

ANGUS COUNCIL – 30 JUNE 2022

LOCAL AUTHORITY COVID-19 ECONOMIC RECOVERY (LACER) FUNDING

JOINT REPORT BY IAN LORIMER, DIRECTOR OF FINANCE AND ALISON SMITH, DIRECTOR OF VIBRANT COMMUNITIES & SUSTAINABLE GROWTH

ABSTRACT

This report seeks member agreement on the use of a recently announced source of funding where Councils have discretion as to its use in order to support businesses and communities recover from the pandemic. The report proposes a number of interventions by the Council working with partners and other organisations which are intended to support Angus citizens and businesses using one-off funding provided by the Scottish Government.

1. RECOMMENDATION

It is recommended that the Council:

- a. Note the background to this additional funding and associated guiding principles as set out in the report and Appendix A;
- b. Approve the proposed use of the funding based on the key themes and specific proposals set out in Section 5 of the report noting that the proposal to offer free public transport on a targeted basis will be the subject of a further report to members for consideration in August;
- c. Note the intention to report back to members with an evaluation of the impact of all of the proposed projects and interventions once these have been implemented.

2. ALIGNMENT TO THE COUNCIL PLAN

2.1 This report contributes to the following strategic priorities in the Angus Council Plan, we want:

- Angus to be a go to place for business
- To maximize inclusion and reduce inequalities
- Our communities to be strong, resilient and led by citizens

3. BACKGROUND

3.1 On 21 February 2022 the Scottish Government announced a new £80 million Local Authority Covid Economic Recovery (LACER) Fund targeting support for businesses and communities as part of the next phase of the pandemic. The guiding principles for use of the funding were released on 4 March 2022. Angus Council's share of this funding has been confirmed as £1.672 million. The funding is one-off, has been paid as part of general revenue grant and the Council therefore has flexibility on how and when to use the funding.

3.2 Officers from a number of Council services have been investigating potential uses for this funding and that has included looking at the approaches being adopted by other Councils as well as assessing the impact which other one-off funding provided for similar purposes (most recently the Winter 2021/22 Flexible Fund) has had. Following these investigations this report brings proposals for use of the funding to Council for consideration and approval.

4. GUIDING PRINCIPLES

- 4.1 Guiding principles for use of the £80m LACER Fund have been jointly agreed between COSLA Leaders and Scottish Ministers. The funding is flexible and ultimately is designed to empower local authorities to utilise funding where they consider this necessary or justified based on local circumstances. The guiding policy intent of this funding is to support local economic recovery and cost of living impacts on low-income households. The guiding principles note that Local Authorities are best placed to understand the needs of businesses and communities locally and therefore will need flexibility to design and deliver interventions that best meet that local need.
- 4.2 The guidance states that interventions made under this fund should be based on a clear economic recovery and/or low-income household support rationale. A collaborative approach towards sharing of best practice and learnings from different interventions should be adopted to maximise benefits and positive effects while minimising risk and unintended consequences.
- 4.3 Councils have complete flexibility on how and when they use these funds but potential areas of usage suggested in the guiding principles include: -
- Interventions that support local economic recovery and contribute to businesses being able to move from surviving the period of trading restrictions towards recovery, growth, adaptation and building resilience;
 - Projects that can rebuild consumer confidence and stimulate demand and economic activity in their specific contexts; and
 - Support to low-income households, that are disproportionately impacted by the pandemic and the current cost of living crisis, become more economically active.

The principles of spend outlined above are to be used as a guide, with Local Authorities ultimately able to utilise this funding flexibly, as required. Local Authorities are able to decide on multiple interventions at different points as locally appropriate.

- 4.4 Appendix A lists illustrative examples of possible interventions set out in the guiding principles but as stated above it is for each Council to decide how best to approach this based on the circumstances and needs in their local area.

5. PROPOSALS

- 5.1 The announcement of this funding and its associated guiding principles together with the timing of the pre-election period meant it has not been possible to bring proposals to members until now. As set out in Appendix A there are multiple potential interventions which could be deployed some of which require consultation with relevant stakeholders and we must be mindful of other support funding which is also being provided to avoid duplication.
- 5.2 As the funding can be used over the course of 2022/23 careful thought has been given to what could, and should, be put in place in the short-term and what would benefit from further consideration and implementation later in the year. There is an underlying need for support to be provided as quickly as possible in the current economic crisis with the rise in the cost of living and additional challenges that town centres and businesses now face.
- 5.3 It is proposed to use the funding to address known needs across a small number of key themes which will support both individuals, families and businesses in Angus. It must be recognised that the scale of the challenges facing Angus communities due the current cost of living crisis is well beyond what can be addressed with the LACER funding alone so the intention behind providing support across key themes is to try to target the resources at issues where there is the greatest need.
- 5.4 During the last few years, various grants have been administered to businesses to address Covid specific issues, however, very little support has been offered to the retail sector and in particular with a focus on our town centres. The proposed economic development element of the LACER Fund (see Table 1 below) builds on advice from stakeholder engagement with key business

agencies and centres our focus on moving on from COVID-19 towards recovery, growth, adaptation, building resilience, and the transition towards net-zero. Flourishing and vibrant town centres are essential for the social and economic wellbeing of Angus. Over the years, our towns have faced significant and serious challenges and it is important that we now engage with our businesses and look at how we can support them. It is proposed to allocate monies to develop a bespoke 1-1 business support working alongside Business Gateway to understand the issues facing our businesses and to build capacity to empower our business community to enable them to work collaboratively to deliver town centre initiatives.

5.5 The Angus Council Plan for 2022/23 was approved on 3rd March 2022 with agreed outcomes to seek to eliminate child poverty, barriers to access and reduce climate change. Reducing Child Poverty is a key aim of the Angus Community Plan and the Tayside Plan for Children, Young People and Families. With the rising cost of living these agreed outcomes are a key priority that the proposals for this fund aim to address.

5.6 It is proposed that the LACER funding be directed towards the following themes:-

- Child Poverty
- Fuel Poverty/Cost of living
- Food Poverty
- Climate Change/Transport Poverty
- Town Centres - Economic Growth

5.7 Four immediate proposals are outlined in Table 1 below that, if approved, would support our lowest-income households, particularly families, with the increasing costs of living, increasing the income people have to spend in the local economy and prioritising our town centres, encouraging collaboration and economic growth. The fifth proposal on free public transport requires some further development to ensure it can be appropriately targeted and proposals for this theme will be the subject of a separate report to committee in August for approval.

Table 1 – Proposed Use of LACER Funding

Key Theme and Proposed Intervention	Proposed amount of allocation £
<p>Town Centres – Economic Growth - Support for Local Economic Recovery The intention here will be to commission specialist 1-1 business support offering expert advice to help town centre businesses maintain their longer-term sustainability. Combined with a small grant scheme to assist business support recommendations and capacity-building support to assist business collaboration and to encourage delivery of town centre initiatives.</p>	£400,000
<p>Child Poverty – One-off Support Payments and Discretionary Support Fund This proposal if approved would provide families that meet the criteria of low income with a one-off payment to support the additional rise in the cost of living. The funds proposed would be expected to enable a payment of £100 to be made to approximately 3,500 families in need.</p> <p>To ensure monies get to the right people in crisis, who need it most an allocation of the monies is proposed to extend the Welfare Rights and Social Care discretionary funds. The aim of these funds is to provide discretionary financial assistance by way of payments to cover essential items such as food, clothing, and household items. Before any payments are granted a full assessment of the recipient's circumstances is reviewed and entitlement checks/benefit and debt advice given as required. Based on previous experience the funds proposed would be expected to enable support to be provided to approximately 600 people in need.</p>	£350,000 £150,000
<p>Fuel Poverty/Cost of Living – One-off Support Payments/Vouchers To provide a one-off payment to our lowest income households in recognition of the increased cost of living including rising food, fuel, and transport costs. The Council will also continue to work with organisations like SCARF to help people</p>	£400,000

with energy efficiency and other ways to reduce energy costs. The funds proposed would be expected to enable a payment voucher ranging in value from £100-£200 depending on the size of the family to approximately 3,000 families.	
Food Poverty – Funding to Support Agencies & Capacity Building To provide support to food agencies and the social supermarket to allow them to assist with the increased demand. A small allocation of funds will assist with capacity building to provide sustainability around solutions to reduce the need for food banks.	£100,000
Climate Change/Transport Poverty – Targeted Free Public Transport Transport poverty is on the rise with the rise in fuel costs, it is therefore proposed that monies are allocated to allow a project to be developed around offering free public transport to those that require it most. This will take the learning from the free Easter travel scheme. Further detail on this proposal will come back to members in August for approval.	£250,000
Currently Unallocated – to be used to top up proposed projects or support new project ideas which may come forward	£22,000
Total Allocation	£1,672,000

- 5.8 In practice it may be necessary and appropriate to make minor adjustments to the proposed spending on each theme if, for example, the costs in one area of support prove to be less than expected and those funds can be redeployed to provide additional support under one of the other themes.
- 5.9 Evaluation of the impact of the proposed interventions will be crucial to inform any future support arrangements so the intention is to report back to elected members with information on the interventions and their impact in around 6-9 months time.

6. FINANCIAL IMPLICATIONS

- 6.1 Angus Council's share of the LACER funding has been confirmed as £1.672 million. All projects and proposed interventions as set out in this report will be funded from this source so there will be no additional call on Angus Council financial resources other than officer time to administer the funding.
- 6.2 All uses for the funding will be on a basis which does not add to the Council's running costs on a permanent basis.

7. EQUALITY IMPACT ASSESSMENT

- 7.1 An Equality Impact Assessment has been carried out and is attached.

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.

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LACER Funding - Overarching guiding principles:

Principle 1: Interventions made under this fund should be based on a clear economic recovery and/or low-income household support rationale. Examples:

- LAs may consult with local business stakeholders to determine best interventions in their respective context
- LAs may have light-touch local sectoral analysis of funding to show link with economic need, which could build on similar examples such as the template for evaluation of the flexible funding element of the Winter Support Fund
- LAs may have targeted intervention at those known to have been impacted most by the pandemic and/or any EQIA

Principle 2: A collaborative approach towards sharing of best practice and learnings from different interventions should be adopted to maximise benefits and positive effects while minimising risk and unintended consequences. Examples:

- Presentation at COSLA-SLAED-SG Business Grant 'Project Group' and other relevant forums

Principle 3: Local Authorities may wish to allocate funding to interventions that support local economic recovery and enable businesses to move from surviving the period of trading restrictions towards recovery, growth, adaptation and building resilience. Examples:

- Business Improvement Districts
- Place Based Investment Programme
- Scotland Loves Local or local equivalent scheme
- Targeted direct financial support to local businesses
- Targeted joint work or support on a sectoral basis for sectors that are particularly important for the local economy
- Improving digital access for businesses and consumers
- Expanding or enhancing existing economic development activity
- Funding for continuing COVID compliance, adaptation and resilience officers

Principle 4: Local Authorities may wish to allocate funding to projects that can rebuild consumer confidence and stimulate demand and economic activity in their specific context. Examples:

- Providing pre-paid vouchers, Scotland Loves Local cards or local equivalents to low-income households, such as those in receipt of Council Tax Reduction and other low-income households.
- Direct assistance to access food, fuel and other essentials – where this is more appropriate or is the preference of individuals themselves – with contracts supporting local businesses / organisations.

Principle 5: Local Authorities may wish to allocated funding to support the low-income households, that are disproportionately impacted by the pandemic and the current cost of living crisis, become more economically active. Examples:

- Proactive financial assistance to low-income households, for example households in receipt of Council Tax Reduction and/or Free School Meals on the basis of low income.
- Providing pre-paid vouchers, Scotland Loves Local cards or local equivalents to low-income households, such as those in receipt of Council Tax Reduction and other low-income households.
- Proactive financial assistance to support those likely to experience hardship – including people who may have been impacted by the cut to Universal Credit and those who may not be eligible for mainstream or other support.
- Proactive financial assistance to a particularly vulnerable group, e.g., older people in low-income households.



Equality Impact/Fairer Scotland Duty Assessment Form

(To be completed with reference to Guidance Notes)

Step 1

Name of Proposal (includes e. g. budget savings, committee reports, strategies, policies, procedures, service reviews, functions):

LOCAL AUTHORITY COVID-19 ECONOMIC RECOVERY (LACER) FUNDING

Step 2

Is this only a **screening** Equality Impact Assessment ~~Yes~~/No

(A) If Yes, please choose from the following options **all** reasons why a full EIA/FSD is not required:

(i) It does not impact on people Yes/No

(ii) It is a percentage increase in fees which has no differential impact on protected characteristics Yes/No

(iii) It is for information only Yes/No

(iv) It is reflective e.g. of budget spend over a financial year Yes/No

(v) It is technical Yes/No

If you have answered yes to any of points above, please go to **Step 16**, and sign off the Assessment.

(B) If you have answered No to the above, please indicate the following:

Is this a full Equality Impact Assessment Yes/~~No~~

Is this a Fairer Scotland Duty Assessment ~~Yes~~/No

If you have answered Yes to either or both of the above, continue with Step 3.

If your proposal is a **strategy** please ensure you complete Step 13 which is the Fairer Scotland Duty Assessment.

Step 3

(i) Lead Directorate/Service:

Finance and Vibrant Communities and Sustainable Growth

(ii) Are there any **relevant** statutory requirements affecting this proposal? If so, please describe.

NONE

(iii) What is the aim of the proposal? Please give full details.

To seek member agreement on use of the funding provided to the Council under the LACER funding source where Council is able to use the funding on a discretionary basis.

(iv) Is it a new proposal? Yes/~~No~~ Please indicate OR

Is it a review of e.g. an existing budget saving, report, strategy, policy, service review, procedure or function? ~~Yes~~/No Please indicate

Step 4: Which people does your proposal involve or have consequences for?

Please indicate all which apply:

Employees Yes/~~No~~

Job Applicants ~~Yes~~/No

Service users Yes/~~No~~

Members of the public Yes/~~No~~

Step 5: List the evidence/data/research that has been used in this assessment (links to data sources, information etc which you may find useful are in the Guidance). This could include:

Internal data (e.g. customer satisfaction surveys; equality monitoring data; customer complaints).

Priorities in the Angus Council Plan

Internal consultation (e.g. with staff, trade unions and any other services affected).

Staff from a number of Council services including economic development, communities and welfare rights have been consulted and involved in the preparation of the proposals in this report

External data (e.g. Census, equality reports, equality evidence finder, performance reports, research, available statistics)

Guiding principles on use of LACER funding developed by COSLA and the Scottish Government

External consultation (e.g. partner organisations, national organisations, community groups, other councils).

Consultation with partners on the broad themes set out in the report has been undertaken

Other (general information as appropriate).

Step 6: Evidence Gaps.

Are there any gaps in the equality information you currently hold? ~~Yes~~/No

If yes, please state what they are, and what measures you will take to obtain the evidence you need.

Step 7: Are there potential differential impacts on protected characteristic groups? Please complete for each group, including details of the potential impact on those affected. Please remember to take into account any particular impact resulting from **Covid-19**.

Please state if there is a potentially positive, negative, neutral or unknown impact for each group. Please state the reason(s) why.

Age

Impact

The funds are intended to be used to help people in need so are expected to have a positive impact as some people in need are likely to be within protected groups. In particular the proposals aim to mitigate the effects of child poverty and fuel poverty so will positively impact young people and older people respectively.

Disability

Impact

The funds are intended to be used to help people in need so are expected to have a positive impact as some people in need are likely to be within protected groups. People with disabilities have been disproportionately impacted by the pandemic so the additional targeted support offered through the proposed themes will positively impact this group.

Gender reassignment

Impact

None

Marriage and Civil Partnership

Impact

None

Pregnancy/Maternity

Impact

The funds are intended to be used to help people in need so are expected to have a positive impact as some people in need are likely to be within protected groups. In particular payments to support families will assist those with new born children.

Race - (includes Gypsy Travellers)

Impact

The funds are intended to be used to help people in need so are expected to have a positive impact as some people in need are likely to be within protected groups. People from other ethnic backgrounds have been disproportionately affected by the pandemic, so will benefit from this targeted support.

Religion or Belief

Impact

None

Sex

Impact

The funds are intended to be used to help people in need so are expected to have a positive impact as some people in need are likely to be within protected groups. Women have been particularly affected by the pandemic, and as the largest numbers of carers of children, will benefit from the families support payment, and support to tackle food, child, fuel and transport poverty.

Sexual orientation

Impact

None

Step 8: Consultation with any of the groups potentially affected

If you have consulted with any group potentially affected, please give details of how this was done and what the results were.

None

If you have not consulted with any group potentially affected, how have you ensured that you can make an informed decision about mitigating action of any negative impact (Step 9)?

No negative impacts have been identified – the funding is to be targeted at people in need and we expect older people, families with younger children, disabled people and women (groups which are disproportionately affected by poverty and disadvantage and have been more impacted by the effects of the pandemic) to benefit from the proposed interventions.

Step 9: What mitigating steps will be taken to remove or reduce potentially negative impacts?

Not required

Step 10: If a potentially negative impact has been identified, please state below the justification.

Not applicable

Step 11: In what way does this proposal contribute to any or all of the public sector equality duty to: eliminate unlawful discrimination; advance equality of opportunity; and foster good relations between people of different protected characteristics?

The actions to be taken based on the recommendations in the report are considered to be likely to have a positive impact as they are intended to help people in need some of whom are likely to be within protected groups thereby advancing equality of opportunity.

Step 12: Is there any action which could be taken to advance equalities in relation to this proposal?

No

Step 13: FAIRER SCOTLAND DUTY

This step is only applicable to **strategies** which are key, high level decisions. If your proposal is **not** a strategy, please leave this Step blank, and go to Step 14.

Step 14: What arrangements will be put in place to monitor and review the Equality Impact/Fairer Scotland Duty Assessment?

Support arrangements are subject to ongoing review as part of the Council's pandemic response and the EIA will be reviewed as necessary as part of this.

Step 15: Where will this Equality Impact/Fairer Scotland Duty Assessment be published?

As part of the committee report

Step 16: Sign off and Authorisation. Please state name, post, and date for each:

Prepared by: Ian Lorimer, 9 June 2022

Reviewed by: Doreen Phillips, Snr Practitioner (Equalities), 15 June 2022

Approved by: Ian Lorimer, Director of Finance, 16 June 2022