

**COVID-19 FINANCIAL MEASURES PUT IN PLACE BY GOVERNMENT
SUPPORTING COMMUNITIES**

1. EXECUTIVE SUMMARY

- 1.1 This report summarises the various financial measures put in place by Government to support communities as a result of the COVID-19 pandemic.

2. RECOMMENDATIONS

- 2.1 The Business Continuity Committee are asked to consider the financial measures put in place by Government in response to the COVID-19 pandemic.

3. DETAIL

- 3.1 On 18th March 2020, the Scottish Government announced a £350m Supporting Communities Fund in response to COVID-19. This involves 8 funding pots to ensure local authorities, community groups and third sector are able to support people and communities affected by COVID19.

- 3.2 The 8 funding pots are summarised below with further information provided from the Scottish Government via COSLA, contained within Appendix 1.

- £50m hardship fund for Local Government with full flexibility, distributed using GAE +SINA.
- £45m additional funding for Scottish Welfare Fund, administered by Local Government for Community Care and Crisis Grants. This is in addition to the current £38m annual funding. £22m will be distributed for 20/21 as per current SWF (SIMD); remaining £23m will be kept back with a view to targeting it to areas of greatest need.
- £50m for increased eligibility for social security benefits and increased cost to the Council Tax Reduction Scheme - this fund will provide “extra headroom” for both CTR and SSS payments, and remain undistributed at the moment.
- £50m wellbeing fund for 3rd sector partners, provided directly to third sector.
- £70m food fund to address food insecurity, especially for older people, vulnerable individuals and families who rely on free school meals.
- £20m for a Third Sector Resilience Fund, to address business health of third sector organisations.
- £40m supporting communities fund to address social isolation, distancing etc, to go to community groups.
- £25m reserve held by Scottish Government, to be deployed flexibly as

required.

- 3.3 There is also helpful information that has been shared across employability networks in relation to benefits and this can be accessed on the following website:

<https://www.citizensadvice.org.uk/scotland/benefits/coronavirus-check-what-benefits-you-can-get/>

- 3.4 The Council have launched a Coronavirus Caring for People helpline and this is set up to help with all types of advice linked to coronavirus. The number is 01546 605524. Information on support for communities and individuals is also on the Council website within the Coronavirus Help and Advice section and is updated regularly.

4. CONCLUSION

- 4.1 A number of financial measures have been announced by the Government in response to the COVID-19 pandemic as summarised within this report.

5. IMPLICATIONS

- 5.1 Policy – None.

- 5.2 Financial – The Scottish Government have announced additional funding in response to the COVID-19 pandemic, some of which is being routed via the Council.

- 5.3 Legal – None.

- 5.4 HR – None

- 5.5 Fairer Scotland Duty – See below

- 5.5.1 Equalities – None

- 5.5.2 Socio Economic Duty – None

- 5.5.3 Islands Duty - None

- 5.6 Risk – Funding is insufficient to meet the demand/needs across the Council.

- 5.7 Customer Service – None

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7 April 2020

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Appendix 1 – Briefing Note From Scottish Government with Council additions highlighted in red.

APPENDIX 1

BRIEFING NOTE FROM SCOTTISH GOVERNMENT £350m COMMUNITIES COVID19 FUNDING *(Council additions highlighted in red)*

This note provides headline details on the £350m funding package, which enables local authorities, third sector organisations and small community groups to support people and communities during the COVID19 crisis.

It starts with headline details of the eight funds. It then provides more on each of these, followed by greater detail about the Supporting Communities Fund, as requested.

1. HEADLINE DETAILS

On the 18th March, Aileen Campbell announced £350m of communities funding. This involves 8 funding pots to ensure local authorities, community groups and the third sector are able to support people and communities affected by COVID19:

- **£50m Hardship Fund** for local authorities, from Barnett consequentials
- **£45m top up for the Scottish Welfare Fund**, more than doubling the current (£35.5m) allocation.
- **£50m capacity funding for devolved social security and Council Tax reduction** - to meet additional pressures as needed.
- **A £50 million Community Wellbeing Fund** to help charities, third sector and social enterprises in their work across the range of social issues raised by COVID19.
- **A £70 million Food Fund to ensure support is in place for people whose access to food has been affected by the COVID-19 pandemic, including:** those having to self-isolate; older people; and families entitled to free school meals.
- **A £20m Third Sector Resilience Fund** – an emergency fund for charities, community groups, social enterprises and voluntary organisations working in Scotland.
- **A £40 million Supporting Communities Fund to help small scale community groups in their work to support local people at risk and build resilience.**
- **£25m Reserve Fund** – to meet additional pressures as needed.

2. FUND DETAILS

HARDSHIP FUND

- **What is this fund for?** This money has come from Barnett consequentials from UK Budget for local authorities. UKG funding was for hardship fund for councils.

The Scottish Government doesn't need to set up a hardship fund, we already have the Scottish Welfare Fund. So we are enabling councils to spend the money as they see fit to support people and communities through the COVID crisis.

- **How much was committed:** £50m
- **Current position:** [Issued] Aileen Campbell wrote to local authorities on 20th March committing the full £50m with no restrictions. Local authorities can use the funds as they wish and there are no reporting requirements.

Argyll and Bute Council: £895,000 has been allocated.

INCREASE TO SCOTTISH WELFARE FUND

- **What is this fund for?** The Scottish Welfare Fund provides Crisis Grants to people who are facing an emergency or disaster and Community Care Grants to help people establish or maintain a home in the community.
- **Who is the fund for –** Families and individuals in Scotland who require emergency aid.
- **How much was committed:** £45m (more than doubling the current (£35.5m) allocation).
- **Current position:** [£22m released to LAs]
 - £22 million has been released immediately and distributed among local authorities according to the agreed SIMD model.
 - The remaining £23 million will be provided later and targeted to where it is most needed. We will work with COSLA and local authorities to establish a way of identifying those areas and distributing the additional funding accordingly.
 - Alongside this funding increase, the Scottish Government has temporarily relaxed parts of the Scottish Welfare Fund guidance for local authorities to make sure this fund is able to fully support people in times of financial crisis.

Argyll and Bute Council: £297,000 has been allocated (our share of £22m), the remainder still to be distributed.

INCREASED CAPACITY IN SOCIAL SECURITY AND COUNCIL TAX REDUCTION

- **What is this fund for?** To provide additional funding to be used in light of anticipated increase in demand for Council Tax Reduction and Scottish social security benefits.
- **Who is the fund for –** those who receive CTR or social security benefits, including new applicants
- **How much was committed:** £50m
- **Current position:** [Reserve based on need]
 - Reserve fund is available if CTR spend increases due to COVID 19.
 - We are putting in place measures to allow us to track CTR caseload and spend for each authority, so we can allocate the funding as appropriate.

Argyll and Bute Council: No funding distributed yet, will be based on need. Council will be administering.

COMMUNITY WELLBEING FUND

- **What is this fund for?** To help charities and other bodies respond to the needs and challenges within their neighbourhoods and communities, by supporting provision of new and expanded services.
- **Who is the fund for** – a charity, social enterprise or voluntary organisation based in Scotland and/or primarily delivering services/activities in Scottish communities
- **How much was committed:** £50m
- **Current position:** [In progress]
 - The Fund will help charities, third sector and social enterprises to extend existing work or provide new services to meet the new demand created by COVID19 – it will not be used for current work.
 - The Fund will focus on those facing the greatest inequalities and at highest risk – such as asylum seekers, those without recourse to public funds and those experiencing homelessness.
 - As with the Safer Communities Fund, we are using the skills, capacity and collective knowledge of a range of a coalition of intermediary partners to quickly make funding available, while ensuring that funding is distributed in ways that complement and build on place-based support and resilience.

Argyll and Bute Council: No funding distributed yet, expected to be distributed direct to Third Sector.

FOOD FUND

- **What is this fund for?** The Food Fund is to ensure support is in place for people whose access to food has been affected by the COVID-19 pandemic, including: shielded groups; others having to self-isolate including older people; and families entitled to free school meals.
- **Who is the fund for** –
 - £30m is directed at structured public sector responses to support those who may experience additional barriers in accessing food – including families who qualify for free school meals and older people.
 - £30m is being held back to enable work on the shielded group to be properly funded. Confirmation of the approach here will follow.
 - £10m will be used to fund national third-sector partners delivering community-based responses. Support for community responses will be complemented by the Supporting Communities Fund and wider funding via the charitable and private sectors.
- **How much was committed:** £70m
- **Current position:** [In progress]
 - The release of an initial £30 million to Local Authorities has been agreed by Ministers to cover Free School Meals and also to start a response to older people and other vulnerable groups.

- £4,741,515 has been allocated to date, including up to £1 million to support the community food network via a coalition of independent funders led by SCVO to ensure reach across the country.

Argyll and Bute Council: £440,000 has been allocated (our share of £30m).

THIRD SECTOR RESILIENCE FUND

- **What is this fund for?** The fund will support organisations that already deliver services and products but find themselves in financial difficulties directly as a result of the coronavirus pandemic. The primary intention of the fund is to help third sector organisations to stabilise and manage cash flows over this difficult period.
- **Who is the fund for –** a charity, social enterprise or voluntary organisation based in Scotland and/or primarily delivering services/activities in Scottish communities
- **How much was committed:** £20m
- **Current position:** [Launched]
 - The Third Sector Resilience Fund was launched on 25 March 2020.
 - First Payments were made on 27 March 2020. The funding is administered by Firstport, Social Investment Scotland and the Corra Foundation.

Argyll and Bute Council: Fund is now live, Council not involved in this.

SUPPORTING COMMUNITIES FUND

- **What is this fund for?** The fund will underpin the inspiring work that is already underway in our neighbourhoods and communities and that will prove essential to our nation's resilience money quickly and effectively reaches community groups best placed to meet the needs of people and communities at risk.
- **Who is the fund for –** it is for local community groups supporting all people in their communities impacted by the pandemic. Community anchor organisations (CAO) will act as a conduit for funding to help a co-ordinated approach locally. They will work with relevant local charities, third sector organisations, volunteers, communities of interest and others to avoid duplication and help channel support where it is needed.
- **How much was committed:** £40m
- **Current position:** [In progress] we have worked with intermediary partners to identify an initial set of CAOs. Partners have contacted these groups and are collating expressions of interest. We are keeping a 'live map' to show geographical spread. We are finalising the mechanism for applying to the fund and releasing grant. We aim to complete this and be in a position to commence release of funds from early next week.

Argyll and Bute Council: No funding distributed yet, unclear how Local Authorities will be involved.

3. SUPPORTING COMMUNITIES FUND – MORE DETAIL

The aim of the fund is that money quickly and effectively reaches community groups best placed to meet the needs of people and communities at risk. Funding will be distributed using a place-based approach, helping to demonstrate and support the power of local governance and local resilience. We are keen to consider how local authorities can be involved and would welcome further discussion with COSLA on this.

An initial £10 million will be channelled through ‘community anchor organisations’ (CAOs) who are best placed to respond to local circumstances, will know those at risk and have local networks. This will include development trusts, community controlled housing associations, community enterprises, community health organisations as well as others. However, we will not preclude other types of organisations being supported, including TSI’s and community councils in some locations, if they are better placed to respond. **See diagram at the end of this document setting out how the fund is structured.**

This initial £10m investment will enable us to test how the model is working and make adjustments as needed.

Our view is that communities know best what they need. Our experience through the People and Communities Fund (PCF), the Strengthening Communities Programme (SCP) and before that the Wider Role Fund, is that when communities have control of a resource, better outcomes are achieved than if that resource is controlled from the top.

The CAO will act as a conduit for funding to help a co-ordinated approach locally and work with relevant local charities, third sector orgs, volunteers, communities of interest, etc, to avoid duplication and help channel support where it is needed. Local partners should try, where possible, to have a collective handle on how the money is spent.

However, we are not expecting CAO’s to do this in isolation and we will be ensuring links with LA’s, TSI’s, health partnerships, etc, as their knowledge and regional oversight will be important. Most CAO’s will have been providing local services for a number of years and will already have these relationships.

Approach

Our proposed approach will enable us to use the skills, capacity and collective knowledge of our intermediary partners to quickly make funding available to CAOs, while also allowing for proper planning at local level to avoid duplication and, where possible, ensure a place based approach.

We are working at pace with a range of partners to co-produce the fund, including DTAS, HIE, Corra, Scottish Communities Alliance (SCA), SCDC, Glasgow West of Scotland Forum, Community Enterprise in Scotland (CEiS) and National Lotteries

Communities Fund. We have also been approached by Foundation Scotland (FS) who have established a small grants scheme and are keen to align with SCF.

Using combined resources and networks we have undertaken an initial mapping of CAOs across the country to identify those who are best placed to co-ordinate and support local responses. We are also working with them to determine which can move money quickly to community organisations and who already has an established relationship. We envisage that we will channel the funding via a number of the partners to speed this up.

Process

We are working with partners to develop a consistent process to invite 'one page' proposals, make a rapid assessment and issue a grant to release the funds. We are aiming to make this as light touch as we can. Flexibility will be required as the issues emerging locally could evolve quite significantly.

This will allow us to allocate funds to partners so they can start transferring monies to communities from early April.

We will be aiming to support CAO's that receive funding to connect activity at a local level with public services to ensure that the local response complements LA work. We would suggest that sharing information of named contacts may be a simple way to achieve this. We also think the TSI's will have role in making connections between the groups and the LA, as well as helping identify gaps.

We are also working towards having a single map of the CAOs receiving the fund publically available so that additional new or existing community groups can connect with the work happening in their area and have a route to accessing funds.

We have begun discussions with SCVO and Corra to agree how to bring a common oversight of this fund and the Community Wellbeing Fund.

SCOTTISH GOVERNMENT SUPPORTING COMMUNITIES FUND

Aim: that money quickly and effectively reaches community groups best placed to meet the needs of people and communities at risk.

Funding is distributed using a place-based approach, helping to demonstrate and support the power of local governance and local resilience.

The team is working with intermediaries to help determine how and where an initial £10m should be directed at local level.

We are using their expertise and understanding of their networks to do this, developing a localities map to show geographical spread.

INTERMEDIARIES INCLUDE

Development Trusts Association Scotland, Corra, SCDC, Highlands and Islands Enterprise, Glasgow West of Scotland Forum, National Lotteries Communities Fund, Community Enterprise in Scotland, Scottish Community Alliance, South of Scotland Enterprise

This £10m will then be distributed, via the intermediaries, to 'community anchor' organisations, as identified by our discussions.

We are currently finalising this process.

Community anchors are in a strong position to plan and facilitate local action.

Our plan is for intermediaries to distribute the full £10m but in a few cases, it may be more practical for Scottish Government to fund community anchors directly.

COMMUNITY ANCHORS INCLUDE

Development Trusts, Housing Associations, Community Health Organisations and others

These organisations will work collaboratively with local authorities and other public sector partners, charities, community advocates and social enterprises to respond to community needs of those most at risk.

We need to be able to respond flexibly as the pandemic develops so will flex the remaining funding in the Fund as needs emerge.