

REPORT TO ABERDEENSHIRE COUNCIL – 30 JUNE 2022

LOCAL AUTHORITY COVID ECONOMIC RECOVERY FUND

1 Executive Summary/Recommendations

1.1 This Report seeks Council approval to allocate funding from the Local Authority Covid Economic Recovery Fund to specific projects and initiatives. The funding is presently held in reserves and is intended to support individuals and businesses to recover from the pandemic. Local Authorities have flexibility in the use of the funds, provided that they are used to support a set of guiding principles. A range of projects which would provide support to households and businesses have been identified, evaluated and prioritised by a cross-Service panel. The recommendations of the panel are set out in this Report for Council to consider. Additional resources have been identified from uncommitted Discretionary Business Funds to enhance the number of projects which could be supported.

1.2 The Council is recommended to:

- 1.2.1 **Note the award of £3.665m of funding from the Scottish Government through the Local Authority Covid Economic Recovery (LACER) fund;**
- 1.2.2 **Award funding from the Council's LACER allocation and remaining Discretionary Business Fund to the projects set out at 3.1 to this report;**
- 1.2.3 **Delegate the power to vire funds between the supported projects to the Head of Service – Planning and Economy**

2 Decision-Making Route

2.1 COSLA Leaders and Scottish Government Ministers have agreed an £80m Local Authority Covid Economic Recovery (LACER) Fund which was distributed to Councils as part of their 2021/22 General Revenue Grant. Aberdeenshire Council has received £3.665m which is currently being held in reserve. All funding must be spent by 31 March 2023. Local Authorities have flexibility on how and when these funds are used within the general principles of the fund:

Overarching guiding principles:

- i) Interventions made under this fund should be based on a clear economic recovery and/or low-income household support rationale.
- ii) 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.

Principles of spend (Local Authorities may wish to allocate funding based on one or more of the following):

- iii) 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.
- iv) Projects that can rebuild consumer confidence and stimulate demand and economic activity in their specific contexts.
- v) Support to low-income households that are disproportionately impacted by the pandemic and the current cost of living crisis to become more economically active.

2.2 Aberdeenshire Council also received funding from the Scottish Government's discretionary fund to provide additional support to businesses in response to the Covid-19 pandemic. £700,000 of this funding remains uncommitted to date.

2.3 Council Areas and Services were invited to submit proposals for the use of the funding. These bids were then evaluated by a cross-Service panel against the following criteria:

- Deliverability
- Project objectives' fit with LACER principles
- Additionality
- Impact
- Sustainability of Project
- Leverage
- Alternative funding

3 Discussion

3.1 The panel recommendations for project approval are as follows:

Project	Summary	Grant Amount £
Wellbeing Hub Pilot Peterhead & Fraserburgh	Wellbeing Hubs would be created with the purpose of delivering integrated and coordinated early intervention and support through a collaborative approach to support children, families and communities to build capability and 'live a good life.'	500,000
Setting up and Sustaining Tenancies	This project plans to deliver £50,000 worth of shopping vouchers and access to affordable furniture to local authority tenants who are experiencing financial difficulties and are at risk of living in poverty.	50,000

Project	Summary	Grant Amount £
Alleviation of Food and Fuel Poverty	This project plans to deliver £50,000 worth of shopping vouchers to local authority tenants who are experiencing food and fuel poverty.	50,000
Help to Heat and Eat	This proposal sets out to complement and further enhance existing services provided by Scarf, on behalf of Aberdeenshire Council, supporting the most vulnerable households in the area. Scarf's Income Maximisation Officer (IMA) will carry out a structured assessment of each individual household's circumstances and establish the level and type of support required to provide an immediate positive intervention if necessary and long-term positive outcomes.	209,642
Aberdeenshire Heat Decarbonisation Supply Chain and Skills Feasibility	A feasibility study to identify across the Northeast region what the potential supply chain demand and skills development opportunities are in order to decarbonise heat and drive down energy consumption from Public Sector buildings in the region no later than 2038.	35,000
LINA Plus Just Transition	In 2019/2020 RGU's entrepreneurship and innovation group (EIG) partnered with Aberdeenshire Council to establish the Library Innovation Network Aberdeenshire (LINA). EIG propose to build on these foundations by creating a series of programmes that will run in the reopened LINA hubs (Banff, Peterhead, Macduff and Fraserburgh) and an additional hub in Banchory.	100,000
E3: Next Steps	The E3 Entrepreneurial Support model has been piloted in Aberdeenshire by Elevator in the first half of 2022. It could be thought of as a targeted, pre-service to Business Gateway, nurturing and building confidence through very early ideas. Currently funded until 31st October 2022, this proposal is to extend this activity for the remaining financial year – from 1st November 2022 until 31st March 2023.	319,949
Business Gateway Re-ignition Aberdeenshire	Elevator delivers Business Gateway Services across the northeast, supporting new business start-up activities and providing business development support to businesses at varying stages of their life-cycles including recovery and growth. This proposal seeks to enhance Business Gateway services, allowing for specialist services to be introduced to March 2023 as defined by LACER funding criteria.	296,300

Project	Summary	Grant Amount £
Start-up Business Support Grant	The project will give start-up businesses within the Aberdeenshire a grant to help them get their business off the ground with a £1,000 or £3,000 grant, depending on what stage they are at.	374,000
Business Recovery and Growth Scheme (BRAGS) – working title only	The aim of Business Recovery and Growth Scheme (BRAGS) is to support existing businesses, by offering tiered grant support to grow, develop, build resilience and adapt to the economic environment. It is envisaged grants offered will be £3K, £5K or £10K.	454,909
Business Rates Relief (Discretionary)	To provide one-off assistance to Ratepayers by way of a Discretionary Rates relief award of up to 100%, to be made against their 2022/23 rates liabilities. To fund the Councils 25% share of costs in awarding Discretionary relief, the remaining 75% is funded by the Scottish Government.	400,000
Scotland Loves Local Aberdeenshire Gift Card – Year 2	The project aims to build on from year one of the Scotland Loves Local Gift Card scheme. It will aim to further develop the shop local message around the key Aberdeenshire towns of Banff, Fraserburgh, Peterhead, Inverurie, Banchory, Stonehaven, Turriff, Huntly, and Ellon and to further promote the use of the Scotland Loves Local Gift Card.	55,200
Aberdeenshire Loves local Giftcard Boost	The preloading of £100 per low income family onto an Aberdeenshire Loves Local Giftcard for the family to spend with Aberdeenshire businesses (signed up to the Loves Local giftcard) as they choose.	1,330,000
Business Engagement Research	The proposed project involves commissioning a piece of business engagement research to ascertain the current needs of business. Businesses are being forced to adapt to changing circumstances and Aberdeenshire Council must follow suit in how it supports businesses.	50,000
Protective Services COVID Recovery Program	An Expert Group of Environmental Health Officers continues to meet to provide advice and guidance to the Scottish Government on the recovery and the support that can be given to Businesses and Communities to make them more resilient to Pandemics going forward. SG have advised that the ongoing resourcing to support the role of Protective Services Officers is included in the LACER funding. Protective Services would therefore wish to make a bid for	140,000

Project	Summary	Grant Amount £
	funding for 2 Public Health Compliance Officer and 1 Food Competent Officer.	
Total		4,365,000

3.2 The following bids were received but are not recommended for approval:

Project	Summary	Grant Amount £
Delivering the Live Local, Place Based Plan Approach	Recruitment of 6 posts (1 per Area) to facilitate the development of place based planning, with a particular prioritisation for towns across Aberdeenshire and those communities already expressing an interest in place planning. Working alongside colleagues in the area teams, planning and economic development the posts will help stimulate economic recovery locally by supporting communities design and deliver activity that recognises the demographics within the community and the businesses that can thrive/diversify.	290,000
Digital Demand Responsive Transport Pilot Project: Ready2Go around Inverurie	The pilot project is designed to evaluate the effectiveness of Digital Demand Responsive Transport (DDRT) as a means of providing supported bus services in a post-Covid environment. The project commenced in June 2021 with a DDRT service, Ready2Go around Inverurie introduced in August 2021 for one year operation. It was anticipated that a continuation of the service would happen after a successful evaluation of the performance of the trial service.	250,000
Early Intervention Project, Banff & Macduff	The intention is to support those young people who are at risk, work towards reducing the number of young people who are in an unknown destination, and at the same time, broaden perspectives through new experiences, activities and thinking to focus more positively on future employment options. The project will provide a calendar of free, varied and easy-to-access activities.	7,165
Total		547,165

Alternative funding sources (e.g. UK Shared Prosperity Fund and Tackling Poverty and Inequalities Reserve) will be explored for these projects.

3.3 Projects will be managed, monitored and evaluated by the Services and Areas responsible for their delivery. Regular cross-Service meetings will be held to monitor overall progress in delivering projects. Actual spend may vary during

implementation, hence it is recommended that the power to vire funds between approved projects is given to the Head of Service – Planning and Economy. The results and outcomes of the projects will be presented to the Council in a bulletin report post-completion.

4 Council Priorities, Implications and Risk

4.1 If funded, the projects in this Report will help support the following Council priorities:

Pillar	Priority
Our People	Education Health & Wellbeing
Our Environment	Resilient Communities
Our Economy	Economy & Enterprise

4.2 The table below shows whether risks and implications apply if the recommendations are agreed.

Subject	Yes	No	N/A
Financial	X		
Staffing	X		
Equalities and Fairer Duty Scotland	X		
Children and Young People's Rights and Wellbeing		X	
Climate Change and Sustainability		X	
Health and Wellbeing		X	
Town Centre First	X		

4.3 The financial implications are that £3.665m of funding would be committed from Council reserves from the LACER fund. A further £700k would be committed from Discretionary Business Funding. The staffing implications are that Services/Areas would need to allocate existing resources to deliver, monitor and evaluate projects.

4.4 An Integrated Impact Assessment has been carried out as part of the development of the proposals set out above. It is included as **Appendix 1** and there are positive impacts as follows:

- **Low income** – The provision of shopping vouchers will directly benefit low-income households
- **Material deprivation** – The provision of shopping vouchers will assist low-income households to purchase food and other basic resources
- **Footfall** – Enhanced footfall in town centres through encouraging local shopping through the Aberdeenshire Loves Local initiative

- **Town centre business** – Enhanced business support and grants provision through a number of funded schemes. Encouragement of local shopping through the Aberdeenshire Loves Local initiative.

4.5 The following Risk has been identified as relevant to this matter on a [Corporate Level](#):

- ACORP001 - Budget Pressures

The following Risks have been identified as relevant to this matter on a [Strategic Level](#):

- BSSR001 - Our young people have improved life chances
- BSSR002 - Communities are confident, resilient and inclusive. Individuals feel secure and in control of their circumstances.
- BSSR003 - We live within our means and use public money to maximise outcomes for our communities
- ECSSR001 - To have better, integrated working arrangements within ECS in pursuit of improved outcomes for children and young people
- ECSSR002 - To secure continuous improvement in outcomes for children and young people
- ISR001 - Aberdeenshire is a location of choice that has a diverse economic base of innovative companies with a skilled workforce and return to full employment
- ISR003 - Supporting Aberdeenshire businesses through pandemic, EU Exit and energy transition
- ISR004 - Consumers are assured that businesses are conforming to regulations. Businesses are supported to ensure compliance with legislation, economic diversification and energy transition

5 Scheme of Governance

- 5.1 The Head of Finance and Monitoring Officer within Business Services have been consulted in the preparation of this Report and their comments are incorporated within the Report. They are satisfied that the Report complies with the [Scheme of Governance](#) and relevant legislation.
- 5.2 Full Council is able to consider and take a decision on this item in terms of point 10 of the General Provisions of the List of Committee Powers in Part 2A of the Scheme of Governance as this report deals with questions not previously determined in terms of delegations to Committees. LACER funding has not been delegated to any Policy or Area Committee hence is outwith the scope of their powers.

Alan Wood, Director of Environment and Infrastructure Services

Report prepared by Martin Brebner, Team Manager – Economic Strategy & Policy
31 May 2022

List of Appendices –

Appendix 1 – Integrated Impact Assessment

Aberdeenshire Council

Integrated Impact Assessment

Local Authority Covid Economic Recovery (LACER) Fund

Assessment ID	IIA-000673
Lead Author	Martin Brebner
Service Reviewers	Gary Hughes
Subject Matter Experts	Suzanne Rhind, Kakuen Mo
Approved By	Paul Macari
Approved On	Wednesday June 08, 2022
Publication Date	Wednesday June 08, 2022

1. Overview

This document has been generated from information entered into the Integrated Impact Assessment system.

Award of funding from the LACER fund to projects in Aberdeenshire.

During screening 2 of 10 questions indicated that detailed assessments were required, the screening questions and their answers are listed in the next section. This led to 2 out of 5 detailed impact assessments being completed. The assessments required are:

- Equalities and Fairer Scotland Duty
- Town Centres First

In total there are 4 positive impacts as part of this activity. There are 0 negative impacts, all impacts have been mitigated.

A detailed action plan with 1 points has been provided.

This assessment has been approved by paul.macari2@aberdeenshire.gov.uk.

The remainder of this document sets out the details of all completed impact assessments.

2. Screening

Could your activity / proposal / policy cause an impact in one (or more) of the identified town centres?	Yes
Would this activity / proposal / policy have consequences for the health and wellbeing of the population in the affected communities?	No
Does the activity / proposal / policy have the potential to affect greenhouse gas emissions (CO2e) in the Council or community and / or the procurement, use or disposal of physical resources?	No
Does the activity / proposal / policy have the potential to affect the resilience to extreme weather events and/or a changing climate of Aberdeenshire Council or community?	No
Does the activity / proposal / policy have the potential to affect the environment, wildlife or biodiversity?	No
Does the activity / proposal / policy have an impact on people and / or groups with protected characteristics?	No
Is this activity / proposal / policy of strategic importance for the council?	No
Does this activity / proposal / policy reduce inequality of outcome?	Yes
Does this activity / proposal / policy have an impact on children / young people's rights?	No
Does this activity / proposal / policy have an impact on children / young people's wellbeing?	No

3. Impact Assessments

Children's Rights and Wellbeing	Not Required
Climate Change and Sustainability	Not Required
Equalities and Fairer Scotland Duty	No Negative Impacts Identified
Health Inequalities	Not Required
Town Centre's First	No Negative Impacts Identified

4. Equalities and Fairer Scotland Duty Impact Assessment

4.1. Protected Groups

Indicator	Positive	Neutral	Negative	Unknown
Age (Younger)		Yes		
Age (Older)		Yes		
Disability		Yes		
Race		Yes		
Religion or Belief		Yes		
Sex		Yes		
Pregnancy and Maternity		Yes		
Sexual Orientation		Yes		
Gender Reassignment		Yes		
Marriage or Civil Partnership		Yes		

4.2. Socio-economic Groups

Indicator	Positive	Neutral	Negative	Unknown
Low income	Yes			
Low wealth		Yes		
Material deprivation	Yes			
Area deprivation		Yes		
Socioeconomic background		Yes		

4.3. Positive Impacts

Impact Area	Impact
Low income	The provision of shopping vouchers will directly support low-income households.
Material deprivation	The provision of shopping vouchers will assist low income households to purchase food and other basic resources.

4.4. Evidence

Type	Source	It says?	It Means?
Internal Data	Project funding applications	A range of projects will provide direct, targeted support to low-income households to help mitigate cost of living increases.	Awarding funding to these projects will have a positive impact on low-income households.

4.5. Engagement with affected groups

Funding applications have been informed by ongoing work undertaken by Services and Areas

which work directly with low-income households.

4.6. Ensuring engagement with protected groups

N/A

4.7. Evidence of engagement

N/A

4.8. Overall Outcome

No Negative Impacts Identified.

LACER funds will provide additional support not already available, targeted towards low-income households.

4.9. Improving Relations

N/A

4.10. Opportunities of Equality

N/A

5. Town Centre's First Impact Assessment

5.1. Local Factors

Indicator	Positive	Neutral	Negative	Unknown
Town centre assets		Yes		
Footfall	Yes			
Changes to road layouts		Yes		
Parking		Yes		
Infrastructure changes		Yes		
Aesthetics of the town centre		Yes		
Tourism		Yes		
Public safety		Yes		
Town centre business	Yes			
Cultural heritage and identity		Yes		
Social and cultural aspects		Yes		

5.2. Positive Impacts

Impact Area	Impact
Footfall	Enhanced footfall in town centres through encouraging local shopping through the Aberdeenshire Loves Local initiative
Town centre business	Enhanced business support and grants provision through a number of funded schemes. Encouragement of local shopping through Aberdeenshire Loves Local initiative.

5.3. Evidence

Type	Source	It says?	It Means?
Internal Data	Project funding applications	Projects will encourage local shopping in town centres through the Aberdeenshire Loves Local initiative. Support services and grants would be made available for businesses including those in town centres.	Additional support would be made available to town centre businesses, including the encouragement of local shopping.

5.4. Overall Outcome

No Negative Impacts Identified.

The funding would provide additional support over and above that already provided, with businesses in town centres particularly likely to benefit from increased footfall.

6. Action Plan

Planned Action	Details
Periodic monitoring and final evaluations of supported projects.	<p>Lead Officer Martin Brebner</p> <p>Repeating Activity No</p> <p>Planned Start Friday July 01, 2022</p> <p>Planned Finish Friday April 28, 2023</p> <p>Expected Outcome Effective monitoring of project delivery and spend</p> <p>Resource Implications Participation of project sponsors from Services/Areas in monitoring meetings and preparing reports</p>