

**SPECIAL ANGUS COUNCIL**

**3 April 2020**

**COVID-19: TEMPORARY ADDITIONAL DELEGATIONS – FINANCE & PROCUREMENT ACTIVITY**

**REPORT BY THE DIRECTOR OF FINANCE**

**ABSTRACT**

This report seeks Council approval to some additional temporary delegations regarding finance and procurement activity to allow urgent business to be conducted and to maximise the ability of the Council to respond to current and emerging COVID-19 issues.

**1. RECOMMENDATIONS**

1.1 It is recommended that the Council:

- (i) Notes the background and reasons why additional temporary delegations are being sought as set out in the report;
- (ii) Approves the delegations to officers proposed in paragraphs 4.4, 4.7 and 4.9 of this report; and
- (iii) Notes those delegations are subject to the limitations and conditions set out in paragraphs 4.4, 4.7 and 4.9

**2. ALIGNMENT TO THE COUNCIL PLAN**

2.1 This Report contributes to the achievement of our priority that the council is efficient and effective as detailed in our Council Plan for 2017 – 2022.

**3. BACKGROUND**

3.1 Ensuring that Council staff can respond to the rapidly changing environment caused by COVID-19 and the measures put in place by UK and Scottish governments it is necessary to seek some additional temporary delegations for officers. These delegations will allow rapid decision making and response but only where that is required as outlined in this report. Members are asked to approve the delegations sought until such time as they are no longer required and would be withdrawn.

**4. DELEGATIONS SOUGHT & REASONS**

**A) Key Supplier Continuity Payments/Support**

4.1 Most of the suppliers to the Council and Angus Health & Social Care Partnership (AHSCP) have been impacted by the COVID-19 response with some services provided for the Council, such as school transport, no longer being required. Many suppliers and partners rely on the Council/AHSCP for much of their business. This includes Tayside Contracts and Angus Alive. In many cases without ongoing support from the Council/AHSCP those suppliers could potentially cease trading and be unavailable to provide essential services once the current emergency situation is over. The Council procures contracts on behalf of AHSCP.

4.2 Some guidance on what Councils and IJBs should do to support specific supplier groups has been issued by Scottish Government and COSLA but local arrangements still need to be put in place based on an assessment of local needs. The position is made more complex by the national support arrangements such as the Coronavirus Job Retention Scheme because some suppliers will be able to access those support arrangements. There is therefore a need to avoid a double subsidy from public funds in what we do locally.

- 4.3 Members will appreciate that there is a compelling need for suppliers to have those local arrangements in place as soon as possible to give them certainty and to support cashflow.
- 4.4 In order to expedite support arrangements and to provide flexibility to respond to changing circumstances including the potential for new national guidance in this area the following delegation to officers is sought:-
1. Delegate authority to the Director of Finance following consultation with the Director of Legal & Democratic Services to design and amend as necessary an Angus Coronavirus Key Supplier Support Scheme based on national guidance and local requirements
  2. Delegate authority to:
    - o the Chief Executive,
    - o all Council Directors and
    - o the Chief Officer of the Angus Integration Joint Board

to implement the Angus Coronavirus Key Supplier Support Scheme where applicable to their service areas

The above delegations would be subject to the following:-

- a. the costs associated with the Support Scheme being able to be met from either the additional funding provided to the Council by the Scottish Government for COVID-19 response or, if required, by reallocating existing approved Council budgets to support the Scheme. In the event that the Council's contingency funding needed to be accessed the approval of Council or the requisite Committee or Sub-Committee for such action will be required.
- b. details of the Scheme and information on its implementation being provided in a formal report to Council or the requisite Committee or Sub-Committee as soon as practicable.

#### **B) Amendments to Financial Regulations**

- 4.5 The Council's Financial Regulations set out the governance framework for the management of the Council's finances. The Director of Finance already has delegated authority to make minor amendments to the Regulations subject to these being reported to Committee annually.
- 4.6 It is possible that more material changes to the Regulations may need to be applied temporarily as part of the COVID-19 response which may not be able to wait on a formal meeting of members for approval. Changes could include amendment to procurement authority limits, procurement processes or financial processing or other financial governance arrangements.
- 4.7 To provide flexibility to respond to changing circumstances the following delegation to officers is sought:-
1. Delegate authority to the Director of Finance following consultation with Chief Executive, to make changes to Financial Regulations where this is essential to support delivery of the Council's services and its response to the COVID-19 emergency

The above delegation would be subject to the following:-

- a) It only being applied where absolutely necessary and as a matter of urgency where prior approval of Council, the requisite Committee or Sub-Committee cannot be achieved quickly enough
- b) Such changes to Financial Regulations being applied on a temporary basis only until the end of the current emergency
- c) Details of any changes made being reported to the next available meeting of the Council or an appropriate Committee or Sub-Committee

### **C) Use of Additional Government Funding**

4.8 Significant additional funding for Councils and the Third Sector has already been announced by the Scottish Government and further funding may follow in the coming weeks. The main sources of additional funding for Councils are:-

- £50m Hardship Fund – Angus Council allocation is £1.088m – to be used entirely at the Council's discretion but likely to be required to support additional costs, lost income, etc.
- £70m Food Fund – details awaited on share and what it can be used for but likely to be used in part to support the humanitarian response (see Report124/20 which is also on the agenda for this meeting)

4.9 It is possible that decisions on the use of additional Government funding for COVID-19 may need to be made at short notice. To provide flexibility to respond, the following delegation to officers is sought:-

1. Delegate authority to the Director of Finance, following consultation with the Chief Executive, to use additional funding provided by the Scottish Government for COVID-19 where this is essential to support delivery of the Council's services and its response to the COVID-19 emergency

The above delegation would be subject to the following:-

- a) It only being applied where absolutely necessary and as a matter of urgency where prior member approval cannot be achieved quickly enough
- b) Details of any decisions made being reported to the next available meeting of the Council or an appropriate Committee or Sub-Committee

## **5. FINANCIAL IMPLICATIONS**

5.1 There are no additional financial implications for the Council beyond those mentioned elsewhere in this report. All delegations proposed will be applied within the totality of the existing approved Council revenue and capital budgets or the additional funding provided by Scottish Government for COVID-19. It may be necessary to reallocate existing approved budgets for Service areas to ensure resources are available in the areas needed.

## **6. EQUALITIES IMPLICATIONS**

6.1 The recommendations in this report will have no negative differential impact on persons with protected characteristics.

**NOTE:** No background papers, as detailed by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to a material extent in preparing the above report.

**REPORT AUTHOR:** Ian Lorimer, Director of Finance  
**EMAIL DETAILS:** Finance@angus.gov.uk