

EAST RENFREWSHIRE COUNCILCABINET11 May 2023Report by Director of Business Operations & PartnershipsCOVID RESERVE – REVIEW OF 2022/2023 ALLOCATION
AND PROPOSALS FOR 2023/2024**PURPOSE OF REPORT**

1. The purpose of this report is to inform Cabinet of the progress on projects that were allocated COVID reserve funding in October 2022 and to seek Cabinet approval for the allocation of a further £1.7m of non-recurring COVID recovery reserves, available in 2023/24, to help mitigate the four main harms of the pandemic.

RECOMMENDATIONS

2. It is recommended that Cabinet:
- a) Note the good progress made towards delivering proposals in 2022/2023 from the allocation of £1,679,726 of COVID reserves in October 2022 to support recovery.
 - b) Note the details of the final tranche of COVID recovery reserves available in 2023/24, resulting from previous years' Scottish Government funding, to support pandemic recovery and renewal.
 - c) Approve the strategic approach to support recovery under the following key areas, which are related to the '4 harms' of the pandemic:
 - i. COVID-19 contingency for response
 - ii. Organisational recovery (Council and HSCP)
 - iii. Wellbeing support for vulnerable individuals
 - iv. Community recovery and capacity building
 - v. Financial advice and support to individuals
 - vi. Direct financial and winter support to residents
 - d) Approve the outline funding proposals, with allocations against the above key areas, totalling £1.7m.
 - e) Delegate to the Director of Business Operations & Partnerships and Head of Accountancy, in consultation with the Leader of the Council to exercise flexibility in the terms of these proposals, to ensure most effective use of funding within the spirit of COVID recovery, capacity building and provision of support to the most vulnerable local people.
 - f) Agree that a report with more detailed winter-support proposals (still within the funding envelope of £1.7m unless underspends become available) will be brought back to Cabinet for consideration in October 2023.

- g) Note that a final report outlining actual spend and updating on delivery and impact will come back to a future Cabinet meeting in 2024.

BACKGROUND

Reserve Funding

3. In response to COVID-19, the Scottish Government released various streams of temporary funding to local authorities to react to the emerging needs and challenges faced by residents, businesses and service provision.

4. The long-term impact of the pandemic means that our residents and communities still require ongoing, targeted support to recover and rebuild lives. Residents also continue to be affected by the Cost-of-Living crisis. Inflation (CPIH) reduced slightly between February and March to 8.9% but in the UK, 1 in 3 adults have reported that they are struggling to afford rent or mortgage payments. The prices of food and non-alcoholic drinks rose at the fastest rate in more than 45 years in the 12 months to March 2023. Food price inflation is at 19.1% ([ONS](#), 19 April 2023).

5. The funding landscape has been complex, with numerous funds each with varying criterion and central reporting requirements. This has included the Flexible Local Authority Covid Economic Recovery Fund (LACER) which is intended to support local economic recovery and the cost-of-living impacts on low-income households. Cabinet will receive an updated report in the autumn on the impact of the £1.469m LACER fund.

6. The Scottish Government also provided councils with a general Covid grant to deal with the impact of Covid and Covid recovery. These are non-recurring funds and must be used to support COVID response, recovery or renewal. At the start of 2022/23, there was £10.5m left in this unrestricted COVID reserve. At the time of the last report to Cabinet in October 2022, £4.8m of that funding had been allocated for use in 2022/23, mainly for the internal costs of loss of income and additional staffing costs, leaving £5.7m uncommitted. At that point, Accountancy recommended that we did not commit more than £1.7m for interventions to support residents, leaving £4m for Council pressures.

7. In October 2022 Cabinet agreed a [series of funding proposals](#) totalling nearly £1.7m over the two financial years of 22/23 and 23/24 to mitigate the impact of the pandemic, with a focus on community recovery and provision of direct support to some of our most vulnerable residents. This fund was allocated over a two-year period with £1m for 2022/2023 delivery and the remaining £0.7 million for 2023/2024.

8. The proposals were shaped in collaboration with key partners and balanced the provision of immediate support to mitigate financial hardship over the winter, with capacity-building for longer term recovery. All proposals had to demonstrate how they would address the key findings from the [humanitarian research](#), particularly how they would address one of the 'four harms': direct and indirect health, social and economic. The research identified priority groups for support including:

- Children and young people – especially those with ASN
- Older people
- Those with disabilities and long-term conditions
- Carers, especially carers of people with dementia
- Single households especially older people and single parents

- Young families especially those in social housing
- Those with language barriers
- Women experiencing domestic violence

9. The proposals also built on the commitments already made by Cabinet in [August 2022](#) through allocation of £1.469m of LACER funding. Humanitarian LACER commitments included:

- £169,600 of support for social housing tenants
- £65,000 of winter clothing support
- £511,291 to allow distribution of £100 Shop Local Gift Cards to over 4500 households in receipt of Council Tax Reduction
- £260,000 to allow professionals (e.g. SWF, MART, CAB and schools) to make discretionary hardship payments
- £49,850 towards Dunterlie and Thornliebank foodshares

10. It was recognised that, as we progressed through the winter period 22/23, we would be in a clearer position about requirements, and it would be possible to release some of the retained £4m for further interventions to support residents. Accountancy have now confirmed a final tranche of COVID reserve in the region of £1.7m, which must be allocated within 2023/24. Today's report brings forward suggested areas for spend, based on service and community need and [research](#) on the impact of COVID-19 on local people.

REPORT

2022/2023 COVID Reserve Funding Outcomes

11. Progress on delivery of the 2022/23 proposals was monitored via a monthly multi-agency working group on the Cost-of-Living and member officer briefing sessions were also held in November and February. Annex 1 provides a breakdown of the £1.7m allocated by Cabinet in October 2022 with a summary of impact for the 2022/2023 period and the outstanding funds agreed for 2023/2024. Reconciliations of spend to date are still being finalised and there is likely to be some element of underspend that could be considered alongside proposals in October.

12. The fund targeted support through several categories including; Winter Direct Support providing direct payments to families and carers most in need; Financial Advice & Support Services including assistance for fuel poverty; Support for Communities to build capacity and Mental Health & Wellbeing Support for the most vulnerable.

13. The funding was targeted to those most in need in our communities, particularly towards individuals and families experiencing financial hardship. The [Poverty and Inequality Commission](#) published advice for the Scottish Government in August 2022 recommending a cash-first approach to supporting residents where possible. Approximately 50% of the COVID reserves funds allocated in 2022/2023 have gone towards this approach.

14. Funding that has already been approved for 2023/2024 will support grant-making participatory budgeting in our communities that have been most affected by the pandemic. This will allow local groups the chance to bid for small grants to support their own recovery and renewal. However, there is a requirement for community capacity building to ensure that communities are well-placed for the long-term when temporary funding is no longer available.

COVID RESERVE 2023/24 – PROPOSALS

Available COVID Reserve

15. In March 2023, the Council Revenue Estimates for 2023/24 identified an unspent COVID-19 Grants Reserve of £4.537m. At that time £3.2m of the balance had already been committed and it was noted that today's report would be forthcoming with proposals for full commitments against the reserve in 2023/24.

16. At financial year end 2022/23, Accountancy have confirmed a current unspent COVID reserve fund of £1.7m. This should be allocated for use in 2023/24 and needs to meet Scottish Government conditions for use. No further COVID funding is expected from Government and so the Council must manage its COVID response, recovery and renewal activities within these finite resources.

Proposed Areas of Spend

17. Departments and the HSCP have identified areas of need in both services and communities. This has drawn on previous research on the impact of the pandemic in East Renfrewshire and the national '4 harms' of the pandemic so we can draw a clear link back to COVID response and recovery. In addition, services have reviewed and reconsidered the need for projects that were left unallocated on the 'reserve list' in the October 2022 Cabinet report. Anything still required from that 'reserve list' has now been included in the proposals here.

18. We also now have emerging data from our Cost-of-Living dashboard that is providing an insight into financial vulnerability in the current post pandemic context rather than more entrenched poverty from Scottish Index of Multiple Deprivation (SIMD) data zones. The dashboard combines contextual data such as population profiles and Council data including referrals to the Money Advice & Rights Team and Free School Meal applications, with financial wellbeing data such as those 'living beyond their means' and 'overdraft use' to provide a picture of financial vulnerability across the area.

19. It is now recommended that a proportion of the £1.7m COVID reserve is allocated to each of the following key areas. Linkages are made to the '4 harms' and examples of proposed areas of spend under each are also provided.

- i. COVID-19 contingency for response
- ii. Organisational recovery (Council and HSCP)
- iii. Wellbeing support for vulnerable individuals
- iv. Community recovery and capacity building
- v. Direct financial advice and support to individuals
- vi. Direct financial and winter support to residents (to be decided later in 2023).

20. Given that there is no further planned allocation of Scottish Government funding for COVID-related needs, it would be prudent to retain a proportion of the COVID reserve to meet any unplanned or emerging requirements. We propose to return to Cabinet in October for a final set of decisions, perhaps with a view to a further tranche of winter support for 2023/24, based on evidence of what was successful over 2022/23 – this relates to the final category

above (i.e. vi. Direct financial and winter support to residents). The October proposals will allow us to utilise any unspent reserves, according to funds available and emerging need.

21. In the meantime, the proposed spend areas for 2023/2024 are outlined in the table below:

| Category | Summary of Proposed Areas of Spend | Allocation |
|---|--|------------|
| COVID-19 contingency for response <i>Direct Health harm</i> | Continuity of staffing cover in HSCP (e.g. care services and rehab and key business support for 3 months of winter period) Reserve in case of response requirements – review again in October 2023 – may be able to reallocate some of this to proposals below. | £250,000 |
| Organisational recovery (Council & HSCP) <i>Indirect Health harm</i> | Focus on priority needs to go to staff recovery; clearing backlogs; reducing waiting lists and building back levels of service that have not yet recovered. Would include: <ul style="list-style-type: none"> • HSCP and Council staff wellbeing support • Re-establishing leadership and manager networks • Reducing backlogs in Justice Social Work • Environmental Health support for local businesses | £125,803 |
| Wellbeing support for vulnerable individuals <i>Indirect Health & Social harms</i> | Focus on activities to improve mental health and wellbeing and target support to key priority groups identified by research, including: Children and young people – especially those with ASN; Carers; Young families especially those in social housing and women experiencing domestic violence Would include: <ul style="list-style-type: none"> • Support for early years' language development & social communication to increase the number of children meeting developmental milestones & reduce referrals to other agencies • Additional support for parents through Family First team with aim of reducing Social Work referrals • Support for young people affected by drug and alcohol use to prevent need for Social Work referrals • Mental health support for children, incl. Sleep counselling & art/play therapy – aim to reduce need for medication and alleviate service pressures • Strengthen capacity in Healthier Minds Hub to respond to increased demand from young people • Housing support for young people – aim to reduce failed tenancies • Recovery support for domestic abuse survivors in response to increases since the pandemic • Support and respite for carers to prevent family breakdowns • Support for young people with ASN to transition to adult services | £717,800 |

| | | |
|---|---|--------------------------|
| <p>Community Recovery & Capacity Building</p> <p><i>Social harm</i></p> | <p>Focus on sustainable activities that will build capacity, address rising demand and support communities to recover.</p> <p>Would include:</p> <ul style="list-style-type: none"> • community capacity building e.g. in non-locality planning areas; training for staff in community engagement/empowerment; consideration of a community conference in early 2024 and support to establish community wealth building. • youth work to tackle increased anti-social and risk-taking behaviours; • data work to help us target support and advice based on need; • support to get community groups going again (e.g. Talking Points & HSCP recovery café model) • developing equalities including building back local networks and skills development for staff | <p>£296,000</p> |
| <p>Direct Financial Advice & Support to individuals</p> <p><i>Economic harm</i></p> <p>DECIDE NOW</p> | <p>Targeted support to assist vulnerable individuals with cost of living challenges, which have been exacerbated by the pandemic.</p> <p>Would include:</p> <ul style="list-style-type: none"> • Money Advice & Rights Team – discretionary hardship fund and extension of welfare liaison post for older people • Citizens Advice Bureau – further support to develop outreach to older people e.g. in sheltered housing, build Credit Union capacity in the area and cover costs of outreach in ERCLT venues • Hardship processing and Scottish Welfare Fund support to assist with increased crisis grants • Targeted communications on cost of living and financial hardships to encourage residents to access support • Support for Foster families who have been caring for an increase in children with complex needs due to the pandemic | <p>£198,000</p> |
| <p>Direct financial & winter support to residents</p> <p><i>Economic harm</i></p> <p>DECIDE IN OCTOBER</p> | <p>There is an opportunity to set aside some funds for further direct support to residents over the 2023/24 winter period. More detailed proposals for use of this funding, perhaps augmented by any underspends from the above areas, could be brought forward to Cabinet in October for consideration. This would allow us to better understand cost of living and energy pressures and likely winter impact.</p> <p>Proposals could include:</p> <ul style="list-style-type: none"> • A winter payment to those in receipt of Free School Meals/Clothing Grants for low income purposes • Support for Social Work families over Christmas • Winter support to communities (e.g. Warm Spaces #2 and support to the third sector) | <p>£112,397</p> |
| | | <p>£1,700,000</p> |

FINANCE AND EFFICIENCY

22. The COVID reserve is made up of funding issued by the Scottish Government as detailed above and expenditure from it must meet the conditions for use. No further COVID

funding is expected from Government and so the Council must manage its COVID response, recovery and renewal activities within these finite resources.

23. The envelope for funding will be kept under review and it is possible that an emerging picture may change priorities or external events have a direct impact on planning e.g. a resurgence of the virus or energy cap changes.

24. Given the fluid nature of the proposals and the context of COVID recovery, it is proposed that delegation be granted to the Director of Business Operations and Partnerships and Head of Accountancy, in consultation with the Leader of the Council, to manage the funds with a degree of flexibility, within the spirit of the proposed headline areas of spend to best meet the needs of local people in East Renfrewshire.

25. A further set of more detailed proposals for contingency and/or winter support needs will be brought to Cabinet for consideration in October 2023 and a final report will be prepared for Cabinet later in 2024 outlining the use of the funds and the outcomes and impact.

CONSULTATION & PARTNERSHIP WORKING

26. The humanitarian response to COVID in East Renfrewshire has continued through a small partnership working group where ongoing needs have been assessed. This has included Voluntary Action East Renfrewshire (VAER) and East Renfrewshire Citizens Advice Bureau (ERCAB); and wider stakeholder groups such as the Social Security Working Group, Local Child Poverty Action Group and Local Employability Partnership.

27. A multi-agency cost-of-living working group was established in October 2022, and a smaller working group to plan for and assess Warm and Welcome Space applications and share intelligence on emerging trends and challenges. In March 2023, a workshop was facilitated by the Council and VAER with all the participating organisations and groups for Warm and Welcome spaces to evaluate reach and impact.

28. A cross-party Member Officer Working Group was also established and met for briefings on progress in October, November and February.

IMPLICATIONS OF THE PROPOSALS

29. There are no specific implications of this report in terms of staffing, property, legal, ICT or sustainability. Any proposals funded will be required to consider these implications for each individual project or initiative. We are however producing an Equality and Human Rights Impact Assessment to ensure that the distribution of funds reaches those most in need.

CONCLUSION

30. This further funding will continue to provide much needed support to our most vulnerable residents who have been adversely impacted by COVID-19. The [Humanitarian Research](#) will be used to inform criteria ensuring support is targeted at those most impacted by the pandemic and interventions are based on recommended areas for recovery. Alongside

this we can use the learning and experience of the proposals to date to establish where the greatest impact has been.

31. There are a range of pressures on local people and communities, particularly driven by the pandemic and cost-of living crisis. These are complex multi-faceted issues, which will require a co-ordinated, long-term partnership approach. The proposals outlined build on the experiences of strong, outcome-focused partnership delivery over the last 3 years. We will continue to work together to find ways to make a difference for the people of East Renfrewshire and support them through what will be a challenging period ahead.

RECOMMENDATIONS

32. It is recommended that Cabinet:

- a) Note the good progress made towards delivering proposals in 2022/2023 from the allocation of £1,679,726 of COVID reserves in October 2022 to support recovery.
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- g) Note that a final report outlining actual spend and updating on delivery and impact will come back to a future Cabinet meeting in 2024.

REPORT AUTHORS

Julie Breslin, Strategy & Partnerships Manager, julie.breslin@eastrenfrewshire.gov.uk
Megan McIntyre, Strategic Services Officer megan.mcintyre@eastrenfrewshire.gov.uk
Louise Pringle, Director of Business Operations & Partnerships,
louise.pringle@eastrenfrewshire.gov.uk

BACKGROUND PAPERS

- Audit Scotland Briefing Report: Tackling Child Poverty – Comments for Audit & Scrutiny Committee 30 March 2023
- East Renfrewshire Council Revenue Estimates 2023/24, Council 1 March 2023
- Covid Reserve – Proposals, Cabinet 13 October 2022
- Local Discretionary Fund Business Support Interventions, Cabinet 13 October 2022
- Improving Outcomes Through Pupil Equity Fund, Education Committee 6 October 2022
- Flexible Local Authority COVID Economic Recovery Fund, Cabinet 18 Aug/7 April 2022
- UK Shared Prosperity Fund 2022-23, Cabinet 18 August 2022
- Strategic Planning, Council 3 March 2022 (includes detail of COVID-19 Impact study)
- COVID-19 Humanitarian Support Community Funding, Cabinet 25 November 2021
- COVID-19 Humanitarian Support Funding 2021/22, Cabinet 3 June 2021

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Covid Reserves - update on 2022/2023 delivery (based on Cabinet decision Oct 2022)

| Detail | 2022/23 | 2023/24 |
|--|----------|----------|
| WINTER DIRECT SUPPORT: | | |
| <p>This fund provided support through direct payments to families most in need and carers.</p> <p>632 children received £260 in December 2174 children received £130 in March for Clothing Grants and Family Bridging Payments (included LACER funds of £165,000).</p> <p>150 received support through the Scottish Welfare Fund Top Up.</p> <p>86 families received Christmas meal vouchers (157 children) and an additional 91 vouchers were processed by Youth Intensive services.</p> <p>160 school uniforms provided through the Back to School Bank.</p> <p>The Carers Centre discretionary fund was dispersed to 100 carers.</p> <p>The food dignity network provided support to 500 people via 10 community groups and organisations.</p> | £546,000 | £0 |
| ADVICE & SUPPORT SERVICES INCL. FUEL POVERTY: | | |
| <p>This proposal area aimed to increase capacity for advice services supporting our most vulnerable residents with cost-of-living and fuel poverty and providing practical energy saving support.</p> <p>Citizens Advice Bureau advised 245 clients on energy & 47 on benefits leading to a total financial gain of £131,570.31. Energy grants were provided to 215 people at a value of £38,900.</p> <p>There were 153 referrals to the Home Energy and Efficiency Scheme and 45 to Care and Repair with 50 energy efficiency assessments completed. A small underspend is being used to continue this work into April/May 2023.</p> <p>Funding for 2023/2024 includes 3 benefit advisors and fuel poverty posts in CAB and an extension of the fuel poverty post in MART.</p> | £70,000 | £164,500 |

| SUPPORT FOR COMMUNITIES: | | |
|---|----------|----------|
| <p>In recognition of the need to rebuild capacity and support to communities, and to provide community-led interventions targeted to those most in need, this fund was primarily targeted at community groups, promotion of local services and developing data to plan services.</p> <p>A Cost-of-living promotional campaign ran over the Winter period with 14,000 information leaflets distributed through community venues and mailed directly to homes. Social media ads had a reach of 150k with over 4,200 clicks through to the Council Cost-of-Living webpage and Voluntary Action's Community Hub support.</p> <p>For Warm and Welcome spaces 33 community organisations and groups received funding at a total of £58,192. A further £1,065 went towards promotion including pop-up banners, door stickers and leaflets to ensure that Warm and Welcome spaces were prominent. Spaces were attended over 3,500 times and 25% of these were first time attendees.</p> <p>Working with the University of Edinburgh Smart Data Foundry Financial Needs (Data Model) we created a Cost-of-Living dashboard to demonstrate financial vulnerability in East Renfrewshire, helping us to plan for targeted responses.</p> <p>A Youth Participatory budgeting event is being planned for May 2023 led by Youth Voice with support from CLD. Planning for this has taken place throughout the last quarter of 2022/2023.</p> <p>Through our CLD detached street youth work and diversionary activity there have been 1002 interactions with young people, with 210 young people participating in diversionary activities.</p> <p>Learning recovery in schools has provided 1:1 support to 61 children for numeracy and maths, 55 for literacy and 7 mental health and wellbeing, with a further 124 having received group support around anxiety.</p> <p>The remaining fund for 2023/2024 will cover continued Learning Recovery in Schools, detached street work and diversionary activities, Participatory Budgeting and capacity building, supporting strategic working across the Third Sector and a cost-of-living coordinator role.</p> | £324,363 | £447,363 |
| MENTAL HEALTH & WELLBEING SUPPORT: | | |
| <p>This fund was aimed at providing capacity to respond to vulnerable groups, particularly children and young people and victims of domestic violence. It was also to begin wellbeing support for Council staff to cope with pressures in their own lives and work, following a successful model in the HSCP.</p> | £67,500 | £60,000 |

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|---|--------------------------|-----------------|
| <p>40 young people have been referred to Youth Work and Education Recovery programme from all 7 high schools and Seasons for Growth Bereavement programmes are being rolled out throughout the spring.</p> <p>Domestic Abuse Recovery programmes have been developed and will take place in April, July and September, these workshops ensure that families are made safe from domestic abuse and supported to recover and rebuild their lives.</p> <p>The Council health and wellbeing post was filled at the end of March so some of this fund will be carried over into 2023/24.</p> | | |
| <p>Total by Year</p> | <p>£1,007,863</p> | <p>£671,863</p> |
| <p>Total approved at October 2022 Cabinet</p> | <p>£1,679,726</p> | |

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