

Public Document Pack

Argyll and Bute Council
Comhairle Earra Ghaidheal agus Bhoid

Corporate Services
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21 November 2008

ARGYLL AND BUTE COUNCIL – 27 NOVEMBER 2008

I enclose herewith item 5 (**CORPORATE PLAN REVIEW**) which was marked to follow on the above agenda.

Nigel Stewart
Director of Corporate Services

TO FOLLOW ITEM

- 5. CORPORATE PLAN REVIEW**
Report by Chief Executive (Pages 1 - 28)

COUNCIL

ALL MEMBERS

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ARGYLL AND BUTE COUNCIL**COUNCIL****Report by the Chief Executive****27 November 2008**

Corporate plan review

1. SUMMARY

The Council agreed a new corporate plan in September 2007 following the elections with an intention to have an annual review to update and roll forward the plan.

Much has happened in the last year including the Concordat with the Scottish Government, development of the Argyll and Bute Single Outcome Agreement, appointment of a new Chief Executive and the adoption of the new Planning and Performance Management Framework (PPMF) by Council in October.

This annual review is therefore a more substantial development than originally envisaged because of the need to respond to these developments. The corporate plan has been developed in accordance with the PPMF as set out in the Council report of 2 October 2008. Further development of the plan will take place in future years.

2. RECOMMENDATION

That the Council –

- agrees the revised corporate plan as a draft for consultation and development.
- notes that following consultation the developed corporate plan will be considered as part of the budget process in February 2009

3. BACKGROUND

The Council meeting of 2 October agreed changes with respect to planning and performance management that impact directly on the corporate plan. Specifically:

- To develop a risk based approach to Corporate Planning.
- To move to outcome measures within Corporate and Service Plans.
- To develop clear measurable actions for Corporate and Service Plans.
- That the draft Corporate Plan be proposed to Council on 27 November 2008 for consultation with the public. The final draft Corporate Plan and Service Plan will be proposed to Council at its meeting in February 2009 (as part of the budget process).

The Plan has been developed by drawing on information from a variety of sources including: the developing strategic risk register and other strategic documents; wider changes in the Council's environment; discussion with the Leader and spokespersons; feedback from each of the Policy and Performance Groups; meetings with Strategic Management Team (SMT); and dialogue with Heads of Service. The draft plan is appended.

4. THE REVISED CORPORATE PLAN

The content has changed from previous plans. In particular:

- Contextual information is presented in a more concise form – more detailed narrative has been replaced with key points to describe the area and the challenges the Council faces
- The Council's Strategic Outcomes are more direct and expressed more clearly as outcomes
- Each outcome has associated high level, measurable actions to illustrate in broad terms how the outcome will be delivered
- Each outcome also has related success measures – the key measure by which progress and completed actions can be judged.
- The Council's strategic outcomes are linked to the National Outcomes
- Each outcome is linked, where appropriate, to risks in the Council's developing Strategic Risk Register. This is an important development in the plan because the Council will now be able to demonstrate that corporate actions and budgets are directed at reducing or eliminating risks that the Council faces. This is a dynamic process as work progresses on developing the risk register as a tool that contributes to strategic planning

The Plan is subject to further development. There are aspects where the detail is not yet available or decisions have still to be made – for example, some actions are not yet measurable and some success measures need to be expressed more explicitly. These are shown in italics in the success measures column and occasionally in actions column. The Plan is a consultation draft, so some gaps are to be expected and they will be filled when the Plan is presented to the Council for final agreement in February 2009 with the budget, service plans and area plans.

5. NEXT STEPS

The Corporate Plan will be published on the Council web site with an invitation to respond with comments on the content and broad direction set out in the Plan.

Partner organisations will be invited to comment on the content.

Further work will be done to firm up measurable action and outcomes

Feedback will be collated and reported to Council with a revised Plan in February 2009.

Work will also start on the next Single Outcome Agreement to incorporate detail from the draft corporate plan so that the February 2009 Council meeting will also agree the Single Outcome Agreement for submission to the Scottish Government (deadline end of February 2009).

6. IMPLICATIONS

Policy:	None
Financial:	None at this time – any financial implications will be developed for discussion during the budget process
Personnel:	None
Equality Impact Assessment:	No specific issues identified. Each action will be assessed separately (or individual elements assessed for larger projects) as they are developed and implemented.

Appendix: Draft corporate plan 2009-2012 and beyond (pre-consultation draft)

SALLY REID

Chief Executive

19 November 2008

For Further Information Contact:

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Argyll and Bute Council Corporate Plan 2009-2012 and beyond

Pre-consultation draft

Contact: Brian Barker, Policy and Strategy Manager, brian.barker@argyll-bute.gov.uk 01546 604436

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Argyll and Bute is an area of outstanding beauty and varied geography, covering the second largest geographical area of any Scottish local authority, stretching from Helensburgh in the Glasgow commuter belt, to the Atlantic islands of Tiree and Coll, and from the Mull of Kintyre north to the edge of Glencoe. Covering about 7,000 sq kilometres and over 3,000 miles of coastline, it is a land of contrast and diversity with six towns, remote rural communities and 25 inhabited islands.

Geography, changing population demographics, local economic circumstances and diverse communities with their own expectations all bring their challenges, as we provide, sometimes with partners, all local government services to 92,000 people. While there are challenges there are also strengths to be built on. The natural environment is among the most unspoiled in the UK. Rich biodiversity on land and at sea includes marine species that have global significance. Argyll and Bute's west coast location means the area is strategically important for renewable energy on land and at sea.

The Council is working to make Argyll and Bute a leading rural area. Along with our communities and partners we are looking to the future and at how to deliver quality services in the best possible way. We are constantly experimenting and investing in new technology to overcome problems of distance and isolation. We make our voice heard in Scotland, Britain and in Europe. We consult with our communities to keep in touch with their needs. We try to ensure that our urban, rural and island communities have the opportunities to prosper, while at the same time managing development sensitively to protect our unique natural heritage.

Argyll and Bute: Leading Rural Area

Vibrant Communities

- safe supportive communities with positive culture and sense of pride in the area
- well balanced demographically with young people choosing to stay or move to the area
- vibrant local economy that is based on core attributes of the area, flexible and open to new opportunities
- well connected economically and socially
- a sense of history with a view to the future
- housing that is appropriate and affordable with local people able to participate in the housing market
- high quality public services and leisure/community facilities that attract people to settle in Argyll and Bute

Outstanding Environment

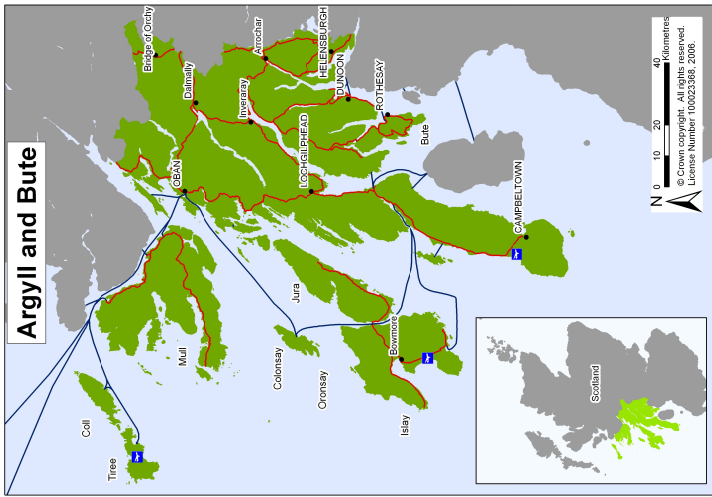
- high quality environment that is valued, recognised and protected
- the environment is respected as a valued asset that can provide sustainable opportunities for business
- a high quality image and identity that is recognised and appreciated globally
- an area that is accessible, yet retains its remote character

Forward Looking

- communities that are culturally rich with a desire to excel
- proactive communities where local people and organisations look for and create opportunities
- dynamic public sector with more delivery of high quality 'professional' services from Argyll and Bute
- partnership working across all sectors to coordinate developments, promote Argyll and Bute and remove constraints
- communities that encourage lifelong learning

Argyll and Bute has a promising future and with common purpose and constructive thinking, that future will be challenging, satisfying and prosperous.

South Kintyre and Islands -12% -25%



People on the fringe

Life in rural areas often places additional pressures on people, for example dependence on the car, higher fuel costs and the distance to basic services such as hospitals, supermarkets and schools. There can be very poor people living alongside comparatively rich people – excluded or deprived individuals and households are much less visible in rural areas

The Scottish Index of Multiple Deprivation (SIMD) and additional local analysis related to the Fairer Scotland Fund reinforces the picture of diverse needs across the area.

Our geography

25 of the 95 inhabited islands in Scotland are located in Argyll and Bute – 16% of the total Scottish island population lives in the area.

Approx 45% of the population lives in settlements of 5000 or more people and at the opposite extreme 1 in 5 people do not live in a settlement (a settlement is 6 or more households).

The challenges and risks we face

There are a range of factors unique to Argyll and Bute or shared with a small number of other areas that create significant challenges for the Council and its community planning partners. The local acceptance of these characteristics as a ‘normal’ part of life tend to underplay or hide the difficulty of living and working in this area. The major challenges for the Council come from:

- the changing population
- the fact that people ‘living on the fringe’ can be excluded or experience deprivation that is not acknowledged in conventional measures
- the unique geography of the area
- vulnerabilities in the local economy

Changing population

Remote rural areas often act as an early warning for population changes that can affect other areas. Higher priced housing, lack of available property and an aging population act to drive young people away or discourage them from moving to the area.

Projections up to 2024 show possible changes that are a concern for more fragile communities. Particular concerns are the large increase in the older population, the significant drop in the younger population and the decrease in working age people.

Area	Projected % Change in population	
	2001-2015	2001-2024
Argyll and Bute	-2%	-4%
Bute and Cowal	+4%	+9%
North Kintyre and Mid-Argyll	+6%	+9%
Oban, Lorn and the Islands	+3%	+3%
Helensburgh and Lomond	-10%	-15%

Economy

Argyll and Bute's economy is predominantly service-based with over 85% of jobs provided in the service sector.

The proportions of people working in the agriculture, forestry and fishing sectors and tourism-related activities are far higher than Scottish averages – as expected, e.g. tourism-related activities account for 15.6% of jobs in Argyll and Bute compared with the Scottish average of 9.2%.

Unemployment rates are below the national average, but vary according to the time of year because of the high levels of seasonal and part-time employment. This reflects the high reliance on tourism in the local economy.

GVA (Gross Value Added) figures show that Argyll and Bute's economy is performing less strongly than the Scottish average. The per capita GVA for Argyll and Bute is £10,600 and for Scotland the figure is £16,300.

Average earnings in Argyll and Bute are 7% lower than those in Scotland as a whole. Levels of self-employment are highest in the Atlantic islands. This could be due to the limited job prospects and lack of major employers as well as the tradition of crofting on some of the islands.

Strategic risks

The Council's strategic risk register contains 44 strategic risks. Currently 13 of these risks are rated high and 24 rated medium. The high risks mainly relate to social work and the possible impact of demographic changes increasing the demand from older people with more complex needs. Actions are focused on changing the balance of care to improve quality and contain costs. These actions and others in this plan and service plans will reduce the number of risks.

Strategic outcomes in the corporate plan are referenced to strategic risks as appropriate*.

** Note: The Strategic Risk register is undergoing a significant review and the numbers of risks and the assessment of their rating will change in the period up to the final agreement of this plan in February 2009*

Building our services for the future

We have identified key areas where we wish to change the way the Council works. They are:

How we were		How we want to be
Well managed	→	Well led
Hierarchical	→	Empowered and flexible
Profession centred	→	Customer focused
Consulting clients	→	Involving clients
Performance – an add on	→	Performance integrated
Operational focus	→	Strategic focus
Departmental loyalty	→	Corporate commitment
Reactive	→	Proactive
Challenged	→	Challenging

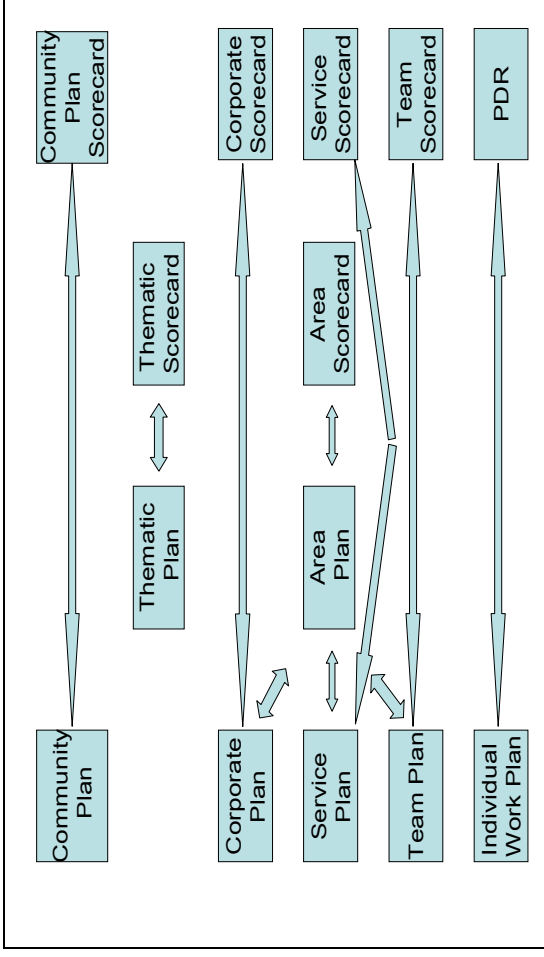
Corporate Planning and Performance Management Framework

The Council has a corporate Planning and Performance Management Framework (PPMF) that describes the overall approach to development and monitoring of plans at all levels together with details of the relationships between those plans.

Key features of the PPMF include:

- a risk-based approach to corporate planning
- measurable costed plans
- scorecards to manage performance

- integration of plans from the high level strategic plans through to team plans and individual objectives



Partnership links

There are important links between this Corporate Plan, the Community Plan and the Single Outcome Agreement (SOA) for Argyll and Bute. The SOA is derived from the Corporate Plan and the Community Plan.

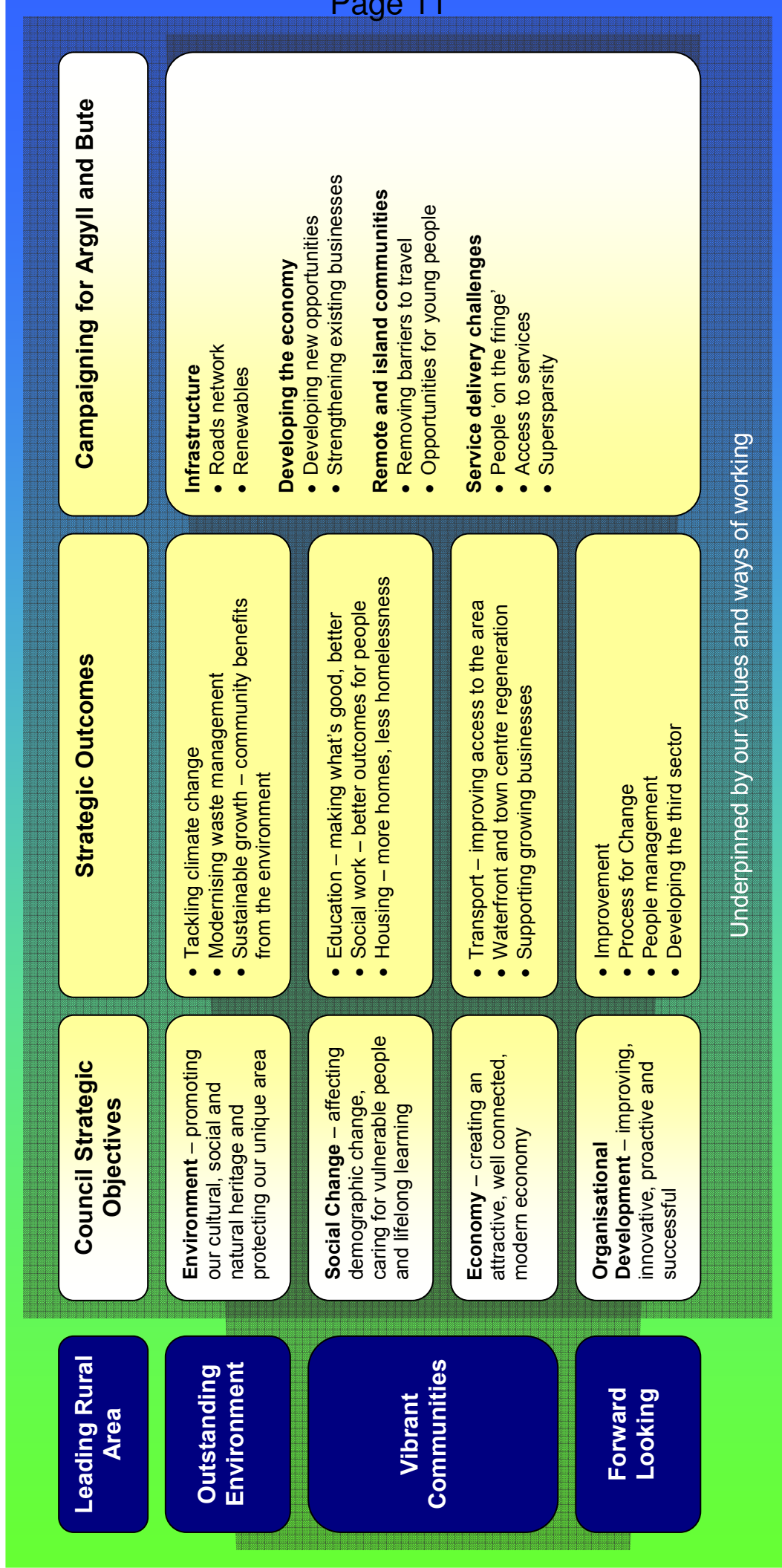
The outcomes set out in this plan are the Council's contribution to the SOA. Each outcome is linked to one or more national outcomes. This demonstrates the important contribution that Argyll and Bute has to make to the future success of Scotland.

Community planning partners have contributed to the SOA on the same basis so that the SOA gives a clear picture of the important outcomes for Argyll and Bute and the partnership action to make them happen.

National outcomes

1	We live in a Scotland that is the most attractive place for doing business in Europe.
2	We realise our full economic potential with more and better employment opportunities for our people.
3	We are better educated, more skilled and more successful, renowned for our research and innovation.
4	Our young people are successful learners, confident individuals, effective contributors and responsible citizens.
5	Our children have the best start in life and are ready to succeed.
6	We live longer, healthier lives.
7	We have tackled the significant inequalities in Scottish society.
8	We have improved the life chances for children, young people and families at risk.
9	We live our lives safe from crime, disorder and danger.
10	We live in well-designed, sustainable places where we are able to access the amenities and services we need.
11	We have strong, resilient and supportive communities where people take responsibility for their own actions and how they affect others.
12	We value and enjoy our built and natural environment and protect it and enhance it for future generations.
13	We take pride in a strong, fair and inclusive national identity.
14	We reduce the local and global environmental impact of our consumption and production.
15	Our public services are high quality, continually improving, efficient and responsive to local people's needs.

Corporate Plan 2007-2011 and beyond



Outstanding Environment											
Environment - promoting our cultural, social and natural heritage and protecting our unique area											
Ref	Outcome	Actions to achieve outcome	Success measures	Key dates	Lead	Budget			Source of the outcome	Link to national outcomes	Risks
						2009/10	2010/11	2011/12			
ABC01a	Tackling climate change Reduced climate impact from the Council; Argyll and Bute contributing to national action on climate change	Reducing the Council's greenhouse gas emissions through the development of the Carbon Management Plan	Establish future carbon reduction targets and delivery plan based upon the Council's 2007/8 carbon emissions to measure success	Apr 2009	Andy Law				National	14	SR41 Continued financial pressure from escalating energy costs.
ABC01b		Development of a renewable energy strategy for Argyll and Bute	Clear measurable strategic objectives for renewables development (marine and land) Increased income of ?% to communities from renewable generators ?% growth in installed capacity for renewable generation	Aug 2009	George Harper				National	2, 14	

Outstanding Environment										
Environment - promoting our cultural, social and natural heritage and protecting our unique area										
Ref	Outcome	Actions to achieve outcome	Success measures	Key dates	Lead	Budget			Link to national outcomes	Risks
						2009/10	2010/11	2011/12		
ABC02	Modernising waste management Reduced environmental impact by reducing waste going to landfill and increasing recycling rates	Introduction of additional household waste collections and treatment facilities to increase waste separation and diversion	Recycling rate greater than 40% (2007/8 baseline 35%) Less than 27,560 tonnes BMW ¹ to landfill Less than 24,560 tonnes BMW to landfill Less than 21,500 tonnes BMW to landfill	Mar 2010 Mar 2011 Mar 2012	Andy Law				National	14 SR42 Landfilled BMW to be less than 18,373 tonnes by 2012/13. 2007/8 baseline 26,219 tonnes
ABC03a	Sustainable growth - community benefits from the environment Economic growth built on the sustainable	Development of a forestry strategy for Argyll and Bute	<i>Clear picture of forestry resource and strategic objectives for development</i> <i>Improved habitat and biodiversity</i>	Oct 2009	George Harper				National, local research	2, 12

¹ BMW – Biodegradable Municipal Waste

Outstanding Environment										
Environment - promoting our cultural, social and natural heritage and protecting our unique area										
Ref	Outcome	Actions to achieve outcome	Success measures	Key dates	Lead	Budget			Link to national outcomes	Risks
						2009/10	2010/11	2011/12		
ABC03b	use of Argyll and Bute's environmental assets	Consolidate and extend the Argyll brand from Food from Argyll to include wider sectoral involvement, including tourism and culture.	Increased investment of?% in added value forestry products, e.g. biomass Final content dependent on service planning and budget process		George Harper				2	SR40
ABC03c		Delivery of a programme of 36 events and festivals throughout the area as part of the national Homecoming 2009 initiative.	At least 50k day visitors and 5k overnight visitors will be attracted to the area. Additional funds levered into the area exceed £300k	Jan 2010	Douglas Hendry				National 2, 13	

Outstanding Environment											
Environment - promoting our cultural, social and natural heritage and protecting our unique area											
Ref	Outcome	Actions to achieve outcome	Success measures	Key dates	Lead	Budget			Source of the outcome	Link to national outcomes	Risks
						2009/10	2010/11	2011/12			
			Increased visitor spend of ?%								

Vibrant Communities											
Social Change - affecting demographic change, caring for vulnerable people and lifelong learning											
Ref	Outcome	Actions to achieve outcome	Success measures	Key dates	Lead	Budget			Source of the outcome	Link to national outcomes	Risks
						2009/10	2010/11	2011/12			
ABC04a	Education - making what's good, better Curriculum development in all establishments to enable all young people to become:	The Council will implement 'Curriculum for Excellence across all sectors as a 3-18 approach to teaching and learning	Key activities from the service plan are progressed and key developments implemented within defined timescales	Aug 2012	Douglas Hendry				National	3, 4, 5, 8	SR23
ABC04b	• successful learners • confident individuals • effective contributors • responsible citizens	Schools will be challenged and supported to ensure that HMIE evaluations continue to improve	HMIE evaluation against core indicators will be at least 75% 'very good'	Jun 2010				Local		4, 5, 8	
ABC04c		Agreed plan to improve, renew or dispose of facilities to create more effective environments for learning and teaching.	Options appraisal complete Consultation complete Decision on way forward	Feb 2009 Jun 2009 Oct 2009				Local review		4, 15	SR24 Investment backlog of ~£75M for schools.

Vibrant Communities											
Social Change - affecting demographic change, caring for vulnerable people and lifelong learning											
Ref	Outcome	Actions to achieve outcome	Success measures	Key dates	Lead	Budget			Link to national outcomes	Risks	
						2009/10	2010/11	2011/12			
ABC05a	Social work - better outcomes for people Modernisation of the social work service in line with changing patterns of need to ensure that services are directed at the most vulnerable and needy members of our community.	Development of family based placements for looked after children to maximise the life chances for young people	Increase levels of community based support for children affected by disability - target 80% - base 75% Reduce proportion of looked after and accommodated children who are placed in a residential setting – target 48% - base 51%		Douglas Hendry				National	5, 7, 8, 9	SR03, SR25, SR27, SR28, SR29 and SR31
ABC05b		Shifting the balance of care for adults ensuring that more people are supported at home as opposed to residential settings	<i>Shift balance of care for older people – ..%cared for in care home</i> <i>Shift balance of care for older people – ..% receiving intensive home care</i>						National	6, 7, 8, 9	SR03, SR25, SR26, SR27, SR29 and SR30

Vibrant Communities											
Social Change - affecting demographic change, caring for vulnerable people and lifelong learning											
Ref	Outcome	Actions to achieve outcome	Success measures	Key dates	Lead	Budget			Source of the outcome	Link to national outcomes	Risks
						2009/10	2010/11	2011/12			
ABC06a	Housing - more homes, less homelessness Release of more land for housing to create more affordable housing and a reduction in homelessness	Implement the action plan contained in the Argyll and Bute Housing Strategy	Reduce resource centre placement for learning disability clients by ..%(balance shifts to personalised packages) 150 shared equity and social rented houses per year Fewer households become homeless by ..% Reduce repeat homelessness by.. %		Douglas Hendry				Local research	7, 10	SR03
ABC06b		Development of a long term vision to 2030 for the release of land around Helensburgh and Cardross	<p>Landscape and urban capacity studies complete plus review of housing needs assessment</p> <p>Draft vision for consultation</p> <p>Decision on how the vision will be taken forward</p>	<p>Jul 2009</p> <p>Oct 2009 early 2010</p>	George Harper				Local research	10, 11, 12	

Vibrant Communities

Economy - creating an attractive, well connected, modern economy

Ref	Outcome	Actions to achieve outcome	Success measures	Key dates	Lead	Budget			Source of the outcome	Link to national outcomes	Risks
						2009/10	2010/11	2011/12			
ABC07a	Transport - improving access to the area	Implement the action plan contained in the Local Transport Strategy (LTS)	Completed transport / infrastructure projects, including schemes on the A816, A818, A814, A849 Pennyghael Bridge	Per LTS	Andy Law				LTS	2, 10, 14	SR33 and SR44
			Progress major transport projects with the RTPs in terms of design and achievement of necessary consents	Per LTS					LTS and Regional Transport Strategy	2, 10, 12, 14	SR33 and SR37 Scope for implementation limited because of dependence on support and funding from regional transport partnerships.
			Tayinloan Pier - design complete	Dec 2009					Local needs analysis	10, 12	SR43
			Tayinloan Pier - work commences	Mar 2010							

Vibrant Communities											
Economy - creating an attractive, well connected, modern economy											
Ref	Outcome	Actions to achieve outcome	Success measures	Key dates	Lead	Budget			Source of the outcome	Link to national outcomes	Risks
						2009/10	2010/11	2011/12			
ABC07b		Develop the public transport network, including infrastructure, information and integration	<i>Increased passenger numbers across the transport network, e.g. bus, ferry, train, air.</i>	Per LTS	George Harper				LTS	2, 7, 10, 12, 14	SR43 and SR44
ABC08	Waterfront and town centre regeneration Growth in confidence in the area and strengthened economy based on rejuvenation of the main towns as key centres for economic activity	<i>Awaiting decision on prioritisation of OBCs and allocation of resources to support chosen schemes</i>			George Harper				Research and national	1, 2, 9, 10, 11, 12	SR33 and SR34
ABC09a	Supporting growing businesses Economic growth from new businesses,	Development of the Business Gateway service across the whole of Argyll and	Service established with transfer of all functions from HIE and Scottish Enterprise	Apr 2010	George Harper				National	2, 3	SR39

Vibrant Communities											
Economy - creating an attractive, well connected, modern economy											
Ref	Outcome	Actions to achieve outcome	Success measures	Key dates	Lead	Budget			Source of the outcome	Link to national outcomes	Risks
						2009/10	2010/11	2011/12			
ABC09b	expansion of existing businesses and improved long term success	Bute	..%Business start ups supported								
			..% Supported businesses still operating after 2 years								
		Development of the Area Tourism Partnership for Argyll and Bute	Plan developed to cover the six key issues identified by the Partnership						Local needs analysis	2, 3, 12	SR40
			Success measures to be set when the plan is agreed								

Forward Looking											
Organisational Development - continuous improvement, innovation and culture change											
Ref	Outcome	Actions to achieve outcome	Success measures	Key dates	Lead	Budget			Link to national outcomes	Risks	
						2009/10	2010/11	2011/12			
ABC10a	Improvement Ensure the Council delivers Best Value services	Fully implement the Planning and Performance Management Framework (PPMF)	Plans for all parts of Council Scorecards for all parts of Council		Sally Reid				Review and audit	10, 15	SR02, SR07, SR13 and SR12
ABC10b		Implement Communications Strategy	<i>Success measures to be set when the plan is agreed</i>								SR04
ABC11	Process for Change Transformation of key processes to deliver improved service and efficiency savings	Assessment of possible improvement opportunities: <ul style="list-style-type: none"> • workforce deployment • customer management • electronic document management • eligibility assessment • procurement and contract management • property management 	<i>Detail of what is taken forward will depend on decisions at Council in February 2009</i>	Feb 2009	Sally Reid				Local (built on national)	10, 15	SR08

Forward Looking											
Organisational Development - continuous improvement, innovation and culture change											
Ref	Outcome	Actions to achieve outcome	Success measures	Key dates	Lead	Budget			Link to national outcomes	Risks	
						2009/10	2010/11	2011/12			
ABC12a	Community planning Deliver the vision for Argyll and Bute with our partners	Review Community Plan	Success measures to be set when the plan is agreed		Sally Reid				10, 15	SR06, SR09 and SR14	
ABC12b		Implement PPMF for the community plan	Success measures to be set when the plan is agreed								
ABC12c		Implement the community engagement strategy	Success measures to be set when the plan is agreed								
ABC12d		Implement revised structures and governance for community planning	Success measures to be set when the plan is agreed								
ABC13a	People management	Implement HR Strategy	Success measures to be set when the plan is agreed		Sally Reid				Local review	SR01 and SR02	
ABC13b		Deliver senior management development programme	Success measures to be set when the programme is agreed								
ABC13c		Review internal communications	Success measures to be set when the plan is agreed								

Forward Looking											
Organisational Development - continuous improvement, innovation and culture change											
Ref	Outcome	Actions to achieve outcome	Success measures	Key dates	Lead	Budget			Link to national outcomes	Risks	
						2009/10	2010/11	2011/12			
ABC14	Developing the third sector Development of higher quality support for third sector organisations and improved representation by the third sector	Action dependent on outcomes from Third Sector Steering Group proposal. Timescale for submission extended from original date of end of September to allow more detailed proposal to be developed New interface arrangements re Scottish Government letter	To be determined		Sally Reid				Local need	10, 11, 15	SR09
			To be determined						National	10, 11, 15	SR09

Financial outlook

Tight financial settlements, ongoing demands for efficiency savings and a wide range of cost and service pressures combine to create a challenging financial outlook for the Council.

The Council successfully contained expenditure with budget and achieved planned efficiency savings over recent years. At 31 March 2008 the Council had a free balance on its General Fund of £4.6m after allowing for supplementary estimates approved in 2008-09. This more than meets the current policy to retain £4m (1.5% of net expenditure) as a contingency in the General Fund.

The Council has estimated the amount of revenue funding it will have available over the next 3 years 2009-10 to 2011-12. This is based on a freeze in council tax and the previously announced levels of Scottish Government funding with a 2.5% uplift for 2011-12. The estimated funding available to the Council is £257m, £265m and £271m. These represent increases of 2.4%, 3.1% and 2.3%. The total funding over 3 years is nearly £800m.

Given the current economic circumstances it is difficult to predict the impact of inflation upon the Council's budget. Whilst inflation is expected to fall from its current high levels there will still be an impact on costs. A broad overall assessment of inflation assumes the Council's costs will rise by 3.0%, 2.5% and 2.0% over each of the next 3 years.

Over the 3 years the increasing in funding is anticipated to be only marginally more than the potential impact of inflation. Therefore in order for the Council to meet service demands and pressures and to identify funding for corporate priorities it will need to ensure the 2% cash releasing efficiency savings are

achieved and funding will need to be redirected towards areas of priority. This will be a significant challenge for the Council.

The Council continues to face a significant backlog for investment in its assets. Rationalisation of assets is essential to reduce ongoing revenue costs, eliminate part of the investment backlog and release funds for investment. A range of strategic capital projects for regeneration will place further pressure on the available capital funding.

The Council will have to strike a balance between investment in the existing asset base and regeneration projects. Consideration will also need to be given to the balance of capital funding from central government grant to support borrowing, prudential borrowing and leveraging in external funding. Around £53m of funding for capital expenditure is available for the next 3 years 2009-10 to 2011-12. This can also be supplemented by prudential borrowing where an income stream or savings can be identified to fund the borrowing.

The Council faces significant cost pressures on revenue and capital. These are currently increasing at a rate greater than the income base. However, the Council does have substantial financial resources and will consider carefully how best use of these in terms of meeting its corporate plan commitments and improving services.

The key issues for the Council moving forward are:

- Seeking to improve the value from our expenditure
- Achieving 2% cash releasing efficiency savings
- Managing services within available budgets
- Reallocating funding away from areas of lower priority
- Allocating any free or additional funding to key priorities
- Aligning the allocation of budget to key priorities

Pre-consultation draft

Campaigning for Argyll and Bute

The campaigning topics detailed below reflect topics that are important to the future success of the area, but where the Council can make a limited direct contribution. They are topics where the Council wants to influence others – specifically the Scottish Government, but also UK government, partners and private sector investors and businesses.

Main campaigning theme	Topic	Outcome	National Outcome links
Infrastructure	Roads network	Improve condition and extent of the trunk network to improve perceptions of the area and ease access for businesses, residents and visitors	1, 2, 10
	Renewables	Capital investment to maintain and improve the road network (non-trunk roads)	2, 10, 15
		Creation of a Kintyre and Islay Regional Power Zone to catalyse investment in renewable energy production	2, 3, 12, 14
Developing the economy	Developing new opportunities	Enhanced grid capacity to enable growth for commercial and community benefit from renewables	2, 10, 11, 12, 13, 14
		Developing Argyll and Bute as a quality destination, creating higher quality jobs and extending the tourism season	1, 2, 12, 13, 14
		Finding new ways to attract high value tourism businesses and manage visitor pressures in sensitive areas	2, 12, 13, 14
		Rejuvenation of the main towns to attract people and businesses to Argyll and Bute	2, 4, 9, 10, 11, 12
		Bring high value jobs and careers to rural areas	1,2, 10

Main campaigning theme	Topic	Outcome	National Outcome links
	Strengthening existing businesses	Support for agriculture, forestry, aquaculture and fishing as important sectors in the local economy	2, 3, 12, 14
	Removing barriers to travel	Developing the Campbelltown-Ballycastle ferry service to bring economic benefits to Kintyre and N Ireland	1, 2
Remote and island communities		Supporting fast frequent services and inter-island links	2, 3, 5, 7, 10, 11
		Introduce Road Equivalent Tariff on all routes to improve access to islands and viability of island communities	2, 10, 12
	Opportunities for young people	Improve economy so that young people can settle in rural areas with employment and the prospect of future career development	1, 2, 8, 10
		Development and support for vocational education so that young people can access training and employment without leaving the area	3, 4, 10
		Investment in and access to affordable housing for young people and families allowing them to move to or stay in communities across Argyll and Bute	5, 6, 7, 8, 10, 12
Service delivery challenges	People 'on the fringe'	Improved methods to identify and prioritise rural deprivation	6, 7, 8, 10, 11
	Access to services	Improved methods to identify and provide support for excluded groups	6, 7, 8, 9, 10, 11
	Supersparsity	Support for key services	10, 11, 15
		Cost of service delivery	2, 4, 7, 10, 15

Sustainability and equalities

The Council has also made specific commitments for sustainable development and equal opportunities that guide the development of the Council and delivery of its services.

There are five guiding principles for sustainable development that help to direct service improvements and developments towards the overall Council vision. They are

- developing, empowering and including our communities
- protecting, enhancing and managing natural resources and environment
- developing the economy using innovative and creative solutions
- taking an open, honest and accountable approach
- taking decisions that will maximise benefit and minimise adverse impact across these areas

The Council has an Equality and Diversity Scheme that includes commitments to promote equality in terms of race, disability and gender. The Scheme has the key principles that:

- no-one is disadvantaged because of their race or ethnic origin, disability, gender, age, sexual orientation, or religion and belief
- the differences between people are valued and good relations between groups are promoted
- people are treated fairly and with equal respect
- informed assessments are made on the impact of policies and services
- people are involved in the decisions that affect them and encouraged to participate in public life

The Council carries out equalities impact assessments for policy and service development. A Sustainability Assessment process is being implemented to improve policies, projects and services.

Plana Gàidhlig 2008/09-2011/12 *Gaelic language plan 2008/09-2011/12*

The Council aims to encourage people to use Gaelic by expanding the range of Gaelic services and resources available. The Council's first Gaelic Language Plan has established a base from which to develop.

The Plan contributes to national aims to promote the use of Gaelic in Scottish public life and to encourage increased use of Gaelic in the home, community, places of learning and at work.

The Council's Gaelic Language Plan has the following aims:

- **Identity** – enhancing visibility of Gaelic, showing that the language is valued and giving it recognition
- **Communications** – increase the audible presence of Gaelic language by creating opportunities for the practical use of Gaelic in dealings with the Council
- **Publications** – making important information available in Gaelic and enhancing the status of the language
- **Staffing** – developing language skills and job skills.