

ANGUS COUNCIL

POLICY AND RESOURCES COMMITTEE – 12 MARCH 2024

LOCAL AUTHORITY COVID-19 ECONOMIC RECOVERY (LACER) FUNDING

REPORT BY ALISON SMITH, DIRECTOR VIBRANT COMMUNITIES & SUSTAINABLE GROWTH

1. ABSTRACT

This report provides an update on projects funded using Scottish Government Local Authority Covid19 Economic Recovery (LACER) funding. It requests that the Committee note the project updates and that the remaining £70,000 from the project 'Town Centres Economic Growth - Support for Local Economic Recovery', is being used to offer discretionary grants to support Angus businesses who continue to recover from the impacts of Storm Babet.

2. ALIGNMENT TO THE COUNCIL PLAN AND COUNCIL POLICIES

2.1 This report contributes to the following priorities in the Angus Council Plan (2023-28):

- **Caring for our People** - Reduce inequalities in all our communities
- **Caring for our Place** - Enable inclusive, empowered, resilient and safe communities across Angus

2.2 This report contributes to the following aims and objectives of Section 8 of the Angus Council Emergency Plan (January 2023):

- **Flooding** - Co-ordinate council services, by assessing priorities and actions in conjunction with partner agencies in responding to and supporting recovery from a flood event
- **Recovery Priorities** - The needs of the affected community should be established as soon as possible, and the initial priorities are that no one remains in immediate danger, the numbers of people affected are identified and that disruption to businesses, infrastructure problems and environmental issues are all identified and included in any planning.
- **Recovery Objectives and Milestones** - Local businesses are trading at acceptable levels

3. RECOMMENDATIONS

It is recommended that the Committee: -

- (i) note the update on progress with previously approved projects using Scottish Government LACER funding set out in Appendix 1;
- (ii) note the remaining £70,000 for the project 'Town Centres Economic Growth - Support for Local Economic Recovery', has and will be used to offer grants to support Angus businesses who continue to recover from the impacts of Storm Babet;
- (iii) note the Angus Council LACER funding update in item 4.2, and
- (iv) note that a future report will be brought to members to provide a further update on progress with these schemes.

4. BACKGROUND

4.1 Scottish Government LACER Funding

4.1.1 Angus Council received LACER funding of £1,666,869 as part of the grant redetermination payment for 2021/22.

4.1.2 Reference is made to Reports 180/22, 363/22, 90/23 and 243/23 which explain the guiding principles of the fund and detail previously approved funding for 11 projects for the amount of £1,666,869 and funding is now fully committed.

4.1.3 A progress report on the use of previously approved funding for projects is provided in Appendix 1 of this report.

4.2 Angus Council LACER Funding

4.2.1 At the budget setting meeting of 2 March 2023, Angus Council agreed to set aside £275,000 to deliver further projects aligned with LACER principles (Appendix A to Report 57/23 refers).

4.2.2 At the meeting of Angus Council on 14 December 2023, £100,000 was approved for Storm Babet flood recovery response to support those in Angus that require additional support and who are ineligible for other types of support. Use of the funding is managed through the Council's Welfare Rights team in liaison with the Vibrant Communities and Housing teams. (Report 354/23).

4.2.3 A further report regarding allocation of the remaining £175,000 will be presented to Angus Council on 21 March 2024.

5. CURRENT POSITION

5.1 To date, 9 of the 11 Scottish Government LACER funded projects are complete.

5.2 Currently 2 Projects are still in delivery phase, Welfare Rights and Social Care discretionary funds, and Targeted Free Public Transport, with Elected Members being regularly updated of their progress through monthly LACER Funding reports.

5.3 All completed projects have fully spent their funding allocations except for the 'Town Centres Economic Growth - Support for Local Economic Recovery' project which has reported a total spend of £329,461 and an underspend of £70,539.

5.4 Report 243/23 provided an update to Members that the remaining funding from this project was being considered for the potential implementation of an Angus gift card/loyalty programme to support businesses. Research and consultation with local businesses and Scottish Local Authorities was carried out to understand the demand, need and to explore options. Findings from this research informed us that gift card and loyalty schemes across Scotland had been met with varying success, with those with best results requiring substantial time, investment and resource to promote and maintain schemes. It was also not possible obtain an accurate measure of outputs and outcomes and direct benefits to businesses and consumers. It was therefore concluded that not enough is known about the cost-benefit ratio for such a scheme, and in line with previous decisions on such proposals Angus Council are not in a position to take this project forward at this time.

5.5 Following assessment of the severe impacts from Storm Babet on 19 October 2023 it became clear that immediate financial support was necessary to support businesses with the costs of clean up, and repairs or replacement of equipment and stock to enable them to reopen and resume trading. At that time it was not known if or when any financial support for businesses would be announced from the Scottish Government, and with consideration for the critical need for immediate financial assistance, the Storm Babet Finance and Business workstreams were tasked with identifying any available funding. Officers recommended at the Recovery Group to make use of the remaining £70,000 to support Angus businesses with £1000 Emergency Grants and a Flexible Discretionary Grant, and this was approved using Director's delegated powers.

5.6 £1,000 Emergency Grants: Angus businesses, who had temporarily closed due to damage incurred during Storm Babet, were invited to apply for a one-off emergency grant of £1,000 to assist them to reopen, support economic recovery, and to offset immediate costs which could not be covered by existing insurance, for example immediate costs of clean-up, materials, cashflow and exceptional costs to help the business restore trade. This fund was launched on Friday 3 November 2023 and closed to new applications on Monday 4 December. 26 Grants of £1,000 were awarded, a total spend of £26,000.

5.7 The Scottish Government £3,000 Flood Grant for Businesses launched on Monday 4 December 2023, and closed to new applications on Friday 12 January 2024. 40 grants of £3,000 were awarded, a total spend of £120,000.

5.8 Flexible Discretionary Grants: Due to the varying and complex needs of businesses recovering from the impacts of Storm Babet, which are still emerging, additional discretionary grants using the remaining £44,000 from the allocation to Emergency Grants, can be awarded for exceptional circumstances where all other avenues of support had been exhausted and where there was a case for preventing wider impact. Storm Babet caused significant damage to business/industrial

units at Eastmill Road, Brechin, which included irreparable damage to the private electrical substation which provides the main power supply for businesses at the site. To date discretionary grants to the value of £26,000 have been awarded to impacted businesses.

6 FINANCIAL IMPLICATIONS

- 6.1 Angus Council's share of the Scottish Government LACER funding has been confirmed and received as £1,666,869. All Scottish Government LACER projects as set out in this report will be funded from this source.
- 6.2 The allocation of Angus Council LACER funding was approved from Angus Council 2023-24 core budget, All Angus Council LACER projects as set out in this report will be funded from this source.
- 6.3 All uses for the funding will be on a basis which does not add to the Council's revenue costs on a permanent basis. There will be no additional call on Angus Council financial resources other than officer time to administer the funding and deliver the projects.

7 RISK MANAGEMENT

Risks associated with delay in response to support businesses impacted by Storm Babet:

- Business Failure
- Negative impact to the local economy
- Loss of Jobs
- Increased demand on other services

8 ENVIRONMENTAL IMPLICATIONS

There are no direct environmental implications arising from the recommendations of this report.

9 EQUALITY IMPACT ASSESSMENT, HUMAN RIGHTS AND FAIRER SCOTLAND DUTY

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

NOTE: Background papers, as detailed by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) relied on to a material extent in preparing the above report is:

[Angus Council – 30 June 2022 Local Authority Covid-19 Economic Recovery \(Lacer\) Funding Report 180/22](#)

[Angus Council – 3 November 2022 Local Authority Covid-19 Economic Recovery \(Lacer\) Funding Report 363/22](#)

[Angus Council – 16 March 2023 Local Authority Covid 19 Economic Recovery \(Lacer\) Funding - Proposal For Use Of Unallocated Balance Of Funding Report 90/23](#)

[Angus Council – 7 September 2023 Local Authority Covid-19 Economic Recovery \(Lacer\) Funding Report No 243/23](#)

[Angus Council – 2 March 2023 Provisional Revenue And Capital Budgets 2023/24 And Beyond And Setting Of The 2023/24 Council Tax And Related Issues - Update On The General Fund Reserve And The Proposed Budget Strategy 2023/24-2027/28 Report 57/23](#)

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List of Appendices:

Appendix 1 Update on previously approved projects using LACER funding

UPDATE ON PREVIOUSLY APPROVED PROJECTS USING LACER FUNDING

Project	Update
<p>Child Poverty - Welfare Rights and Social Care discretionary funds</p> <p>£150,000</p>	<ul style="list-style-type: none"> • Total spend as at 31 January 2024 is £31,803.25. • To the 31 January 2024 total of individual grants is 129. • Storm Babet support: of the spend in January alone, £1300 is for flood related expenditure. The total spend on flood related grants to end of January is £2900. We will now start to see an increase in this spend as more people are settled permanently in new homes and we help them navigate the funding available to replace lost items etc. We are about to embark today on a programme of case discussion meetings with our Communities and Housing colleagues in order to ensure everybody receives appropriate support as they transition to longer term housing solutions. • We are still seeing financial crisis with people struggling to make income last until next pay day and being without essential items such as food and electricity supply. Clearly still cost of living related and no sign of this abating. <p>This discretionary fund will continue to be used until such time as it is exhausted which may take a couple of financial years.</p>
<p>Climate Change / Transport Poverty – Targeted Free Public Transport</p> <p>£50,000</p>	<ul style="list-style-type: none"> • Number of bus passes issued to date – 372 • Number of bus trips undertaken by pass holders – 6085 • Demand for support increased following Storm Babet. • Spend to date £26,482 • Funding remaining £23,518 <p>This project is still in the delivery period and further updates will be presented to Elected Members.</p>
<p>Economic Growth Town Centres Support for Local Economic Recovery</p> <p>£400,000</p>	<p>This project is ongoing</p> <p>Phase 1</p> <ul style="list-style-type: none"> • 57 business grants through the independent retail programme • Support to deliver independent retail programme (delivered by Elevator) • 4 Town Centre grants to Arbroath, Brechin, Kirriemuir and Montrose <p>This project is now complete and the total spend at end of project was £329,461 (updated from previous report) Funding remaining £70,539.</p> <p>Phase 2 Storm Babet Recovery Grants</p> <p>£1,000 Emergency Business Grants</p> <ul style="list-style-type: none"> • 26 businesses supported • Spend to date £26,000 <p>Discretionary Business Grants</p> <ul style="list-style-type: none"> • 3 businesses supported • Spend to date £26,000 <p>Funding remaining £18,539</p>
<p>Fuel Poverty/Cost of Living – One-off Support energy</p>	<ul style="list-style-type: none"> • 1085 applications received • 762 households supported with an energy payment of either £147 or £294.

<p>Payments/Vouchers (Heatwell Round 2)</p> <p>£216,000</p>	<ul style="list-style-type: none"> • 12 households supported with the Energy Saving Pack. Total £568.22 <p>This project is now complete and the total spend at end of project was £215,726.72</p>
<p>Previously Reported Completed Projects for Reference</p>	<p>Child Poverty Schools One-off Support Payments to low-income families</p> <p>Fuel Poverty/Cost of Living One-off Support energy Payments/Vouchers (Heatwell Round 1)</p> <p>Food Poverty Funding to Support Agencies & Capacity Building Cost of Living Roadshows 2022-23 Food Poverty Summer 2023 School Holiday Food Provision</p> <p>Economic Growth Town Centres Support for Local Economic Recovery</p>



Equality Impact/Fairer Scotland Duty Assessment Form

Step 1

Name of Proposal

LOCAL AUTHORITY COVID-19 ECONOMIC RECOVERY (LACER) FUNDING

Step 2:

Is this only a **screening** Equality Impact Assessment? No

Is this a full Equality Impact Assessment? Yes

Is this a Fairer Scotland Duty Assessment? No

Step 3:

- (i) Lead Directorate/Service: Vibrant Communities and Sustainable Growth
- (ii) Are there any **relevant** statutory requirements affecting this proposal? No
- (iii) What is the aim of the proposal? To seek approval for reallocating Scottish Government LACER funding project underspend

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

Angus Businesses / Business Owners, Members of the Public

Step 5: List the evidence/data/research that has been used in this assessment

Internal data: Responses to Storm Babet Support Business Contact Form, verbal and written communications with Angus Businesses and Partner Support Agencies

Internal consultation: With services affected, Emergency Centre, Storm Babet Finance and Support to Business Workstreams

External consultation: Partner organisations, national organisations, other councils.

Step 6: Evidence Gaps.

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

Step 7: Are there potential differential impacts on protected characteristic groups?

Funding is awarded upon assessment of need and cover a wide range of types of businesses, therefore no impact on any one protected characteristic.

Age - **neutral**

Disability - **neutral**

Gender reassignment - **neutral**

Marriage and Civil Partnership - **neutral**

Pregnancy/Maternity - **neutral**

Race - (includes Gypsy Travellers) - **neutral**

Religion or Belief - **neutral**

Sex - **neutral**

Sexual orientation - **neutral**

Step 8: Consultation with any of the groups potentially affected

N/A neutral impact

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

N/A neutral impact

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

N/A neutral impact

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?

N/A neutral impact

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

N/A neutral impact

Step 13: FAIRER SCOTLAND DUTY

N/A

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

N/A neutral impact

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

N/A neutral impact

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

Prepared by: Victoria Gibbons, Development Officer (UKSPF), 8 February 2024

Reviewed by: Doreen Philips, Snr Practitioner (Equalities), 12 February 2024

Approved by: Alison Smith, Director Vibrant Communities & Sustainable Growth, 12 February 2024