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OFFICIAL REPORT AITHISG OIFIGEIL

Local Government and Communities Committee

Wednesday 3 June 2020



The Scottish Parliament Pàrlamaid na h-Alba

Session 5

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LOCAL GOVERNMENT AND COMMUNITIES COMMITTEE 14th Meeting 2020, Session 5

CONVENER

*James Dornan (Glasgow Cathcart) (SNP)

DEPUTY CONVENER

*Sarah Boyack (Lothian) (Lab)

COMMITTEE MEMBERS

*Jeremy Balfour (Lothian) (Con) Annabelle Ewing (Cowdenbeath) (SNP) *Kenneth Gibson (Cunninghame North) (SNP) *Graham Simpson (Central Scotland) (Con) *Andy Wightman (Lothian) (Green)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Nicola Dickie (Convention of Scottish Local Authorities) Councillor Alison Evison (Convention of Scottish Local Authorities) Jim Savege (Society of Local Authority Chief Executives and Senior Managers)

CLERK TO THE COMMITTEE

Peter McGrath

LOCATION Virtual Meeting

Scottish Parliament

Local Government and Communities Committee

Wednesday 3 June 2020

[The Convener opened the meeting at 10:37]

Decision on Taking Business in Private

The Convener (James Dornan): Good morning, and welcome to the 14th meeting in 2020—our third remote formal meeting—of the Local Government and Communities Committee. I thank the broadcasting office staff for their work in helping to organise the meeting and for all the hard work that they have put in this morning. We have received apologies from Annabelle Ewing. I ask everyone to ensure that their mobile phones are in silent mode.

Today's main business is an evidence session on local authorities and Covid-19, but first, item 1 is consideration of whether to take agenda items 3 and 4 in private. Item 3 is consideration of our annual report, and item 4 is consideration of the evidence that will be heard at today's meeting. As we are meeting remotely, instead of asking whether everyone agrees, I will ask whether anyone objects. If there is silence, I will assume that you are content. Does anyone object? As no member objects, it is agreed that items 3 and 4 will be taken in private, along with consideration of the work programme, which we agreed to take in private at a previous meeting.

Covid-19 (Local Authorities)

10:38

The Convener: Agenda item 2 is an evidence session on how local authorities are dealing with current challenges relating to Covid-19. I welcome Councillor Alison Evison, who is president of the Convention of Scottish Local Authorities; Jim Savege, who is chair of the Society of Local Authority Chief Executives and Senior Managers Scotland branch; and Nicola Dickie, who is Covid-19 lead and chief officer of COSLA.

We have a maximum of 90 minutes for this question session. I am grateful to our panellists for taking time to answer our questions today, during what must be a busy and challenging time for the local government sector. There are many important issues to discuss, so if another panellist has already given a full answer to a question and you feel that you do not need to add anything, feel free to say so and leave it there. That will give us more time to explore other issues with you.

As we are dealing with a panel today, for the benefit of broadcasting, I will call each panellist before you speak in response to a question. I also ask witnesses and members to please give broadcasting staff a few seconds to operate your microphones before you speak. Before we start today's questions, Councillor Evison would like to make some opening remarks.

Councillor Alison Evison (Convention of Scottish Local Authorities): Thank you, convener. I welcome the invitation from the committee to discuss the local government response to Covid-19. We are in the midst of the most significant public health crisis of the post-war period, which has presented significant challenges to us all. Local government has responded at pace to the challenging landscape brought about by the spread of the virus in providing support to communities the length and breadth of Scotland. Local government staff have delivered essential services throughout this time, responding with agility and huge commitment, and that must be acknowledged by us all.

Local government has been central to the design and delivery of the shielding service, which has protected individuals who are at the highest critical risk of severe illness. Local government has also been leading efforts to support businesses during the pandemic, ensuring that the funding that has been announced by the Scottish Government reaches businesses as quickly as possible.

As a first point of contact for many of our most vulnerable communities, councillors have been well placed to address the challenges that are being exacerbated by the Covid-19 crisis, including homelessness and domestic abuse.

Those represent just a few notable examples of the work that is being carried out by dedicated staff across local government. Put simply, local government has been at the forefront of the response to Covid-19.

We also recognise that more must be done during the weeks and months ahead. Last week saw the launch of the test and protect strategy, and local government will play an important role in helping people who are self-isolating to get the support that they need as part of this programme. A focus on recovery can also be seen in the work that is being undertaken in the education sector to pave the way for the reopening of schools. However, recovery will bring its own challenges for local government. The committee will be aware that, prior to the Covid-19 pandemic, councils had experienced significant funding cuts and that, as a result, they were already being forced to make difficult decisions. The current crisis has only exacerbated those challenges.

COSLA has undertaken a cost-collection exercise with all councils, and the first iteration indicates an initial net additional cost of around £100 million up to the end of June. That figure takes into account the £80 million that has been provided by the Scottish Government for hardship and food funding, as well as the £155 million of consequentials that have been committed to local government. Councils are well equipped to lead and to invest in the economic recovery of their areas. They understand the priorities of each area and the local infrastructure. However, to do its work, local government must be properly resourced and empowered to take decisions at local level.

These have been exceptionally challenging times. Looking forward, local government is committed to working in partnership with the Scottish Government, our third sector partners and our communities to build a better society. We will learn what we can do better from current experience, and we will build upon our successes so that we can continue to make our communities fairer, safer and more cohesive.

I think that that is all for now. I look forward to a productive discussion with you all this morning. Thank you.

The Convener: Thank you, Alison. I will start the questions. There will be a nine-minute block of questions from each member. If there is time, any supplementary questions will be asked at the end of the meeting.

We are going to move on to the next phase of testing and tracing. What role has local

government played so far in formulating the test and protect strategy for contact tracing?

Councillor Evison: Thank you. Local government has been at the forefront of the experience of shielding, from which we have learned much that will be taken forward into the test and protect phase. We have been working very much to protect individuals locally and to provide them with the food and medicines that they require, which will have to continue. Part of the test and protect mechanism will be looking to ensure that anyone who cannot look after themselves safely in their own house will be supported elsewhere. That is an important aspect of local government's work. Working in each area, it is essential that local government has a key role in this work, because it understands its local area and can work with local partners through the resilience groups that are up and running everywhere across Scotland, making sure that everyone who needs to be looked after can be looked after at this very difficult time.

The Convener: So, you see council personnel continuing to be involved when the contact tracing speeds up a bit.

10:45

Councillor Evison: It is essential that local government is involved in the process. We have got that experience through shielding. We know what is happening. We are the ones who have been doing that work locally, and it is important that we use that experience and build on it, because there will be a real need to support people to isolate at home. That is obviously best done at local level.

The Convener: Have you been using other useful resources and data to help organise contact tracing? Will you still do that in the future, to help the NHS, for example?

Councillor Evison: As I said, local government has been working very closely through resilience partnerships with the NHS and other partners locally to find out what is needed and to share that data and move forward, because, yes—we need to work with others in order to make this work effectively.

The Convener: Thank you. I am going to pass you on to Graham Simpson.

Graham Simpson (Central Scotland) (Con): My questions follow on from that. The convener was asking about test and protect, and it was reported in one of the Sunday papers that COSLA had received a letter saying that test and protect could last for up to two years. What is local government's reaction to that?

Councillor Evison: The reaction is that we must do what is required in this pandemic, to overcome the current issues and to move forward. Therefore, if safety requires that and the work involved takes that long, that is obviously what local government will do. We have a responsibility and a duty to do that. As I said in my previous answer, we have experience of shielding, and we have set up the helpline so that we can carry on with that. Within that, there is a question of resourcing and funding, considering the difficulties and challenges that those things create for local government. I am sure that there will be further questions about that this morning. The finance and long-term resourcing is an issue that we need to discuss.

Graham Simpson: What I was really getting at is that there could be an issue with staffing through test and protect, if you have a number of people off work for a long period. Because of the way the system is, some people could be off repeatedly. Is that not a worry for local government?

Councillor Evison: It is a worry for everybody—

Graham Simpson: Anyone can answer. It does not have to be you, Councillor Evison. Anyone else can jump in.

Councillor Evison: It is a worry for everybody, and workforce planning must be done very carefully. Each council has already looked carefully at where staff can be deployed and what work they can do to best meet the challenge locally. Looking at the workforce is crucial at national level, as well. I will pass you on to Jim Savege on this one, because he is also involved in that at the chief executive level.

Jim Savege (Society of Local Authority Chief Executives and Senior Managers): Good morning. In practical terms, on immediate staffing been providing, for example, we have environmental health staff to help on the initial work on test and protect. Housing colleagues have also been getting ready to look at whether any accommodation is needed on an exceptional basis. As Councillor Evison has said, they are also making sure that support with food and other arrangements is available through our humanitarian hubs.

From a workforce point of view, we are no different from any other business that might have that discontinuity impact of colleagues having to self-isolate over seven or 14-day periods for an extended time. Like every organisation, every council has its business continuity plans in place and—certainly locally, but across the country—all of those are being updated again with the prospect of what might happen with test and protect. It is the same for every organisation across the country. We will get ready to ensure that we have continuity of service.

We have learned some practical things over the past few months. A lot of staff have, where possible, provided services from home in the same way as we are conducting business this morning. We are busy looking at how we can continue that working arrangement so that, where people are self-isolating, they can still be active in the organisation and not, in essence, furloughed and therefore not part of the organisation's activity. We think that we will continue to see councils adapt, plan, prepare for and deal with the reality that every organisation across the country is going to have to navigate and contend with for as long as we have Covid-19 around us.

Graham Simpson: I have another quick question on staffing to ask before I move on to money. I am sure that I have read somewhere that absentee levels in councils have plummeted during the Covid-19 crisis. Does anyone know whether that is accurate?

Councillor Evison: I will pass that on to Nicola Dickie, the Covid lead at COSLA.

Nicola Dickie (Convention of Scottish Local Authorities): [Temporary loss of sound.]—acrossthe-country picture of that, and we certainly do not have an across-the-country picture of the various parts of the local government workforce. As we have had staff going off, we have been moving and redeploying staff. The other thing that we have been relying heavily on for some of the things that local government has been asked to do is the massive community of volunteers, for which local government was already the co-ordinating partner. I do not think that it is fair to say that absentee levels have been one way or the other across the local government workforce. There have been stits and stats across the workforce. and we expect that to continue, given that the local government workforce is as diverse as all our communities across Scotland.

Graham Simpson: Is it possible to find out? It will be of interest to the committee, as we have done some work on it. If anyone can find out and come back to us, that will be great.

If it is okay, convener, I will ask about funding. Councillor Evison mentioned the £155 million. Have councils received that money yet?

Councillor Evison: No. Unfortunately, councils have not received that money. When we had our leaders meeting a couple of weeks ago, the priority of council leaders was that the funding be received without delay or as quickly as possible. Unfortunately, we have not received it yet, although we have had an assurance that we will receive it in June. **Graham Simpson:** I find that unbelievable, because we have been having that discussion for weeks. Has a reason been given for why councils have not received the money yet?

Councillor Evison: We have not got a reason for that, although our finance spokesperson, Councillor Gail Macgregor, is meeting Kate Forbes today, so we hope that we will have a reason for that by the end of today. We have had the assurance that the money will be received in June, but, as yet, we have not got it.

Graham Simpson: That is really disappointing. I guess that you have not had any discussions about the £100 million black hole that you mentioned either, which is going to leave local government in serious problems.

Councillor Evison: The important point about that is that the costs are being gathered constantly. It is an iterative process and that is the figure to date—I do not think that we can say that that will be the final figure.

There are huge funding pressures at the moment, as councils are dealing with the challenges of delivering services that are essential to people in our communities. We must also bear in mind the income that councils are losing, as they would normally receive money from leisure services, car parks and so on, which are closed at the moment. We have lost a huge amount of income.

Another aspect that sometimes gets forgotten is our inability to make savings. Many councils had transformation plans and budget savings proposals, which would have helped them to balance their budgets this year. Because of the pandemic, all those budget savings are also on hold, which has a huge impact on council funding.

There has been some talk that, as services are stopped, councils will not have expenditure, but 70 per cent of council money goes on staffing costs, which obviously continue to be paid. We have worked with the Scottish Government to reach agreement on honouring contracts—for example, for school transport—to ensure that the bus providers are still there when we need them. That work is on-going, so there is huge expenditure for councils and real challenges with income.

Graham Simpson: That is very helpful. Convener, how am I doing for time?

The Convener: You have one last question.

Graham Simpson: Okay. Let us try something else. An issue that has cropped up locally—I wonder whether the situation is the same nationally—concerns community councils. I live in South Lanarkshire, and South Lanarkshire Council is telling community councils there that they cannot meet, even virtually. They are not allowed to because of the rules that are set in South Lanarkshire. Is that the case countrywide? If innovative community councils want to meet as we are doing today, they are not allowed to do so in South Lanarkshire. Is that the case elsewhere?

Councillor Evison: What is appropriate and what is considered possible will vary from area to area. In some areas, community councils are meeting virtually. I suppose that it comes down to the statutory function and how people see their role with regard to planning applications and the role of community councils. In some areas, they may be meeting on a more informal basis, but that will be decided at a local area level and it will depend on the business that they are discussing in many cases and whether it is felt that that can be done appropriately online.

Graham Simpson: I am aware of informal meetings going on, but it is the formal stuff that is the issue.

Councillor Evison: Yes. Each council will be working through the best ways to do that, because that local engagement is still crucial. Obviously, democracy must not be the loser from what we are doing during the pandemic, but each area will work through what is possible locally on the issue. It is not something that COSLA would take a line on.

The Convener: I call Sarah Boyack, and I apologise as to her as she should have been called before Graham. That was my error.

Sarah Boyack (Lothian) (Lab): Thank you, convener.

First, I thank the witnesses for giving us evidence in advance. It was extremely useful to be able to review it and to see the impact of Covid-19 and your recovery plans. From your evidence, I am conscious of the huge reallocation of staff to support the distribution of business grants and more generally. How have council services suffered as a result of Covid-19? Councillor Evison made the point that you are trying to protect the most vulnerable while keeping going the day-today services that we all need. How have you balanced that process?

Councillor Evison: Each council has its business continuity plan, which looks at what is most important and what can be delivered appropriately in the local area. Protecting people is at the heart of much of that: ensuring that people have the food supplies that they need and the support that they need locally. That includes support for mental health, which is crucial, and another key area is the support hubs for children so that key workers can do their work.

Each area has had to reprioritise and look at what is necessary. On staffing overall, staff have

shown huge flexibility in adapting and going where they are needed. The spirit among them has been fantastic in doing that. However, it is important to understand that that has meant that some things have had to stop. A well-publicised example is the closure of recycling centres. The priority was on collecting residual waste from people's houses. Landscape services have had to stop in some areas, as the priority has had to be looking after burial grounds, which is crucial.

Each area has a business continuity plan and has made decisions on that. Staff have been deployed appropriately, leaving gaps in other areas that are not considered to be vital at the moment. There is a lot of work on public messaging, because explaining to the public why those decisions have been made has been an important part of the work of all councillors in their local communities to support the work of their councils.

Sarah Boyack: Thank you—that is most useful. In my area, 7,000 signed up on the day that the recycling centre was reopened, which shows the interest there is in those services.

I will follow up on planning for the future. How are councils planning to come out of the lockdown in a phased process? I know that you have not received your consequentials yet. My council will run out of money for food services for children in the next couple of weeks. How are councils managing to plan for that kind of situation? Are councils having emergency budgets or using reserves? How are they getting by? What negotiations are you having with the Scottish Government to ensure that the reopening of schools, for example, is funded properly?

Councillor Evison: We already have the sense that this situation is going to last a couple of years and that there will not be a quick change. We will need planning into the future, and our budgets are going to be affected for a very long time.

The budgets that we all set in February or March this year are out of date, containing numbers that do not make sense now, so we need to reprioritise. Councils will be doing that in their own time. Each of the 32 councils will take the appropriate time to reprioritise their money and rethink their financial work. However, we cannot do that alone.

Services that councils provide on the ground are essential and will continue to be essential. The work that we do in social care is tremendous, and it will be of increasing importance with shielding, test and protect, and normal care for people. There will be reconfiguration of schools to ensure social distancing so that children and staff can return safely. That will involve looking at the size of buildings and how to get children to school, and that will be a huge expense as well. The key worker hubs will also need to continue.

We cannot do all that without extra funding—it just cannot be done. Therefore, we need to continue the talks with the Scottish Government. We need to work together with the United Kingdom Government as well and to lobby for support from the UK Government because, otherwise, we cannot deliver.

11:00

It is important within the planning that there is an emphasis on not only recovery but renewal. We have learnt from this situation who is vulnerable in our communities, and new people have become vulnerable. We have an increasing pressure on mental health services, we have heard the figures for domestic violence, and we have seen in the news this week that certain groups, such as black and minority ethnic women's groups, are particularly badly affected. Therefore, lots of support must be put in place.

We must also ensure that we do not go back to what we had before. Homelessness was an issue before but, because of the pandemic, people have been found accommodation. We cannot now say to someone, "You're back on the streets." We need to carry on addressing the issue. There is huge pressure, and we need the funding to do all of that.

Sarah Boyack: I agree with all that. You mentioned the UK Government. Are you using the furlough scheme? Is it being used to enable staff who cannot work from home to remain employed by councils? What is the strategic plan for sports, leisure and culture services? Do you have thoughts on those issues?

Councillor Evison: Local government cannot use the furlough scheme. It will be up to each council to decide whether it is possible and appropriate to open sports and leisure facilities in their area.

There will also be a need to balance staffing. Decisions will have to be made about where to put staff. For example, many staff who would normally work in sports and leisure are working in the key worker hubs, because that is what has had to be done. There will be a need to balance where we put staff and what resources need to be used.

There will also be an eye on the cost, of course, and whether new staff can be employed will depend on how much money councils have for that work. Finance is a big issue. Therefore, local decision making is crucial, in conjunction with communities as much as possible in the current situation, in meeting each council's priorities. **Sarah Boyack:** I thought that arm's-length external organisations were able to use the furlough scheme. That was perhaps a misunderstanding on my part.

Councillor Evison: ALEOs are slightly different. I do not think that they can use the scheme, but I will ask Nicola Dickie to comment on that.

Nicola Dickie: I am not sure that ALEOs are strictly entitled to claim money through the furlough scheme, but I can check on that.

Across different council areas, staff from ALEOs—particularly in building standards and leisure services, which we have just alluded to have been instrumental in carrying out other roles. In my area, our leisure trust staff have been deployed to manage queues at chemists and doctors' surgeries, to lift and lay medicines and support packages, to walk dogs and just to do what is required. Therefore, although not all ALEOs have been engaged in their normal kinds of work, they have been instrumental to what local government has been able to deliver.

As we move forward and think about which parts of local government business we can open safely, there will undoubtedly be a conversation about the priorities. I am sure that decisions will be taken about when we open things such as libraries and leisure centres in partnership with our communities. There will have to be an open and honest conversation about what staff have been doing and what the impact will be if those services are reopened.

That is the sort of planning that local authorities up and down the country, under our chief executives and local resilience partnerships, are involved in on any given day. Like the Scottish Parliament, we are using the route map that was produced by the Scottish Government to plan. In the same way that we planned as we went into lockdown measures, planning is actively happening as we start to come out and move through the various phases.

Ultimately, Councillor Evison is absolutely right: local government recognises that we cannot deliver everything all the time, but we want to be clear that those who are most vulnerable and who lost the most through the current lockdown measures are prioritised as we come out of lockdown.

Sarah Boyack: I am about to run out of time, so I will go to my last question, which is about how councils are going to move on. The budget revisions are coming up shortly in the Scottish Parliament, and the constant theme in this meeting has been funding, as councils have had to reallocate, redeploy and, in fact, set up new services to support people through this incredibly difficult period.

How are councils going to budget over the coming year, and how are those decisions going to be made? Are you in regular contact with the Scottish Government and have you told it the amount of money that councils are short? I know that we are talking not just about additional services but about a reduction in income. How do you make that work at local level, when councils have to be viable and sustainable?

Councillor Evison: We have been collecting figures and information from all 32 councils. Our finance team has been putting that information together and has presented it to the Scottish Government. Our finance spokesperson, Gail Macgregor, regularly meets Kate Forbes and passes on the information that she has to her. The information is out there, and the Scottish Government has it.

The key point is that the situation will keep changing. The figures will go up as we are expected and required to deliver more services and as those services become even more important. The figures will increase and not go down, and we need to keep an eye on what is happening and keep having the conversations.

Andy Wightman (Lothian) (Green): I want to ask first about the role of local authorities both during the preparations and planning for dealing with the pandemic and during the pandemic.

Under the Public Health (Scotland) Act 2008, local authorities have a duty

"to continue to make provision, or secure that provision is made, for the purpose of protecting public health in its area."

It shares that duty with health boards and the Scottish ministers. Does COSLA feel that local government has been an equal partner in dealing with the crisis?

Councillor Evison: Local government has been centrally involved in everything that has gone forward. We have attended the resilience room meetings of the Scottish Government, and we have been working in partnership with SOLACE, with community partners and with the NHS. We had been working together in a team in many ways because of Brexit planning, and that partnership has been taken forward.

I must say that some decisions have been made without full partnership discussion, so we have not been as involved in everything as we might have liked to be. Some decisions have come as a surprise to us—some of them have been very welcome decisions, but they have come as a surprise and with implications. We discovered in the past that the best work is done when we work in full partnership with the Scottish Government. Examples are supporting Gypsy Travellers, the work on "Equally Safe: Scotland's strategy to eradicate violence against women" and early release of prisoners during the pandemic. Things that have been done together have worked very effectively. Councillor Stephen McCabe is jointly chairing the education recovery group with the Deputy First Minister, John Swinney, and that is a good link as well.

We need to continue our partnership working and to ensure that we build on the good practice. We see that, when we work together, we all work most effectively, as in the examples I have just given. We need to make sure that we are always involved at that level and from the very beginning. As we have seen from experience, when we are involved from the beginning—as we were, for example, in the plan to provide 1,140 hours of childcare—the combination of partnership working works better.

In the past few weeks, we have maybe not always seen that happen. When we have seen it, we have seen benefits.

Andy Wightman: Related to that, what role is COSLA playing in the decision making on easing the lockdown? Are you part of the discussions with Government and health boards?

Councillor Evison: COSLA and local government do not have clinical expertise or our own scientific advice. We do not have staff who do that kind of work—there are no clinicians employed in COSLA, for example—so we cannot be involved at the level of decision making that is based on safety and scientific guidance.

We accept the scientific guidance that is presented. We need to look at it and follow it. Our role is very much to follow the scientific advice to ensure that we keep our communities safe, and that is our priority. We do not have our own clinician team in COSLA, so it would not be appropriate for us to work at that level.

However, we are very much involved in the resilience room—

Andy Wightman: I apologise. I was not suggesting that you would be involved in clinical decisions. The decisions that have been made, such as that on moving into phase 1, have implications for everyone in our society. Clearly, health boards, the Scottish Government and local government are all involved in that process. My question was whether COSLA is actively involved in the lead-up to any changes in policy on the lockdown.

Councillor Evison: The resilience partnerships play a crucial part in that phasing, because their

experience on the ground is important. I will pass responsibility for answering that question on to Jim Savege, whose work on resilience has fed into the relevant information.

Jim Savege: In simple terms, the answer is yes. We have input into conversations with Scottish Government officials to consider the upcoming phases, and we give our thoughts about when and how the current restrictions might change. We have had a lot of collaboration with Police Scotland and trading standards colleagues about matters such as enforcement of the regulations and the guidance.

There have also been conversations about which council services we might wish to open up in the different phases and what the public health implications might be. As has been touched on, there was discussion about the timing of phasing in more face-to-face schooling and also about practical matters—such as the opening of public conveniences—that follow on from people having greater ability to move about in the countryside.

We have such dialogues and conversations to enable us to collaborate and share our thoughts on what might be appropriate or helpful in phasing and on the possible implications of the various phases. As Councillor Evison rightly said, though, the final decisions sit with Government ministers following receipt of the public health advice.

In the resilience space we have a multi-agency team set up across all category 1 responders, which considers the operational implications of the Government's policy intent so that, as far as possible, we can be on the front foot and ready when decisions are made to move into the various phases.

Andy Wightman: Thank you very much—that is useful.

I have a couple of follow-up questions on finance. We have heard that there has been a shortfall of £95 million or £100 million in the first quarter. Do you yet have any idea of the quantum for the rest of the financial year?

Councillor Evison: That figure is currently being worked on by our finance team. The information is being gathered from all 32 councils and put together, so I cannot yet give the committee the result. The existing figure is £100 million, but I can say that that will increase from now onwards. We will keep the committee updated with the information as best we can throughout that on-going process.

Andy Wightman: Thank you.

It has been suggested to me that some of the financial distress suffered by councils could be relieved either by having repayment holidays or by writing off debts in relation to loans from the Public Works Loan Board. Have you considered those options?

Councillor Evison: We are currently considering all possibilities for examining our financial bases. Clearly, we will have to make some challenging decisions. Everything is on the table for discussion, but everything that is considered will have implications. The bottom line is that we will have to make such decisions, because there is not money in the system to support what we need to do.

I also point out that a lot of the money that we have had from the Scottish Government has been not for local government itself but for us to pass on to other people. For instance, money from the Scottish welfare fund and the food fund was given to us to pass on to people who need it—it was not intended for delivery of council services, for which money still has to be found.

We have to look at every solution. Before the pandemic hit, we had been looking at various methods of fiscal empowerment. It might be possible to adopt some of the suggestions that came from that process, but others will no longer be relevant. We need a commitment from the Scottish Government to work with us to examine all possible funding methods so that we can be more sustainable in the future.

Andy Wightman: Is it correct to say that you are exploring every option, including looking at your debts incurred through the Public Works Loan Board?

Councillor Evison: That option has not been specifically mentioned. Our approach is that every possibility that is raised should be considered as we go forward, so it could still be explored. As I have said, each possible solution will carry opportunities, problems, advantages and disadvantages, all of which must be weighed up to determine what the way forward for councils should be.

There has also been some talk about councils using reserves. Councils have reserves at different levels, and for different purposes. Comments from Audit Scotland over the past few years have not encouraged councils to use reserves.

There are issues in every kind of funding, and we need to look at the overall picture and think about the best way forward. As I said, we need a commitment from the Scottish Government to look with us at all possibilities and decide which would be best to take forward in funding local government into the future.

11:15

Andy Wightman: On housing, has any assessment yet been made about the potential

shortfall in income that your members may be facing as a result of financial difficulties of council tenants, of ordinary households that may be moving off direct debits for paying their council tax, and of those in the private rented sector who have fallen into arrears and may well be facing eviction proceedings? Is any work under way in that area?

Councillor Evison: Yes. That is part of the work by the finance teams to assess the overall effect on local government of the current situation. They are looking at the collection of council tax—at who is not able to pay it any longer, and at where council tax payments have fallen because people can no longer pay. Each council makes its own assessment and passes the figure on to be part of the work of the overall finance team. Those overall figures have been—and will continue to be—presented to the Scottish Government. It is a key part of the work.

As we mentioned earlier, homelessness is a crucial area. People in many areas have been found accommodation. We need to look at that issue to make sure that the advances that have been made are not spoilt. We need to have the finance to carry on supporting people.

Jeremy Balfour (Lothian) (Con): Good morning, and I thank the witnesses. I follow on from the question about homelessness.

Last week, the committee had a discussion with some third sector representatives about where we should go from September onwards. One commented that what has helped over the past few months is the partnership between the third sector, local government and national Government, which has been driven by national Government money and drive.

When we get past September, we do not want to go back to night shelters and rough sleeping. What work are you doing nationally with Scottish Government and the third sector to come up with new solutions?

Councillor Evison: Thank you for the question. It reminds us well of the point that I made earlier that when we work together with Scottish Government and the third sector, things work effectively. It is important to remember and hold on to that.

Your other point was about finance being in place. We can make decisions, and things can move forward, because we have the finance in place. Being able to do the planning makes a huge difference.

Various councils have raised the 30 September deadline and what it means for accommodation that can or cannot be used to address homelessness. It is very much on the cards for local councils to look, each in its own local area, at what is most appropriate. That is one of the major themes of COSLA's work to support councils locally.

I will also meet third sector partners next week to look at ways of working together at that stage. Work is on-going through all our teams.

I pass to Nicola Dickie for any specific work that she wants to mention.

Nicola Dickie: Homelessness is an area that councils and our partners across the sectors are in active discussion about.

Before the Covid crisis, local government and the Scottish Government were already actively involved in rapid rehousing transition plans. A lot of the solutions that have come forward were in those plans, and they have been escalated to ensure a quick solution for those most in need. A number of innovative things have happened. Some of them have been allowed to happen because our hotels and other sectors were not being utilised by the general public.

There is a bigger question about where people are now, and how we managed to get them there. Some of it was about money; some of it was undoubtedly about partnership working on the wraparound support which is required for the people we have managed to put up in hotel accommodation.

Councillor Elena Whitham looks after housing and homelessness for COSLA. She and Kevin Stewart are in regular dialogue under the auspices of the homelessness prevention and strategy group, so the issue is on the radar. Money will be part of any solution but, ultimately, continued collaboration and partnership will be massively important. Our colleagues in the housing associations have also come forward in recent days and weeks to take on some of the burden. We will be looking to capitalise on what has happened already, but we also want to make sure that the measures are sustainable.

Jeremy Balfour: We all wish you well in finding solutions.

I will briefly touch on two completely different areas. The first is about how councils are being run democratically and how decisions are being made. Clearly, there are different models and different ways of making decisions across the 32 local authorities. Some councils are not having full councils or committee meetings, with little integration of councillors and decision making; others seem to be running as normal. Is COSLA encouraging local authorities to use technology to get back to having committee meetings and full councils? When will that be up and running across the board? **Councillor Evison:** Each council is at a different stage—they were at a different level of their transformation planning when they started the work. Some were more hindered by information technology than others, because of the priorities in their areas. COSLA is, where it can, supporting councils to look at different working methods.

At the beginning of the pandemic, things were a bit slow, as councillors were looking at different ways of doing things, but that has been addressed in all our areas. Councils have their business continuity set-ups, which we have already talked about. Furthermore, in some areas, they have different governance arrangements for making decisions at this time.

More and more councils are beginning to use online working methods, and are using the communication format that we are using today. COSLA is leading by example. We quickly moved to online meetings. We have increased the amount of our meetings to increase the democratic involvement in decisions that must be made rapidly. For example, instead of having our leaders meetings every four weeks, we now have them every two weeks, to make sure that decisions can be made at pace. Consequently, our communities can be supported at a different level.

Councils are adapting as best they can. I have been impressed by how all councillors have got on board and are using technology. That brings to mind another aspect, which is that our staff have been doing a great job. The IT team may operate in the background—it does not get clapped on a Thursday night like others do, because no one sees what it does—but its work has been crucial in encouraging democracy and enabling decision making to carry on.

Councils are moving at pace and carrying on with the decision making, because that is a vital part of our work. As I have said, democracy cannot be the loser as a result of the pandemic.

Jeremy Balfour: Do you recognise that some councils are far behind others and need to catch up so that there can be democratic accountability?

Councillor Evison: All councils are looking at their set-up and what they can deliver locally. At the time when the pandemic broke, some councils might not have made the same investment in the technology that others had, because they had other priorities. Decision making at councils on how they spend their budget is very much based on their local area. The pandemic had not been foreseen as something that we had to prepare for. Now councils are looking at how they can make developments. They are also looking at the need for holding meetings through the summer recess, to ensure that appropriate decisions can be made.

I would not say that any one council is behind in anything; rather, I would say that councils started at different points, because of the decisions that they made on setting their priorities a long time ago. The councils started at different points, and everyone is working to the same aim of making decisions in appropriate ways.

Jeremy Balfour: My final question is about education and getting children back to school. Clearly, it is for the Education and Skills Committee to look at that issue but, obviously, the Scottish Government is rightly letting local— [*Temporary loss of sound*]—in regard to whether to give advice to headteachers and heads of education on that. I presume that we do not want 32 different models, with some children perhaps getting better education than others. What coordination is taking place to ensure that every child across Scotland gets the same amount and quality of teaching?

Councillor Evison: I have to disagree with your premise, because I think that it is important that decisions are made at local level. Obviously, we have the overall guidance from the education recovery group, with its 11 strands of work, to give support to people in local areas. That group is doing important work in producing online resources, giving curriculum support and thinking about workforce planning. It is important that the group is there as a backdrop and to provide guidance on what happens in local areas. However, in many cases, the decision making will have to be done at school level, based on what is possible in the particular school. Our school buildings are all different sizes and shapes, so decisions on children coming back will have to be made on the basis of safety and physical distancing in the context of the particular school and its facilities. It is important that decisions are made at that level.

The bottom line is that education will continue with blended provision of online work and physical attendance at school for all children. Support for children's mental health and physical wellbeing will be considered and will be part of that. Educational psychologists and others are doing tremendous amounts of work on that aspect of supporting children and their families.

The decisions on the mixture of what children do at home and what they do at school in the blended learning will have to be based on local circumstances, the availability of teaching and support staff and the individual support needs of each child in the school. Obviously, children have different levels of need and vulnerability. The education recovery group's overall planning work is crucial. There will be blended learning for all children across Scotland and, obviously, standards will have to be met in what is delivered to children. However, it is important that what happens for each individual child and their experience is decided at school level, based on what it is possible to operate.

Kenneth Gibson (Cunninghame North) (SNP): My question follows on from Jeremy Balfour's. This morning, a Local Government Information Unit report said that 50 per cent of secondary school pupils and 25 per cent of primary school pupils in Fife are not engaging with the home-learning experience, which is obviously concerning. Is that typical or is it isolated to Fife? What is being done to address that matter, if it is indeed the case?

Councillor Evison: The issue will vary from area to area and will depend on local circumstances. How children are engaging or want to engage will depend on their circumstances, their home situations and how easy it is for them to learn at home. All that is being looked at in order to encourage children to do that learning. In some areas, there is perhaps a need to open up physical spaces that are not in school or at home where children can go to learn differently and safely. A thought process is going on in that regard.

Any child who has been identified as vulnerable is being supported through the key worker hubs and will continue to be supported in that way.

Nicola Dickie: I absolutely agree with Councillor Evison. Children who are vulnerable and who are on the child protection register or who have an on-going involvement with our social work teams are being contacted weekly as a minimum and more often than that in many local authorities. Locally, in my area, our teaching staff in primary and secondary school are literally phoning round all the children this week to check where they are and what they are doing. All the issues that Mr Gibson has raised are being actively looked at.

We are absolutely clear that our children who are at most risk for child protection reasons and so on are being picked up through our social work teams, as you would expect. Children of key workers are being looked after in the hubs, and teachers and all the support staff in our schools are making a monumental effort to get those children who have not engaged to engage with our current process and to understand their wants and needs as we move into the blended model that Councillor Evison has described.

Kenneth Gibson: It seems to clear to me that with such a huge proportion not engaging, the sooner we get back to normal, the better. Do we know whether all schools will be up and running across Scotland by 11 August? Will any areas have difficulty in getting schools up and running? The date is more than two months away, so I hope that that will not be the case.

Councillor Evison: Obviously, there are challenges to be met in doing that. There are a lot of considerations, such as the safety of school buildings and how many children we will be able to get into each classroom. There are also questions about transport to get children to school and whether parents will want their children to use school buses. There are issues to do with feeding children in school and whether they will get school meals or be asked to bring packed lunches.

All that has to be worked through, going forward. It is therefore not a case of opening the school doors and letting everyone in. There are issues involved in that, including getting the staffing in place. A proportion of staff will be shielding and unable to go into school, so it might be more appropriate for such staff to work online on the blended learning to support children working at home.

All 32 local authorities are focused on that and working with staff, professional organisations and trade unions to see what can be done and ensuring that blended learning is in place. It is important for us all to acknowledge that it is not a case of just opening the doors of the school building. Because the buildings have been closed for so long, safety checks are also important. Everyone is working towards the 11 August date and looking to open schools then, but we must not underestimate the work that local councils have to do to get to that stage and the work that individual members of staff have to do. Moreover, all that is taking place in the context of challenging financial circumstances.

Kenneth Gibson: Talking of finances, I have raised the issue of grants with my local authority, North Ayrshire Council. A number of constituents have contacted me because they have not secured grants due to one or two anomalies. The local authority told me that the difficulty is that it has to adhere to strict guidelines that have been set out by the Scottish Government. However, when I raised the issue with the Cabinet Secretary for Communities and Local Government about three weeks ago, I was advised that that is not the case and that councils have discretion over grants. The Scottish ministers have said in the chamber that local authorities will not be penalised for decisions that they make using their own discretion. What is the situation across Scotland? I am getting one story from my local authority's chief executive and another from the Scottish ministers.

From a COSLA perspective, what room for manoeuvre, if any, do Scottish local authorities have in making decisions on grant awards for businesses that they feel might not tick every box but are genuine and deserve help?

Councillor Evison: Thank you for that question, the context of which is important. By the end of last month, councils had awarded 70,000 grants worth a total of over £790 million to businesses in their local areas. It is important to acknowledge the work that councils have done to support businesses. Obviously, councils have a key role in economic recovery. They are all working very hard to process the grants, but they have to keep an eye out for potential fraud issues. They keep a careful eye on supporting businesses where they can with the money that they have. Again, I will pass the question on to Jim Savege, as the chief executive of one of the local authorities giving out grants.

Jim Savege: In simple terms, we have followed the criteria that are set and agreed by the Government. Certain schemes are identified for certain cohorts of businesses and those businesses are recipients of the schemes. If any of the available funds are left with a residual balance. the Government will decide whether those funds will be allocated to a different cohort of businesses. We saw that this week, for example, when it was announced that some small businesses in the hospitality sector will now be eligible for a new scheme. A separate matter is local government's discretion to put its own schemes in place. For example, local authorities can use their own funds for business rate relief schemes.

We are not given a single pot of cash to do as we wish with. We follow guidance and criteria set and agreed by Government administrators that say who the funds are determined for. In simple terms, we administer; we do not determine the direction that funds go in.

Kenneth Gibson: So, although ministers say that local authorities will not be penalised if they use their discretion, they will not be given additional funding to meet any discretionary payments that they make. Is that correct?

Jim Savege: The funds that have been allocated are the funds that have been allocated. There is no indication that there will be any additional funding to meet our discretion.

If I understand your question, I would always want my team to be pragmatic. It comes down to the extent to which we want to be zealous or pragmatic in interpreting criteria and in deciding whether someone is eligible. We want to support businesses and to get funds out the door when we can, but there is a point where the criteria are the criteria.

Kenneth Gibson: That is helpful.

Councillor Evison, in your responses to questions from Graham Simpson and others you talked about costs. What additional costs perhaps month by month—does COSLA think might be caused by social distancing? Can you tell us about that in broad terms? You said that 70 per cent of your costs are staff based; social distancing will have implications there. Can you reconcile costs with savings? You said that there will be savings in heating, lighting, diesel and so on. How will all that fit together? That might be something that the Scottish Parliament information centre could work out, but I would like to know what COSLA is doing about that.

Councillor Evison: We put all the information about extra costs and savings in the documentation that was gathered by our finance team, which I have already referred to. That is an important part of the work that is being done.

The savings might not be what people would expect. Services are still running, though in different ways. For example, schools are still open as hubs for the children of key workers. Money is still being spent on that. As I said, 70 per cent of council costs come from staffing, which is still being paid for. Income has dropped drastically because other services have stopped.

All the information is being gathered, put together and presented to the Scottish Government through Kate Forbes's team.

Social distancing will create huge costs. You may have noticed that, in council waste services, we can no longer have the same number of people in the cab at the front of the lorry. Many local authorities have responded to that by having a car driving behind the bin lorry with other waste operatives in the car so that they can collect rubbish from people's houses, which is a crucial service that we must carry on providing. Social distancing is creating a huge cost, because those vehicles are having to be used to support the bin lorries and those teams.

As we open schools, you will find that, even with blended learning, there may not be space in a school for everyone who needs to be on site. We are looking at other facilities that can be used, such as other buildings under the control of the council near to the school that can be used to provide a learning space for young people. There will be a cost in doing that and in managing those spaces. Social distancing will have a huge impact. Opening schools will add to council expenses, not reduce them or lead to savings. We must be alert to that.

As has been said, we want our children to learn. We know how important education is and we have heard concerns that children may not be learning as they should. If we are going to provide learning, we must spend the money to do so. Social distancing and safety must be a key part of that.

Graham Simpson: I have a couple of quick questions about costs.

I thank COSLA for its submission to the committee. In that, you say that money can come to councils in various ways. Money can come through integration joint boards, through health boards or through health and social care partnerships. The money eventually trickles down to local government. That seems to be an issue for you. Do you feel that local government is missing out on money because of that?

Councillor Evison: Underlying that is the big acknowledgement that councils provide a lot of health and social care, yet funding through the health and social care partnerships makes things slightly more complicated when we are adding up expenses at this time. The role of councils in providing that work is crucial, and the funding is crucial to councils. Nicola Dickie will go into more detail about the funding mechanism for health and social care, because that is part of her day job.

Nicola Dickie: Councils work with our partners in the health and social care partnerships to capture costs through the mobilisation plans, which are submitted to the cabinet secretary. We have had £50 million released in the first tranche of spending through the mobilisation plans, which will come through the integration joint boards.

As Councillor Evison said, we have visibility of the money, but it is not a direct route to local government that we would use, for example for discretionary housing payments or the Scottish welfare fund. It takes a bit more time, it is a bit more complicated and there are more people involved. However, it would be difficult if local government was to try to submit costs directly to the Scottish Government for things that are clearly within the auspices of the integrated model. It is happening, and it is bit more complicated, but Councillor Stuart Currie, who is COSLA's health and social care spokesperson, is in continual conversations with the Cabinet Secretary for Health and Sport on how we ensure sustainability of the health and social care services that are available throughout Scotland.

Graham Simpson: Thanks for that. I will not explore that any further, because it is a huge area and the committee has previously looked at it in depth.

It has all been pretty much doom and gloom so far this morning. Do you see any opportunities for local government coming out of this?

Councillor Evison: That is really important to the key aspects of our work. We have seen opportunities in agility, in moving services and in thinking differently in our local areas. I hope to work in partnership with more people at a local level to develop that locality work that we were talking about earlier. Before the pandemic, we had a lot of discussion about community empowerment and functional empowerment. We are now seeing things in practice—we are seeing examples coming forward.

The work with the new organisation Public Health Scotland has tremendous potential for local government. We have also seen in our localities how we can come together and work at that level. The opportunity now is to take forward the thinking that went into the local governance review work about various empowerments and put it into practice. This is an opportunity to develop locality and place, and to work with partners at that level in a democratic and accountable way. We must ensure that we grasp that opportunity and move forward.

Sarah Boyack: I have a follow-up question. In the most recently passed coronavirus legislation, new powers were allocated to councils on social care issues. Obviously, that is quite recent, but what strategic opportunities do you think that it presents? The health secretary plans to review how social care is funded and organised. I would be keen to hear the local government perspective on that, given the challenge for you at the moment in keeping people safe, and having the funds to do that.

Councillor Evison: It might be premature to give a detailed answer to that. What I will say is that we have set up a special interest group on recovery at COSLA, which is chaired by the vice-president, Graham Houston. The group is very much part of the thinking about what we can do to support vulnerable groups and other groups, and to look at social care. It is also very much part of the thinking in COSLA—on a cross-party basis, as in everything we do—to work through and see what opportunities there are in the recovery and renewal. We do not want to miss any opportunities. We need to think carefully about the context that we are in and the resources that we have available.

We are linking as much as we can with the Scottish Government. It may be worth emphasising that, when we can work with the Scottish Government like this to develop ideas from day 1, those ideas are more likely to be effective for our communities. It would be premature to give you a detailed answer, but I reassure you that that is on the agenda and is being worked through at the moment.

The Convener: If no other member has a further question or supplementary, I thank the witnesses for their attendance. That ends the public part of the meeting.

11:45

Meeting continued in private until 11:50.

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