

ABERDEEN CITY COUNCIL – URGENT BUSINESS COMMITTEE

Item 7.4 Financial Resilience Recovery Plan - Update

- 1.1 The Committee has before it a report on the financial resilience recovery plan. This report was written based on the information available prior to publication of reports on the 23rd June 2020 and emphasises the uncertainty of our current and future circumstances. It attempts to describe the many unknown factors that we are finding change on a regular and sometimes daily basis.
- 1.2 This report aims to bring the latest information to the Committee's attention,
- 1.3 In this update there is additional information on:
 - Education;
 - Discretionary Housing Payments; and
 - Connecting Scotland – Rollout of digital devices to school pupils.

Education

- 1.4 The Financial Resilience Recovery Plan report was written ahead of the announcement on the 23 June 2020, by the Depute First Minister, that preparations should now be made to enable school children to return to school full time from 11 August 2020.
- 1.5 In the Depute First Minister statement to Parliament he said "If we stay on track, if we all continue to do what is right, and if we can further suppress this terrible virus, the Government believes that we should prepare for children to be able to return to school full time in August."
- 1.6 He continued, with the planning assumption, that "I must stress, this is the aim that the Government is now working towards. However, because it has to be achieved safely, it inevitably remains conditional and dependent upon ongoing scientific and health advice." A final decision on the model to be used to reopen school buildings is anticipated in July.
- 1.7 In addition, the cabinet secretary also stated that there should be a short term focus on teacher recruitment and probation teachers in order to help with the return and recovery of schools. That focus would be "We will now work with local authorities with the objective of ensuring that every probationer teacher who has reached the standard for full registration is able to secure a teaching post for the next school year." And "...encourage retired teachers and those who are not currently teaching back into the profession wherever this proves necessary."
- 1.8 The report [RES/20/101] was written to take account of the physical distancing requirements for schools, as set out in the Scottish Governments document on "*A Strategic framework for reopening schools, early learning and childcare provision in Scotland*" *Reflecting the requirements of the strategic framework and further detailed guidance which was issued, colleagues set out our plans for the expected hybrid model within our*

corporate Local Delivery Phasing Plan as well as within individualised school plans.

1.9 The cost associated with the reopening of schools on this hybrid model are assessed to be potentially significant, with costs likely in the areas of cleaning and protective equipment, transport as well as ongoing emergency childcare and increased services to support children's mental health and wellbeing. Early indications of associated costs are in the region of £5m.

1.10 The announcement fundamentally changes the approach to the re-opening of schools but is heavily dependent on triggers connected to the sustained suppression of COVID-19.

1.11 The EIS has responded to the announcement by saying:

"Clearly, if the suppression of the virus continues to be successful, public health guidance may change and this will impact on schools as well as every other aspect of society.

It would be a grave mistake, however, to believe that the virus has gone away and therefore in the event of schools reopening more fully than currently planned, appropriate mitigations must be in place to protect staff and pupils and prevent flare-ups either in terms of localised resurgence in infection or even a full second wave.

In terms of schools, this means looking at measures already being used elsewhere such as mandatory face coverings, protective perspex shields, proactive testing of teachers and an appropriate level of physical distancing between pupils and most certainly between pupils and staff, alongside continued protections for vulnerable groups. The EIS would expect these issues to be agreed within CERG before schools could reopen more fully.

A great deal of work at school level has already gone into planning for a blended learning model from August 11th, so any change to that will require time to adjust plans and conduct revised risk assessments. Again, this will need to be subject to discussion and agreement.

Everyone wishes to see schools operate as normal, but this should be done in a way which is demonstrably safe for students and staff, which doesn't undermine public health messages, and which is done with the interest of school communities being first and foremost and not political expediency."

1.12 It is understood that the national education recovery group will meet the beginning the 29th June and it is anticipated that revised physical distancing guidance will be forthcoming in the weeks ahead. It could be presumed that the revised guidance will be published to coincide with the announcement of the model of education to be provided in July 2020.

Funding for Schools Reopening

1.13 Within Report [RES/20/101] in line with the flexibilities offered by the Scottish Government, officers are proposing to set aside funding that can be applied

more flexibly, namely the Early Learning and Childcare Expansion specific grant funding, in order to pay for the additional costs arising from the Local Delivery Phasing Plan. This is possible because of the statutory duty to deliver 1,140 early learning and childcare from August 2020 having been removed.

- 1.14 The Depute First Minister makes no mention of changing that grant flexibility which has been on offer to date. However, in his statement to Parliament he does state “we continue to work in partnership with local authorities to agree a new timetable for delivery of the 1,140 hours entitlement to all eligible children”.
- 1.15 The Depute First Minister stated in the re-opening of schools on a full time basis that “...there must be the right protective measures and risk assessments in place in schools to keep everyone with higher risk factors including teachers and staff safe.” In the absence of appropriate guidance, it is difficult to establish exactly what will be required to be in place by the Scottish Government to ensure a safe return to school buildings.
- 1.16 This reinforces the unknown cost element and given the conditions that have to be met in order to fully reopen schools the uncertainty remains and it leads me to the conclusion that the recommendations in [RES/20/101] remain appropriate.
- 1.17 The cabinet secretary outlined an additional £100m over the next 2 years to help support the return to school. As at Monday the 29th June, no details are available on this announced funding.

Discretionary Housing Payments (DHP)

- 1.18 On 24 June 2020 the Scottish Government confirmed the distribution of an additional £5m to support tenants financially affected by the Covid-19 pandemic to support their tenancies. The Council has been allocated an additional sum of £189,754 for 2020/21.

Connecting Scotland – Rollout of digital devices to school pupils

- 1.19 Report [RES/20/101] references the initial allocation to the Council of 240 digital devices, as part of the initiative announced in May 2020. Further information on the same subject has become available,
- 1.20 The total funding is confirmed as £25m, split between c.£20m for devices and c.£5m for connectivity solutions. Capital grant funding will be made available to purchase the devices.
- 1.21 Criteria for distribution of the devices includes, for use by children and young people for blended learning, in accordance with relevant local authority approaches. Amongst others, the following principles will apply to use of funding under the scheme:
 - i. Every effort must be made to make devices and connectivity solutions available to children and young people in time for the start of term in August.
 - ii. Where the full level of demand in a local authority area cannot be met, funding must be prioritised towards the most disadvantaged children and young people. This assessment of vulnerability should be made by local authorities, working

with schools and teachers who will know their communities best, but it should include consideration of:

- Those children and young people who are most digitally excluded (e.g. with no access to a usable device or connectivity solution as opposed to limited access)
- Additional support needs and equality and diversity (e.g. children and young people with additional support needs or particular disabilities, health conditions or other circumstances that mean they are at heightened risk of digital exclusion or require to spend more time doing home learning).
- Children and young people most at risk of negative impacts on attainment in the pandemic situation.

1.22 Devices and connectivity hardware will be owned by the Council and loaned to end-users, thereby ensuring ongoing technical support can be made available to children and young people.

1.23 Local authorities should work with the Scottish Government to make every effort to avoid unnecessary duplication when distributing devices to households that may be benefitting from other emergency assistance for digital inclusion during the pandemic.

Scottish Government Funding Summary

What this means for Aberdeen City Council as at 23 June 2020

Title	Implemented?	Funding Pot	Funding for ACC	Progress
Business Grants	Yes, in progress. Announced that this scheme will close on 10 July 2020.	£1.2bn, only £0.95bn initially distributed	Est. £33.7m Allocated 80%; Rec'd £26.9m	As at 23/6/20 Paid out £22.8m to 1,831 businesses
Business Grants - Expansion	Announced 15/4, in progress	£110.8m	Not yet allocated, cashflow based on above grant funding.	As at 23/6/20 Paid out £1.2m to 113 businesses
Business Grants – Phase 3 – Non-NDR ratepaying tenants	Announced 1/6, in progress from 8/6	To be funded from Business Grants £1.2bn	n/a	As at 23/6/20 Paid out £0.4m to 35 businesses
Self-employed	Announced 15/4, draft guidance, received, implementation in progress.	£34m	Est. £1.9m Allocated 60%; Rec'd £1.1m	As at 23/6/20 Paid out £0.3m to 162 newly self employed people.