
- 12.5 The viability of the Mixenden Activity Centre is considered in this report as Youth Services will in future be targeted primarily at more disadvantaged young people and commissioned through the voluntary and community sector. The centre is also not able to offer many of the previous facilities and activities now and in the near future due to the social distancing requirements. It is proposed therefore that the Mixenden Activity Centre remain closed and alternative use of the site be investigated working with community organisations.
- 12.6 Visitor Information Centres were closed during lockdown and have not re-opened. Experience from before the pandemic however shows that increasing numbers of people are now accessing visitor information digitally and less than 2% of visitors would plan to use an information centre when planning a trip. For this reason, it is proposed that the Hebden Bridge visitor centre does not re-open and that notice on the Piece Hall visitor centre be given to vacate the unit in January 2022. The importance of tourism and visitors to Calderdale

still needs to be recognised however and it is proposed that £40k of the savings be re-invested in enhancing the development of the Visit Calderdale digital offer.

- 12.7 The Markets trade has been interrupted during the pandemic but continues to play an important economic role in addition to contributing to the visitor and cultural economy. The car boot sales operated by the Council however closed during lockdown and would be difficult to re-open in a safe social distancing way. They also operate at a net cost to the Council. For these reasons it is proposed that the Council cease to operate these markets. It is also possible to streamline some of the processes at the Halifax Borough Market, Todmorden Market Hall and increase provision/reduce costs across the range of open markets. These proposals could potentially save around £200k in total and remove the existing budget pressure in the Markets service. It is proposed that a detailed implementation plan be developed with the Markets Working Party.
- 12.8 A range of options are considered within this report on the provision of Public Conveniences. The preferred option involves reducing the number of public conveniences to one in each of the market towns and 7 park units based on a targeted provision with a geographical spread across the borough and customer demand. This would achieve a budget saving to the Council once the enhanced cleaning requirements are no longer required. Discussions with local organisations would take place about the community taking responsibility for maintaining and operating any units which are surplus to requirements.
- 12.9 There are other service areas which have been reviewed (Waste services and ISCAL) where further information and consideration is needed on the options available and for this reason it is proposed that a final decision be made in the budget process in light of the Council's overall financial position.
- 12.10 Further information is also provided in the report in response to concerns raised on the Waste Service options included in the previous report to Cabinet on the Future Council. Discussions on the viability of each option and how to mitigate any potential implications will continue with the contractor so that these options can be brought forward to be considered as part of the budget process for 2021/22.
- 12.11 The ISCAL service has moved from its pre-pandemic business of delivering training and skills to people with disabilities and health issues through the production of paper products and napkins, to the administration and distribution of PPE. A more sustainable business model is required however as despite the benefits the scheme provides, it operated last year at a cost of around £300k to the Council. The report recommends that a full option appraisal be presented to a future Cabinet meeting ranging from closure of ISCAL, a new delivery model using social enterprise, or a more sustainable business model with a more diverse product range.
- 12.12 Finally this report also considers some service areas which will have to operate in a different way reflecting the requirements of social distancing (Victoria Theatre) and those service areas which have been operating with an enhanced provision during the pandemic and with improved ways of working and outcomes (Enforcement and the Gathering Place). The challenge on these

services will be how the Council sustains the improved outcomes within the resources available to it.

- 12.13 The report proposes that Victoria theatre remains closed until February 2021 at least due to the current restrictions which are in place using the Cultural Recovery Fund to meet the cost over this period but also using the time available to plan for re-opening in a safe way. In the new year, the venue would then re-open with reduced capacity to maintain safe social distancing events until restrictions are lifted.
- 12.14 The new Enforcement service is now embedded, and the report highlights the impact it is starting to have and the enhanced role during the pandemic. This is however creating pressures within the service and expectations which cannot necessarily be delivered. The proposals in this paper are around the use of technology to assist the service and simplification of the channels of communication in order to be able to prioritise its workload.
- 12.15 The Gathering Place hub was established to provide shelter for homeless and rough sleepers during the pandemic. The six-month pilot has been successful in terms of providing temporary shelter for people, and a significant proportion have been found more permanent accommodation as a result of this. The pilot has been extended through a combination of housing, public health and health funding for another six months to cover the winter period. It will also allow the opportunity to progress the bid which has been put in to develop an accommodation-based solution with a housing provider and to maintain the multi-agency approach which has worked well so far. It is recommended that a report be prepared for a future Cabinet meeting appraising the benefits which may be achieved from a more permanent solution and how this might be funded jointly with other partners.
- 12.16 The report concludes that these proposals will help put both the Public Services and Regeneration & Strategy directorates in a more financially sustainable position but that the appropriate consultation, including affected staff, will be undertaken before implementing any permanent changes.
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**The documents used in the preparation of this report are:**

1. Cabinet report on 7 September 2020: The Future Council – re-start and review of Council operations
2. Cabinet report on 5 October 2020: The Future Council phase 1 delivery plan

**The documents are available for inspection at:**

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