

South Ayrshire Council

**Report by Head of Finance and ICT
to South Ayrshire Council
of 29 June 2022**

**Subject: Addressing Future Needs/ Local Authority Covid
Economic Recovery (LACER) Fund**

1. Purpose

1.1 The purpose of this report is to provide Members with information relating to the various Scottish Government Covid-19 grants in place to address financial insecurity (Addressing Future Needs) and details of proposals in relation to the most recent grant scheme; the Local Authority Covid Economic Recovery (LACER) fund along with resources allocated from General Reserves on a one-off basis in 2022-23 to assist in alleviating financial insecurity.

2. Recommendation

2.1 It is recommended that the Council:

2.1.1 notes the details of previous Covid-19 related grant funding received during 2020/21 and 2021/22 and the expenditure incurred as detailed in Appendix 1;

2.1.2 notes that funding of £1.688m from the LACER fund, £0.250m from general reserves and £0.020m of underspends carried forward from the Addressing Future Needs scheme, totalling £1.958m, is available for disbursement; and

2.1.3 considers the proposals totalling £1.958m, as summarised at 4.2 below and provided in detailed in Appendix 2.

3. Background

3.1 In October 2020, the Scottish Government provided the first of a number of grants to be utilised to 'Address Future Needs' to support individuals who were at financial risk due to the Covid-19 Pandemic. The main objective of the grant was to support individuals at financial risk with some examples of appropriate activities suggested as follows:

- Supplementing local budgets for the Scottish Welfare Fund to ensure demand is met in full;
- Provision of cash-based support to tackle food insecurity, or alternate provision where this is more appropriate or is the preference of individuals themselves, including for households whose children are registered for Free School Meals;

- Providing support to meet fuel costs, for example through existing schemes such as fuel cards or a locally targeted fuel grant;
- Further boosting local funding for Discretionary Housing Payments as needed; and
- Other activities and services, as necessary, to support individuals to overcome financial crisis and support wellbeing.

3.2 An Addressing Future Needs (AFN) officers working group was set up involving staff from several services including Revenues and Benefits, Thriving Communities, Education, Housing, Customer Services and Corporate Finance. This group has continued to meet on a regular basis to consider how best to support individuals and families impacted by the pandemic with additional Scottish Government grants being received to address Winter/ Spring Hardship, Flexible Funding (to tackle financial insecurity) and Covid Isolation Support.

3.3 A number of initiatives have been funded including the Council's Covid19 Response Team, Free School Meals during lockdown/ holidays, Fuel Poverty Grants and Food Poverty schemes. One key area of support that was agreed in the initial stages of the pandemic was to award Winter/ Spring Hardship payments that subsequently became known as Family Pandemic Payments (FPP) to parents/ carers in receipt of Clothing Grants for their children. These hardship payments were already separately funded by the Scottish Government for parents in receipt of Free School Meals. In August 2021, the Scottish Government confirmed that FPP were being redefined as the 'Scottish Child Payment Bridging Payments' and would be increased to payments totalling £520 during 2022/23. The Leadership Panel of 15 February 2022 approved the use of a £0.533m allocation from the Addressing Future Needs Fund to ensure parents in receipt of Clothing Grants could also be awarded the full Bridging Payments. Further details of the various grants received and how they have been utilised are detailed in Appendix 1.

3.4 In March 2022, the Scottish Government announced the new £80m LACER fund. South Ayrshire Council's allocation has been confirmed as £1.688m. 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.

3.5 In addition to the LACER fund, the Council agreed to allocate £0.250m of resources from General Reserves on a one-off basis in 2022-23 to assist in alleviating financial insecurity of those most in need and to augment any additional funding provided by the Scottish Government for this purpose.

4. Proposals

4.1 The AFN officer's group have now reviewed the existing initiatives funded from grants received during 2020/21 and 2021/22 as detailed in Appendix 1. It is proposed that the funding arrangements for all previous grants are now finalised and all new Covid-economic recovery initiatives are funded from the £1.688m LACER fund, along with the additional £0.250m funded from Council budgets to address financial insecurity. The underspend of £0.020m in the AFN fund will be allocated to the new LACER fund. Total funding available for allocation to projects is therefore £1.958m.

4.2 The AFN officer's group have considered a number of options to utilise the LACER fund and are recommending the following initiatives are approved for further development (full details are noted in Appendix 2):

4.2.1 **Summary of proposals**

	Proposal Name	Funding Required £m
i	Training and Skills Fund	0.600
ii	Household Boost Fund	0.400
iii	NEC Free Travel Support	0.045
iv	Social Enterprise Support	0.200
v	Empowering Communities Fund	0.100
vi	Senior Community Advisor (Peripatetic)	0.047
vii	Scotland Loves Local	0.530
viii	Economic Support Officer	0.036
	Total	£1.958m

4.3 Members are asked to approve the proposed allocations outlined in para 4.2.1 above.

5. Legal and Procurement Implications

5.1 There are no legal implications arising from this report.

5.2 There are no procurement implications arising from this report.

6. Financial Implications

6.1 As outlined above.

7. Human Resources Implications

7.1 Not applicable.

8. Risk

8.1 Risk Implications of Adopting the Recommendations

8.1.1 There are no risks associated with adopting the recommendations.

8.2 ***Risk Implications of Rejecting the Recommendations***

8.2.1 There are no risks associated with rejecting the recommendations.

9. **Equalities**

9.1 The proposals in this report have been assessed through the Equality Impact Assessment Scoping process. There are no significant potential positive or negative equality impacts of agreeing the recommendations and therefore an Equalities Impact Assessment is not required. A copy of the Equalities Scoping Assessment is attached as Appendix 3.

10. **Sustainable Development Implications**

10.1 ***Considering Strategic Environmental Assessment (SEA)*** - This report does not propose or seek approval for a plan, policy, programme or strategy or document otherwise described which could be considered to constitute a plan, programme, policy or strategy.

11. **Options Appraisal**

11.1 An options appraisal has not been carried out in relation to the subject matter of this report.

12. **Link to Council Plan**

12.1 The matters referred to in this report contribute to Commitment 1 of the Council Plan: Fair and Effective Leadership/ Leadership that promotes fairness.

13. **Results of Consultation**

13.1 There has been no public consultation on the contents of this report.

13.2 Consultation has taken place with Councillor Ian Davis, Portfolio Holder for Finance, Human Resources and ICT, and the contents of this report reflect any feedback provided.

14. **Next Steps for Decision Tracking**

14.1 If the recommendations above are approved by Members, the Head of Finance and ICT will ensure that all necessary steps are taken to ensure full implementation of the decision within the following timescales, with the completion status reported to the Leadership Panel in the 'Council and Leadership Panel Decision Log' at each of its meetings until such time as the decision is fully implemented:

<i>Implementation</i>	<i>Due date</i>	<i>Managed by</i>
Lead officers notified of approved funding allocations in order to initiate programme activity	30 June 2022	Head of Finance and ICT

Background Papers **Report to Leadership Panel of 15 February 2022 – [Budget Management – Revenue Budgetary Control 2021/22 – Position Statement at 31 December 2021](#)**

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Date: 23 June 2022

Appendix 1

		£
2020-21 Scottish Government Funding;		
Addressing Future Needs Funding		421,000
Free School Meals - holiday cover (Oct-March)		135,000
Flexible Tier 4 Funding		632,000
Free School Meals January		134,000
Free School Meals February		111,000
Free School Meals March		89,000
Financial Insecurity Funding		421,000
Support to People at Risk to Access Food and other essentials		88,000
2021-22 Scottish Government Funding;		
Flexible Funding to Tackle Financial Insecurity (29/11/21)		533,000
Extension of Funds for COVID-19 Self-Isolation Assistance Service (20/04/21)		200,200
TOTAL AVAILABLE FUNDING		2,764,200
Expenditure 2020-21;		
COVID Response Team	(85,984)	
Free School Meals & FSM Self-isolating payments	(533,852)	
Winter & Spring Hardship Payments	(268,519)	
Fuel Poverty	(32,749)	
Communities Grants, Food, discretionary payments etc	(88,708)	
Expenditure 2021-22;		
COVID Response Team	(272,277)	
Free School Meals & FSM Self-isolating payments	(4,671)	
Pandemic Payments	(554,140)	
Fuel Poverty	(41,685)	
Communities Grants, Food, discretionary payments etc	(175,812)	
Scottish Child Payments - Spring	(168,220)	
TOTAL EXPENDITURE 2020 - 2022		(2,226,618)
CARRIED FORWARD To 2022/23		537,582

		£
2022-23		
2022-23 AFN Funding;		
22/23 Budget - Yr 2 COVID Recovery - Family Pandemic Payments		250,000
Extension of Funds for COVID-19 Self-Isolation Assistance Service (20/04/22)		16,685
2021-22 Earmarking		537,582
TOTAL AVAILABLE FUNDING		804,267
Planned Expenditure AFN Fund 2022/23;		
Scottish Child Payments	(507,780)	
COVID Response Team (3 months)	(31,500)	
FSM Holiday Payments (£3-£2.50 diff & increase in families mtg criteria)	(150,000)	
VASA - Food Bank Running Costs	(67,664)	
Children's 1st Food Pantry	(25,000)	
Fuel Poverty, Food etc	(2,000)	
TOTAL Planned Expenditure 2022/23		(783,944)
BALANCE OF AFN FUNDING (TO BE TRANSFERRED TO LACER FUND)		20,323

Appendix 2

	Proposal	Service/Officer Responsible	Details	Funding Required
i	Training and Skills Fund	Economy & Regeneration Theo Leijser/ Calum McPhail	<p>This proposal will see an allocation from the LACER fund to support the training and skills development of local residents to enable them to secure employment, progress in employment or secure redeployment.</p> <p>Up to £30,000 will be available to local training providers and employers to provide training to those in employment or seeking employment. Training should help to address labour market shortages, changes to business operations and re or up-skilling requirements as a result of the pandemic and will support the local economy in the recovery from COVID.</p> <p>Each applicant will be asked to meet set criteria within their application that demonstrates business need and how the funding will be used. Bids will be assessed against these criteria by the Council's Economy & Regeneration Service (with input and necessary approvals from Council). Successful providers/businesses will enter into a grant agreement with the Council.</p>	£0.600m
ii	Household Boost Fund	Customer Services Tracy Ferguson/ Laura Donnelly	<p>The Household Boost Fund will provide grants to replace the current low income Discretionary Covid Support Grant and Fuel Poverty Grants which have been delivered using Addressing Future Needs funding. It will offer financial support to combat the increased cost of living impact for low income households. Access to the Fund will be provided via a referral or self-application process and delivered by advisors at the Information & Advice Hub (IAAH). It is anticipated that over 1,200 households would be supported in</p>	£0.400m

	Proposal	Service/Officer Responsible	Details	Funding Required
			2022/23. As well as the grant customers will be offered ongoing budgeting support provided by IAAH advisors and access to services provided by the Fuel Bank Foundation & the Energy Agency.	
iii	NEC Free Travel Support	Thriving Communities Jamie Tait	<p>The Scottish Government launched the NEC Free Travel for young people up to the age of 22 years on 31st January 2022. Local authorities have been supporting the NEC Free Travel rollout through Customers Service, Education and Young Scot. Over 2300 young people have benefitted from the scheme however this is lower than the most local authority areas.</p> <p>To allow the NEC Free Travel scheme to reach those who are digitally excluded and ensure young people and families can benefit from the scheme, helping reduce the cost of living and encouraging free travel in and around South Ayrshire.</p> <p>Funding required £44,865 to recruit two level 5 Thriving Communities Assistants. These new temporary posts will be responsible for promoting the scheme and administering the process for new cards. The posts will be temporary for 9 months to allow every young person aged 5-22 years to access this offer.</p>	£0.045m
iv	Social Enterprise Support	Thriving Communities Jamie Tait	<p>Social Enterprise programme administering £10-20k grants to allow local social enterprises to implement plans for recovery, growth and sustainability.</p> <p>The last Social Enterprise Census in 2019, funded by the Scottish Government, showed there were 85 social enterprises in South Ayrshire, an increase of 24 since 2015. The full impact of COVID-19 on the sector locally isn't clear as yet. It is difficult for social</p>	£0.200m

	Proposal	Service/Officer Responsible	Details	Funding Required
			<p>enterprises to find start up and development funding for new staff posts, improved premises, feasibility studies and marketing. 32Our previous social enterprise funding programme: Ambition for Social Enterprise, which ran from 2013/14 - 2015/16 provided grants of up to £15k per financial year to new or established social enterprises. Over the 3 years, a total of £410,697 was distributed via 32 grants to 23 different organisations.</p> <p>Funding requested £200,000 to support up to 15 organisations across South Ayrshire. Applications would be managed by SAC Social Enterprise Officer on a rolling programme between June 22 - June 23. A panel of officer's would assess applications.</p>	
v	Empowering Communities Fund	Thriving Communities Jamie Tait	<p>South Ayrshire Council and our Community Planning Partners continue to support 3rd sector community groups and organisations who continue to assist low-income families impacted by the cost of living crisis. Over the past 18 months we have provided direct funding to groups and organisations, purchased food and essentials to support low-income families and provided advice and guidance for groups responding to Covid-19.</p> <p>Funding requested - £100,000 to administer small grants of up to £10,000 for 3rd sector groups and organisations, including community associations and community councils to help them support low-income families with the cost of living crisis. Funding will be used to enhance the support for families and communities to address issues such as food insecurity, fuel poverty while supporting communities to recover from Covid-19.</p>	£0.100m

	Proposal	Service/Officer Responsible	Details	Funding Required
vi	Senior Community Advisor (Peripatetic)	Education/IAAH Laura Donnelly/ Kimberley Keenan	<p>In May 2021 approved was given to fund 3 Peripatetic Senior Advisors at Level 8 temporarily for 24 months to work in community and educational based settings, assisting with welfare benefits, money/debt advice & employment. The 3 posts were filled in September 2021 with 1 FTE covering the North (Troon/Prestwick/Dundonald areas), 1 FTE covering the South (Maybole/Girvan/Daily etc), and 1 FTE covering Ayr. The role of the peripatetic senior advisors is to -</p> <ul style="list-style-type: none"> • Provide an outreach service in multiple locations across the authority including home visits. • Provide support to clients who require additional assistance. • Work with schools, partner agencies, GP's & midwives in these localities and develop new relationships with Community Councils and volunteer groups to maximise access to information and advice services provided by the Hub. <p>The remit also includes delivering educational sessions within schools to pupils and parents/carers however, the considerable demand of the service within the community has made it challenging to offer this much needed support in schools. The Information and Advice Hub are currently providing support in Newton Primary on a weekly basis which is generating in the region of 10 enquiries every week. It has been identified through education there is a need for further support across all schools to ensure harder to reach parents/carers in poverty, who have disengaged from other services, are able to access support locally. To provide this support an additional 1 x Peripatetic Senior Advisor is required in the Information and Advice Hub, funded temporarily for 12 months.</p>	£0.047m

	Proposal	Service/Officer Responsible	Details	Funding Required
			Total funding required £46,967 - 1 x Level 8 Peripatetic Senior Advisor temporarily for 12 months £42,467 with an additional £4,500 for training, travel, and ICT.	
vii	Boosting local spend	Economy & Regeneration	<p>Glasgow City Council have disbursed over £9 million of COVID recovery funding to residents in receipt of Council tax benefits, using the 'Scotland Loves Local Gift Card' to distribute funds. Benefits are two-fold as it also supports Community Wealth Building ensuring spend is redistributed amongst local businesses adversely affected by the COVID pandemic; as well as providing funds to those residents most in need. In Glasgow, since the announcement was made, over 500 businesses have additionally signed up to the scheme, increasing the number of local businesses benefitting from the scheme.</p> <p>This proposal would see a pre-loaded Scotland Loves Local Ayrshire Gift Card with £50 per card provided to all residents in receipt of Council Tax Reduction (approx. 10,150). Concerns were raised by the group on a lack of coverage in Maybole/Girvan, however 8 businesses in Girvan have signed up and 5 in Maybole including Boots, Scotmid, Semi Chem, and ASDA as well as smaller businesses. Following the Glasgow example, this would be an incentive for more businesses to sign up. The card can also be used South Ayrshire wide. An additional proposal (viii below) would also help to increase promotional activity and engagement with local businesses to encourage them to sign up (it is anticipated by up to 500%).</p>	£0.530m

	Proposal	Service/Officer Responsible	Details	Funding Required
			<p>No stigma is attached to using the Gift Card and this initiative could pave the way for other schemes to distribute funds using this mechanism e.g., Thriving Communities.</p> <p>Additional cards would require to be printed and this would be covered by the monies allocated (there are around 3,000 cards remaining from existing supplies). In terms of distribution, personal details are held for those benefitting from Council Tax benefits which could be passed on to the Economy & Regeneration team.</p> <p>The proposed funding of £0.530m will be sufficient to meet the estimated cost of purchasing sufficient cards, pre-loading the cards with £50 and posting to the eligible households.</p>	
viii	Economic Support Officer	Economy & Regeneration	<p>An Economic Support Officer targeting and engaging with harder to reach local businesses across South Ayrshire who have suffered losses because of the pandemic, to connect them with recovery and business support.</p> <p>This will also help the Council to better understand the needs of local businesses and ensure support can be developed and tailored to meet their needs and support economic recovery across our towns and rural areas.</p> <ul style="list-style-type: none"> • Offer one to one in person and virtual contact • Promote a range of tools (e.g., Scotland Loves Local Gift Card) to aid recovery and support business growth • Explore business options, e.g., Growth, diversification • Record number and nature of businesses engaged with • Signpost products and agencies that can offer support and advice 	£0.036m

	Proposal	Service/Officer Responsible	Details	Funding Required
			<ul style="list-style-type: none"> • Inform future policies and direction of travel in how to target and support industries impacted by the pandemic <p>This is a one year temporary post , managed by Economy & Regeneration and working across and with Thriving Communities.</p>	
			Total Funding Allocated	£1.958m

South Ayrshire Council Equality Impact Assessment Scoping Template

Equality Impact Assessment is a legal requirement under the Public Sector Duty to promote equality of the Equality Act 2010. Separate guidance has been developed on Equality Impact Assessment's which will guide you through the process and is available to view here: [Equality Impact Assessment including Fairer Scotland Duty](#)

Further guidance is available here: [Assessing impact and the Public Sector Equality Duty: a guide for public authorities \(Scotland\)](#)

The Fairer Scotland Duty ('the Duty'), Part 1 of the Equality Act 2010, came into force in Scotland from 1 April 2018. It places a legal responsibility on Councils to actively consider ('pay due regard to') how we can reduce inequalities of outcome caused by socio-economic disadvantage, when making strategic decisions. See information here: [Interim Guidance for Public Bodies](#) in respect of the Duty, was published by the Scottish Government in March 2018.

1. Policy details

Policy Title	Addressing Future Needs/ Local Authority Covid Economic Recovery (LACER) Fund
Lead Officer (Name/Position/Email)	Tim Baulk, Head of Finance and ICT – tim.baulk@south-ayrshire.gov.uk

2. Which communities, groups of people, employees or thematic groups do you think will be, or potentially could be, impacted upon by the implementation of this policy? Please indicate whether these would be positive or negative impacts

Community or Groups of People	Negative Impacts	Positive impacts
Age – men and women, girls & boys	-	-
Disability	-	-
Gender Reassignment (Trans/Transgender Identity)	-	-
Marriage or Civil Partnership	-	-
Pregnancy and Maternity	-	-
Race – people from different racial groups, (BME) ethnic minorities and Gypsy/Travellers	-	-
Religion or Belief (including lack of belief)	-	-
Sex – gender identity (issues specific to women & men or girls & boys)	-	-
Sexual Orientation – person's sexual orientation i.e. LGBT+, lesbian, gay, bi-sexual, heterosexual/straight	-	-
Thematic Groups: Health, Human Rights & Children's Rights	-	-

3. What likely impact will this policy have on people experiencing different kinds of social disadvantage? (Fairer Scotland Duty). Consideration must be given particularly to children and families.

Socio-Economic Disadvantage	Negative Impacts	Positive impacts
Low Income/Income Poverty – cannot afford to maintain regular payments such as bills, food, clothing	-	low
Low and/or no wealth – enough money to meet Basic living costs and pay bills but have no savings to deal with any unexpected spends and no provision for the future	-	low
Material Deprivation – being unable to access basic goods and services i.e. financial products like life insurance, repair/replace broken electrical goods, warm home, leisure/hobbies	-	low
Area Deprivation – where you live (rural areas), where you work (accessibility of transport)	-	-
Socio-economic Background – social class i.e. parent’s education, employment and income	-	low

4. Do you have evidence or reason to believe that the policy will support the Council to:

General Duty and other Equality Themes Consider the ‘Three Key Needs’ of the Equality Duty	Level of Negative and/or Positive Impact (High, Medium or Low)
Eliminate unlawful discrimination, harassment and victimisation	Low
Advance equality of opportunity between people who share a protected characteristic and those who do not	Low
Foster good relations between people who share a protected characteristic and those who do not. (Does it tackle prejudice and promote a better understanding of equality issues?)	Low
Increase participation of particular communities or groups in public life	Low
Improve the health and wellbeing of particular communities or groups	Low
Promote the human rights of particular communities or groups	Low
Tackle deprivation faced by particular communities or groups	Low

5. Summary Assessment

<p>Is a full Equality Impact Assessment required? (A full Equality Impact Assessment must be carried out if impacts identified as Medium and/or High)</p>	<p>_____ YES</p> <p>NO</p>
<p>Rationale for decision:</p> <p>This report provide Members with information relating to the various Scottish Government Covid-19 grants in place to address financial insecurity (Addressing Future Needs) and details of proposals in relation to the most recent grant scheme; the Local Authority Covid Economic Recovery (LACER) fund along with resources allocated from General Reserves on a one-off basis in 2022-23 to assist in alleviating financial insecurity. Members’ decision on this has no specific equality implications</p>	
<p>Signed : Tim Baulk Head of Service</p> <p>Date: 13 June 2022</p>	