

DRAFT MINUTE OF MEETING OF COSLA LEADERS

Friday 25 February 2022, 1.45pm
Via Microsoft Teams

Present

COSLA President	Councillor Alison Evison
COSLA Vice President	Councillor Graham Houston
Aberdeen City Council	Councillor Jenny Laing
Aberdeen City Council	Angela Scott
Aberdeenshire Council	Councillor Andy Kille
Aberdeenshire Council	Jim Savege
Angus Council	Councillor David Fairweather
Angus Council	Margo Williamson
Argyll and Bute Council	Councillor Robin Currie
Argyll and Bute Council	Pippa Milne
City of Edinburgh Council	Councillor Adam McVey
City of Edinburgh Council	Andrew Kerr
City of Edinburgh Council	Councillor Melanie Main
Clackmannanshire Council	Councillor Ellen Forson
Clackmannanshire Council	Nikki Bridle
Comhairle nan Eilean Siar	Malcolm Burr
Dumfries and Galloway Council	Councillor Gail Macgregor
Dumfries and Galloway Council	Councillor Rob Davidson
Dumfries and Galloway Council	Lorna Meahan
Dundee City Council	Gregory Colgan
East Ayrshire Council	Councillor Douglas Reid
East Ayrshire Council	Eddie Fraser
East Dunbartonshire Council	Councillor Andrew Polson
East Dunbartonshire Council	Ann Davie
East Lothian Council	Councillor Stuart Currie
East Lothian Council	Monica Patterson
East Lothian Council	Councillor Norman Hampshire
East Renfrewshire Council	Lorraine McMillan
East Renfrewshire Council	Councillor Tony Buchanan
Falkirk Council	Councillor Cecil Meiklejohn
Falkirk Council	Kenneth Lawrie
Fife Council	Councillor David Alexander
Fife Council	Councillor David Ross
Fife Council	Steve Grimmond
Glasgow City Council	Councillor Susan Aitken
Glasgow City Council	Annemarie O'Donnell
Highland Council	Councillor Margaret Davidson
Inverclyde Council	Louise Long
Inverclyde Council	Councillor Stephen McCabe
Midlothian Council	Councillor Derek Milligan
Midlothian Council	Dr Grace Vickers

Midlothian Council
Moray Council
Moray Council
North Ayrshire Council
North Ayrshire Council
North Lanarkshire Council
North Lanarkshire Council
Orkney Islands Council
Orkney Islands Council
Orkney Islands Council
Perth and Kinross Council
Renfrewshire Council
Renfrewshire Council
Scottish Borders Council
Scottish Borders Council
Shetland Islands Council
South Ayrshire Council
South Ayrshire Council
South Lanarkshire Council
South Lanarkshire Council
Stirling Council
Stirling Council
West Dunbartonshire Council
West Dunbartonshire Council
West Lothian Council
West Lothian Council

Councillor Kelly Parry
Councillor Graham Leadbitter
Roderick Burns
Councillor Joe Cullinane
Craig Hatton
Des Murray
Councillor Kenneth Duffy
Councillor Steven Heddle
Gareth Waterson
Leslie Manson
Councillor Murray Lyle
Councillor Iain Nicolson
Alan Russell
Councillor Mark Rowley
Netta Meadows
Councillor Steven Coutts
Eileen Howat
Councillor Peter Henderson
Cleland Sneddon
Councillor John Ross
Carol Beattie
Councillor Scott Farmer
Councillor Jonathan McColl
Joyce White
Graham Hope
Councillor Lawrence Fitzpatrick

Apologies

Comhairle nan Eilean Siar
Dumfries and Galloway Council
Dundee City Council
East Dunbartonshire Council
East Dunbartonshire Council
Highland Council
Highland Council
North Lanarkshire Council
Orkney Islands Council
Orkney Islands Council
Perth and Kinross Council
Shetland Islands Council

Councillor Roddie Mackay
Derek Crichton (Interim CEX)
Councillor John Alexander
Councillor Vaughan Moody
Gerry Cornes *
Councillor Alastair Christie *
Donna Manson
Councillor Jim Logue *
Councillor James Stockan *
John Mundell *
Thomas Glen
Maggie Sandison

**Denotes substitute provided*

Public Session

1. Introduction

Cllr Evison welcomed Leaders to the meeting. Apologies and substitutes were noted separately for the minute.

2. Draft Minute of Leaders' Meeting held 28 January 2022 (paper LD/22/028)

The minute of the previous meeting was agreed as an accurate record.

Freepost Communications

The President noted one matter arising from the previous meeting, regarding freepost communications. At the previous meeting it was agreed that COSLA should engage with Scottish Government in relation to the introduction of such a scheme, preferably in time for the local elections in May 2022. Cllr Evison wrote to George Adam and has subsequently received a response, stating that he does not think arranging free mailings for candidates in May's elections is practical; however, he did accept the case for free mailings being provided in future elections. Officers hope to follow this letter up with a meeting to discuss further, and a more detailed update will be provided at the next Leaders meeting.

Leaders expressed disappointment that the scheme will not be available for this year's elections and noted that COSLA officers will share this letter with Leaders subsequent to this afternoon's meeting.

3. Coronavirus (Recovery and Reform) (Scotland) Bill Consultation (paper LD/22/029)

This report asked Leaders to sign off a draft submission to the Scottish Parliament Committees who are scrutinising the Coronavirus (Recovery and Reform) (Scotland) Bill. The existing Coronavirus (Scotland) Act 2020 will lapse on 31 March 2022 and the aim of the new Bill is to ensure that there is legislation in place in the event of further public health emergencies.

It was noted that Leaders signed off an earlier response to the consultation in September 2021. The present submission is supportive of the Bill, while emphasising the need for Scottish and Local Government to work collaboratively in the use of any powers. Leaders were invited to consider the report.

Leaders:

- i. Noted the scrutiny being undertaken by the Scottish Parliament Committees,
- ii. Endorsed the COSLA submission (Appendix A) which is generally supportive of having such legislation in place,
- iii. Agreed updates will be brought back to future Leaders meetings as appropriate.

4. Levelling Up White Paper and UK Shared Prosperity Fund (paper LD/22/030)

This paper provided Leaders with an update on the publication earlier this month of the Levelling Up White Paper and guidance on the UK Shared Prosperity Fund. The paper builds on position agreed in January that the Shared Prosperity Fund is delivered on a regional basis, and the Environment and Economy Board was also updated on these developments at its meeting on 11 February.

Officers highlighted some areas where there is a lack of information, particularly around how the Fund will be delivered in Scotland, confirmation of the amount of funding available and detail on the strategic priorities which UK Government would like delivered. COSLA are working closely with SLAED in preparation for the Fund and a workshop is being planned for March which will involve both Governments. Leaders were invited to consider the report and agree that COSLA continue to seek further information on the Fund.

Leaders raised concerns about the lack of clarity currently available and noted that the workshop in March will provide an opportunity to discuss the need for Local Government involvement directly to UK Government.

Leaders:

- i. Noted the publication of the Levelling Up White Paper and Guidance on the UK Shared Prosperity Fund,
- ii. Noted that UK Government has contacted local authorities to begin discussing potential delivery regions in Scotland;
- iii. Noted that a workshop is being planned in March with UK and Scottish Governments and SLAED to discuss the delivery of the UKSPF;
- iv. Agreed that COSLA continue to seek further clarification of the funding to be allocated to Scotland and to work with UK Government and others to identify the strategic priorities for the fund; and
- v. Agreed that further reports be considered by Leaders as more detail emerges.

5. Local Government Pre-Election Period and COSLA Planning (paper LD/22/031)

This paper provided information to Leaders about the activity and preparation COSLA is doing in respect of the pre- and post- Local Government election periods to ensure party-political impartiality during the run up to the elections and plan for a smooth transition to a new COSLA administration. It was noted that guidance will be made available to COSLA staff and office-bearers to ensure that they are aware of the heightened sensitivities during the pre-election period.

The paper also outlined the ongoing planning in preparation for the establishment of the new COSLA administration. This will be completed as quickly as possible after the Local Government elections in accordance with the COSLA constitution.

Leaders noted the guidance and the plans that are currently in place for the pre-election and post-election periods.

Private Session

6. Local Government Finance (paper LD/22/032)

This report provides Leaders with updates on a range of issues relating to Local Government finance. It was noted that an additional £80 million of funding for 2021/22 was announced by the First Minister on 21 February for a Local Authority COVID Recovery Fund, comprising funds which were not spent of the £375m allocated for business grants. Group Leaders agreed to the policy aims and distribution of this subject to agreement by Leaders.

It was also noted that officers are working on a draft response to the Spending Review consultation, which will come to Leaders at the end of March. Leaders were asked to agree that officers develop a media campaign, aligned to 'Live Well Locally' to be launched in April. An update was also provided on service concession, on additional health and social care funding, and on the completion of scoping work in relation to play park renewal.

Leaders:

- i. Agreed the high-level principles and light touch reporting in relation to £80m flexible funding for business support and support for low-income households (to be circulated in advance of Leaders meeting);
- ii. Noted the current position in relation to Early Learning and Childcare expansion funding, Health and Social Care funding;

- iii. Agreed that COSLA officers develop a media campaign, aligned to 'Live Well Locally', based on the COSLA response to the Spending Review that Leaders will approve in March
- iv. Noted the position in relation to Service Concession and agree that the final version of the Capital Accounting review will be brought to Leaders in March for agreement;
- v. Agreed in principle that Local Government delivers a broadened taxi driver and operators fund in March and for related administration funding of £750k to be distributed based on number of registered businesses;
- vi. In relation to play parks, noted the outcome of the Local Government scoping exercise and that the outcome is now to be reported to Ministers for consideration.

7. Pay/Workforce Update (paper LD/22/033/A/B)

This item was split into papers A and B.

Paper A provided Leaders with an update on the ongoing SNCT 21/22 pay claim discussions and sought a political steer on next steps in relation to the claim. The Teachers side and Scottish Government have expressed a desire to settle the claim to avoid negotiations continuing into the 2022/23 discussions and the offer presented to Leaders remains within the current total revised envelope of £242.5 million.

Officers noted that Scottish Government have provided assurances that they will cover costs over and above the public sector pay policy and would provide recurring funding to local authorities following the normal pattern of distribution for teachers' pay. It was noted that if the revised offer is accepted, a further report will be brought to the next Leaders Meeting confirming the funding that will be provided.

In relation to this paper, Leaders:

- i. Noted the feedback on the current position;
- ii. Noted the proposed position for SNCT; and
- iii. Provided the COSLA Spokesperson for Resources with a political steer on the offer to this bargaining group based on the considerations outlined in the paper.

In relation to paper B, Leaders were provided with an update on the pay claims for 2022/23 which have thus far been received. COSLA is not yet in receipt of the Craft claim but have sought confirmation of when this will be submitted. The SJC claim is for a £3,000 flat rate increase to all spinal column points with a minimum rate of pay of £12/hour; the SNCT claim has been submitted and is for a 10% uplift; and the Chief Officers' claim is for a "no better and no worse" than that of other groups.

It was noted that the Remuneration Advisory Group has met and discussed these claims and COSLA officers have been gathering information about what is affordable locally. Leaders were invited to consider making a realistic and affordable offer as set out in the paper.

Leaders:

- i. Noted the pay claim submitted by the SNCT Trade Unions;
- ii. Noted the affordability and sustainability issues that meeting the claim could cause, in particular the yet further compression of the SJC pay spine;
- iii. Provided political direction and steer on the potential to make a "best most sustainable and affordable" offer that protects the workforce and essential

- services and is reflective of local governments' Fair Work role to all bargaining groups; and
- iv. Agreed that officers bring regular updates to Leaders on the progression of the pay negotiations and that a separate report on the mechanism for a review of the compression of the pay spine is scheduled for later in the year.

8. National Strategy for Economic Transformation (paper LD/22/034)

This paper provided Leaders with an opportunity to consider the National Strategy for Economic Transformation prior to its publication on 1 March. This was previously considered by Leaders in August 2021 when it was agreed that the just Transition to a Net Zero Economy should be the central purpose of the new strategy. Leaders were invited to note the publication of the Strategy and agree the recommendations in the report.

Leaders expressed their disappointment at the lack of mechanisms for Local Government to effectively influence the Strategy prior to publication.

Leaders:

- i. Noted that the National Strategy for Economic Transformation will be published in early March;
- ii. Agreed that while we support the objective of the Strategy and its aim of establishing a net zero, wellbeing economy, we must learn lessons from past strategies which have not led to the levels of economic transformation desired;
- iii. Agreed we need to establish a new culture of delivery which is credible and has the support of Local Government, and
- iv. Agreed that the COSLA Environment and Economy Spokesperson meet with the Cabinet Secretary for Finance and Economy to agree how Local and Scottish Government jointly deliver the strategy.

9. Local Heat and Energy Efficiency Strategies (paper LD/22/035)

This report provided Leaders with an update on COSLA's work on Local Heat and Energy Efficiency Strategies (LHEES) and sought agreement on the draft Order attached in Annex A. COSLA are working with Scottish Government on securing resources for the delivery of the LHEES duty and the report provided an overview of the current offer, which has been discussed by the Environment and Economy Board at recent meetings.

Leaders noted the difficulties of delivery of the Strategy in remote and rural areas, as well as the funding that has been announced by Scottish Government and whether this will be sufficient.

Leaders:

- i. Agreed the draft Order (Annex A) for the preparation, publishing and updating of Local Heat and Energy Efficiency Strategies and Delivery Plans; and
- ii. Noted COSLA's ongoing work with Scottish Government to secure resource and collaboratively draft guidance to support the successful delivery of Local Heat and Energy Efficiency Strategies.

10. National Care Service (paper LD/22/036)

This paper provided Leaders with an update on developments since the previous meeting in January in relation to the National Care Service. Analysis of the consultation

responses has been published and the report highlighted key findings from that analysis, indicating broad support for the proposals set out in the original consultation. Officers continue to engage with Scottish Government officials to understand the scope and direction of travel of the NCS and it was noted that Leaders will be kept apprised of any developments in that regard. Leaders were invited to agree the COSLA position as set out in the report.

Cllr McCabe also provided an update on meetings he has held as Children and Young People Spokesperson with Shirley-Anne Somerville MSP and Clare Haughey MSP to discuss the COSLA position on the National Care Service, particularly regarding opposition to the inclusion of children's services. Noted that they share some of those concerns and discussions are ongoing in relation to this.

Leaders:

- i. Noted that as yet there has been no indication of what, if any, decisions have been taken by Ministers on direction of travel for a National Care Service; and
- ii. Agreed the proposed COSLA position at paras 17-21 of the report.

11. National Care Home Contract Negotiations (paper LD/22/037)

This paper provided Leaders with an update on the negotiations for the National Care Home Contract. It was noted that the provider survey closed on Monday and Scotland Excel received a request from the providers' negotiating team of an increase of almost 7% for nursing and 7.4% for residential. Leaders were invited to give the Local Government negotiating team a mandate of an offer of up to 5% which could be increased to 5.5% if it is determined that energy costs should be included in the uplift.

Leaders:

- i. Agreed the COSLA position outlined in paragraph 14;
- ii. Noted that COSLA Leaders will be asked to agree a final mandate for an offer to the sector following further negotiation.

12. National Insurance Increase to Adult Social Care (paper LD/22/038)

This paper set out the request from the Minister for Mental Wellbeing and Social Care to change the way the £10.50 pay uplift for direct care staff in adult social care commissioned services is uplifted. Leaders previously agreed to uplift contracts in the same way as had been done to implement the previous uplift in order that adult social care workers in commissioned services receive at least £10.50. The paper set out the ask from the Minister in relation to rates and Leaders were asked to decide whether they agree to change the percentage uplift to include funding for the NIC increase.

One amendment was proposed to this paper:

Amendment: Proposed by Councillor Norman Hampshire and seconded by Councillor David Ross:

Leaders:

- i. Note the significant issues this intervention creates for pay and workforce equity and the unintended consequence it may have on ongoing contract negotiations.*
- ii. Agree to pass on the funding from the £200m already agreed, using revised weightings, to uplift pay and fund NIC increases to providers.*

- iii. *Agree to write to the Minister expressing significant concern that Local Government has not received a commitment from Scottish Government to meet the additional recurring costs of the NIC increase for its own workforce. Unintended consequences should also be highlighted, including the inequity this decision creates across other parts of the social care workforce and other sectors such as children's services and early learning and childcare services. The letter should also make clear that this ongoing pressure comes on top of other pressures including pay, energy, and supplies and will ultimately mean less money for services.*

The amendment was unanimously agreed, therefore, Leaders:

- i. Noted the significant issues this intervention creates for pay and workforce equity and the unintended consequence it may have on ongoing contract negotiations.
- ii. Agreed to pass on the funding from the £200m already agreed, using revised weightings, to uplift pay and fund NIC increases to providers.
- iii. Agreed to write to the Minister expressing significant concern that Local Government has not received a commitment from Scottish Government to meet the additional recurring costs of the NIC increase for its own workforce. Unintended consequences should also be highlighted, including the inequity this decision creates across other parts of the social care workforce and other sectors such as children's services and early learning and childcare services. The letter should also make clear that this ongoing pressure comes on top of other pressures including pay, energy, and supplies and will ultimately mean less money for services.

13. Employability Funding and Memorandum of Understanding with Scottish Government (paper LD/22/039)

This paper set out Scottish Government proposals for using 2021/22 funding underspend in 2022/23 and new funding for 2022/23. It was noted that the Cabinet secretary has agreed to this year's underspend being made available for use up to the end of March 2023 and Leaders were invited to agree a Memorandum of Understanding on the use of that underspend. A verbal update was also provided on the quantum of funding proposed for 2022/23.

Leaders:

- i. agreed the Proposed COSLA Position in paragraphs 17-19;
- ii. agreed the Scottish Government's Memorandum of Understanding for use of anticipated underspend for 2021/22 up to end March 2023 and delegate the signing of this to COSLA's Chief Executive;
- iii. agreed the Scottish Government funding proposal for 2022/23, conditional on agreement with Scottish Government on scope for using this funding to strengthen local management and administrative resource; and
- iv. noted that COSLA Leaders will be specifically asked to agree the allocation methodology through the Distribution report later on this agenda.

14. Distribution (paper LD/22/040)

Leaders considered and agreed recommendations from the Settlement and Distribution Group in relation to:

- No One Left Behind Funding – noting the clarification of funding provided in the Item 13 on Employability just discussed.
- Bail Supervision Funding

- Baseline Funding for Additional Teachers

Leaders also noted the distributions and recommendations agreed by Group Leaders on 17 February, based on recommendations from the SDG, to enable them to be included in the Local Government Finance Order which was laid before Parliament on 23 February:

- Funding for the SNCT Workforce
- Local Authority COVID Recovery Fund (referred in the paper as Business Support and Low-Income Household Funding)
- Childcare Sector Omicron Impacts Fund
- £150 Cost of Living Support
- Telecare Fire Safety

Leaders further noted:

- Flood Risk Management Working Group – Progress report
- Non-Recurring funding for Local Government
- Subject to agreement of the expansion of the grant, administration funding for a taxi drivers and operators broadened business grants

15. Date of Next Meeting – Friday, 25 March 2022

The date of the next meeting was noted.

The President thanked Leaders for their contributions and attendance and extended her congratulations to all who were successful at the Excellence Awards.

It was noted that this was the first hybrid Leaders Meeting, and any feedback on its operation were invited.

The President closed the meeting at 3.05pm.