**Argyll and Bute Council**
**Comhairle Earra-Ghàidheal Agus Bhòid**

*Executive Director: Douglas Hendry*

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27 February 2020

# NOTICE OF MEETING

A meeting of the **ENVIRONMENT, DEVELOPMENT AND INFRASTRUCTURE COMMITTEE** will be held in the **COUNCIL CHAMBER, KILMORY, LOCHGILPHEAD** on **THURSDAY, 5 MARCH 2020** at **11:00 AM**, which you are requested to attend.

Douglas Hendry
Executive Director

# BUSINESS

1.  **APOLOGIES FOR ABSENCE**

2.  **DECLARATIONS OF INTEREST (IF ANY)**

3.  **MINUTES** (Pages 3 - 8)

    Environment, Development and Infrastructure Committee held on 5 December 2019

4.  **PERFORMANCE REPORT FQ3 2019-20** (Pages 9 - 26)

    Report by Interim Executive Director

5.  **ROADS CAPITAL RECONSTRUCTION PROGRAMME  2020/21** (Pages 27 - 34)

    Report by Interim Executive Director with responsibility for Roads and Infrastructure Services

6.  **GRASS CUTTING** (Pages 35 - 40)

    Report by Interim Executive Director with responsibility for Roads and Infrastructure Services

7.  **USE OF TECHNOLOGY IN ROADS AND INFRASTRUCTURE SERVICES** (Pages 41 - 48)

    Report by Interim Executive Director with responsibility for Roads and Infrastructure Services

## Environment, Development and Infrastructure Committee

Councillor John Armour
Councillor Robin Currie (Chair)
Councillor David Kinniburgh
Councillor Roderick McCuish
Councillor Jean Moffat
Councillor Ellen Morton (Vice-Chair)
Councillor Alastair Redman
Councillor Andrew Vennard

Councillor Gordon Blair
Councillor Donald Kelly
Councillor Donald MacMillan BEM
Councillor Sir Jamie McGrigor
Councillor Aileen Morton
Councillor Gary Mulvaney
Councillor Alan Reid
Councillor Jim Findlay

Contact: Hazel MacInnes  Tel: 01546 604269

**MINUTES of MEETING of ENVIRONMENT, DEVELOPMENT AND INFRASTRUCTURE COMMITTEE held in the COUNCIL CHAMBER, KILMORY, LOCHGILPHEAD on THURSDAY, 5 DECEMBER 2019**

**Present:**                          Councillor Robin Currie (Chair)

| | |
|---|---|
| Councillor John Armour | Councillor Aileen Morton |
| Councillor Gordon Blair | Councillor Alastair Redman |
| Councillor Donald MacMillan BEM | Councillor Andrew Vennard |
| Councillor Jean Moffat | Councillor Jim Findlay |

**Also Present:**    Councillor Kieron Green          Councillor Elaine Robertson

**Attending:**       Pippa Milne, Executive Director
Jim Smith, Head of Roads and Infrastructure Services
Fergus Murray, Head of Development and Economic Growth
Stuart McLean, Committee Manager
Laurence Slavin, Chief Internal Auditor
Douglas Whyte, Team Leader, East

### 1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Donald Kelly, David Kinniburgh, Roddy McCuish, Sir Jamie McGrigor, Ellen Morton, Gary Mulvaney and Alan Reid.

### 2. DECLARATIONS OF INTEREST

There were none intimated.

### 3. MINUTES

The Minutes of the meeting of the Environment, Development and Infrastructure Committee held on 12 September 2019 were approved as a correct record.

### 4. PERFORMANCE REPORTING FINANCIAL QUARTER 2

The Committee considered a report that presented the FQ2 Performance report 2019/20 for the Development and Economic Growth Service and the Roads and Infrastructure Service.

**Decision**

The Environment, Development and Infrastructure Services Committee noted the FQ2 2019/20 Performance Report as presented.

(Reference:  Report by Executive Director with responsibility for Development and Economic Growth and Roads and Infrastructure Services dated 14 November 2019, submitted)

5. **DRAFT SERVICE PLANS 2020-23 - DEVELOPMENT AND ECONOMIC GROWTH AND ROADS AND INFRASTRUCTURE SERVICES**

The Committee gave consideration to a report that presented the Draft Service Plans 2020-23 for Roads and Infrastructure Services and Development and Economic Growth.

**Decision**

The Environment, Development and Infrastructure Committee noted the Draft Service Plans 2020-23, without finance, as presented prior to consideration by the Policy and Resources Committee on 20 February 2020 and full Council on 27 February 2020 for budget allocation.

(Reference: Report by Executive Director with responsibility for Development and Economic Growth Service and Roads and Infrastructure Services dated 12 November 2019, submitted)

The Chair intimated that Councillors Kieron Green and Elaine Robertson, who were not members of the Environment, Development and Infrastructure Committee, had notified him that they wished, in terms of Standing Order 22.1, to speak and vote on the following item of business (Lismore Ferry Replacement). The Chair confirmed that he would exercise his discretion to allow them to speak and vote on this item.

\* 6. **LISMORE FERRY REPLACEMENT** 7.

The Committee gave consideration to an update report regarding the required vessel replacement for the passenger ferry which operates from Port Appin to the Isle of Lismore.

**Decision**

The Environment, Development and Infrastructure Committee –

1. Noted that discussions with Transport Scotland regarding the ferry transfer are ongoing.

2. Noted that officers are taking steps to procure a replacement vessel should it become necessary, estimated to cost around £500k.

3. Agreed to recommend that the Policy and Resources Committee and Council, as part of the budget process, consider the capital resourcing required to replace MV The Lismore should the transfer of ferries not be finalised before the 2020/2021 budget is agreed.

4. Agreed that the Chair contact the Minister for Energy, Connectivity and the Islands to seek a meeting to discuss the matter as soon as possible.

(Reference: Report by Executive Director with responsibility for Roads and Infrastructure Services dated November 2019, submitted)

\*      **7.      CAMPBELTOWN FLOOD PREVENTION SCHEME**

The Committee gave consideration to a report that updated them on the progress of the Campbeltown Flood Prevention Scheme, which has now proceeded to formal (planning) notification under the terms of the Flood Risk Management (Scotland) Act 2009 ('the Act').

**Decision**

The Environment, Development and Infrastructure Committee agreed –

1.  To approve the preliminary and final confirmation of the notified Campbeltown Flood Protection Scheme with modifications.

2.      To request that the Council, as part of the budget process, consider the £270k of capital funding required in the 20/21 financial year and additional funding in subsequent years, which would be subject to Outline Business Case/Full Business Case approvals.

3.  To note construction of the final scheme would be subject to approval of Outline Business and Full Business cases prior to tender and tender award respectively. If approved additional funding may be needed as indicated in Table 1 of the submitted report.

(Reference:  Report by Executive Director with responsibility for Roads and Infrastructure Services dated November 2019, submitted)

**8.      CEMETERY ASSET REPORT 2019**

The Committee gave consideration to a report that presented a summary of the Council's cemeteries as at September 2019.  The report provided current information on the condition of the cemeteries including available lair space.  The report highlighted the need for a decision to either reduce the active (live) cemeteries or prioritise funding for cemeteries from the Capital Budget and extend the cemeteries providing more lair space.

**Decision**

The Environment, Development and Infrastructure Committee –

1.  Agreed that a community consultation is undertaken seeking views on the draft policies detailed in paragraphs 4.10 to 4.15 of the submitted report.

2.  Noted that a further report would be presented to Members detailing the consultation feedback and proposing a set of cemetery policies.

(Reference:  Report by Executive Director with responsibility for Roads and Infrastructure Services dated October 2019, submitted)

**9.      ANNUAL STATUS AND OPTIONS REPORT 2019**

The Committee gave consideration to a report that introduced the Annual Status and Options Report which makes an analytical assessment of the condition of the

Council's road network and associated infrastructure as well as setting out projected conditions based on varying levels of investment.

**Decision**

The Environment, Development and Infrastructure Committee –

1.  Endorsed the Annual Status and Options Report and the positive analytical feedback it provided with regard to the improvement of the Council's Road Condition Index as a result of the ongoing investment in roads reconstruction works.

2.  Noted that the Annual Status and Options Report informs key elements of the Roads and Infrastructure Asset Management Plan that in turn informs the budget setting process.

(Reference:  Report by Executive Director with responsibility for Roads and Infrastructure Services dated October 2019, submitted)

10.  **ROADS RESURFACING SCRUTINY REVIEW**

The Committee gave consideration to a report that provided an update on the outcome of the recent roads resurfacing scrutiny review.  The report also confirmed that an action plan would be brought forward to a future meeting of the Environment, Development and Infrastructure Committee.

**Decision**

The Environment, Development and Infrastructure Committee -

1.  Endorsed the report from the Audit and Scrutiny Committee.

2.  Noted that Roads and Infrastructure Services would bring forward an action plan to a future Environment, Development and Infrastructure Committee.

(Reference:  Report by Executive Director with responsibility for Roads and Infrastructure Services dated November 2019, submitted)

11.  **RESULTS OF THE SEAWEED FARMING FEASIBILITY STUDY**

The Committee gave consideration to a report that presented the final feasibility study on the setting up of seaweed farms in Argyll and Bute coastal waters.  It was intended that the report would guide both the public sector and private investors about the requirements of setting up seaweed farming In Argyll and Bute.

**Decision**

The Environment, Development and Infrastructure Committee –

1.  Noted the content of the report.

2.  Approved the content of the final report for publication (at Appendix 2 to the submitted report) and gave approval for a presentation on the published report at

the Scottish Seaweed Industry Association (SSIA) conference in the Corran Halls, Oban on 18 February 2020.

(Reference: Report by Executive Director with responsibility for Employability dated 11 November 2019, submitted)

## 12. ARGYLL AND BUTE COUNCIL EMPLOYABILITY FINANCIAL UPDATE

The Committee gave consideration to a report that provided an update on the current financial position of Argyll and Bute Council's Employability Team.

**Decision**

The Environment, Development and Infrastructure Committee –

1. Noted the content of the report.

2. Agreed that quarterly financial updates continue to be provided to the Council's Strategic Management Team (SMT) coupled with the continued detailed monthly monitoring by the Employability Team in liaison with Strategic Finance to enable action to be taken to mitigate any significant deficit position going forward.

3. Noted the requirement to submit a bid to Skills Development Scotland by 2 December 2019 in the hope of securing a caseload allocation through the Employability Fund for 2020/21, 2021/22 and 2022/23.

(Reference: Report by Executive Director with responsibility for Development and Economic Growth dated 21 November 2019, submitted)

## 13. HOUSING ANNUAL ASSURANCE

The Committee gave consideration to a report that outlined the Council's Housing Annual Assurance Statement which became a requirement through the Scottish Housing Regulator in 2019.

**Decision**

The Environment, Development and Infrastructure Committee approved the Annual Assurance Statement contained at Appendix 1 to the submitted report.

(Reference: Report by Executive Director with Responsibility for Development and Economic Growth dated 15 November 2019, submitted)

## 14. ROADS AND INFRASTRUCTURE CUSTOMER SERVICE IMPROVEMENTS - UPDATE

A report that provided a brief update on the work to improve customer service in Roads and Infrastructure Services since the meeting of the Committee in June was before the Committee for noting.

**Decision**

The Environment, Development and Infrastructure Committee noted the content of the report.

(Reference:  Report by Executive Director with responsibility for Roads and Infrastructure Services dated November 2019, submitted)

15. **ENVIRONMENT, DEVELOPMENT AND INFRASTRUCTURE COMMITTEE WORK PLAN**

The Environment, Development and Infrastructure Committee work plan was before the Committee for noting.

**Decision**

The Committee noted the work plan as at December 2019.

(Reference: Environment, Development and Infrastructure Committee Work Plan as at December 2019, submitted)

**ARGYLL AND BUTE COUNCIL**                **ENVIRONMENT, DEVELOPMENT AND INFRASTRUCTURE COMMITTEE**

**DIRECTORATE**                                                    **5 MARCH 2019**

**PERFORMANCE REPORT FQ3 2019-20**

## 1.0 INTRODUCTION

1.1     The Planning and Performance Management Framework sets out the process for presentation of the council's quarterly performance reports.

1.2     This paper presents the Environment, Development and Infrastructure Committee with Development and Economic Growth Service and Roads and Infrastructure Services performance report with associated scorecard for performance in FQ3 2019-20 (October 2019 to December 2019).

## 2.0 RECOMMENDATIONS

2.1     It is recommended that the Committee reviews the scorecard as presented.

## 3.0 DETAIL

3.1     The performance scorecard was extracted from the Council's Pyramid performance management system and is comprised of key performance indicators incorporating Development and Economic Growth and Roads and Infrastructure Services.

3.2     Commentary on the indicators included within the scorecard can be interrogated via the Pyramid system. Some key points have been included below for ease.

**Business Outcomes**

3.3     Sickness absence has reduced to 2.61 days sickness absence per employee in FQ3 and is now within the target of 2.98 days sickness absence per employee.  During FQ3 in 18/19 sickness absence was reported at 3.98 days per employee so there has been an improvement of 1 day per employee since this time last year.

3.4     BO105 Our Natural And Built Environment Is Protected And Respected
The Building Standards team are continuing to exceed their 80% target of responding to building warrant applications within 20 days.  In FQ3 98.6%

3

of applications were responded to within 20 days compared to 96.1% in FQ2.

**4.0   IMPLICATIONS**

4.1   Policy – None

4.2   Financial – None

4.3   Legal – The Council has a duty to deliver best value under the Local Government Scotland Act 2003.

4.4   HR – None

4.5   Fairer Scotland Duty:–

4.5.1   Equalities - protected characteristics – none known

4.5.2   Socio-economic Duty – none known

4.5.3   Islands – none known

4.6.   Risk – Ensuring performance is effectively scrutinised by Members

4.7   Customer Service – None.


**For further information contact:** Kirsty Flanagan, Interim Executive Director, Tel 01546 604268

**APPENDICES**
Appendix 1   FQ3 2019/20 performance report
Appendix 2   FQ3 2019/20 score cards

| Council Performance Report – Interim Executive Director Kirsty Flanagan | Period:  FQ3 19/20 |
|---|---|

**SUMMARY OF PERFORMANCE - No. of Success Measures:**

Green   61

Red   4

No Data   6

## Delivering Our Outcomes

**Corporate Outcome 1 - People live active, healthier and independent lives**

BO102 We provide support, prevention and opportunities to help people make better lifestyle choices

1. Action being taken to address workforce planning issues for environmental health and 2 posts have been recruited to.  Currently 3 professional posts are vacant and we are unable to recruit (similar to other LA's). Short term consultant and workforce plan in place.

**Corporate Outcome 5 - Our economy is diverse and thriving**

BO110 We support businesses, employment and development opportunities

1. A key milestone was achieved in progression of Local Development Plan (LDP)2 which will replace the current LDP.  The proposed LDP2 was placed on statutory public consultation period until the 23rd January.   Following that any objections will be reported to Council prior to being submitted to a Scottish Government reporter who will carry out an examination of the Plan.  After that process the Council will be able to adopt it as a replacement LDP2.

BO112 Argyll and Bute is promoted to everyone

1. Over the past quarter the Dunoon CARS has successfully delivered 2 completed shopfronts as well as the commencement on site of the first priority building project, due for completion February 2020. Two further priority building grants have been approved and this will allow the repairs to these two priority buildings to commence on site. A traditional construction training programme is being delivered in collaboration with Historic Environment Scotland, Dunoon Grammar School, Argyll College UHI and a large local contractor to support school-age pupils gain practical traditional construction industry experience.
2. This quarter has seen the successful completion of 1 of the Rothesay Townscape Heritage priority building projects.

**Corporate Outcome 6 - We have an infrastructure that supports sustainable growth**

BO114 Our communities are cleaner and greener

1. Delivery of street cleanliness operations is monitored through the Keep Scotland Beautiful LEAMS programme. The department continues to deliver to a high standard, exceeding the national target of 67% and regularly meeting the council's target of 73%, despite budget reductions of 49.6% since financial year 2013/14.

BO102 We provide support, prevention and opportunities to help people make better lifestyle choices

1. A new 'framework' document has been produced to facilitate maintenance works on all of the Council's marine assets. This means Contractors will be available on a call off basis to carry out marine works. This will mean our reaction time will be quicker ensuring we maintain port infrastructure to support lifeline services and commercial activity.

## Our Challenges

### Current Short-term Operational Challenges *[Include Service id]*

Development and Economic Growth (DEG)

Development Management
1. The Development Management team is experiencing difficulty in recruiting and retaining professional staff in the Helensburgh and Lomond area.
2. The Planning (Scotland) Act 2019 was approved by Scottish Parliament and received Royal Assent in July 2019; the Scottish Government have published their programme for implementation of the various provisions of the Act on 30th September 2019. The Act introduces a number of new/amended duties which will require revision to current Development Management (DM) processes, and in some cases will have resource implications. A key aspect of the implementation of planning fees and this is currently out to consultation.

Regulatory Services
1. To review the mitigation measures which are in place in response to the 3 vacancies within Regulatory Services, to recruit suitably qualified staff, and to deliver our workforce planning strategy, and implement our workforce plan.
2. To progress the investigations into the fatal accident at Loch Awe in August 2019 in conjunction with the Crown Office and Police Scotland and to prepare the necessary reports.
3. Continue with the work at national and local level in terms of EU preparedness and in particular export health certificates.

Roads and Infrastructure Services (RIS)
1. Delivering Winter Maintenance Programme, ensuring Argyll and Bute Roads Network is maintained and pre-treated throughout winter weather periods. The requirement to manage drivers' hours within the delivery of all Council Services directly impacts on the retention of the Council's Operator Licence. Drivers from across the operational teams (grounds, waste, and roads) deliver the pre-treatment service, in conjunction with external contractor assistance. In extended periods of extreme winter conditions we will consider, at an operational level, prioritising services to ensure that winter treatments can be delivered. This may result, for example, in refuse collections and other services being temporarily suspended in order to prioritise the clearing of ice and snow. Such measures are only likely in prolonged periods of extreme weather.

| Current Key Challenges and Actions to address the Challenges |
|---|

| Key Challenges and Actions to address the Challenges (DEG) |
|---|

BO104 Our Communities Are Supported And Protected

1. **Challenge -** Deliver the outcomes defined in the Joint Health Protection Plan within the agreed milestones.
   **Action Detail –** To redesign the delivery of the environmental health service and direct its resources more effectively to meet the statutory framework for food authorities, and to complete the actions required from the FSS audit**.**

| Carried Forward From Previous Quarter: | Action Milestone Dates: | Responsible Person: |
|---|---|---|
| Y | FQ3 20/21 | Regulatory Services Manager/Environmental Health Manager (East/West) |

| Key Challenges and Actions to address the Challenges (DEG) |
|---|

BO102 We Provide Support, Prevention And Opportunities To Help People Make Better Lifestyle Choices

2. **Challenge -** The development of Council EU Withdrawal Plan and business continuity.
   **Action Detail -** Deliver, monitor and report on progress in delivering plan.  Review plan and arrangements in light of any changes in planning assumptions and the details of the withdrawal deal negotiated by the UK Government.

| Carried Forward From Previous Quarter: | Action Milestone Dates: | Responsible Person: |
|---|---|---|
| Y | FQ3 20/21 | Regulatory Services Manager |

| Key Challenges and Actions to address the Challenges (DEG) |
|---|

BO111 We Influence And Engage With Business And Policy Makers

3. **Challenge -** To attain reaccreditation of the Customer Services Excellence award for Planning and Regulatory Services, and continue to engage with customers to ensure that we deliver services which meet our target for customer satisfaction and ensure that customers are treated fairly.
   **Action Detail -** Prepare for the pending audit in February 2020, and ensure that we retain the Customer Excellence Standard award.  Complete the programme of customer satisfaction surveys for Regulatory Services.

| Carried Forward From Previous Quarter: | Action Milestone Dates: | Responsible Person: |
|---|---|---|
| Y | FQ4 19/20 | Regulatory Services Manager/Development Management Manager/Development Policy Manager |

| Key Challenges and Actions to address the Challenges (DEG) |
|---|

BO110 – We Support Businesses, Employment and Development Opportunities

4. **Challenge -** Secure heads of terms agreement for the Rural Growth Deal through negotiation with the Scottish and UK Governments.

   **Action Detail -** The Scottish and UK Governments have confirmed that the Argyll Rural Growth Deal will be worth up to £50m, the Council will now require to prioritise projects to progress as part of the deal.  We will seek alternative sources of funding for projects that it is not possible to take forward as part of the Rural Growth Deal.  Officers continue to work collaboratively with key internal and external stakeholders via the Rural Growth Deal Steering Board and regular project meetings (e.g. housing, tourism, low carbon etc.).  Strategic Outline Cases (SOC's) in support of specific Rural Growth Deal projects are currently being drafted by project leads including Council Officers and key external stakeholders.  The SOC's will be submitted to the Scottish and UK Governments as part of the Heads of Terms negotiation and the Scottish Government have recently advised that the likely timescale for securing a Heads of Terms agreement is now spring/summer 2020.  It should be noted that timescales for the Heads of Terms remains at the discretion of the Scottish and UK Governments however, the Council will continue to lobby to expedite this process.

| Carried Forward From Previous Quarter: | Action Milestone Dates: | Responsible Person: |
|---|---|---|
| Y | FQ1 20/21 (estimated) | Head of Development and Economic Growth/Strategic Transportation Manager |

**Key Challenges and Actions to address the Challenges (DEG)**

BO110 – We Support Businesses, Employment and Development Opportunities

5. **Challenge -** Lobby Transport Scotland for greater investment in local transport infrastructure and services as part of the National Transport Strategy (NTS2) /Strategic Transport Project Review (STPR2) process.

   **Action Detail -** Following the latest round of consultation workshops in November 2019, a public consultation has been launched by Transport Scotland with responses sought by Friday 10th January 2020.  The Council have responded to this consultation and publicised it on our website to encourage members of the public and key stakeholders to participate.  The next Regional Transport Working Group Meeting is scheduled to take place in Lochgilphead on the 17th January 2020 and this will focus on emerging options following the consultation and engagement process.

| Carried Forward From Previous Quarter: | Action Milestone Dates: | Responsible Person: |
|---|---|---|
| Y | FQ3 20/21 (estimated) | Strategic Transportation Manager/Strategic Transportation Policy Officer |

**Key Challenges and Actions to address the Challenges (DEG)**

BO110 – We Support Businesses, Employment and Development Opportunities

6. **Challenge –** Deliver the Rosneath Shared Use Cycleway.

   **Action Detail –** SUSTRANS confirmed 2019/20 funding in October 2019 to continue design development of the route linking Rosneath town centre to the Castle Caravan Park junction.   Roads Design service has continued design development and a site meeting has been held including Rosneath

Community Council, Roads Design, Strategic Transport and SUSTRANS.

| Carried Forward From Previous Quarter:<br>Y | Action Milestone Dates:<br>Sustrans Funding requires to be spent by end FQ1 20/21. | Responsible Person:<br>Strategic Transportation Delivery Officer |
|---|---|---|

**Key Challenges and Actions to address the Challenges (DEG)**

BO103 – Prevention And Support Reduces Homelessness
- **Challenge –** To deliver the Rapid Rehousing Transition Plan (RRTP) Actions.
  **Action Detail –** An updated RRTP will be submitted to Full Council in April 2020 with a view to submitting the agreed RRTP to the Scottish Government in June 2020. The plan needs to be updated to reflect the funding awarded by the Scottish Government (£95k for 19/20 and £105k for 20/21). There are 5 key actions: rent arrears prevention project; crisis alleviation fund; decoration project to assist new tenants; recruitment of a Mental Health/Addictions Occupational Therapist; Housing First.

| Carried Forward From Previous Quarter:<br>N | Action Milestone Dates:<br>FQ1 20/21 | Responsible Person:<br>Housing Team Leader |
|---|---|---|

**Key Challenges and Actions to address the Challenges (RIS)**

BO114 Our Communities Are Cleaner and Greener
7. **Challenge –** Sustain service delivery with an ageing workforce and retain front line services on the islands.
   **Action Detail –** Develop a succession plan, recruit and retain staff by providing training opportunities and introduce more career graded posts to attract new staff.

| Carried Forward From Previous Quarter:<br>N | Action Milestone Dates:<br>FQ4 20/21 | Responsible Person:<br>Operations Manager, Roads and Infrastructure Services |
|---|---|---|

**Key Challenges and Actions to address the Challenges (RIS)**

BO113 Our Infrastructure Is Safe And Fit For Purpose

8. **Challenge -** Lismore Ferry will require to be replaced / funding to be identified.
   **Action Detail -** Discussions continue with Transport Scotland re the Lismore as part of Ferries Transfer. Ferry replacement programme with specific dates for Lismore ferry has been produced. Capital funding will be considered as part of the budget process and discussions continue with Transport Scotland regarding contributions towards funding.

| Carried Forward From Previous Quarter: | Action Milestone Dates: | Responsible Person: |
|---|---|---|
| Y | FQ4 19/20 | Marine and Operations Manager |

**Key Challenges and Actions to address the Challenges (RIS)**

BO113 Our Infrastructure Is Safe And Fit For Purpose

9. **Challenge -** New Pilotage contract for Campbeltown - tender requires to be issued. Vessels over 80 metres in length are not permitted to enter Campbeltown Harbour without authorised pilots on board. Currently 'Class 1 Maritime' provide this service on behalf of the Council. Designated Person has highlighted concerns over the lack of control that the Council, as harbour authority, has over the Admiralty pilots currently operating within Campeltown Harbour waters at the MOD facility.
   **Action Detail –** Discussions continue with Legal and Procurement. Contract extended on a temporary basis. Discussions also continuing between the Queen's Harbour Master and Marine Operations M

| Carried Forward From Previous Quarter: | Action Milestone Dates: | Responsible Person: |
|---|---|---|
| Y | FQ4 19/20 | Marine and Operations Manager |

**Key Challenges and Actions to address the Challenges (RIS)**

BO113 Our Infrastructure Is Safe And Fit For Purpose

10. **Challenge –** A Harbour Order to enable Oban Bay to be effectively and efficiently managed needs to be progressed.
    **Action Detail -** Liaison with Oban Bay Management Group (OBMG) and Oban Community Development Harbour Association (OCDHA) to continue.

| Carried Forward From Previous Quarter: | Action Milestone Dates: | Responsible Person: |
|---|---|---|
| N | Ongoing | Marine and Operations Manager |

**Key Challenges and Actions to address the Challenges (RIS)**

BO113 Our Infrastructure Is Safe And Fit For Purpose

11. **Challenge** – Ensure we have a staff resource to meet the varying demands of the design office and maximising opportunity with grant funding.
   **Action Detail** – The design team are working on a number of projects including marine projects, Town Centre funding and Coastal Communities funding.  We are developing staff via professional qualifications and are one of the few Scottish authorities who run an Institution of Civil Engineers Training Scheme.  This provides resilience and succession planning.

| Carried Forward From Previous Quarter: | Action Milestone Dates: | Responsible Person: |
|---|---|---|
| Y | Ongoing | Principal Engineer |

**Key Challenges and Actions to address the Challenges (RIS)**

BO113 Our Infrastructure Is Safe And Fit For Purpose

12. **Challenge** – Argyll and Bute Council has 131 Cemeteries. 65 are no longer active with no available new Lairs.  As a Council we have a statutory duty to bury the dead. Within the next 5 years a further 14 Cemeteries are predicted to be full, failure to properly plan and prepare for new cemeteries or extensions will breach legislation as well as bring the councils reputation into disrepute.
   **Action Detail** – Work has been ongoing to identify those cemeteries which can be extended and also to identify if we can purchase land nearby for cemetery use. A report went to the December Environment, Development and Infrastructure (EDI) committee who agreed that a community consultation is undertaken seeking views on the draft policies of the submitted report. Noted that a further report would be presented to Members detailing the consultation feedback and proposing a set of cemetery policies.

| Carried Forward From Previous Quarter: | Action Milestone Dates: | Responsible Person: |
|---|---|---|
| Y | FQ3 20/21 | Network and Standards Manager |

**Key Challenges and Actions to address the Challenges (RIS)**

BO113  Our Infrastructure Is Safe And Fit For Purpose

13. **Challenge** – Manage the increasing number of Traffic Regulation Orders (TROs), Temporary Traffic Regulation Orders (TTRO's) and road closure notices whilst developing an engagement strategy. There has been a significant increase in this area.
   In 2016/17, 33 Temporary Traffic Regulation Orders (TTROs) and Notices were processed but this has risen to 105 in 2018/19. In 2019/20, 95 TTROs and Notices have been processed to the end of November; it is likely that this financial year will see the largest demand to date. These TTROs are placing an increasing demand on the teams who deal with this work area. It is important to note that the Notices and TTROs are a statutory duty and are often time constrained. This intensification has made it increasingly difficult to process Traffic Regulation Orders (TROs); which arise either from Officer identified need (road safety, traffic management and so on) or from Council instruction (e.g. reviews of parking arrangements). It is clear that the processing of TTROs and Notices has now become a full time post.
   **Action Detail** – A review of TRO's is ongoing and we await the recommendations from this which will go to the Audit and Scrutiny Committee in March.  A decision on staffing will be made after this.

| Carried Forward From Previous Quarter: | Action Milestone Dates: | Responsible Person: |
|---|---|---|
| N | FQ1 2020/21 | Network and Standards Manager |

**Key Challenges and Actions to address the Challenges (RIS)**

BO113  Our Infrastructure Is Safe And Fit For Purpose

**14. Challenge** – Age of lighting stock.

**Action Detail -** Installation of LED luminaires as part of the luminaire replacement project. Works are nearing completion across the Council's network.  The new LED Luminaires are proving more reliable with a number of dark lamps being reported significantly reduced.  We are also in the process of replacing a number of columns in the poorest condition.

| Carried Forward From Previous Quarter: | Action Milestone Dates: | Responsible Person: |
|---|---|---|
| Y | FQ4 2019/20 | Network and Standards Manager |

**Key Challenges and Actions to address the Challenges (RIS)**

BO113  Our Infrastructure Is Safe And Fit For Purpose

**15. Challenge** – Transfer of ferry services to Transport Scotland.  Council currently subsidising these services to the order of £390k.

**Action Detail -** All required information has been provided to Transport Scotland as required by the Ferries Plan and discussions are continuing.  A report was prepared for June Council providing an update on progress of the ferry transfer proposal. Political correspondence on the matter has been exchanged with the Minister.

| Carried Forward From Previous Quarter: | Action Milestone Dates: | Responsible Person: |
|---|---|---|
| Y | FQ4 2019/20 | Marine Operations Manager |

**Key Challenges and Actions to address the Challenges (RIS)**

BO114  Our Communities Are Cleaner and Greener

**16. Challenge** – Comply with the terms of legislation changes in line with the Waste (Scotland) Regulations 2012.

**Action Detail -** The council, in partnership, will work towards the implementation of the changes in Scottish Government legislation relating to the Deposit Return Scheme (DRS) (2021) and the ban on Biodegradable Municipal Waste (BMW) to landfill (2025). Officers will liaise with the

Scottish Government (SG) and agencies to explore possible solutions and look to identify potential partnerships and highlight challenges to Scottish Government. Reports and updates will be made available to all members.

| Carried Forward From Previous Quarter: | Action Milestone Dates: | Responsible Person: |
|---|---|---|
| N | Deposit Return Scheme 2021 Biodegradable Municipal Waste 2025 | Fleet, Waste & Transport Manager / Project Manager (Waste Strategy) |

**Key Challenges and Actions to address the Challenges (DEG/RIS)**

BO112 Argyll and Bute is Promoted to Everyone (DEG/RIS)

17. **Challenge** – Delivery of Town Centre Fund projects.
    **Action Detail -** The Town Centre Fund requires to be spent 2019/20 or at the very least a contract awarded by 31 March 2020 for each of the projects. Monthly monitoring is in place to assist in highlighting any key issues that need to be addressed and particular if any projects are at risk of not being delivered however delivery is still challenging given the short timelines and also given that these projects are all being taken forward within existing resources.

| Carried Forward From Previous Quarter: | Action Milestone Dates: | Responsible Person: |
|---|---|---|
| Y | FQ4 2019/20 | Head of Development and Economic Growth/Head of Roads and Infrastructure Services |

<div align="center">

**Key Challenges Resolved In Previous Quarter**

</div>

BO110 We Support Businesses, Employment and Development Opportunities (DEG)

1. **Challenge** - Update and Improve our Conservation Area Appraisal Coverage.
   **Action Detail** - Helensburgh Conservation Area was approved by PPSL and designated by Council in September. Slate Islands and Lochgilphead Conservation Area Appraisals are scheduled for presentation to PPSL for approval before the end of 2019.
   During FQ3 this challenge was resolved. Helensburgh Conservation Area being approved by PPSL Committee and the Slate Islands and Lochgilphead Conservation Area Appraisals also approved by PPSL Committee.

## Our Off-Track Performance Indicators

**Indicator Ref: RIS104_01 [FS104_01]-The average subsidy per passenger accessing council funded public transport is maintained. (Public Transport)**

| Trend | Target | Actual | Owner | Commentary |
|---|---|---|---|---|
| ⇓ | £ 2.00 | £ 2.10 | John Blake | FQ2 - the subsidy per passenger is at the lowest level of the year during FQ2. This is due to the services being utilised more so within the summer months. However, it is noteworthy that FQ3 figures are broadly similar to FQ3 figures from last year. This is a continuous trend which is monitored by the integrated transport team. |

| Quartile | Target | Actual | Benchmark |
|---|---|---|---|
| FQ3 18/19 | £2.00 | £1.93 | £1.92 |
| FQ4 18/19 | £2.50 | £2.22 | £2.14 |
| FQ1 19/20 | £1.80 | £1.61 | £1.48 |
| FQ2 19/20 | £1.80 | £1.70 | £1.87 |
| FQ3 19/20 | £2.00 | £2.10 | £1.93 |

| | Indicator Ref: DEG104_01 [PR104_01]-Increase the % of broadly compliant food businesses as a result of our enforcement interventions (EH-Programme Interventions with Business) | | | | |
|---|---|---|---|---|---|
| **Trend** | **Target** | **Actual** | **Owner** | **Commentary** | |
| ⇓ | 85.0 % | 84.8 % | Alan Morrison | Due to work targeting medium risk premises and unrated premises in Q3 the total number of premises which were broadly compliant increased by 4 premises but there are an additional 46 premises on our database. The % of broadly compliant premises in Argyll and Bute in Q3 is 84.8 % and reduction in 1.8% from Q2 and just below our 85% internal target. This figure varies considerably and reflects the outcome of inspections, condition of food premises and also can vary due to number of premises. It should be noted that premises will fall into and out of broadly compliant for various reasons, which are out with the services control. This however, impacts on the level of enforcement actions required. | |

| **Quartile** | **Target** | **Actual** | **Benchmark** | |
|---|---|---|---|---|
| **FQ3 18/19** | 85.0% | 87.3% | | |
| **FQ4 18/19** | 85.0% | 87.2% | | |
| **FQ1 19/20** | 85.0% | 86.6% | | |
| **FQ2 19/20** | 85.0% | 86.9% | | |
| **FQ3 19/20** | 85.0% | 84.8% | | |

**Indicator Ref: RIS113_04 [RA113_04]-Percentage of street lighting repairs completed within 10 days (Street Lighting - Maintenance)**

| Trend | Target | Actual | Owner | Commentary |
|---|---|---|---|---|
| ⇓ | 75 % | 36 % | Callum Robertson | Priority was given to installing LED luminaires to meet project deadline. Focus will return to ensuring repairs are completed within ten days. To facilitate this repair works have been prioritised over the remaining LED works. There remains a number of cable faults which we are pursuing the power companies for satisfactory repair. |

| Quartile | Target | Actual | Benchmark | |
|---|---|---|---|---|
| FQ3 18/19 | 75% | 25% | | |
| FQ4 18/19 | 75% | 70% | | |
| FQ1 19/20 | 75% | 87% | | |
| FQ2 19/20 | 75% | 79% | | |
| FQ3 19/20 | 75% | 36% | | |

**Indicator Ref: RIS113_06 [FS113_05]-Our school transport is regularly inspected through spot checks (School Transport)**

| Trend | Target | Actual | Owner | Commentary |
|---|---|---|---|---|
| ⇑ | 36↗ | 30↗ | John Blake | The team is small and due to sickness/absence and vacancies the required number of inspections could not be carried out. Under the management of Fleet, Waste & Transport all inspections are scheduled in advance and the number of inspections will be increased where possible and any backlog completed timeously. These spot checks are in addition to regular vehicle inspections and safety has never been compromised. The target is under review and will be changed to have a standard number for each quarter which include school bus checks by integrated transport staff and vehicle checks by the Freight Transport Association. |

| Quartile | Target | Actual | Benchmark |
|---|---|---|---|
| FQ3 18/19 | 36 | 36 | |
| FQ4 18/19 | 48 | 48 | |
| FQ1 19/20 | 12 | 12 | |
| FQ2 19/20 | 18 | 18 | |
| FQ3 19/20 | 36 | 30 | |

*'Making Argyll and Bute a place people choose to live, learn, work and do business'*

**Ex.Dir. Kirsty Flanagan Scorecard 2019-22**

Scorecard owned by:  **Kirsty Flanagan**                    FQ3 19/20

Click here for Council Scorecard

Roads and Infrastructure Services

Customer Support Services

Development and Economic Growth

**Click here for Management Information**

**BO101: We Ensure Information And Support Is Available For Everyone [Ex.Dir KF]**

Success Measures    G →

17/18   FQ4 18/19   FQ1 20/21
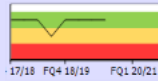
**BO105: Our Natural And Built Environment Is Protected And Respected [Ex.Dir KF]**

Success Measures    G →

17/18   FQ4 18/19   FQ1 20/21
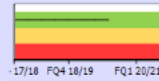
**BO113: Our Infrastructure Is Safe And Fit For The Future [Ex.Dir KF]**

Success Measures    A →
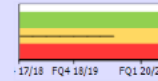
17/18   FQ4 18/19   FQ1 20/21

**BO102: We Provide Support, Prevention And Opportunities To Help People Make Better Lifestyle Choices [Ex.Dir KF]**

Success Measures    G →

17/18   FQ4 18/19   FQ1 20/21
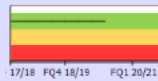
**BO110: We Support Businesses, Employment And Development Opportunities [Ex Dir KF]**

Success Measures    A →

17/18   FQ4 18/19   FQ1 20/21
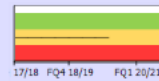
**BO114: Our Communities Are Cleaner And Greener [Ex.Dir KF]**

Success Measures    G →

17/18   FQ4 18/19   FQ1 20/21
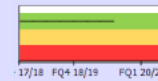
**BO103: We Enable A Choice Of Suitable Housing Options [Ex.Dir KF]**

Success Measures    G →

17/18   FQ4 18/19   FQ1 20/21
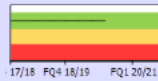
**BO111: We Influence And Engage With Businesses And Policy Makers [Ex.Dir KF]**

Success Measures    A →

17/18   FQ4 18/19   FQ1 20/21
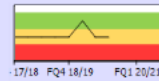
**BO115: We Are Efficient And Cost Effective [Ex.Dir KF]**

Success Measures    G ↑

17/18   FQ4 18/19   FQ1 20/21
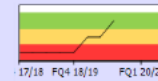
**BO104: Our Communities Are Supported And Protected [Ex.Dir KF]**

Success Measures    R ↓

17/18   FQ4 18/19   FQ1 20/21
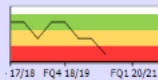
**BO112: Argyll And Bute Is Promoted To Everyone [Ex.Dir KF]**

Success Measures    G →

17/18   FQ4 18/19   FQ1 20/21
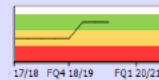
**BO116: We Engage And Work With Our Customers, Staff And Partners [Ex.Dir KF]**

Success Measures    G →

17/18   FQ4 18/19   FQ1 20/21

**Argyll Bute COUNCIL**
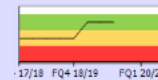
**Ex.Dir. Kirsty Flanagan Scorecard 2019-22** FQ3 19/20

Scorecard owned by: **Kirsty Flanagan**

## Management Information

### RESOURCES

| People | Benchmark | Target | Actual | Status | Trend |
|---|---|---|---|---|---|
| Sickness Absence DI | | 2.98 Days | 2.61 Days | G | ⬇ |
| DI % of PRDs completed | | 90 % | 94 % | G | ⬆ |

| Financial | | Budget | Forecast | Status | Trend |
|---|---|---|---|---|---|
| Finance Revenue totals KF | | £K 2,270 | £K 2,222 | R | ⬇ |
| Capital forecasts - current year KF | | £K 26,781 | £K 26,161 | A | ⬆ |
| Capital forecasts - total project KF | | £K 130,330 | £K 130,929 | A | ⬆ |
| Asset management  red risks | 6 | On track | 6 | G | ⬆ |

### IMPROVEMENT

| | | | | Status |
|---|---|---|---|---|

| Improvement Plan Outcomes KF | Actions | Total No | Off track | On track | Complete |
|---|---|---|---|---|---|

| Summary - Acting Ex.Dir.Kirsty Flanagan Audit Recommendations | Overdue | Due in future | Future - off target |
|---|---|---|---|
| | 0 ➡ | 9 ➡ | 0 ⬆ |

| Customer Service KF | | | | |
|---|---|---|---|---|
| | Customer satisfaction | 98 % | | ⬆ |
| Customer Charter | Stage 1 Complaints | 0 % | G | ⬇ |
| Number of consultations | 3 | Stage 2 Complaints | 0 % | G | ⬇ |

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**ARGYLL AND BUTE COUNCIL**                 **ENVIRONMENT, DEVELOPMENT AND**
                                            **INFRASTRUCTURE COMMITTEE**

**ROADS AND INFRASTRUCTURE**
**SERVICES**                                **5 MARCH 2020**

**ROADS CAPITAL RECONSTRUCTION PROGRAMME 2020/21**

## 1.0    EXECUTIVE SUMMARY

1.1    The Roads Reconstruction Programme has been structured in line with the Roads Asset Management and Maintenance Strategy.  The focus has been to arrest the rate of decline and provide an overall improvement in condition as has been demonstrated in the Annual Status and Options Report.  In previous years this has been achieved through the delivery of a mix of carriageway resurfacing, edge strengthening, patching/surface dressing and in-situ road surface recycling.  These treatments have been designed to seal the road to stop the ingress of water, improve ride quality and reduce the amount of reactive repairs.  This has resulted in an overall improvement in road condition.  Without these works and investment there would have been a significant deterioration in condition.

1.2    Attached to this report is a draft programme for roads reconstruction and footway schemes for 2020/21. This programme has been designed using the Road Condition Index (RCI) which is produced by the national road condition survey data. This survey information is used by officers to determine a programme. In addition to the RCI data, information such as road traffic collisions, known development, activities such as timber harvesting and skid condition (of the carriageways surface) which is measured by a separate survey are also considered together with information brought from Elected Members, community groups and stakeholders. This information is considered at officer level when appropriate engineering judgement is also applied to ensure that maximum benefit can be derived from the available investment.

1.3    The proposed capital works programme as presented is based on carriageway condition late autumn/early winter. With the effect of winter this programme may need to be adjusted to ensure that any investment is targeted accordingly. Should any changes be required to the programme, the Policy Lead and Depute Policy Lead will be notified prior to any amended area scheme list being sent out to local members.

1.4    It is recommended that the Environment, Development and Infrastructure Committee endorses the proposed programme of capital works for 2020/21, and also agrees that details of each area committee's programme will be forwarded on to individual Elected Members, updates to area committees will be provided as the programme progresses.

**ARGYLL AND BUTE COUNCIL**

**ENVIRONMENT, DEVELOPMENT AND INFRASTRUCTURE COMMITTEE**

**ROADS AND INFRASTRUCTURE SERVICES**

**5 MARCH 2020**

**ROADS CAPITAL RECONSTRUCTION PROGRAMME 2020/21**

## 2.0 INTRODUCTION

2.1 This report provides details of the proposed roads reconstruction programme for 2020/21.

## 3.0 RECOMMENDATIONS

3.1 That the Committee endorses the proposed programme of capital works for 2020/21, and also agrees that details of each area committee's programme will be forwarded on to individual Elected Members, updates to area committees will be provided as the programme progresses.

## 4.0 DETAILS

4.1 Note for committee: The appendices attached to this report are working drafts, there will be some slight adjustments in terms of scheme values etc. to allow the budget to balance.

4.2 The focus of the roads reconstruction programme has been to recover the network through the delivery of a mix of carriageway resurfacing schemes, patching/surface dressing and in-situ road surface recycling, which follow the principles set out within the Roads Asset Management Plan.

4.3 The proposed schemes have been selected using the Councils Roads Asset database *WDM-PMS* and using the information collected from the SCANNER Survey carried out in summer 2019. In-line with recommendations within the Annual Status and Options Report, the programme is not necessarily concentrated on the *red* roads but instead has been aligned to focus on a combination of *red* and *amber* roads to arrest deterioration. This effectively provides a stitch in time approach and ensures that we get the best rate of return from the investment available. *Red* roads are roads requiring attention currently, *amber* roads are roads which will require attention in the not too distant future and *green* roads are roads which require no attention. By progressing schemes that will provide the best rate of return, taking consideration of the survey results and associated data, the Council is able to deliver a programme of schemes which maximises the benefits to the travelling public from the available investment. Footway schemes are prioritised based on information from formal inspections.

4.4 Surface dressing schemes are selected on the basis that, either the skid resistance of the road surface is poor, or the road surface requires sealing *before* it fails. There is also a weighting / ranking applied that aligns with a routes classification and hierarchy.

4.5 As in previous years, the roads reconstruction programme will be delivered by a mixed economy model with the Councils in-house team delivering carriageway reconstruction and patching works. The surface dressing element of the programme will be delivered by an external contractor. In order to ensure that the programme provides maximum benefit to the overall network, there will be a minimum of £2M of surface dressing work carried out. This enables the maximum surface area to be covered which will help to seal carriageway cracks, prevent the ingress of water and reduce the amount of reactive maintenance for potholes.

The table below shows the total capital allocation for roads reconstruction:

| MAKI | £1,519,000 |
|------|------------|
| OLI | £1,715,000 |
| B&C | £980,000 |
| H&L | £686,000 |
| **Total 2020/21 Capital Allocation** | **£4,900,000** |

4.6 In 2019/20 there was also a grant from the Strategic Timber Transport Scheme (STTS) of £1.67M. This funding was used to match fund existing schemes on the council network where timber extraction was programmed to be carried out. It is officers' intention to make further bids to the STTS for 2020/21. The attached appendices details the current draft programme. Should carry forward capital funding differ to the figure stated above, this will be reflected in the area allocations based on the historic percentage splits.

4.7 **The capital programme presented is based on carriageway condition late autumn/early winter. With the effect of winter this programme may need to be adjusted to ensure that any investment is targeted accordingly.**

4.8 The programme for each of the administrative areas will be forwarded to Area Committee Members and updates to Area Committees as the programme progresses.

**5.0  CONCLUSION**

5.1 This report provides details of the proposed roads reconstruction programme for 2020/21.

**6.0  IMPLICATIONS**

6.1 **Policy** – works assessed and carried out under the current Roads Asset Management Plan.

6.2 **Financial** – programme will be based on capital allocation for year 2020/21.

6.3 **Legal** - none

6.4 **HR** – reconstruction works delivered by a combination of in-house roads operations team and sub-contractors.

6.5 **Equalities/Fairer Scotland Duty**:–

6.5.1 Equalities - protected characteristics – none known

6.5.2 Socio-economic Duty – none known

6.5.3 Islands – none known

6.6 **Risk** - completed works will reduce requirement to repair roads and will arrest the carriageway/footway deterioration.

6.7 **Customer Services** – overall improvement in road surfaces and the quality of driven journeys.

**Interim Executive Director with responsibility for Roads and Infrastructure:**
Kirsty Flanagan
**Policy Lead** Councillor Robin Currie

**For further information contact:** Jim Smith Head or Roads and Infrastructure Services

**APPENDICES**

Appendix 1 – MAKI Proposed Roads Reconstruction Programme 2020/21
Appendix 2 – OLI Proposed Roads Reconstruction Programme 2020/21
Appendix 3 – B&C Proposed Roads Reconstruction Programme 2020/21
Appendix 4 – H&L Proposed Roads Reconstruction Programme 2020/21

Appendix 1 – MAKI Proposed Roads Reconstruction Programme 2020/21

| **MAKI** | £1,519,000 | **Provisional Budget Allocation for 2020/21** |
|----------|------------|-----------------------------------------------|
|          | £1,522,000 | **Current MAKI Total Programme Estimate** |

**MID ARGYLL**

| Route | Scheme Name | Estimated Value | Proposed Scheme Details*** |
|-------|-------------|-----------------|----------------------------|
| A816 | Corran - Bishopton Rd | £100,000 | Inlay 100mm deep reconstruction |
| A816 | North of Hill Park | £120,000 | Drainage, edge strengthening Geogrid & overlay |
| B8025 | Lady Glassary Wood - Dalvore Jct | £35,000 | Regulate & Surface Dress |
| C42 | Barnluasgan - Castle Sween | £216,000 | Regulate & Surface Dress |
| C43 | Brae Road Ardrishaig | £36,000 | Inlay , Pre SD & Surface Dressing |

| | **Area Total** | **£507,000** |
|--|----------------|--------------|

**KINTYRE**

| Route | Scheme Name | Estimated Value | Proposed Scheme Details*** |
|-------|-------------|-----------------|----------------------------|
| B8001 | Auchmeanach Farm Slip | £220,000 | Geogrid & Overlay |
| B842 | Greenhill - Saddell | £105,000 | Pre SD & Surface Dress |
| B879 | B879 + Carradale Streets | £130,000 | Pre SD & Surface Dress |
| U51 | Lighthouse Rd at Feorlan - C18 Jct | £55,000 | Pre SD & Surface Dress |
| | **Area Total** | **£510,000** |

**ISLAY, JURA**

| Route | Scheme Name | Estimated Value | Proposed Scheme Details*** |
|-------|-------------|-----------------|----------------------------|
| A846 | Feolin | £40,000 | Patching + Overlay for future SD |
| A846 | Ballygrant - Emeraconart | £120,000 | Pre SD & Surface Dress |
| A846 | Laphroaig - Ardbeg | £160,000 | Pre SD & Surface Dress |
| A846 | Bridgend - Bowmore | £185,000 | Pre SD & Surface Dress |
| | **Area Total** | **£505,000** |

Appendix 2 – OLI Proposed Roads Reconstruction Programme 2020/21

**OLI**

| | |
|---|---|
| **£1,715,000** | **Provisional Budget Allocation for 2020/21** |
| **£1,717,000** | **Current OLI Total Programme Estimate** |

**LORN**

| Route | Scheme Name | Estimated Value | Proposed Scheme Details*** |
|---|---|---|---|
| A816 | Blaran | £100,000 | Edge strengthening & overlay |
| A816 | Feochan Bridge South | £70,000 | Edge strengthening & overlay |
| A819/B840 | A819/B840 Jct | £50,000 | Junction improvement |
| B840 | Braevallich- Portsonachan | £240,000 | Pre SD & Surface Dress |
| B845 | Bonawe - Blarcreen | £50,000 | Structural Patching + Overlay |
| C29 | Dalavich - Kilchrennan | £80,000 | Overlay STTS |
| C34 | Gallanach Road | £80,000 | Regulate & Overlay |
| C32 | Glencruitten | £100,000 | Widening & Surface Dress |
| B8077 | Stronmillichan | £131,000 | Pre SD & Surface Dress |
| U135 | Pulpit Drive | £50,000 | Inlay Scheme after Associated Lighting |
| Unclassified | Taynuilt Village | £40,000 | Inlay Scheme |
| Unclassified | Dalmally Village | £40,000 | Inlay Scheme |
| | **Area Total** | **£1,031,000** | |

**MULL**

| Route | Scheme Name | Estimated Value | Proposed Scheme Details*** |
|---|---|---|---|
| A849 | Torrans Bridge to Fionnphort | £315,000 | Pre SD & Surface Dress |
| A884 | Fishnish | £50,000 | Regulate & Overlay |
| B8073 | Mishinish Lochs | £50,000 | Regulate & Overlay |
| B8073 | Killiemore - Gruline | £0 | |
| C46 | Dervaig - Achnacraig | £100,000 | Regulate & Overlay |
| C54 | Balure Cemetery - Ardura | £21,000 | Regulate & Overlay |
| U71, U72, U77 U78, U21 | Ross of Mull , Spur Roads | £150,000 | Pre-Sd & Surface Dressing |
| | **Area Total** | **£686,000** | |

Appendix 3 – B&C Proposed Roads Reconstruction Programme 2020/21

| BUTE AND COWAL | | £980,000 | Provisional Budget Allocation for 2020/21 |
|---|---|---|---|
| | | £981,000 | Current Bute & Cowal Total Programme Estimate |

**BUTE**

| Route | Scheme Name | Estimated Value | Proposed Scheme Details*** |
|---|---|---|---|
| A844 | Craigmore - Bogany Point | £80,000 | Pre SD & Surface Dress |
| B878 | Barone Road | £75,000 | Pre SD & Surface Dress |
| B875 | Colmac - Drumachloy | £75,000 | Pre SD & Surface Dress |
| B881 | Castle St   Rothesay | £18,000 | Inlay |
| C1 | Bruchag Point | £20,000 | Overlay |
| C3 | Lubas Farm | £20,000 | Overlay (500m) |
| U5 | Glecknabae | £20,000 | Overlay |
| U28 | Eastlands Road | £40,000 | Inlay |
| U47 | McKinley St Rothesay | £18,000 | Inlay |
| U001 | Mid Ascog | £25,000 | Overlay |
| | **Area Total** | **£391,000** | |

**COWAL**

| Route | Scheme Name | Estimated Value | Proposed Scheme Details*** |
|---|---|---|---|
| A880 | Strone - Blairmore | £75,000 | Pre SD & Surface Dress |
| A815 | Strachurmore - Invernoaden | £145,000 | Pre SD & Surface Dress |
| A815 | Dalinlogart - Sandbank | £75,000 | Pre SD & Surface Dress |
| A815 | Sandbank Shore Road | £65,000 | Inlay / Overlay |
| B8000 | Otter Ferry - Kilfinnan | £100,000 | Regulate & Overlay (STTS) |
| C10 | Port Lamont - Toward | £130,000 | Pre SD & Surface Dress |
| | **Area Total** | **£590,000** | |

Appendix 4 – H&L Proposed Roads Reconstruction Programme 2020/21

| | | | |
|---|---|---|---|
| **HELENSBURGH and LOMOND** | | £686,000 | Provisional Budget Allocation for 2020/21 |
| | | £686,000 | Current Lomond Total Programme Estimate |

| Route | Scheme Name | Estimated Value | Proposed Scheme Details*** |
|---|---|---|---|
| A817 | Haul road centre section | £130,000 | Surface dressing and Pre SD |
| A814 | Cats Castle - Cardross | £100,000 | 100mm patching and High Friction Surfacing |
| A814 | Sinclair St to Gant St | £22,000 | Inlay |
| C70 | Glen Fruin Hairpin Bends | £24,000 | Overlay |
| U172 | Upper Sutherland Crescent | £25,000 | Overlay |
| U197 | Machrie Drive | £20,000 | Inlay |
| U167 | Kennedy Drive | £25,000 | Inlay |
| U50 | Campbell st - Clyde St to Princes St | £15,000 | Inlay |
| U57 | Charlotte Street | £40,000 | Inlay |
| U08 | Aldrin Road | £10,000 | Inlay |
| U69 | Collins Road | £30,000 | Inlay |
| U317 | West Princes St junc | £15,000 | Inlay |
| | | | |
| U181 | Kirkton road | £40,000 | Inlay |
| C74 | Carman Road | £190,000 | Drainage & Overlay |
| | | | |
| **Area Total** | | **£686,000** | |

| | |
|---|---|
| **ARGYLL AND BUTE COUNCIL** | **ENVIRONMENT, DEVELOPMENT AND INFRASTRUCTURE** |
| **ROADS AND INFRASTRUCTURE SERVICES** | **5 MARCH 2020** |

**GRASS CUTTING**

## 1.0 INTRODUCTION

1.1 Argyll and Bute Council maintains almost two million square metres of grassed open space across its large and geographically diverse area. This is roughly equivalent to the size of Monaco; or 257 Hampden Parks. This report provides details of how that grounds maintenance service is delivered following a succession of budget reductions which have resulted in changes to specification.

1.2 Over the course of last year there were a number of service delivery issues in the Cowal, and to a lesser extent across the wider Council area, where grassland maintenance had not been carried out to the pre-determined specification. This was due in part to a limited level of resilience within the team, an aging demographic in the workforce and a number of sickness absences some of which were medium – long term. With the exception of Cowal, the rest of the council area was generally delivered to the specification although the same limited level of resilience exists across all the council area.

1.3 This report sets out measures that will be put in place to communicate should service specification not be achievable. However, it should be noted that every endeavor will be made to ensure that specifications are met.

## 2.0 RECOMMENDATIONS

2.1 Members are asked to endorse this report.

## 3.0 DETAIL

### Frequencies/schedules

3.1 The current specification has been formed over time and originated from historic grass cutting schedules that were in place prior to Argyll and Bute being established as a local authority in 1996. In recent times those historic schedules have been amended through a succession of budget reductions to arrive at the frequencies set out in Table 1 below.

3.2 In 2012/13 a significant reorganisation from the then Streetscene Services took place where Members were involved in a series of workshop sessions where different local choices were taken from a menu of options including maintenance of public conveniences, grassland maintenance, strimming and weedkilling, rose and shrub bed maintenance, planting etc.

3.3 The grass cutting season is 1st April to 31st October. Schedules are determined on a route basis in order to optimise logistics to deliver the service as efficiently as possible.

3.4 All sports fields are scheduled to be cut 21 times per year. The remainder of grass which includes amenity areas, cemeteries etc. are scheduled to be cut as per the table below, these frequencies having been previously discussed by area committees. These frequencies can vary slightly depending on the extent of the growing season and the number of scheduled games/matches which take place in each individual area.

Table 1

| Area | Scheduled number of cuts |
|------|--------------------------|
| Bute | 12 |
| Cowal | 15 |
| Mid Argyll | 14 |
| Kintyre | 14 |
| Islay | 14 |
| Lorn | 17 |
| Mull | 13 |
| Lomond | 17 |

3.5 Reducing the number of cuts any further is not considered to be achievable in terms of delivering meaningful cashable savings. Fewer cuts mean the grass is longer when it is cut, so the time to complete the tasks increase and the strain on equipment is greater. This would lead to more equipment down-time and greater maintenance and/or replacement costs.

**The Budget Position**

3.6 The grass cutting budget is not presented in the ledger as a separate cost line, rather it is part of the overall parks and grounds budget which also includes annual bedding, hedge maintenance, weed spraying, floral, rose and shrub beds etc.

3.7 Overall the budget has reduced from £1,568,290 in 2013/14 to £1,328,108 in 2018/19, a reduction of 15.3%. This is on top of further reductions which took

**Parks and grounds budget over time**

| | Annual Budget 2013-14 | Annual Budget 2014-15 | Annual Budget 2015-16 | Annual Budget 2016-17 | Annual Budget 2017-18 | Annual Budget 2018-19 |
|---|---|---|---|---|---|---|
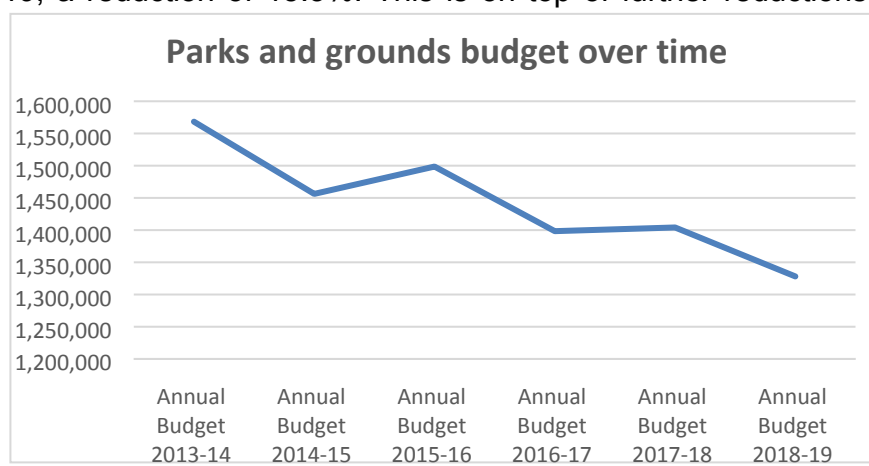
place prior to 2013-/14 during a number of budget review processes.

**Ongoing Delivery to Current Service Standards**

3.8     The current service standards are achievable within the existing budget, staffing and machinery framework, however, resources are so closely matched to those standards that there is limited if any resilience to respond to issues which inevitably arise.  Decisions are having to be made on a regular basis to prioritise what work can be carried out with the available resource. It is not unusual for our operational supervisors and managers to be faced with competing demands including digging graves/burying the dead, collecting bins, making safe potentially dangerous defects and grass cutting. Inevitably, but unfortunately, grass cutting often has to be left. Last year in one of the administrative areas there was an unusual increase in burials over a period which meant that very little grass was cut whilst resource was diverted to grave digging and burials.

3.9     Given the non-statutory nature of the grass cutting service (apart from roadside verge cutting) versus the statutory requirements for Councils to deliver services like bin collections and burials, the grass cutting team often support the statutory functions mentioned above during peaks and demand. What this means in practice is that if there is limited staff absence within the Operations team and no significant events of peaks in service demand then the service can be delivered to the current specification. Over the course of the past season the delivery against specification was largely achieved apart from some problems in the Cowal area due largely to a number of medium to long term absences, grass cutting frequencies fell behind the specified number of cuts. The service has taken forward a number of innovative changes including annualised hours, seasonal working, shift patterns and collaborative arrangements with third sector and local groups.

3.10    Although the provision of a grass cutting service is a non-statutory function, the effective maintenance of public open spaces supports the economic development and growth of the area both in terms of attracting tourists as well as new residents. Providing and suitably maintaining sporting facilities also supports another strategic priority – allowing people to live active, healthier and independent lives.

**Improved Communication**

3.11    Issues in Cowal last season and subsequent customer and member contacts highlighted that this is an area of programmed service delivery which may benefit from proactive communication procedures. These procedures will mirror those for other service areas such as bin collections which have seen a huge reduction in customer contacts in recent years as a result of a proactive approach to communicating service disruption information and contingency arrangements.

3.12    With the recent introduction of the Roads and infrastructure Control Hub which provides a centralised approach to financial planning, asset management, programming and planning of works and the flow of information (proactive and

reactive) the mechanisms are now in place for further improvements in the flow of information beyond those mentioned above.

3.13 The central team is regularly engaging with operational area based staff to build an overall picture of service delivery (with this picture now to include current and future status of grass cutting operations per area) at any given time, being alive to issues which may give rise to avoidable requests for service, enquiries and complaints, and pulling relevant information together in a consistent and customer-focused format for onward transmission via existing mechanisms e.g. posting service disruptions on the Council website, emailing briefings to Councillors, providing information to the contact centre team on developing incidents, providing information to the corporate communications team to help answer any press enquiries and/or for potential use on social media.

3.14 Complementing that proactive engagement and support being offered to operational staff a single internal phone number has been set up which allows operational staff tackling live incidents to phone into the central team and appraise them of the situation. Given the team's customer focus they are then ensuring they ask the right questions and have all the relevant information which is available at that time. Experience suggests that critical information is less about the reasons for an issue and more about what steps are in place or being developed to return to business as usual/catch up.

3.15 We are also in the process of producing a document with photos. This document will detail the grass maintenance standards we are now able to deliver given the reduction in budgets/resources experienced over the last decade or so. It is intended that we publish the document on the council website to give individuals a reference point and an understanding of what we are able to achieve. I would hope that this will help members of the public to better appreciate the standards that we now work to.

**Community participation**

3.16 There are a number of good examples across the council area where local communities are carrying out grass maintenance work. This approach enables the council, in partnership with communities, to deliver more comprehensive services. With the likelihood of further budget reductions in coming years, community participation offers a model that would help to ensure we can continue to maintain grassland areas to a reasonable standard.

**4.0 CONCLUSION**

4.1 This report highlights the succession of budget pressures which have resulted in a reduction in specification and also a reduction in the corresponding workforce associated with grounds and grass maintenance. Whilst every endeavour will be made to deliver to the service standard in Table 1 above, where this can to be achieved due to operational demands, an enhanced level of communication will be sent out to Members to ensure Members are made aware of any variances to specification.

## 5.0   IMPLICATIONS

5.1   Policy – as established in previous budget decisions

5.2   Financial – from within existing budgets

5.3   Legal – none known

5.4   HR – none known

5.5    Equalities/Fairer Scotland Duty
5.5.1 Equalities – none
5.5.2 Socio-economic duty – none
5.5.3 Islands – none

5.6   Risk – none known

5.7   Customer Service – none known


**Interim Executive Director with responsibility for Roads and Infrastructure**
Kirsty Flanagan
**Policy Lead** Councillor Robin Currie
February 2020

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**ARGYLL AND BUTE COUNCIL**          **ENVIRONMENT, DEVELOPMENT AND INFRASTRUCTURE COMMITTEE**

**ROADS AND INFRASTRUCTURE**          **5 MARCH 2020**
**SERVICES**

## USE OF TECHNOLOGY IN ROADS AND INFRASTRUCTURE SERVICES

### 1.0    EXECUTIVE SUMMARY

1.1    Technology is playing an increasingly important role in delivering business solutions across a wide range of public and private sector areas. Roads and Infrastructure Services have been embracing technology for several years and have ambitious plans to further utilise technology to help deliver front line services in an effective and efficient way.

1.2    This report contains a summary of the technology already in place and looks forward to how technology can provide and process data to help deliver front line services. This also includes the 'internet of things' including data transfer between systems and over networks.

1.3    It is recommended that Members endorse this report.

**ARGYLL AND BUTE COUNCIL**

**ROADS AND INFRASTRUCTURE SERVICES**

**ENVIRONMENT, DEVELOPMENT AND INFRASTRUCTURE COMMITTEE**

**5 MARCH 2020**

## USE OF TECHNOLOGY IN ROADS AND INFRASTRUCTURE SERVICES

### 2.0 INTRODUCTION

2.1 This report details the technology currently used and considers how technology can be further used to help deliver the varied front line services across the Roads and Infrastructure Services portfolio.

### 3.0 RECOMMENDATIONS

3.1 It is recommended that Members endorse this report.

### 4.0 DETAIL

4.1 Roads and Infrastructure Services delivers a wide range and varied set of services, the majority of which benefit from the use of technology to a greater or lesser extent. The technology currently used within each service is summarised below together with a brief summary of potential technology solutions for development. This report highlights some of the key systems

**Marine Services**

4.2 Marine weather forecasting service which provides meteorological and sea state information. This technology replaces traditional equipment such as wind socks and provides detailed information to our in house ferry crews as well as to third party ferries and vessels using our ports.

4.3 Electronic ticketing has recently been introduced on the four council-run ferry services and replaces the old 'manually' issued tickets from paper rolls. This provides a more auditable trail for payments and also opens up opportunity for pre booking online and via a mobile app.

**Infrastructure Design**

4.4 Traditional surveying equipment such as theodolites and levels have been largely replaced by 'total stations'. This new surveying equipment generally uses one individual rather than a team of two required for traditional equipment. The

surveying equipment uploads survey data which is processed by software which can be used to produce section drawings, calculate quantities, creating 3D models and carry topographical surveys. Our in house Design team have capability to utilise 'total station' equipment and carry out a number of surveys for the various projects we undertake.   These surveys can be easily linked to Ordnance Survey map data.

4.5     Traditionally drawings were created manually on drawings boards. Today Computer Aided Design (CAD) is used for almost all of our drawings and designs. This system allows for amendments to be carried out easily and to provide a high degree of accuracy. CAD also allows standard details and items of repetition to be cut and pasted onto different drawings. The drawing can be zoomed into and viewed at different scales. Tenders are now let using electronic drawings and documents which negates the need for traditional paper copies. This saves on paper, cuts down on waste and saves money. Electronic drawings are also much easier to share across internal teams, with contractors and wider stakeholders.

4.6     Drones have been used for some topographical surveys and also for carrying out 'visual' surveys of hard to reach places such as the underside of a bridge or pier. It is anticipated that these will be increasingly used to survey large areas of infrastructure in future such as coastal retaining walls and embankments.  It is expected that this will be able to provide three dimensional data for the service's WDM infrastructure database.

**Network and Standards/Operations**

4.7     The Network and Standards team has been established in part to assist the Operations team who deliver the bulk of our services across roads, open spaces, waste collection, cemeteries and the crematorium. As such Network and Standards/Operations utilise numerous systems including:

4.8     Winter weather forecasting software/system which facilitates information from 12 roadside weather stations (measuring surface temperature, residual salt levels, atmosphere moisture, air temperature, rain/snow, wind speed etc.), satellite imagery detailing weather changes.

4.9     WDM system which is used to process condition data for the road network. This data enables proactive asset managements to be carried out to help achieve the best return for the available investment using whole life costing and scenario modelling (based on likely road condition in future years using differing levels of investment from a suite of treatment types). This system is also used for works orders and recently for providing feedback to enquiries and service requests received. WDM is also used to hold condition data on the following asset sets:

- Roads and footways
  - Drainage gullies
  - Verges
  - Drainage ditches
  - Road signs

- ▪ Road furniture
  - ○ Street lighting
  - ○ Bridges and structure

4.10 The Parking Services team within Network and Standards have recently introduced a parking application which allows parking to be paid for remotely. This provides an option for individuals allowing flexibility and the ability to pay for parking without cash. Further upgrades are planned which will facilitate card payments and online payments.

4.11 The Parking Services team also manage on and off street car parking. Penalty Charge Notices (PCN) are issued via hand held devices which upload the information from the PCN to a central system. This central system is used to process PCNs, deal with any enquiries or challenges as well as providing information and data for any internal appeals or appeals to the independent **Parking and Bus Lane Tribunal for Scotland (PBLTS).**

**4.12** Our parking wardens, ferry, staff, environment wardens and staff at waste collection sites have been issued with bodycams which can be deployed in situations of confrontation as added protection for our staff who may encounter difficult situations.

4.13 Some of our newer waste collection vehicles are fitted with on board camera systems with hard drives that can store footage for a certain length of time. To date this footage has been used in accident investigations and to defend disputes over alleged missed bins.

**4.14 Electronic bin collection calendars have been developed between the Operations team, Waste Management and colleagues in Customer Support. The electronic calendars are now available through the council website.**

**4.15 The Council's street lighting stock has largely been replaced with LED luminaires. The LEDs use approximately 50% of the energy used in previous lighting which has huge benefits both in terms of carbon reduction and cost. There is approximately 1000 luminaires still to be installed out of the total stock circa 14,000.**

**4.16 Electric vehicle charging points have been installed across the council area through grant funding from Transport Scotland. The Council is also utilising a small number of electric vehicles as part of its pool car fleet and as battery range increases, electric vehicles are becoming increasingly more viable for the geography of Argyll and Bute. The service is also exploring the potential for hydrogen powered vehicles to be utilised.**

**Fleet Services**

4.17  Fleet operate two main systems to support the 450 vehicles the council operates. Tranman is an asset management system used to track vehicle usage covering repairs, servicing, faults and damage. Currently reports are produced and provided to managers detailing accidental and avoidable damage. Managers are required to act on these reports. This reporting is in the process of being enhanced with future reporting to be taken to DMT/SMT meetings to enable the senior management team to be made fully aware of any accidental/avoidable damage, the cost associated with this and actions that the manager is taking to reduce these costs.

4.18  All council vehicles are fitted with vehicle tracking systems which allow managers and supervisors to provide virtual support to staff who may be lone workers in remote locations. In addition to this, the tracking system provides a snapshot of where vehicles and teams are at any point in time. This can be used for responding to emergencies (allocate the nearest response to respond). The tracking system also produces a 'snail trail' which can be used to respond to complaints.

4.19  The Fleet team administer a fuel system, which enables remote monitoring of fuel levels and provides management. The fuel system enables stock levels to be checked remotely, enables replenishment of fuel supplies once stock reaches a certain level in any one tank (this intervention level can be changed if required – e.g. in the event of there being a national fuel shortage. This also allows the council to have a higher degree of resilience should there be fuel shortages and also would help in strategic rationing of fuel should this ever be required.

**Technology being considered by the service**

4.20  Artificial Intelligence (AI) is becoming increasingly popular and may well have a role to play in monitoring structures and other infrastructure. Officers are currently considering various opportunities for which AI could be utilised. Whilst the use of this technology is in its infancy, it is anticipated that over the next two to three years there will be an increase in use of AI which through the use of data captured through video survey and through algorithms, projections of future deterioration/condition should be able to be modelled which will enable a greater focus on a stitch in time/right first time fixes. AI has got potential for use across the marine sector, bridges and structures as well as carriageway and footway surfaces. It is not expected that AI will fully replace the current inspection regime, more that it would provide earlier indication of possible failure and also reprioritise how our existing resource can be best utilised. There is further scope to develop the 'internet of things' including data transfer between systems and over networks.

4.21  Initial discussions have taken place with our in house ICT team and Scottish Government's Digital Office regarding a detection systems for ports and harbours. Essentially the available berthing face of ports, harbours and marinas could be monitored remotely allowing available mooring capacity to be overseen rather than this monitored manually. This would assist the harbourmasters during out of hour's periods where the harbourmaster service could cover bookings across a

larger area remotely. This would free up harbour staff time and weekends with a rota standby system in place.

4.22 Route optimisation is being progressed to provide effective and efficient logistical routing for a number of the operations carried out by the service. This would include activities such as routing for bin collections, winter maintenance, gully emptying, mechanical street sweeping, routing for safety inspections etc. Route optimisation would also allow for live re-routing in the event of a vehicle breakdown. This technology couples with on board satellite navigation equipment would enable effective and efficient deployment of the council's fleet. This would also have the benefit of being able to provide more up to date and accurate information relating to service disruptions.

## 5.0    CONCLUSION

5.1    This report provides an update on technology in use and being considered by Roads and Infrastructure Services.

## 6.0    IMPLICATIONS

6.1    Policy – none known

6.2    Financial – from identified budgets

6.3    Legal – none known

6.4    HR – none known

6.5    Fairer Scotland Duty:–

6.5.1   Equalities - protected characteristics – none known

6.5.2   Socio-economic Duty – none known

6.5.3   Islands – none known

6.6.    Risk – none known

6.7    Customer Service – none known

**Executive Director with responsibility for Roads and Infrastructure Services**

Kirsty Flanagan

**Policy Lead Coun**cillor Robin Currie

February 2020

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**ARGYLL AND BUTE COUNCIL**

**ROADS AND INFRASTRUCTURE SERVICES**

**ENVIRONMENT, DEVELOPMENT AND INFRASTRUCTURE COMMITTEE**

**5 MARCH 2020**

## TRANSPORT (SCOTLAND) ACT 2019

### 1.0    INTRODUCTION

1.1    This report provides a summary update on the Transport (Scotland) Act 2019 and what this is likely to mean in practise for Argyll and Bute. Currently the regulation that will support the Act has largely not been issued by Scottish Government. It is understood that Commencement Orders will not be received until the Regulation is developed. The full implications of the Act will only be fully known once the regulation is available.

1.2    This report provides a summary of the key sections of the Act which are considered to have the most impact on Argyll and Bute Council. This report does not provide a fully detailed report on all elements of the Transport (Scotland) Act 2019.

### 2.0    RECOMMENDATIONS

2.1    It is recommended that Members consider the content of this report.

### 3.0    DETAIL

3.1    The Scottish Parliament voted to pass the Transport (Scotland) Bill on Thursday 10 October 2019. The Bill received royal assent on 15 November 2019 and became the Transport (Scotland) Act 2019. The Act consists of 10 Parts which are:

- Part 1 – The national Transport Strategy
- Part 2 – low emission zone scheme
- Part 3 – Bus Services
- Part 4 – Ticketing arrangements and schemes
- Part 5 – Travel concession schemes: application to community transport
- Part 6 – Parking Prohibitions
- Part 7 – Workplace Parking
- Part 8 – Recovery of unpaid parking charges
- Part 9 - Roadworks
- Part 10 – Miscellaneous and general

3.2     The Act will be supported by Regulation most of which is yet to be issued by Scottish Government.

**3.3     Part 1 – The National Transport Strategy**

3.3.1   This part of the Act came into effect on 15 January 2020. In essence, this requires Scottish Ministers to produce and consult on a National Transport Strategy. This strategy is to set out the vision for future transport to, from and within Scotland.  Transport Scotland, on behalf of the ministers, have engaged consultants and between the Transport Scotland officials and their consultants are currently undertaking various consultation workshops.

**3.4     Part 2 – Low Emission Zone Scheme**

3.4.1   The Scottish Government is committed to introducing low emission zones into Scotland's four biggest cities (Glasgow, Edinburgh, Aberdeen and Dundee). This part of the Act currently has no direct impact on Argyll and Bute.

**3.5     Part 3 – Bus Services**

3.5.1   This part of the Act includes:

- New powers for transport authorities to provide local bus services.
- Provision to introduce bus improvement partnership plans. These are similar to advanced and enhanced partnerships in place in England.
- Authorities may also introduce franchising frameworks and franchising agreements covering their council area.
- Amendments to the Traffic (Scotland) Act 2001 to provide more powers relating to information from operators on services including requiring operators to inform authorities when varying or cancelling services.

**3.6     Part 4 – Ticketing arrangements and schemes**

3.6.1   This relates to a National Smart Ticketing Advisory Board to facilitate the use of technology for a national smart ticketing system.

**3.7     Part 5 – Travel concession schemes: application to community transport**

3.7.1   The Scottish Travel Concessionary Scheme appears to be largely unaffected by the new Act. There is a requirement for Sottish Ministers to carry out an assessment of the costs and benefits of extending the current scheme to community bus services as well as other services as Ministers see fit.

**3.8     Part 6 – Parking Prohibitions**

3.8.1   Dropped kerb parking prohibition: Local Authorities will be able to issue PCNs for any contraventions.  This only applies to dropped kerbs (or raised

carriageways) where the layout has been made to allow a crossing point, it doesn't apply to dropped kerbs across access/driveways etc.

3.8.2 Pavement parking (footways and footpaths) is an area which would require a policy position for Argyll and Bute in terms of what level of enforcement and where enforcement would be carried out. It is understood there will be minimum footway widths to be maintained (probably 1.5m) which won't leave many places within Argyll and Bute where we could have footway or partial footway parking. There would be a need for an assessment to be carried out in local areas where we are aware that the prohibition may cause issues. The council would have to promote orders, provide signing and lining this may become a cost pressures. Penalty Charge Notices (PCNs) would be issued for any contraventions. Note that this is likely to be subject to regulation by Scottish Ministers for both footway assessment and the form of exemption orders.

3.8.3 Double Parking provides powers to enforce irresponsible parking where a vehicle is parked more than 50cm from the edge carriageway. Similar pavement parking, double parking is also subject to exceptions. PCNs would be issued for any contraventions.

3.8.4 Whilst full implications are still being considered, it is likely that the footway parking and double parking will have the most significant implication for our council in terms of the 2019 Act. Essentially the council will be able to issue PCNs for vehicles parked on footways and also vehicles which are double parked (double parking is expected to include vehicles that are over a set distance from the kerb therefore unnecessarily encroaching on to the carriageway as well as parking next to a vehicle already parked next to the kerb, and therefore obstructing the carriageway).

3.8.5 In regards to Orders, it is understood that Ministers were considering producing a stand-alone order making process which would be less complex than a "normal" TRO. It is understood that if progressed this will be within Regulations.

**3.9    Part 7 – Workplace Parking**

3.9.1 The provisions provide discretionary powers for local authorities to establish a Workplace parking Levy (WPL) scheme, a devolved revenue-raising measure which promotes local decision making and allows councils to implement initiatives that best work with the specific considerations of their area.

3.9.2 Such measures have the potential to encourage modal shift towards public and sustainable transport and to enhance transport infrastructure and services in local areas, to the benefit of those who do not primarily travel by car. In drafting these amendments, Scottish Government has taken an approach to ensure that WPLs are viewed in a strategic local context and in alignment with other transport initiatives.

3.9.3 Measures which have the potential to dis-incentivise private car use – particularly single occupancy trips – can play an important role in reducing transport emissions by promoting public transport and active travel modes,

potentially leading to reductions in traffic congestion and improving air quality.

3.9.4 This is an initiative which would need a policy position establishing. At the time of writing this report officers would not recommend introducing a WPL where there is a fragile economy and depopulation issues.

3.9.5 This provision will be more effective in urban areas, particularly large towns and cities. It may not be effective within Argyll and Bute Council are unless improvements are made to transport infrastructure, specifically public transport provision, to allow the modal shift to be made from cars to other travel types. Improvements to the cycle's network may also be worth considering in this context. The introduction of WPL may, in some cases, lead to displacement of vehicles onto public roads if parking costs are passed onto staff.

**3.10    Part 8 – Recovery of unpaid parking charges**

3.10.1 This section of the Act provides powers similar to that the Council has within the Decriminalised Parking Enforcement to private car park operators. The Act specifically refers to recovery of parking charges on land other than public roads and parking places not subject to control by the Secretary of State, the Scottish Ministers or a local authority. This may be the first steps towards a single framework for all car park operators (public and private).

**3.11    Part 9 – Roadworks**

3.11.1 Changes to Roadworks includes the mandatory requirement for road workers and supervisors to be qualified to a suitable scheme level (similar to utility companies current requirements). The detail of this is expected to become available through subsequent Regulation (possibly from the Road Works Commissioner). This has been discussed at the National Roads and Utilities Committee (RAUC) meetings, there isn't yet a clear understanding of what will actually be the defined qualification level. Depending on what it ends up being we may (or may not) have to provide additional training for our workforce.

3.11.2 Reinstatement Quality Plans are introduced under the 2019 Act. It is likely the format for these will be developed by working groups reporting to the National RAUC.

3.11.3 Within the Scottish Road Works Register (SRWR) all plant within the road corridor is recorded on a sub-system called VAULT. This include not just Public Utility services (e.g. water pipes, communications cables) but also roads assets, including street lighting, bollards signs and so on. Currently this is not mandatory, however, the 2019 Act includes a change to the New Road and Street Works Act (NRSWA) that will require both Public Utilities and Roads Authorities to maintain their asset record. The shift to mandatory requirement shouldn't introduce a resource burden as Officers currently update this at least once per quarter.

3.11.4 Codes of Practice (CoP) for safety measures will be subject to change of status under the 2019 Act. The Act provides that if a Public Utility or Roads Authority

comply with a CoP then they will be deemed to be compliant with the requirements under s60 of the Roads (Scotland) Act 1984, as amended, and, conversely, a failure to comply with the CoP will be deemed as a failure to comply with the requirements of the RSA84.

3.11.5 The Roadworks Commissioner Inspectors powers are amended under the Act, subject to regulation, providing additional powers that may be similar to that of HSE inspectors. This includes powers to enter premises, compliance notices and the issue of fixed penalty notices (by or on behalf of the Commissioner).

## 3.12 Part 10 – Miscellaneous and general

3.12.1 There are a number of sections within this part of the Act which make some changes to how the Scottish Canals Board is governed. The Act places duties on local health boards for non-emergency patient transport. There are also some changes to financial arrangements for Regional Transport Partnerships.

## 5.0 CONCLUSION

5.1 This report provides an update on the Transport (Scotland) Act 2019.

## 6.0 IMPLICATIONS

6.1 Policy – none known

6.2 Financial – none known

6.3 Legal – none known

6.4 HR – none known

6.5 Fairer Scotland Duty:–

6.5.1 Equalities - protected characteristics – none known

6.5.2 Socio-economic Duty – none known

6.5.3 Islands – none known

6.6. Risk – none known

6.7 Customer Service – none known

**Executive Director with responsibility for Roads and Infrastructure Services**

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February 2020

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# Agenda Item 9

**ARGYLL AND BUTE COUNCIL**

**ROADS AND INFRASTRUCTURE SERVICES**

**ENVIRONMENT, DEVELOPMENT AND INFRASTRUCTURE**

**5 MARCH 2020**

**FESTIVE LIGHTING COMMUNITY TRANSITION – END PROJECT REPORT**

### 1.0 INTRODUCTION

1.1 This report provides members with an update on community-led festive lighting delivery across Argyll and Bute in 2019, as well as an overview of the overall project.

1.2 The project was successful in that it delivered a transition from Council-led to community-led festive lighting. There are many positives to take from the project which can be applied in the future as the Council continues to work with communities to find different, more sustainable ways to design and deliver services in partnership.

### 2.0 RECOMMENDATIONS

2.1 Members are asked to:

   i. Endorse the positive work of communities across Argyll and Bute to deliver their own festive lighting schemes;

   ii. Note the significant amount of support provided by the Council's street lighting team to communities to ensure effective transitions;

   iii. Note the detail in this report on festive community engagement; and agree that this general approach will be taken to the winter maintenance community engagement project, with further detail to be reported to the next EDI committee following the initial scoping work outlined at 3.15 of this report.

### 3.1 BACKGROUND

3.1 The Council, at its budget meeting in February 2016 agreed to a savings package where the revenue budget of £100,000 per annum for festive lighting was removed. An earmarked sum of £300,000 from the Council's reserves was made

available to support Council delivery and community-transition for three further years (up to December 2018).

3.2 The below table provides a chronology of reporting on this subject and the development of the project since the Budget meeting of 2016:

| Committee | Comments |
|---|---|
| EDI August 2016 | This report baselined the varied historic arrangements in the 21 towns and villages where the Council delivered festive lighting.<br><br>The specification and existing levels of community involvement differed from town to town and village to village.<br><br>In December 2016 the Council commissioned an external contractor to deliver festive lighting to the historic specification while a community engagement plan was developed. |
| EDI April 2017 | This report provided an update on Council-led delivery for Christmas 2016, and confirmed that community engagement was underway.<br><br>The Committee agreed to evenly split the remaining festive funds c.£200,000 on an area by area basis (c.£50,000 per area) |
| EDI Sept 2017 | This update outlined the initial steps of community engagement and the generally positive feedback.<br><br>Members noted that the Council would deliver in 2017 unless a group was ready to take on festive lighting in their town/village.<br><br>The committee also agreed that should groups wish to apply for funding any application would be subject to the normal process, with area committees to determine the applications in their areas.<br><br>For Christmas 2017 Helensburgh delivered their own event with the aid of £20,000 from the earmarked funds; Tobermory, Innellan and Sandbank delivered their own events independently.<br><br>The Council delivered festive lighting in all other locations via its internal street lighting team while discussions continued with community groups. |

| | At this point all areas where there was an existing group with some involvement in festive lighting agreed in principle to take festive lighting on.<br><br>There remained a few areas where there was no identified group to take the task on. |
|---|---|
| EDI March 2018 | This report updated members on the delivery of festive lighting for Christmas 2018.<br><br>The committee agreed to outline heads of terms to form the basis of community agreements as well as a strategy to transfer lighting assets to communities.<br><br>These documents supported the ongoing community engagement process, providing clarity on the respective roles and responsibilities of both parties.<br><br>It was also agreed to carry forward any unspent monies from the earmarking by the end of 2018/19 to be made available to groups who signed up to a festive agreement with the Council.<br><br>Lastly, the committee also agreed that the cost of single switch-on infrastructure was cost prohibitive, and that any works in this area be considered on a case by case basis in any future town centre public realm works. |
| EDI September 2018 | This report presented members with a mixed picture as the final Christmas where the Council could provide the service approached.<br><br>Ultimately (following continued negotiations with community groups following the committee, and area committee funding decisions) the status for Christmas 2018 was as follows:<br><br>Previously established community methods:<br><br>• Helensburgh (£10,000 Council funding)<br>• Tobermory (£3,000 Council funding)<br>• Innellan<br>• Sandbank<br><br>Agreements for Christmas 2018: |

| | |
|---|---|
| | • Lochgilphead (£5,000 Council funding)<br>• Inveraray (£1650 Council funding)<br>• Furnace<br>• Jura<br>• Bowmore<br>• Oban (£9,000 Council funding)<br>• Dunoon (£8,000 Council funding)<br><br>Council-led delivery 2018; working towards agreements for Christmas 2019:<br><br>• Ardrishaig<br>• Tarbert<br>• Campbeltown<br>• Rothesay<br>• Rosneath<br>• Kilcreggan<br>• Rhu<br>• Arrochar<br>• Garelochhead<br>• Cardross<br><br>The picture at that time was largely as expected, and the project remained on track to fully transition festive lights to community groups for the following season. |
| EDI March 2019 | This report provided an update on the mixed model of delivery for Christmas 2018, as well as agreeing a scoring matrix guide for area committees to refer to when allocating any remaining funds. |

3.3 The above provides a chronology of the reporting on this project to date. The Council ceased to provide the festive lighting service as of 31st March 2019 as per the budget decision of February 2016. At that time there remained funds to disburse and resource continued to be offered to community groups to allow them to arrive at their own solutions for the 2019 Christmas season. This included support as required from a Project Manager to develop their schemes, as well as technical advice for their chosen electrical works providers from the Street lighting Clerk of Works.

3.4 The costs of officer time in project management throughout the project were absorbed as part of the normal course of business; street lighting physical works, advice, support etc. were recharged to the earmarked £300,000 budget; and the additional technical advice offered to conclude matters for Christmas 2019 was absorbed as part of normal street lighting budgets as it was not significant.

3.5     All areas that we are aware of delivered community-led solutions in 2019. Some areas delivered their own solutions without the aid of available grant monies from the Council, but have expressed a desire to conclude agreement paperwork in early course in order to access the grant funding available for use in future years to support the sustainable community delivery of festive lighting. At the time of writing the funding remaining to be disbursed is £3,291, which has been identified for community councils in Lomond (ref HL Area Committee 5 March 2019). This hasn't been distributed yet simply because of a lack of response to requests to conclude partnership agreements and/or requests for minor amendments which are yet to be agreed. Concluding these agreements should be straightforward, and all remaining paperwork is expected to be completed in early course, with all funds disbursed no later than the end of this financial year.

Community Engagement

3.6     Transitioning a service which had been delivered by the Council historically to a community-led model was roundly unpopular with communities, but generally viewed as somewhat inevitable given year on year budget cuts and the fact that festive lighting was a non-statutory service with no Grant Aided Expenditure (GAE) allocation from the Council's government funding.

3.7     The project did, however, bring an opportunity for communities to control the entirety of the festive event in their area, rather than having to structure their events around Council technical input and availability. For example, in the past the Council had often received requests to support switch-on events on particular dates which clashed and couldn't be resourced, leading to some communities not being able to hold events as desired.

3.8     In terms of best or better value, community groups are able to access funding and secure discounts which the Council is unable to – such as local contractors supporting events at cost/at a discounted rate as their local community contribution. This is an attractive prospect for local contractors from a marketing perspective, possibly leading to increased business.

3.9     The above is the context in which the community engagement and moves towards transition commenced. The lighting transition was treated as project in its own right, with a specific project manager identified to lead (although not exclusively). This approach had some positives and some negatives:

| Single point of contact | |
|---|---|
| **Positives** | **Negatives** |
| A single conduit for community groups to come through allowed relationships to be built and provided those groups with a consistent experience | At certain times of the year this led to intense periods of activity (and often greater demands than could be supported) for a single officer. |
| Having a single project lead allowed significant project specific knowledge | This naturally created a single point of failure should that officer be |

| | |
|---|---|
| to be built-up, making the overall process of engagement easier | unavailable. |
| A proactive approach was taken to building relationships, with initial and many subsequent meetings happening face to face.<br><br>It is felt that this approach was a significant contributing factor to the overall success of the project | This necessitated, at points, significant time and travel commitments and work outside normal hours to attend evening meetings etc.<br><br>This is a resource intensive approach. |
| Staff retention – the same member of staff acted as PM on this project from the beginning of the community engagement element (April 2017) | Lack of specific PM resource prior to April 2017. The project might have concluded earlier, although on balance it is felt that outcome would have been unlikely given the three-year Council support window previously agreed. |

3.10 This was the first time a project of this nature had been undertaken, and it evolved over time. Overall the resource commitment required and the levels of support needed to get groups to a positon where they were able to take on festive lighting in their town or village was much greater than originally estimated, particularly in the initial stages. The framework which was agreed at the EDI meeting of March 2018 (template heads of terms etc.) was developed at that time on the back of community input from the initial stages of engagement, which is considered to have been the best approach to create an effective transition process which was largely community-led. That being said, the agreement of this framework was relatively late in the process and the project may have benefitted from template heads of terms being in place from the beginning. Anything developed prior to community input may not have been appropriately informed, and thus unacceptable to groups, and the project may not have benefitted from the initial goodwill from communities engendered by the cautious, open-book initial approach.

3.11 A balance had to be struck between decision making transparency on funding allocations and timelines to move complex negotiations on to a point where funding could be provided. Colleagues in Legal and Regulatory Support, and members, were particularly accommodating when funding requests came forward out with the normal area committee programme of meetings, facilitating several special meetings to allow funding requests to be considered and funding to be allocated. This by its very nature is resource intensive and time consuming – undoubtedly the process would have moved quicker and been less costly to the Council in terms of resources had a delegation been made to officers to progress matters. On the other hand, the project would have been unlikely to engender the strong political support that it did, nor would the process have been transparent and accountable. Indeed the focus on the single point of contact would have intensified in a way which was likely to be unsustainable.

3.12    The project would likely have been easier to deliver if the overall service provision across Argyll and Bute had been consistent, however, that was unrealistic given the nature of the services provided and the fact that it developed historically as in-kind support for community-led events. A uniform provision of features per town would have made the administering of operational delivery and funding much simpler, but of course the service could never have developed in that way because of the individual wants and needs of local communities.

3.13    Undertaking any sort of arms-length survey or other type of remote engagement was unrealistic because of the above, and because of existing community involvement via different groups in one fashion or another. Going forward, however, if such an approach is taken for other services the Council is unable to provide or looking to deliver differently, it may be less resource intensive to initially baseline a uniform level of service delivery to form the basis of a discussion, with that discussion potentially being able to be started via an arms-length survey or other consultation mechanism.

Winter maintenance community engagement

3.14    Community engagement on winter maintenance (as per the previous £50,000 budget allocation of February 2019) would benefit from the above approach, and would lend itself to this because: (1) there are no established groups that we are aware of involved in formal winter maintenance volunteering; and (2) the service is already baselined and consistently applied across the area as a result of the detailed and annually updated Winter Services Policy. The Council never benefitted from a Festive Lighting Policy when the service was removed, rather much of the service provision existed largely as custom and practice.

3.15    The development of the community partnership plan for winter maintenance will be progressed over the next six to twelve months, with a view to eventually incorporating this into the winter maintenance policy document which is reported to EDI annually. The overall aim will be the same as the festive lighting project – to support communities to provide a consistent and sustainable alternative provision throughout the Argyll and Bute, within the capabilities of the Council to support it. The first phase of development is underway and involves benchmarking other such schemes across the country. An initial community consultation/data gathering exercise is being developed to understand the desires of communities and the likelihood of securing suitable community delivery partners. Following the establishment of a knowledge base from the community consultation, the engagement project could then run in largely the same fashion as the successful festive project.

**4.0    CONCLUSION**

4.1    This project has ensured the future delivery of festive lighting in communities across Argyll and Bute thanks to a lengthy and resource-intensive community engagement and support process.

4.2   A significant revenue saving (£100,000) has been delivered, showing that savings can be made at the same time as having honest conversations with communities about the future design and delivery of services they consider important to them. There are some general principles from this project which could form a road-map to success for any other similar future projects which are based on genuine opportunities to do things differently, in a community-led and sustainable fashion.

**5.0   IMPLICATIONS**

5.1   Policy – none (ref Budget meeting February 2016)

5.2   Financial – none. The project has delivered a revenue saving of £100,000

5.3   Legal – none. Agreements in place to set out the roles and responsibilities of the Council and groups, and protect both

5.4   HR – none

5.5   Equalities/Fairer Scotland Duty
5.5.1 Equalities – none
5.5.2 Socio-economic duty – none
5.5.3 Islands – none

5.6   Risk – there is a risk that community-led festive lighting may not be sustainable in the longer term

5.7   Customer Service – none. Examples of good practice in community engagement

**Interim Executive Director with Responsibility for Roads and Infrastructure**
Kirsty Flanagan
**Policy Lead for Roads and Infrastructure** Cllr Robin Currie

February 2020

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**ARGYLL AND BUTE COUNCIL**          **ENVIRONMENT, DEVELOPMENT & INFRASTRUCTURE COMMITTEE**

**DEVELOPMENT AND ECONOMIC GROWTH**          **5 MARCH 2020**

## TRANSFORMATION PROJECTS & REGENERATION TEAM – LARGE SCALE PROJECT UPDATE REPORT

### 1.    EXECUTIVE SUMMARY

1.1    The purpose of this report is to update the Environment, Development and Infrastructure Committee on progress in delivering the larger scale project work of the Transformation Project and Regeneration Team with a focus on those projects that are mainly externally funded.  The last update report was considered by Environment Development and Infrastructure Committee on Thursday 12th September 2019.

1.2    The paper also highlights the key issues that will impact on the successful delivery of the projects.

1.3    It is recommended that the Environment, Development and Infrastructure Committee:-

      1. Consider the current progress contained within the report.

**ARGYLL AND BUTE COUNCIL**  ENVIRONMENT, DEVELOPMENT & INFRASTRUCTURE COMMITTEE

**DEVELOPMENT AND ECONOMIC GROWTH**  **5 MARCH 2020**

**TRANSFORMATION PROJECTS & REGENERATION TEAM – LARGE SCALE PROJECT UPDATE REPORT**

## 2. INTRODUCTION

2.1 This progress report sets out the current position of the larger scale projects that are mainly externally funded and are being delivered by the Transformation Projects and Regeneration team. As well as being responsible for the development and delivery of a number of large scale externally funded projects with a strong economic regeneration, community and heritage focus, the remit of the team also covers other key areas of work. These include:-

- development and delivery of smaller scale projects, including the management of smaller external funding grants;
- development and delivery of a number of place-based engagement projects working in partnership with the community and key partners, leading to the development of action plans;
- development of the economic opportunities for Argyll and Bute across Film, Creative Industries and the Renewables sectors;
- working with communities and key partners to deliver physical and economic regeneration;
- support to third sector organisations involved in the delivery of their own individual regeneration projects, as well as support to third sector organisations working across the film, renewables and creative industries sectors;
- developing and administering the council's new strategic events and festival grant process and associated grants for 2019/20 and 2020/21.
- overseeing the delivery of the projects being supported through the Scottish Government Town Centre Fund for 2019/20; and
- support to third sector organisations in the form of advice and support including governance and funding, acting as the key point of contact within the council, and providing support to communities through the asset transfer process. It should be noted that this element of the work of the team has been refocused and will be located within the Community Development Team from 1 April 2020. The team will continue to be the point of contact to provide support to community and third sector organisations delivering regeneration focused projects particularly where council funding is involved and or where projects align with council outcomes.

2.2  In addition the team is responsible for overseeing the management and monitoring of payment of council match funding grants to specific community and third sector organisations to assist in the delivery of economic regeneration projects such as Kilmartin Museum Redevelopment which is due to commence on site later this year, Ardrishaig Gleaner Oil Site Phase One – Eggshed project which is now complete and Dunoon Boxing Club, also now complete. The management and monitoring of funds also extends to the eleven projects funded through the £1,242,000 Scottish Government Town Centre Fund (2019/20), which is reported to Scottish Government on a quarterly basis, and approved RCGF grants (2017/18) for the Tobermory Light Industrial Site, Ardrishaig Gleaner Phase 1 site, (2018/19) for Cairndow Community Childcare and Family Centre and The Rockfield Centre in Oban and (2019/20) for Kilmartin Museum.  See Appendix A for the full list of projects.

2.3  The paper also reports on key issues that will impact on the current status of the delivery of these projects.

## 3.   RECOMMENDATIONS

3.1  It is recommended that the Environment, Development and Infrastructure Committee:-

1. Consider the current progress contained within the report.

## 4.   DETAILS

4.1  **Progress** –.Progress in relation to the projects is as follows.

4.1.1  **Campbeltown Conservation Area Regeneration Scheme (CARS) – (1st April 2015 – 31st March 2020) - Project Status – GREEN**

Following a successful bid to CARS Round 6, the Council secured funding from Historic Environment Scotland (HES) in March 2015 with an award of £990,000. This is Campbeltown's second CARS and the project runs from 1 April 2015 to 31 March 2020 and builds on the success of the Campbeltown Round 1 CARS and Townscape Heritage Initiative.  There is a dedicated project officer in post to deliver the project and the majority of funding is now committed.

During the delivery of the scheme additional funding has been secured and a number of savings have been identified.  The total project budget has increased from an initial £2.2million to almost £2.9million.  To date seven priority building repair projects have been completed and the final project is on site at Mafeking Place and will be completed before March 2020.

Three small grants have been completed including 2 window repair

projects at Union Street and urgent roof repair work at the Argyll Arms Hotel on Main Street, safeguarding the Hotel's letting capacity and business viability.

The CARS training programme has delivered a mix of events for the general public, construction trades and building professionals. Public events include awareness raising and update events, and advice sessions to homeowners. Highlights have included; an architectural exhibition (attracting over 2,000 visitors); a "Warm homes" event for local homeowners; six traditional skills training courses held in Campbeltown were well attended by contractors and building professionals and an education project in partnership with the Walking Theatre Company and Castlehill Primary School.  Primary 7 pupils produced a short film that explored the history and heritage of Campbeltown.

A contractor has been appointed to develop and produce a digital app for Campbeltown to include; heritage trail, whisky trail and walking and cycling routes to encourage people to become more active.

As a condition of our grant contract, following the completion of the project, we are required by HES to prepare a final report, including a five year audit. This is currently being prepared and will be submitted to HES for their consideration and approval. The project will formally close on 31 March 2020.

4.1.2 **Hermitage Park, Parks for People Project, Helensburgh – (1st May 2016 – 30th April 2021 - Project Status – AMBER**

This £3.7m project is for the heritage-led regeneration of Hermitage Park. The main project funder is National Lottery Heritage Fund (NLHF) with a grant of £2.3m. In addition the Council agreed a grant of £380,000 with the remainder coming from a range of other grant and in-kind funding.  The project is in the final phase of capital delivery which is now expected to be complete in Spring 2020 it should however be noted that the retention period will run into 2020/21. Thereafter the focus will be fully on delivering the activities plan and undertaking the planting and management and maintenance plan

Lot one - Passivhaus Pavilion achieved practical completion on 9th May 2019 and is currently subject to the snagging and defects period.

Lot two – Landscape and Conservation achieved phase one practical completion on 24th October 2018 and phase two practical completion on 3rd February 2020 and is currently subject to the snagging and defects period.

The Heads of Terms relating to the lease of the Pavilion Café were agreed in December 2019 and, following receipt and consideration of further information, the lease is now being progressed.

The project is coming towards the end of the construction phase and there is a need to continually review the budget against costs working closely with the design team, contractors and funders to manage any changes required and associated impacts on the budget. At this point in time there is a projected additional budget requirement for the construction phase based on anticipated costs. Once works are fully completed and final costs are confirmed a report will be prepared and brought before H & L Area Committee and Policy and Resources.

Delivery of the five year activity plan continues until 2021. Up to 30th September there have been £86,110 worth of volunteer hours in the park and we are on target to deliver the proposed £102,000 by the end of the activity plan.

The Hermitage Park Manager has now left the project and a replacement is being advertised with an expected start date in May 2020.

The project continues to attract positive press and the Friends keep the community updated through their Facebook pages #Helensburgh Hermitage Park and with regular articles in the Helensburgh Advertiser and Community Advertiser.

4.1.3 **Rothesay Townscape Heritage (TH) Phase 2 – (1st October 2017 – 30th September 2022) - Project Status - GREEN**

Rothesay TH is a five-year heritage-led regeneration project that is currently in year three. The partnership project is funded by National Lottery Heritage Fund NLHF (£1,888,500), HES (£500,000), Argyll and Bute Council (£200,000), HIE (£70,249), LEADER (£65,800) and Paths for All (£21,500), with a total project fund of £2,746,049 to be administered as grant to property owners in order to safeguard historic buildings and shopfronts. Project staff are fully funded through the project to deliver the programme over a five year period.

The project has completed the external restoration of two priority projects to date, with a further two likely to follow this year. The first shopfront restoration will be undertaken in the early part of 2020 and a series of window repair grants will be provided to restore traditional timber sash and case windows.

Although the project is primarily a physical regeneration project, it is also a community initiative that seeks to facilitate skills development and host events to celebrate the island's heritage. In addition to this, the project has sought to understand the Bute visitor offer, test a co-working space and is currently seeking feasibility analysis to assess the viability for artists' studios on Bute.

4.1.4 **Inveraray CARS & Avenue Screen – (1st April 2013 – 31st March**

**2018 & January 2019 – November 2019)**
**Project Status - GREEN**

Following the completion of the main Inveraray Conservation Area Regeneration Scheme (CARS), on 31st March 2018,(total value £2,141,516), the £200k Inveraray Avenue Screen project (council funded with support from Historic Environment Scotland) was the next phase of works to be delivered. Specialist contractors started on site in January 2019 and work was completed in November 2019.  The existing render was removed and replaced with traditional lime harling. Other works included; replacement stone copes, installation of lead, repainting entire structure with silicate paint and the refurbishment of all gates and screens. As this project is now complete it will not be included in any future large scale project update report.

4.1.5  **Dunoon CARS – (1st April 2017 – 31st March 2022)**
**Project Status - GREEN**

Dunoon CARS is a five-year partnership heritage-led regeneration project between Argyll and Bute Council and Historic Environment Scotland, contributing a combined total of £1,502,348 to the restoration of historic properties within the town centre. The project is reaching the end of year three and will conclude on 31st March 2022. A fully funded project officer is employed to deliver the project.

The envelope restoration of one priority building and two shopfronts has been completed to date, with a second priority project anticipated to commence on site shortly. In order to support the enhanced repair of properties within the town centre, a Caring for Dunoon's Shopfront guide has been produced, and which will be distributed to property owners.

A complementary scheme of skills development, in partnership with HES, Argyll College UHI, Skills Development Scotland, Dunoon Grammar School, Dunoon Burgh Hall Trust and a local contractor is proving successful. The training programme is supporting school-age pupils to gain hands-on practical construction industry experience.

4.1.6  **Culture, Heritage and Arts (CHARTS) and the Place Partnership Plan (PPP) Project – (1st October 2017 – 30th September 2019)**
**Project Status – GREEN**

The Creative Scotland PPP project first phase ended on 30th September 2019 with a showcase event in Oban demonstrating the creative ambition and talent in the area with many artists and performers hosting stalls, workshops, talks and performing.  Over 270 people attended and at night the live streaming was watched by over 4,500 people from here and across the globe.  On the night, Creative Scotland demonstrated their commitment to, and the importance of,

supporting a culture, heritage and arts network, announcing funding of £50,000 for CHARTS.

CHARTS has begun phase two of its development to strengthen the culture, arts and heritage sector and widen participation. It is aligned to the Economic Strategy 2019-2023's Action Plan outcome, Place and People.   The objectives of the PPP phase two are to;

- Develop cultural and heritage practitioners and organisations by working co-operatively and in partnership with others
- Develop and utilise effective communication across geographic and sectoral boundaries
- Grow audiences and customers by developing routes to market locally, nationally and internationally
- Develop and deliver partnership projects that will excite, educate and entertain, communities and visitors
- Share resources and access training in order to build capacity in the sector

The CHARTS SCIO is undergoing a period of development as it becomes established.  It operates through a board - for which the council nominated Councillor Jim Anderson as a Trustee - a steering group, and a wider membership.  The steering group is made up of cultural anchor organisations across the region and held its first meeting in January 2020.

Key deliverables for the period October 2019 to December 2020 include:

- Working with local partners to help build commitment from a grass roots level and incentivise local arts, culture and community groups thus increasing visibility and place development
- Fund raising for longer-term sustainability
- Building on the Wander Argyll campaign https://www.wildaboutargyll.co.uk/wander-argyll/ using learning captured from this to produce a campaign for late summer 2020 onwards and develop routes to market
- Building on youth engagement to grow youth networks and peer led programming.
- Develop relationship with and representation of Gaelic Culture including the Council's Gaelic Language Plan, and working closely with Bord Na Gaidhlig to identify opportunities.

- Delivering Visual Artist and Craft Makers Awards in Argyll and Bute for creative and professional development of artists and makers. This has a deadline of 4th February 2020 and details can be found on the Creative Scotland website.

  Further information and details on CHARTS can be found at https://www.chartsargyllandisles.org/

As the larger scale externally funded project is now complete the work of CHARTS will not be included in any future large scale project update report. Any future update on the work of CHARTS can be brought before EDI committee.

4.1.7 **Tarbert and Lochgilphead Regeneration Fund** – **Project Status** – **GREEN**

In its 2016/17 budget the Council allocated £3 million from reserves to support regeneration and economic development in the settlements of Tarbert, Lochgilphead and Ardrishaig.

Following discussions with a number of local organisations a scoring and assessment process resulted in 6 projects to go forward to full business case stage (Policy and Resources (P&R) Committee ratified the decision separately at the committee meeting on 19 October 2017).

On 6 December 2017 the MAKI Area Committee recommended that the P&R Committee allocate the maximum grant funding of up to £250,000 to the Gleaner Phase 1 and that delegated authority be afforded to the Executive Director of Development and infrastructure Services to confirm the final grant amount. The P&R Committee agreed to these recommendations on 8 December 2017. The Phase 1 works were completed during Summer 2019.

A grant of £125,000 was awarded to Tarbert Harbour Authority on the 12th July 2018, to part-fund stages 2-4 of the shore side facilities project. This involved the refurbishment of the original wash facilities building to create new offices and a chandlery and the formation of a new refuse area. The project was completed in May 2019.

Following extensive development works, improvements to the Barmore/Garvel Road junction started in October 2019. Due to inclement weather conditions work was not completed before the end of December as planned. Latest completion date is early February 2020.

A grant of up to £105,000 has been awarded to the Tarbert Harbour Authority to extend the existing car park to cope with increased demand. Work is due to start on site in early February and should be completed in April 2020.

Planning permission for the Lochgilphead Front Green and Argyll Street/Colchester Square projects (LA10 and LA11) has been granted. The developed design was produced in consultation with Development and Infrastructure Departmental Management Team and the projects steering group which includes members of Lochgilphead Community Council, the Lochgilphead Phoenix Project, Mid Argyll Youth Development Services, Transport Scotland and Sustrans.

An additional £200,000 has been awarded to LA10 & LA11. This additional funding has come from the Scottish Government Town Centre Fund.

P&R Committee delegated approval of the Full Business Case to the Executive Director at its meeting in December 2019. The procurement work for the construction element of the Lochgilphead projects has now commenced and will inform the final business case. Issues surrounding third party land ownership are being investigated.

Erz who are the lead designer for LA10 & LA11 have now been awarded a contract to review the original concept design for Ardrishaig North Public Realm (LA13) and bring it in line with the project's budget. Following a public consultation Erz are revising proposals to take into account feedback from the local community and businesses.

4.1.8    **Regeneration Capital Grant Funding (RCGF)**
**Project Status** – **AMBER**

Ardrishaig Gleaner Phase 1 Site – Scottish Canals began works, week commencing 15th April 2018 and completed on site summer 2019. The table below highlights the drawdown to date against the total RCGF award.

Tobermory Light Industrial Site – Mull and Iona Community Trust (MICT) appointed a contractor and construction began on 19th March 2018 however due to issues relating a planning condition and the need for a road construction consent the project was put on hold for 4 months. This has caused a significant delay in MICT progressing the delivery of their project as per the original timeline. The contractor has now almost completed on site and a completion certificate is being sought. There has been significant interest in the site from local businesses. The formal opening of the site is due to take place in spring. The table below highlights the drawdown to date against the total RCGF award. There remains a very small percentage of the original £1.6million to be drawn down.

In March 2018 the council was advised that it was successful in securing over £1.2 million of RCGF (2018/19 award) for 2 projects: the Cairndow Childcare project has now completed on site and all RCGF has been drawndown. The Rockfield project is making good progress

on site and all match funding is in place to cover the original shortfall.

In March 2019 the council was advised that it was successful in securing £200,000 of RCGF (2019/20 award) for Kilmartin Museum redevelopment project. There has been no drawdown to date against the RCGF as the project has yet to commence on site.

| Project Name | Grant Awarded | Year Awarded | Balance Remaining to Drawdown |
|---|---|---|---|
| Ardrishaig Waterfront – Maritime Hub Phase 1 | £622,972* *Including additional RCGF funds | 2017/18 | £120,033 |
| Tobermory Light Industrial Park | £1,600,000 | 2017/18 | £16,666 |
| Cairndow Community Childcare & Family Centre | £811,198 | 2018/19 | £0 |
| The Rockfield Centre | £540,000 * *Including additional RCGF funds | 2018/19 | £263,659 |
| Kilmartin Museum | £200,000 | 2019/20 | £200,000 |

4.1.9 **Lochgilphead Conservation Area Regeneration Scheme (CARS) (1st April 2020 – 31st March 2025)**

In 2019 we secured grant funding of £969,700 from Historic Environment Scotland (HES) for Lochgilphead CARS. Taking into account Council match funding and owners contributions the projected budget is £1.6million over a five year period. A launch event is due to take place in April 2020.

4.1.10 **Helensburgh Conservation Area Regeneration Scheme (CARS)**

An application has been submitted to Historic Environment Scotland for a CARS for Helensburgh. A decision is expected in Spring 2020.

4.2 **Budget**: These are predominantly externally funded projects with a proportion of Council funding and for each project there are set budgets against specific outcomes and timelines. The externally funded elements of the project costs can only be claimed once proof of all the necessary information has been provided to the external funders. Each funder has a different criteria against which they measure delivery and the council has entered into formal grant contracts with all the funders involved.

## 5.  CONCLUSION

5.1  The council currently has a total of three CARS/TH schemes in progress and one new CARS due to commence on 1 April 2020. The total value of these four schemes represents well in excess of £12 million of investment into the built heritage of our key towns and is mainly made up from funding from HES and HLF with match funding from the council and private owners.

5.2  A significant number of building owners (commercial and residential) have and continue to benefit from funding which has delivered a significant level of investment and refurbishment to their properties and in turn into many of our main towns. Due to the cost of repairing traditional buildings, many of these owners would have been unable to undertake these repairs without grant assistance and their properties would have continued to deteriorate. Had this deterioration continued the council may well have had to step in to undertake emergency work to these buildings.

5.3  This investment has changed the physical appearance of our key town centres for the better making them more attractive places to live, learn, work and do business.  It has helped safeguard exiting businesses and led to a number of new businesses opening in refurbished buildings creating jobs within the community.

5.4  Delivering this number of externally funded projects is challenging and particularly in the case of the TH/CARS projects where our role is one of encouraging residential and commercial private building owners to access grants in order to secure investment into the fabric of our towns.

5.5  The successful delivery of the projects requires close working with the respective owners, both residential and businesses, to provide support and guidance and ensure compliance and delivery in accordance with the various funders' criteria, timelines and budgets available. Progress is reviewed continually and we report on a quarterly basis to the respective funders on all our externally funded projects.

5.6  This also applies to our role in delivering council capital projects and in managing and monitoring council grant funding to third part projects including RCGF grants which require that the council oversee the project and report and submit claims to the Scottish Government RCGF team. The council is not the body responsible for delivering the majority of the RCGF projects. Our role is one of managing the grant and the biggest challenge is to support the third party organisations in the delivery of what are often complex and challenging projects whilst ensuring that the project delivery and grant draw down remains on track.

5.7  It is worth noting that funding streams such as RCGF are only open to the local authorities and cannot be accessed by other bodies. In regard to CARS/TH funding whilst this can be accessed by other bodies given the requirements

that need to be met and the large sums of funding involved, it is predominantly councils who access these funding streams.

**6.    IMPLICATIONS**

6.1   POLICY

The delivery of these projects fits with the Council's Corporate Plan, Argyll and Bute Local Outcome Improvement Plan and the Economic Development Action Plan. The economic outcomes from this project will contribute to the Government's Economic Strategy.

6.2   FINANCIAL

All funding has been approved for the projects detailed in the report. The funding comes from the council and from external funding sources.

6.3   LEGAL

Each project will have differing legal and procurement requirements and we are working closely with colleagues to identify the support required and to allow this to be factored into future work plans

6.4   HR

The resources required to deliver the projects will be continually monitored. The management of these externally funded projects as well as the management of the Council and RCGF grants requires a significant amount of resources from the team to ensure that all the necessary due diligence and financial management is undertaken and the risk is minimised to the council.

6.5   FAIRIER SCOTLAND
        DUTY ;

6.5.1   Equalities - protected characteristics - None
6.5.2   Socio-economic Duty - None
6.5.3   Islands - None

6.6   RISK

Construction projects by their very nature are challenging given issues that can arise relating to site conditions, managing contractors/the design team and associated budgets and meeting funder's requirements. We continually seek to minimise the risk through strong project management processes however until the projects are fully delivered on site there remains a risk. Other areas of risk relate to the potential for limited uptake in regard to CARS/TH grants and also over-run on costs for third party projects. In regard to the latter this is a high risk particularly as the council is not the responsible body for the projects or their delivery on the ground.

The setting up of regular benefits realisation group meetings and building good working relationships with the third parties assists in identifying where issues may arise and where additional support may be required.

6.7  CUSTOMER SERVICE

There are no customer service implications.

**Interim Executive Director with responsibility for Development and Economic Growth**: Kirsty Flanagan

**Policy Lead:** Councillor Aileen Morton

January 2020

**For further information - please contact** Audrey Martin, Transformation Projects and Regeneration Manager
Economic Development and Strategic Transportation.
Tel 01546 604180

**Appendices:**

Appendix A – List of Council and Third Party projects that the Team is either responsible for delivering directly or for managing the grants given by the council to a third party organisation.

**Appendix A**

| Council and Third party projects | Project Value / Grant Secured | Delivery Start | Delivery End (excluded defect period) |
|---|---|---|---|
| Dunoon CARS | £1,889,430 | 2017 | 2022 |
| Rothesay TH2 | £3,201,430 | 2017 | 2022 |
| Inveraray CARS – Additional Avenue Screen Project | £200,000 | 2018 | 2019 |
| Campbeltown CARS | £2,900,000 | 2015 | 2020 |
| Tarbert Lochgilphead Regeneration Fund | £3,000,000 | 2018 | On going |
| Hermitage Park | £3,500,000 | 2016 | 2021 |
| Tobermory Light Industrial Park (RCGF grant) | £1,600,000 | 2017 | 2020 |
| Gleaner Oil site (RCGF grant ) | £622,972 | 2017 | 2019 |
| Cairndow Childcare & Family Centre (RCGF grant ) | £811,298 | 2018 | 2019 |
| Rockfield Centre RCGF grant | £540,000 | 2018 | 2019 |
| Kilmartin Museum RCGF grant | £200,000 | 2019 | 2020 |
| CHArts Place Partnership Plan (council and CS grant) | £360,000 | 2017 | 2019 |
| Kilmartin Museum Council Grant | £400,000 | 2019 | 2021 |
| Events and Festivals grants (including Mod) | £151,871 | 2019 | 2020 |
| Town Centre Fund (Council projects plus grants to third parties) | £1,242,000 | 2019 | 2020 |
| Lochgilphead CARS | £969,700 | 2020 | 2025 |
|  |  |  |  |
| **Total** | **£21,088,701** |  |  |

**ARGYLL AND BUTE COUNCIL**          **ENVIRONMENT, DEVELOPMENT AND INFRASTRUCTURE COMMITTEE**

**DEVELOPMENT AND
ECONOMIC GROWTH**                    **5TH MARCH 2020**

**Current European Funding and Officer Response to the Consultation 'The Replacement of European Structural Funds in Scotland Post EU-Exit'**

## 1.0   EXECUTIVE SUMMARY

1.1   The purpose of this report is to provide the members of the Environment, Development and Infrastructure (EDI) Committee with the a short overview of the current position of European funding allocations and programmes managed by Argyll and Bute Council and where the council is a beneficiary, and to retrospectively approve the officer response for 'The Replacement of European Structural Funds in Scotland Post EU-Exit' consultation issued by the Scottish Government.

1.2   The detailed Argyll and Bute officer response to each of the consultation questions is outlined in **Appendix 1**.The responses include commentary from the SLAED European Group and from COSLA as appropriate. The questions are generally framed in providing a specific response for Argyll and Bute.

1.3   Members are asked to:

- Note the content of this report with regard to current European funding.

- Note the officer draft response to the recent consultation outlined in **Appendix 1**. As the deadline for submission to the Scottish Government was 12th February 2020, officers submitted a response aligned to the requested timetable. This paper was considered and commentary provided for inclusion in the response by members of the Strategic Management Team (with input from the Council Leader).

- Agree to homologate the officer response. Any additional substantive comments raised by members of the EDI Committee will be submitted by e-mail to the Scottish Government department that is responsible for future funding.

**ARGYLL AND BUTE COUNCIL**          **ENVIRONMENT, DEVELOPMENT AND INFRASTRUCTURE COMMITTEE**

**DEVELOPMENT AND
ECONOMIC GROWTH**                      **5TH MARCH 2020**

**Current European Funding and Officer Response to the Consultation 'The Replacement of European Structural Funds in Scotland Post EU-Exit'**

## 2.0 INTRODUCTION

2.1 The purpose of this report is to provide the members of the Environment, Development and Infrastructure (EDI) Committee with the a short overview of the current position of European funding allocations and programmes managed by Argyll and Bute Council and where the council is a beneficiary, and to retrospectively approve the officer response for 'The Replacement of European Structural Funds in Scotland Post EU-Exit' consultation issued by the Scottish Government.

2.2 The detailed Argyll and Bute officer response to each of the consultation questions is outlined in **Appendix 1**.The responses include commentary from the SLAED European Group and from COSLA as appropriate. The questions are generally framed in providing a specific response for Argyll and Bute.

## 3.0 RECOMMENDATIONS

3.1 Members are asked to:

- Note the content of this report with regard to current European funding.

- Note the officer draft response to the recent consultation outlined in **Appendix 1**. As the deadline for submission to the Scottish Government was 12th February 2020, officers submitted a response aligned to the requested timetable. This paper was considered and commentary provided for inclusion in the response by members of the Strategic Management Team (with input from the Council Leader).

- Agree to homologate the officer response. Any additional substantive comments raised by members of the EDI Committee will be submitted by e-mail to the Scottish Government department that is responsible for future funding.

**4.0   DETAIL**

**Current European Funding**

*European Structural and Investment Fun*ds

4.1   European Structural and Investment Funds (ESIF) currently help to fund a number of economic development programmes in Scotland, supporting public bodies such as local authorities, Highlands and Islands Enterprise, Scottish Enterprise, the Scottish Funding Council, Skills Development Scotland and some of the work delivered by the Scottish Government itself for a wide range of activities, including skills and training programmes, research and development, support to business and the development of infrastructure.

4.2   The ESIF are predominantly made up of European Regional Development Funds (ERDF) and European Social Funds (ESF). ERDF monies aim to strengthen economic and social cohesion by correcting imbalances between regions. ESF monies aim to help people improve their lives by learning new skills and finding better jobs.

4.3   Total ESIF monies secured for Argyll and Bute Council projects for this current European programming period is circa £3.5 million, as detailed below.

4.4   The Council's Business Gateway Team was eligible to undertake one ERDF funded programme as the Lead Partner i.e. the Business Gateway Local Growth Accelerator Programme (LGAP), Phases 1 and 2, 2015-2022. The LGAP is benefiting the micro, small and SME business community throughout Argyll and Bute through the opportunity to lever in just over £524k of ERDF monies (total programme value £855k with a 61.3% intervention rate) to support specialist advice and grant funding. To date a total of just over £212k of ERDF has been claimed and paid out by the Scottish Government.

4.5   Argyll and Bute Council is also a beneficiary of ESIF monies, but not as the Lead Partner organisation. This relates to two projects/initiatives namely the Rothesay Pavilion and Money Skills Argyll (MSA).

4.6   The Rothesay Pavilion has secured £1,055,602 from ERDF. To date a total of £621k (circa 60%) of ERDF has been claimed from the Scottish Government

4.7   MSA (100% externally funded) has been awarded £1.875m from ESF with the Lead Partner being the Big Lottery, where the Big Lottery Community Fund has provided the required 50% of match funding. Support work with eligible participants ends on 19th February 2020. At the end of December 2019, a total of £654k had been spent on the project, covering the costs of the MSA Team within the council and payments to partner agencies who are undertaking the support work with eligible participants. It is unlikely that ESF monies will be drawn down as the match funding share of the Big Lottery Community Fund has not

been spent. However, this situation may change and clarity should be provided to the MSA Team in due course.

4.8 All ESF payments had been suspended by the Scottish Government, but through negotiations with COSLA and the Scottish Government recent progress has been made on paying claims that have already been submitted and those ready to be submitted. It should be noted that Argyll and Bute Council is not the lead partner for any projects that have secured ESF monies during the 2014-2020 European programming period. The only project that has ESF as a funding element is MSA noted above where the lead partner is the Big Lottery Fund.

### *Argyll and the Islands LEADER Programme*

4.9 **Table 1** outlines the current position with regard to Argyll and the Islands LEADER funding. It should be noted that the LEADER programme overall closed on 31st December 2019 with full financial completion by end of December 2020. The figures presented in **Table 1** will be subject to revision over time, e.g. if projects underspend (in particular, this affects co-operation projects where the Argyll and the Islands LEADER Local Action Group (LAG) is not the original source of the figures).

| Table 1: Argyll and the Islands LEADER Programme: Budget and Commitments | | | |
|---|---|---|---|
| | **Budget £** | **Committed £** | **No of Projects** |
| **Theme 1 & 2** | 2,364,593 | 2,168,134 | 22 |
| **Theme 3 - Enterprise + Farm Diversification** | 1,377,226 | 695,633 | 11 |
| **Co-operation** | 244,307 | 142,153 | 7 |
| **Administration** | 900,000 | 725,000 | - |
| **Total** | 4,886,126 | 3,730,920 | 40 |

Source: Argyll and the Islands LEADER Team, January 2020

4.10 It should be noted that just over £700k of project monies had to be returned to the Scottish Government and reinvested by other LAG areas. This was due to three substantive capital projects that had been awarded LEADER funding by the LAG not going ahead for the following reasons (which was disappointing circumstances to the LAG members and the LEADER Team alike):

- The procurement procedures were not carried out for a large capital project in a manner compliant with LEADER/EU requirements (despite LEADER staff providing advice);
- The required information was not submitted by the final deadline of the end of December 2019 to approve the LEADER award, where unprecedented extensions were afforded to the applicant; and
- For the third project the applicants were a couple, where unfortunately one died and the estate issues of the deceased were not resolved to meet LEADER funding timescales.

There is currently an underspend in the Administration budget due to only one externally funded staff member left in the LEADER Team where the original complement was five (recruitment attempts have been

unsuccessful due to the short duration of contracts and candidates with no LEADER experience).

4.11 All full reconciliation of LEADER funding that was not committed and returned to the Scottish Government is being prepared and a financial report will be posted on the LEADER website in due course. There will also be a requirement to undertake an evaluation of the Argyll and the Islands LEADER Local Development Strategy during 2020/21.

***European Maritime & Fisheries Fund (EMFF) and the Argyll and Ayrshire Fisheries Local Action Group (FLAG)***

4.12 The latest update on EMFF is as follows:
- Total EMFF Award £985,000.
- Committed funds: £111,870.
- Remaining funds: £873,130.

4.13 To date, the total value of EMFF sought from three expressions of interest (EOIs) invited by the Argyll and Ayrshire FLAG to submit a full application is £1,153,500, which exceeds the £873,130 of remaining funds.

4.14 There are a further two pending enquiries and the potential applicants have been sent the EOI form to fill out and return, along with the necessary guidance. The FLAG agreed that funding will be awarded on a first come, first served basis given that the current funding sought from EMFF exceeds the Argyll and Ayrshire FLAG allocation.

4.15 The £111,870 was spent on the 'Feasibility of Seaweed Farming in Argyll and Bute: A Guide for Developing the Industry' (100% funded). This is now completed with the report signed off and available. The report will be presented at the Scottish Seaweed Industry Association Annual Conference in Oban on 18th February 2020. A link to a council news article on the report and a link to the full report is available on the following link: https://www.argyll-bute.gov.uk/news/2019/dec/report-provides-template-seaweed-farming-argyll-and-bute

4.16 It should be noted that the EMFF programme will close at the end of December 2020 and it is anticipated that full financial completion will be required by the end of 2022, but awaiting confirmation.

**Officer Response to Consultation 'The Replacement of European Structural Funds in Scotland Post EU-Exit'**

4.17 The detailed Argyll and Bute officer response to each questions is outlined in **Appendix 1**.The responses include commentary from the SLAED European Group and from COSLA as appropriate. The questions are generally framed in providing a specific response for Argyll and Bute.

4.18 Under the current 2014-2020 programmes, Scotland benefits from over £780 million of funding through the ERDF and ESF. The loss of this funding will have a significant impact on the ability of local authorities,

community groups, funding bodies and enterprise and skills agencies to deliver the kinds of initiatives that will drive inclusive economic growth and promote wellbeing and cohesion in communities right across the country.

4.19 The UK Government has announced that it will roll out a successor programme to European Structural Funds called the UK Shared Prosperity Fund aimed at tackling "inequalities between communities by raising productivity, especially in those parts of our country whose economies are furthest behind". This is Scotland's opportunity to set out how any new fund should be designed and to ensure that Scotland has a say in the creation of a new policy approach that could transform the promotion of inclusive economic growth. However, this is set in the context that the UK Government has yet to provide further details on how this replacement fund might work or how Scotland, and the other devolved nations, will be involved in its development.

4.20 The purpose of this consultation is to clarify:
- the aim and objectives of post EU Exit funding in Scotland;
- how to maximise its added value;
- the extent to which it should be aligned with Scottish, UK and EU policy priorities;
- whether and how it should be concentrated thematically or geographically;
- the appropriate arrangements for monitoring and evaluation; and
- the most effective and efficient approach to governance and partnership.

4.21 Scottish Ministers have identified five non-negotiable points to influence any replacement funding:
1) Scotland should not lose out financially compared to the current level of funding it receives from the EU;
2) The devolution settlement must be respected and there must be no attempt by the UK Government to take back powers that the Scottish Government has rightfully executed to date;
3) The Scottish Government's role in the development of the Shared Prosperity Fund should be as partners, not merely consultees;
4) The current level of flexibility of allocation of funds should not be reduced under post EU exit funding arrangements; and
5) The replacement should be operational from 1st January 2021 in order to be implemented in early 2021 so that our stakeholders do not suffer any difficulties due to funding gaps.

4.22 The Scottish Government has established a Steering Group to oversee this consultation. Comprised of experts drawn from a range of key partners, members of the Steering Group will act in an independent capacity to analyse the ideas and views which emerge from the consultation process in order to ensure that stakeholders are empowered to provide their input, experience and expertise in the co-production of potential replacement funding.

4.23 As articulated in the response to Q1, Argyll and Bute Council officers believe that at this time there is an opportunity to have a fundamental rethink of the nature and scope of regional economic and social development policy in the UK and Scotland; EU policies in many respects have acted as a proxy for a UK regional policy. It is important that a clear focus is given to an appropriate regional/sub-regional strategy and/or policy to align a wider range of public spending with the priorities of local and regional economic and social development.

4.24 There is a need to capitalise on the continued opportunities and competitive advantage for regions such as Argyll and Bute. The area has abundant energy resources (water, wind, marine), world class life science businesses, university research and a pristine and growing marine economy. The tourism industry and natural heritage is second to none, as are food and drink, including aquaculture. The entrepreneurial attitude and ambition of businesses and communities has created and will continue to create opportunities in the most unlikely parts of the UK. To build on this and allow the area to flourish requires the correct level and type of investment from future replacement funding to take advantage of these opportunities.

## 5.0 CONCLUSION

5.1 This report provides members of the EDI Committee with an overview of the current position of European funding allocations and actual spend throughout Argyll and Bute.

5.2 It is important that Argyll and Bute Council provides a local response to the current Replacement of European Structural Funds consultation as well as aligning, as appropriate, to a collective response made by the SLAED European sub-group and COSLA. Argyll and Bute Council officers also provided input to a consultation event hosted by the Scottish Government on 10th January 2020 and to the collective SLAED response at a workshop on 20th January 2020.

5.3 Overall, one of the key issues for Argyll and Bute with regard to any replacement funding is to exploit the opportunity provided by this major revision of regional policy to align a wider range of public spending with the priority of local and regional economic and social development. Furthermore, focus is on ensuring the delivery of fair and transparent apportionment of future funds to peripheral areas such as Argyll and Bute. The allocation of funding should adopt a flexible approach to determine the correct mix of aid to businesses, employability support and investment in economic infrastructure, based on local needs with decisions made and managed and impacts realised at the local level.

## 6.0 IMPLICATIONS

6.1 Policy    Local Outcome Improvement Plan, where the vision is that Argyll and Bute's economic success in built on a growing population.

| 6.2 | Financial | Ensure the financial compliance of existing European funded projects and programmes managed by Argyll and Bute Council. Going forward to secure a proportionate and fair share of any replacement funds through the UK Government's Shared Prosperity Fund for Argyll and Bute. |
|-----|-----------|---|
| 6.3 | Legal | All appropriate legal implications will be taken into consideration. |
| 6.4 | HR | None at present. |
| 6.5 | Fairer Scotland Duty | The Fairer Scotland Duty, Part 1 of the Equality Act 2010, came into force in April 2018. The duty places a legal responsibility on particular public bodies in Scotland, such as Argyll and Bute Council, to pay due regard to (actively consider) how they can reduce inequalities of outcome, caused by socio-economic disadvantage, when making strategic decisions and how this has been implemented. For the consultation this has been addressed at a national and local level, see responses to Q2, Q5 and Q14. |
| 6.5.1 | Equalities | All activities will comply with all Equal Opportunities/Fairer Scotland Duty policies and obligations. |
| 6.5.2 | Socio-economic Duty | Any future funding streams should focus on removing socio-economic disadvantage for residents across Argyll and Bute |
| 6.5.3 | Islands | There is a requirement to enable intervention at the right spatial scale – geography does matter, including our 23 inhabited islands. |
| 6.6 | Risk | There is the potential that existing European funded projects may de-commit and not spend allocated monies. This will be monitored closely by council officers, where appropriate assistance will be provided to projects aligned to current staff capacity. There would be a risk if Argyll and Bute Council did not submit a response to this consultation. It is important that the issues noted for Argyll and Bute in **Appendix 1** are submitted to the Scottish Government for consideration |
| 6.7 | Customer Services | None. |

**Kirsty Flanagan, Interim Executive Director with responsibility for Development and Economic Growth**
**Cllr Aileen Morton, Policy Lead for Economic Growth**
24th February 2020

**For further information contact:**
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**APPENDICES**

## Appendix 1: Officer Response to Consultation Questions

**A Strategic Aims**

**Objectives**
Scottish Ministers want to take this opportunity to design a flexible source of additional funding that drives inclusive economic growth and makes a measurable and significant difference to the lives of people, businesses and communities across Scotland. With this in mind:

1. What are the main aims that this funding should seek to achieve?

    In the first instance, Argyll and Bute Council officers believe that at this time there is an opportunity to have a fundamental rethink of the nature and scope of regional economic and social development policy in the UK and Scotland; EU policies in many respects have acted as a proxy for a UK regional policy. It is important that a clear focus is given to an appropriate regional/sub-regional strategy and/or policy to align a wider range of public spending with the priorities of local and regional economic and social development.

    In support of regional/sub-regional strategies, the overarching aim of the funding should be to focus on the economy, fair work and business, and communities aligned with the National Performance Framework (as per response to Q8). In particular, future funding should be directed to tackling some of the long term issues acting as a constraint on sustainable and inclusive economic growth within Scotland and indeed Argyll and Bute. Recent data releases from ONS suggest that the extent of regional disparities at NUTS II level within Scotland in terms of GVA are significantly greater than hitherto estimated; even within more prosperous regions there are concentrations of deprivation and inequality that the fund should be able to address.

    This reinforces the need for the resources and timeframe of the fund to be set at a level to be able to make an impact on inclusive growth. At the very least the annual allocation for Scotland as a whole should match that of the current programming period, adjusted for inflation.

    The policy space that the funds occupy should also include infrastructure. Infrastructure investment is a key driver for increase productivity in remote rural and island areas as it creates the conditions for competitiveness. In particular, the future fund could focus on supporting ICT infrastructure improvements which is essential to overcome the challenges and economic/productivity disadvantages of peripheral areas such as Argyll and Bute with a unique geography comprising of some urban but mainly rural, remote rural and islands communities.

Furthermore, from a rural point of view a future fund should also incorporated a focus on community-led local development as provided under the current LEADER programme delivered through the Scottish Rural Development Programme.

There is a need to capitalise on the continued opportunities and competitive advantage for regions such as Argyll and Bute. The area has abundant energy resources (water, wind, marine), world class life science businesses, university research and a pristine and growing marine economy. The tourism industry and natural heritage is second to none, as are food and drink, including aquaculture. The entrepreneurial attitude and ambition of businesses and communities has created and will continue to create opportunities in the most unlikely parts of the UK. To build on this and allow the area to flourish requires the correct level and type of investment from future replacement funding to take advantage of these opportunities.

In short, there is a strong case for local partners to be given greater flexibility to define the types of projects on which a future fund is spent, in order to tackle a wider range of economic and social development issues than those presently addressed by EU funding.

2.  How could funding be used most effectively to address spatial inequalities between areas and communities in Scotland?

A mix of supply side and demand side activities should be supported. However the precise blend of measures to support will vary from place to place and it is therefore important that the national framework for the funds includes substantial scope for regional and local determination of priorities. Recent EU Structural Fund programmes have become very prescriptive and top down in term of the range of activities eligible for funding and this opportunity should be taken to widen the menu, in particular in the area of capital investment in places.

There is a need to ensure the delivery of a fair and transparent apportionment of future funds to peripheral areas such as Argyll and Bute. The requirement for future funding to be adequately resourced is shown by the very significant regional economic disparities in the UK, in particular the dominance of London. In March 2019, Eurostat figures put inner London at 626% of the EU GDP average per person, with Scotland as a whole at 98%, just below the EU average and two percentage points less than 2018.

Argyll and Bute is a region of ambition. However, the current range of European Structural Fund programmes has not fairly accounted for the differing needs of the Argyll and Bute area, particularly in terms of understanding the complex geography which includes 23 inhabited islands and various remote peninsulas. The Managing Authority failed to account for the higher cost per participant of service delivery (including ferry costs and overnight stays) across a dispersed geography covering rural, remote rural and island communities. This was a significant factor for Argyll and Bute Council not being able to take up the 'Enhanced Employability Pipeline' intervention supported by the European Social Fund (ESF).

If match funding is required this should be based on need with a variable scale in terms of intervention rates to promote the allocation of funding in a fair and transparent way that gives priority to the development needs of local economies, such as Argyll and Bute. A fair allocation of funding should assist in reducing economic disparities rather than widening the gaps in economic performance with funding support focused disproportionately in areas that are already performing strongly.

3. Geographically, at what level would the priorities for funding be best set?

As noted under the response to Q1, the allocation of funds across regions within Scotland is something the Scottish Government should be encouraged to look at afresh. There is a requirement to enable intervention at the right spatial scale – **geography does matter**. Given that local economies generally operate across local authority boundaries it would not make sense to draw up allocations to each of Scotland's 32 local authorities. In this context the scope for focusing on the geographies for the various City/Growth Deal initiatives should be explored.

Argyll and Bute's Rural Growth Deal mirrors the vast geography of the local authority area. A sub-regional element of funding allocated to Argyll and Bute would be helpful given the area's complex geography of which includes 23 inhabited islands and various remote peninsulas. This will provide local control over future funding as currently afforded by the Argyll and the Islands LEADER and European Maritime and Fisheries Fund (EMFF) programmes. Indeed, it would be beneficial if funding for rural development issues, such as the present LEADER programme could be encompassed along with the Structural Funds in such a future funding stream.

In short, a flexible approach would need to be taken in terms of the most appropriate geographical level of intervention – this could either be at local, regional or Scottish levels but the default position should be that it should be at the lowest possible level. However the issue is not just one of appropriate geography – it is also one of genuinely empowering stakeholders at local and regional level to shape what activities are supported within their territory.

**Alignment with Scottish Policy and Other Funding Streams**
Scotland has a set of high-level strategic documents that guide the direction of our policy development and spend. These are focused on inclusive economic growth and include our National Performance Framework, our Economic Strategy, our Programme for Government and our new Enterprise and Skills Strategic Board approach.

4. How could the use of future funding add value to other sources of funding focused on similar objectives in Scotland?

At policy level one of the key drivers of the fund at national level should be Scotland's Economic Strategy, in particular its stated commitment to pursuing territorial cohesion. There is scope to review the dissemination of funding to regional/sub-regional levels aligned to regional and local economic strategies, with a focus on delivery of the vision and aspirations of these documents on the ground. This will be most effective if a long term multi annual approach is

taken not just by the fund itself but also by any 'domestic' funding streams with which alignment is sought.

One of the positive aspects on EU Structural Funds has been the principle of additionality and this should be maintained in the replacement framework. While there should of course be alignment with other funding streams the fund needs to have its own distinct identity to ensure transparency as well as additionality.

With regard to using future funding to add value to other sources of funding focused on similar objectives in Scotland there needs to be clear guidance, such as what funding will be eligible as match, intervention rates (not constrained at 50% as set by previous EU regulations, but where a rate of 50% is adopted as a minimum) and ensuring other funding streams run for a similar time period. Currently many sources of funding are for discrete, time-bound, initiatives. In short, there is no need to replicate the same match funding rates currently set by EU rules, but if a match funding model is introduced into the fund then the intervention rate should reflect the realities of the long term constraints on public sector finance.

Where the fund is being directly aligned at operational level with other funding streams it follows that it should deliver additional outcomes and results to those that would be achieved by these sources of funding.

At present the £50m allocation to Argyll and Bute's Rural Growth Deal, announced recently aligns to pre-defined projects. Guidance will also be required on how Deal funds, which will only become available to Argyll and Bute stakeholders in the medium to longer term, can be used to lever in additional funds to replace European Structural Funds.

**Alignment with UK and EU Policy**
The UK Government has said that the SPF will be aligned with its Industrial Strategy and will focus on increasing productivity. At the same time, the European Union is evolving its Cohesion Policy with a structure of 5 themes: A Smarter Europe; A Greener, carbon free Europe; A Connected Europe; A More Social Europe; and A Europe closer to citizens, to create a more tailored approach to regional development in order to drive EU investments.

5. What practical value would you see in future funding in Scotland being aligned with the UK Industrial Strategy and other spatially-differentiated UK economic policies such as the City and Regional Deals or the Industrial Strategy's sectoral approach?

At present it is not clear what, if any, conditions the UK Government will place on this funding although the commitment to respect the devolution settlement is noted and welcomed. The deployment of the funds in Scotland should essentially be driven by Scottish priorities and circumstances.

Argyll and Bute Council officers are of the view that future funding in Scotland should be complementary the five foundations of productivity in the UK Industrial Strategy (ideas, people, infrastructure, business environment and places) and other UK spatial economic policies, in order to deliver a fair and

transparent apportionment of future funds to peripheral areas such as Argyll and Bute. The allocation of funding should adopt a flexible approach to determine the correct mix of aid to businesses, employability support and investment in economic infrastructure, based on local needs (principle of subsidiarity) with decisions made and managed and impacts realised at the local level.

Such funding should deliver support more efficiently, more flexibly and with more local authority control, with limited top-down management.

In terms of the contribution to the Scottish Government's Economic Strategy a specific focus has been given to promoting the Scottish Government's inclusive growth and addressing inequalities through the 'No One Left Behind' policy direction, where Argyll and Bute is recognised as a region of ambition with 'No Business Left Behind' and 'No Community Left Behind'.

The Argyll and Bute area has abundant energy resources (water, wind, marine), world class life science businesses, university research and a pristine and growing marine economy. The tourism industry and natural heritage is second to none, as are food and drink, including aquaculture. The entrepreneurial attitude and ambition of businesses and communities has created and will continue to create opportunities in the most unlikely parts of the UK. To build on this and allow the area to flourish requires the correct level and type of investment from future funding, such as the UK Shared Prosperity Fund (UK SPF) to take advantage of these opportunities. As already noted in response to Q4, guidance will also be required on how Deal funds, which will only become available to Argyll and Bute stakeholders in the medium to longer term, can be used to lever in additional funds to replace European Structural Funds.

6. What practical value would you see in maintaining alignment with EU Cohesion Policy?

Future funding streams should maintain the ethos of the EU Cohesion policy direction through a continued approach to having a ring-fenced source of funding for peripheral regions of Europe such as Argyll and Bute. EU Cohesion policy has provided a good basis for targeting investment to remote and peripheral areas across Europe.

Furthermore, it would also be useful to maintain linkages with the next phase of EU Cohesion Policy. In practical terms this would be of use in facilitating access to the 2021-27 generation of European Territorial Cooperation programmes. This is of course dependent on the UK "buying in" to these programmes.

One of the practical downsides of the EU approach to Cohesion Policy over the past two funding cycles has been the high degree of top down prescription or "earmarking" which has hindered regional and local flexibility to use the funds to best effect. Such constraints should not form part of the replacement funding.

**Evaluation and Monitoring Progress**

In order to ensure that any new fund is achieving its aims and objectives, it is important that an evaluation approach is developed in parallel.

7. How could we best evaluate the success of this new fund?

The evaluation requirements for ESIF programmes are set out in Articles 54 to 57 of the ESIF General Provisions regulation and Article 114 of this Regulation requires Managing Authorities – in this case the Scottish Government - to draw up an evaluation plan for the programme and submit this for consideration by the PMC.

The systems and/or frameworks put in place to undertake monitoring and evaluation activities need to be fit for purpose. At the outset this will require putting in place a minimum standard of evaluation, complete with clear guidance materials, which will include agreed criteria and data requirements. In order to track local outcomes consideration needs to be given to providing an administration budgetary resource, as done so by a 25% allocation for the current LEADER programme. A reasonable degree of flexibility should also be considered to respond accordingly to a changing external environment, whether through dealing with an economic shock or capitalising on emerging opportunities.

The long standing problem with evaluations is that very often the results of these exercises are only available long after the optimal time for implementing many of the lessons learnt has passed.

8. What relevant parts of the National Performance Framework should this funding be targeted towards?

In order to be able to evaluate the impact of the fund it is important that the performance framework – including the identification of relevant indicators – is integrated into the development of the programme and not "bolted on" at the end of the process. A partnership approach would be required to ensure that there is shared ownership of the targets set, out for the funds.

The performance framework could include a mixture of traditional quantitative measures (jobs created, uplift in GVA etc.) with where appropriate, particularly for rural areas, more qualitative indicators. There also needs to be a recognition that there may be a significant time lag between activity and impact. This is especially important if the support is aimed at tackling some of the long term structural barriers to inclusive economic growth within Scotland.

At a local level it could be appropriate to support funding toward the six key outcomes of the Argyll and Bute Community Planning Partnership where these themes in turn align to the National Performance Framework outcomes, as detailed in the table below.

| Argyll and Bute CPP Outcomes | National Performance Framework Outcomes |
| --- | --- |
| 1. The economy is diverse and thriving | **Economy** – we have a globally competitive, entrepreneurial, inclusive and sustainable economy. **Fair Work and Business** – we have thriving and innovative businesses, with quality jobs and fair work for everyone. |
| 2. We have infrastructure that supports sustainable growth. | **Economy** – we have a globally competitive, entrepreneurial, inclusive and sustainable economy. |
| 3. Education, skills and training. | **Education** – we are well educated, skilled and able to contribute to society. |
| 4. Children and young people have the best possible start. | **Children and young people** – we grow up loved, safe and respected so that we realise our full potential. |
| 5. People live active, healthier and more independent lives. | **Health** – we are healthy and active. |
| 6. People live in safer and stronger communities. | **Communities** – we live in communities that are inclusive, empowered, resilient and safe. |

However, given the likely scale of resources available to the fund and the distinct budget resources already aligned to Education and Health (where both include a focus on children and young people) a selective approach to identifying the relevant elements of the National Performance Framework is needed. On that basis, it may be more appropriate to focus replacement funding under the following parts of the National Performance Framework:

- the Economy;
- Fair Work and Business; and
- Communities.

A particular emphasis should be placed on using the fund to narrow the gaps in performance within Scotland on the relevant indicators within these headings. In addition, consideration needs to be given to the rural economy framework and associated 10 rural outcomes that contribute to the National Performance Framework.

9. Which specific aspects of the monitoring and evaluation framework from European Cohesion Policy do you consider would be beneficial to retain for any new fund?

The shift away from inputs with a greater focus on outcomes was welcomed under European Cohesion Policy. However, the focus on outcomes needs to be proportionate with regard to the anticipated impact of funded project or initiative. Therefore a less intrusive approach compared with the current situation should be taken with respect to the volume of monitoring data required particularly with respect to inputs. This should enable more focus to be placed on outputs and results and take into account the procedures and requirements of "domestic" funding streams.
While it is the case that there has been a lot of interesting evaluation work

done on EU Structural Fund programmes in Scotland, very often the results have only become known at a time when it is too late to influence delivery. An attempt should be made to have more "real time" evaluations carried out.

Evaluation has also tended to be "top down" and the scope to introduce "peer to peer" monitoring and evaluation should be considered – recognising however that there would be resource requirements associated with such an approach. These should be made available from the replacement fund as a form of "technical assistance".

## B GOVERNANCE STRUCTURES OF FUTURE FUNDING

### Allocation and Programme Duration

Whilst funding allocations will largely be determined by our objectives, we must make sure that our approach is developed in an appropriate manner which is sensitive to differing needs across Scotland. We also need to be clear about the timeframes over which any funding programme would operate.

10. What approach should be used to allocate the funding at programme level - including the most effective duration of the programme that would better support the identified priorities?

   Any future replacement funding should be managed outside the Barnett formula to ensure that the allocations are based on need rather than population. This is of particular relevance to peripheral areas such as much of Argyll and Bute.

   A multi-annual approach to the allocation of funding under the current EU Cohesion Policy should be maintained (currently seven years inclusive) to promote greater local flexibility to make adjustments to deal with unexpected economic shocks and emerging opportunities.

   The reintroduction of a biannual challenge fund approach will enable the ability to secure appropriate funding in order to capitalise on opportunities. Furthermore, this will require clear guidance on other eligible funding sources (at a UK and/or Scottish level) to lever in such future funding streams.

11. What would be the most appropriate partnership and governance structure to achieve the strategic objectives of the future funding?

   There is the potential to revisit the Highlands and Islands Partnership Programme (HIPP) approach which afforded the access to staff that had regional expertise and where learning was shared at the regional level. The current centralised model does not lend itself well to the need for a more localised approach. The totally internalised decision making approach by the Scottish Government has adversely affected the transparency of programme management.

   A fundamental change is required here - it is really important that there is genuine partnership working at all stages in the process: from initial programme design through decision making to monitoring and evaluation. This would provide much more "buy in" to the programme and what it seeks to

achieve.

The current LEADER Local Action Group (LAG) approach, where LAG members comprise of various public and community based partners across the Argyll and the Islands area, promotes a clear and transparent governance structure at the local level.

12. What would be the most effective delivery model to ensure maximum leverage of funds from public and private sectors to regional investments?

As noted in the response to Q10, Argyll and Bute officers believe that a multi-annual allocation funding coupled with a biannual challenge fund approach would provide a means to secure new funding sources, with clear criteria and appropriate lead-in times, to enable the preparation of shovel ready projects aligned to local opportunities, including Rural and City Deals. This approach will limit the current requirement for upfront investment for the identified strategic interventions and minimise the risk of projects not being supported, for example, due to the lack of match funding being available further to the ongoing reduction of core funding to local authorities.

On the technical side the current Strategic Intervention/Operation approach has proved to be very elongated and cumbersome, characterised by large-scale duplication and major changes to the delivery model would be required in the replacement programme. An additional point is that national challenge funds (rather than the suggested local approach in the above paragraph) are not always effective at targeting resources at those areas (either spatial or thematic) where they are most needed and this approach should be avoided in the replacement funding framework.

13. What capacity-building or other support is needed to ensure the ability of local partners and communities to participate in the programme?

Overall, local authorities have a key role to play as champions of the community planning and community empowerment processes. However in order for them to discharge these roles effectively they need to be provided with the appropriate capacity – local authorities cannot meet the aspirations of their communities if they are "running on empty." In this context the experience of the LEADER programme could be used to inform developments.

Argyll and Bute Council officers would welcome a strong Managing Authority or equivalent to interpret UK and/or Scottish Government funding rules and regulations complete with funded local staff to manage and take forward such funding opportunities, including claims. With an increased staffing capacity (again as provided under the LEADER model with an administration budget of 25% of the total funding allocation) local authority staff would be able to provide more assistance on the project development side with applicants from communities and/or local businesses.

Local input into the design of the fund would be welcome with greater flexibility to take account of differing challenges in the various regions within Scotland, including Argyll and Bute.

14. What can be learned from the design and delivery of the current and previous European Structural Fund Programmes in Scotland?

The principle of additionality should be retained. This means that spending priorities should focus on medium term priorities (e.g. employability, broadband) that need to be locally determined, but refer to wider national and international priorities. Allocations for this replacement funding should be left outside the Barnett formula.

One of the major defects of the EU Structural Funds regime has been the increasingly onerous requirements in relation to verification, compliance and audit. There is a real opportunity to streamline the layers of checks – nothing is more inefficient than having something approved at one level of checking only to be rejected the next level up. Beyond the mechanics of the compliance regime there should be a greater degree of trust in local authority financial management and audit procedures rather than the current "presumption of guilt".

If one of the key purposes of the fund is the reduction of spatial inequalities within Scotland then this surely implies a genuine devolution of funding and decision making to a regional or local level where the detailed knowledge of what is required lies.

For rural areas, such is the case for most of Argyll and Bute, the development of these new funding frameworks should be used to progress the existing community empowerment agenda, advocated by LEADER/CLLD, and existing and forthcoming Scottish legislation; while doing away with some of the constraints currently imposed by EU rules as regards embedding LEADER/LAG in the wider local authority economic and community planning policies.

Simplification of this new funding instrument would allow us to do away with EU imposed earmarks (such as compulsory 20% for research, or the expectation of spending **only** 5% of funds in rural economic diversification and capacity building). This is both an opportunity and a risk, particularly the above mentioned 5% earmark to LEADER, as this came from Brussels and there may be pressure from the farming sector to scrap altogether any earmark for community empowerment and rural diversification. Equally, as noted in the response to Q4, there is no need to replicate the same match funding rates currently set by EU rules, and in some cases, these match funding obligations could be done away with altogether.

While there is recognition of the added value of some of the policy and governance elements of the EU funds, there is a clear view that future funding should not be tied to path dependencies (i.e. there is no need to mirror EU funds present or future where it does not make sense). New frameworks should be developed that make sense Scotland at community, local and regional levels.

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|---|---|
| **ARGYLL AND BUTE COUNCIL** | **ENVIRONMENT, DEVELOPMENT AND INFRASTRUCTURE COMMITTEE** |
| **DEVELOPMENT AND ECONOMIC GROWTH** | **5<sup>TH</sup> MARCH 2020** |

**OFFICER RESPONSE TO CONSULTATION FOR A PROPOSED BILL FOR 'SAFEGUARDING SCOTLAND'S REMOTE RURAL COMMUNTIES'**

## 1.0    EXECUTIVE SUMMARY

1.1    The purpose of this report is to provide the members of the Environment, Development and Infrastructure (EDI) Committee with the proposed officer response for the 'Safeguarding Scotland's Remote Rural Communities' consultation on a proposal for a Bill to enhance the consideration of remote rural mainland communities by public bodies in Scotland.

1.2    This consultation is being led by Gail Ross, MSP, Member of the Scottish Parliament for Caithness, Sutherland and Ross.

1.3    The detailed Argyll and Bute officer response to each of the consultation questions is outlined in **Appendix 1**.

1.4    The submission deadline is 31<sup>st</sup> January 2020. Therefore, this paper has been prepared for the EDI Committee on 5<sup>th</sup> March 2020 to enable members to homologate the submitted response.

1.5    The Argyll and Bute officer response will also contribute to the officer response to by submitted by the SLAED Rural Group (chaired by Argyll and Bute Council's Economic Growth Manage

1.6    Members are asked to:
- Note the content of this report.

- Note the officer draft response to the recent consultation outlined in **Appendix 1**. As the deadline for submission to the Scottish Government was 31<sup>st</sup> January 2020, officers submitted a response aligned to the requested timetable. This response was considered and commentary provided for inclusion in the submission by members of the Strategic Management Team.

- Agree to homologate the officer response. It is noted that responses received after the consultation has closed will not be included in any summary of responses that is prepared. However, officers suggest that any additional substantive comments from the EDI Committee Members could be fed back to officers for submission to Gail Ross, MSP in writing.

**ARGYLL AND BUTE COUNCIL**      **ENVIRONMENT, DEVELOPMENT AND INFRASTRUCTURE COMMITTEE**

**DEVELOPMENT AND ECONOMIC GROWTH**      **5TH MARCH 2020**

**OFFICER RESPONSE TO CONSULTATION FOR A PROPOSED BILL FOR 'SAFEGUARDING SCOTLAND'S REMOTE RURAL COMMUNTIES'**

## 2.0 INTRODUCTION

2.1 The purpose of this report is to provide the members of the Environment, Development and Infrastructure (EDI) Committee with the proposed officer response for the 'Safeguarding Scotland's Remote Rural Communities' consultation on a proposal for a Bill to enhance the consideration of remote rural mainland communities by public bodies in Scotland.

2.2 The detailed Argyll and Bute officer response to each of the consultation questions is outlined in **Appendix 1**.

## 3.0 RECOMMENDATIONS

3.1 Members are asked to:

- Note the content of this report.

- Note the officer draft response to the recent consultation outlined in **Appendix 1**. As the deadline for submission to the Scottish Government was 31st January 2020, officers submitted a response aligned to the requested timetable. This response was considered and commentary provided for inclusion in the submission by members of the Strategic Management Team.

- Agree to homologate the officer response. It is noted that responses received after the consultation has closed will not be included in any summary of responses that is prepared. However, officers suggest that any additional substantive comments from the EDI Committee Members could be fed back to officers for submission to Gail Ross, MSP in writing.

## 4.0 DETAIL

4.1 This consultation relates to a draft proposal lodged by Gail Ross, MSP, Member of the Scottish Parliament for Caithness, Sutherland and Ross as the first stage in the process of introducing a Members' Bill in the Scottish Parliament.

4.2 This exercise aims to "get the views of the whole of Scotland, to gauge whether depopulation in remote rural communities can be reversed and to encourage public bodies to take impacts on remote rural communities into account when making policy." The consultation is laid out in sections seeking views under the following headings:

- Aim and approach of the proposed legislation;
- Remote rural proofing;
- Empowering remote rural communities;
- National Remote Rural Plan;
- Electoral Wards and Constituencies;
- Financial implications;
- Equalities; and
- Sustainability.

4.3 The introduction of an Act to take into account remote rural mainland areas is intended to further complement other pieces of legislation such as the Islands Act, the Community Empowerment Act and the recent South of Scotland Agency Act.

4.4 The overall aim of the proposed Bill to promote remote rural mainland communities is welcome. Argyll and Bute has a unique geography compared with other parts of Scotland which is made up of many remote rural mainland peninsular areas which experience similar challenges as the area's 23 inhabited islands, covered by the Islands Act. Therefore, Argyll and Bute Council officers would welcome the inclusion of remote rural issues within the Islands Act to address these similar challenges. This will avoid creating a cluttered legislative landscape for the Argyll and Bute area and unwieldly monitoring of a plethora of measures. That said, any additional requirements under the National Islands Plan need to come with sufficient additional resources rather than placing an extra financial burden on local authority budgets, which are already tight.

4.5 A list of 'very remote rural' communities, as defined by the Scottish Government's 8-fold Urban-Rural Classification 2016, is outlined on page 16 of the consultation document. Due to its unique geography, Argyll and Bute should be included. Therefore care needs to be taken in the use of pre-defined definitions that are subjective in nature that are being used to identify remote rural/very remote rural communities, particularly with regard to the implications that such definitions might have for any future policy and how/where it is applied.

## 5.0 CONCLUSION

5.1 The draft officer response to the consultation questions in **Appendix 1** covers a number of issues as detailed in paragraph 4.2 above. In summary, the Scottish Government's focus on mainstreaming remote rural policy is welcomed to help reverse population decline (particularly those of working age). Argyll and Bute Council officers have put forward a recommendation for the inclusion of remote

rural issues within the Islands Act and associated National Islands Plan, without the requirement to develop a separate National Remote Rural Plan for Argyll and Bute. However, this must to be accompanied by sufficient additional resources to meet such requirements.

5.2 Officers believe that remote rural mainland areas, although some are very ambitious, continue to face significant sustainability challenges due to Scottish Government budgetary restraints, greater urbanisation and growth focused on city regions. Remote rural areas require further support at all levels. With additional resource allocation and strong guidelines for collaborative working between the agencies, remote rural mainland areas have everything to gain.

## 6.0 IMPLICATIONS

| | | |
|---|---|---|
| 6.1 | Policy | Adding in the remote rural focus to the existing National Islands Plan could assist with the delivery of the Argyll and Bute Local Outcome Improvement Plan, where the vision is that Argyll and Bute's economic success in built on a growing population. |
| 6.2 | Financial | Potential that further legislation to incur increased costs to local authorities to deliver. Thus any additional legislative requirements need to be sufficiently resourced. |
| 6.3 | Legal | All appropriate legal implications will be taken into consideration. |
| 6.4 | HR | None at present. |
| 6.5 | Fairer Scotland Duty | The Fairer Scotland Duty, Part 1 of the Equality Act 2010, came into force in April 2018. The duty places a legal responsibility on particular public bodies in Scotland, such as Argyll and Bute Council, to pay due regard to (actively consider) how they can reduce inequalities of outcome, caused by socio-economic disadvantage, when making strategic decisions and how this has been implemented. See response to Q12 and Q13. |
| 6.5.1 | Equalities | All activities will comply with all Equal Opportunities/Fairer Scotland Duty policies and obligations, see response to Q12 and Q13. |
| 6.5.2 | Socio-economic Duty | Any new legislation should focus on removing socio-economic disadvantage for residents across Argyll and Bute, see response to Q12 and Q13. |

| 6.5.3 | Islands | The recently published Islands Act and associated National Islands Plan, which aims to improve the quality of life for islanders and reduce population loss should be augmented to cover remote rural mainland areas. Remote rural mainland areas can experience similar challenges and issues as islands, thus it seems inappropriate for 'remote rural proofing' and 'island proofing' to be addressed through separate plans within Argyll and Bute. |
|---|---|---|
| 6.6 | Risk | Argyll and Bute Council officers will continue to engage with the process to ensure that any legislation offers more opportunities and addresses many of the challenges for remote rural areas. To disengage with any of these consultations would be a significant risk for Argyll and Bute as specific issues for the area would not be put forward for consideration. |
| 6.7 | Customer Services | None. |

**Kirsty Flanagan, Executive Director with responsibility for Development and Economic Growth**
**Cllr Aileen Morton, Policy Lead Economic Growth**
24th February 2020

**For further information contact:**
Ishabel Bremner, Economic Growth Manager, tel: 01546 604375

**APPENDICES**

### Appendix 1: Officer Response to Consultation Questions

**ABOUT YOU**

(Note: Information entered in this "About You" section may be published with your response (unless it is "not for publication"), except where indicated in **bold**.)

1.  Are you responding as:
    - ☐ an individual – in which case go to Q2A
    - √ on behalf of an organisation? – in which case go to Q2B

2A. Which of the following best describes you? (If you are a professional or academic, but not in a subject relevant to the consultation, please choose "Member of the public".)
    - ☐ Politician (MSP/MP/peer/MEP/Councillor)
    - ☐ Professional with experience in a relevant subject
    - ☐ Academic with expertise in a relevant subject
    - ☐ Member of the public

    Optional: You may wish to explain briefly what expertise or experience you have that is relevant to the subject-matter of the consultation:

2B. Please select the category which best describes your organisation:
    - √ Public sector body (Scottish/UK Government or agency, local authority, NDPB)
    - ☐ Commercial organisation (company, business)
    - ☐ Representative organisation (trade union, professional association)
    - ☐ Third sector (charitable, campaigning, social enterprise, voluntary, non-profit)
    - ☐ Other (e.g. clubs, local groups, groups of individuals, etc.)

    Optional: You may wish to explain briefly what the organisation does, its experience and expertise in the subject-matter of the consultation, and how the view expressed in the response was arrived at (e.g. whether it is the view of particular office-holders or has been approved by the membership as a whole).

    The Argyll and Bute Council area is divided up into four Administrative Areas, which are frequently used for service planning within the area. These are:

Argyll and Bute: Administrative Areas

- Bute and Cowal (red area)
- Helensburgh and Lomond (yellow area)
- Mid-Argyll, Kintyre and the Islands (green area), and
- Oban, Lorn and the Isles (blue area).

The Helensburgh and Lomond administrative area is closer to the central belt of Scotland by road. However, the other administrative areas face largely similar challenges: peninsular communities, limited public transport, a road network where 50% of the carriageway is C class or unclassified, and lower than average mobile and broadband coverage. Most importantly, Argyll and Bute is set to lose 10% of its population by 2041 (up to 8,600 people) if remedial action is not taken. To put this into context this accounts for the entire resident population of Oban.

Argyll and Bute Council is working, with our partner organisations, to deliver this vision for our area: *our economic success is built on a growing population*. Which is set out in the Argyll and Bute Outcome Improvement Plan.

The Plan sets out six outcomes that help us achieve our vision:
- Outcome 1 - The economy is diverse and thriving
- Outcome 2 - We have infrastructure that supports sustainable growth
- Outcome 3 - Education, skills and training
- Outcome 4 - Children and young people have the best possible start
- Outcome 5 - People live active, healthier and more independent lives
- Outcome 6 - People live in safer and stronger communities

In recognition of the challenges and opportunities for Argyll and Bute, the council has revised its Economic Strategy and notably has secured £50m for the area's Rural Growth Deal which will support investment and economic growth for 10 to 15 years, once up and running.

This consultation response has been drafted by senior officers of the council with the responsibility for Economic Growth with input from other departments as appropriate.

3.  Please choose one of the following:
    √   I am content for this response to be published and attributed to me or my organisation
    ☐   I would like this response to be published anonymously
    ☐   I would like this response to be considered, but not published ("not for publication")

    If you have requested anonymity or asked for your response not to be published, please give a reason. **(Note: your reason will not be published).**

**4.** Please provide your name or the name of your organisation. **(Note: The name will not be published if you have asked for the response to be anonymous or "not for publication").**

   Name: Argyll and Bute Council

Please provide a way in which we can contact you if there are queries regarding your response. Email is preferred but you can also provide a postal address or phone number. **(Note: We will not publish these contact details).**

   Contact details: ishabel.bremner@argyll-bute.gov.uk
   Ishabel Bremner
   Economic Growth Manager
   Argyll and Bute Council
   Whitegates Office
   Whitegates Road
   Lochgilphead
   PA31 8SY

5.  Data protection declaration

    √   I confirm that I have read and understood the privacy notice attached to this consultation which explains how my personal data will be used.

**YOUR VIEWS ON THE PROPOSAL**

Note: All answers to the questions in this section may be published (unless your response is "not for publication").

**AIM AND APPROACH**

1.  Which of the following best expresses your view of legislating to enhance the consideration given to remote rural mainland communities by public bodies in Scotland?

    √      Fully supportive
    ☐      Partially supportive
    ☐      Neutral (neither support nor oppose)
    ☐      Partially opposed
    ☐      Fully opposed
    ☐      Unsure

    Please explain the reasons for your response.

    Officers are fully supportive of the proposed legislation where remote rural mainland issues are being recognised, considered and mainstreamed. If legislation is to be introduced that binds the council to certain activities, promotes or rejects others, then reassurance needs to accompany the publishing of the Bill that these activities will not be to the detriment of normal council business. In particular, the introduction of such legislation should come with sufficient additional resources so as not to place an extra financial burden on local authority budgets, which are already tight.

    Argyll and Bute has a unique geography, compared with other parts of Scotland, which is made up of many remote rural mainland peninsular areas which experience similar challenges as the area's 23 inhabited islands, covered by the Islands Act. Therefore, rather than just complementing existing legislation such as the Islands Act, Argyll and Bute Council officers would welcome the inclusion of remote rural issues within the Islands Act and associated National Islands Plan to address these similar issues. The National Islands Plan sets out 13 objectives and over 100 measures to achieve this, which in turn needs to contribute to the National Performance Framework. To augment the National Islands Plan with additional remote rural requirements/measures needs reassurance of extra funding to support improvement across challenging areas.

    Circa 43% of the population within the Argyll and Bute Council area lives in areas identified as being 'remote rural' (Scottish Government 6-fold Urban-Rural Classification 2016) and approximately 17% live on islands (2011 Census). In turn, 'rural' areas account for over 90% of Argyll and Bute's total land area. Therefore the council has extensive experience of delivering high quality services to remote rural communities.

2. What do you think would be the main practical advantages and disadvantages of the proposed Bill?

Advantages

The focus on remote rural mainland areas provides an opportunity to have a positive impact on national policy delivery for many parts of Scotland, including Argyll and Bute. Argyll and Bute's remote rural communities, face transport, digital and infrastructure challenges – similar to those of the island communities.

To take advantage of this opportunity, a standard approach should be put in place so that public bodies across Scotland are required to consider all aspects of remote rural communities in decision making.

Officers have consistently argued for the decentralisation of public sector jobs (Government, enterprise agencies, Skills Development Scotland, etc.). Where these jobs are located should be better embedded into such legislation, to enable greater flexibility to help support rural economies in this way, rather than a Glasgow/Edinburgh focus.

Consideration should be given to the delivery principles of the current LEADER and European Maritime and Fisheries Fund (EMFF) programmes, where the focus is on bottom-up, community-led, local economic development. In particular, focus should be on how a separate Bill and associated National Remote Rural Plan, or an augmentation to the National Islands Plan, could strengthen the debate for the repatriation of funding from the UK Government to Scotland and in turn to the Scottish Rural Development Programme where a similar programme such as LEADER could be delivered across remote rural Scotland post EU Exit.

Disadvantages

A list of 'very remote rural' communities, as defined by the Scottish Government's 8-fold Urban-Rural Classification 2016, is outlined on page 16 of the consultation document. Due to the unique geography of Argyll and Bute, which includes 23 inhabited island, Argyll and Bute should be included. Therefore care needs to be taken in the use of pre-defined definitions that are subjective in nature that are being used to identify remote rural/very remote rural communities, particularly with regard to the implications that such definitions might have for any future policy and how/where it is applied. If the population of Dunoon or Oban grows to 10,000, then these towns would become urban areas according to the Scottish Government's Urban-Rural Classification (see: https://www.gov.scot/publications/understanding-scottish-rural-economy/ research paper undertaken by Rural & Environment Science & Analytical Services, Scottish Government). This would then affect the classification of surrounding rural areas, changing remote rural areas to accessible rural areas, etc. However, this would not mean that those areas suddenly have better access to services.
Currently Helensburgh is classed as an urban area; this means that its hinterland is an accessible rural area. However, Helensburgh does lack in

service provision, for example, residents still have to go into the Central Belt to access many health services.

Furthermore, the Scottish Government's Rural-Urban Classification covers islands. As a result, the islands are remote rural areas. Therefore it could become complicated if the legislation relies on the Urban-Rural Classification to identify areas it covers.

**REMOTE RURAL PROOFING**

3.  Which of the following best expresses your view of placing the concept of Remote Rural Proofing into legislation?

    √    Fully supportive
    ☐    Partially supportive
    ☐    Neutral (neither support nor oppose)
    ☐    Partially opposed
    ☐    Fully opposed
    ☐    Unsure
    Please explain the reasons for your response.

    Once embedded into legislation, providing that resource comes with extra legislative powers, it will be easier to retain a level playing field across Scotland's remote rural areas. There is currently a perception that council areas to the far west are treated less favourably than those to the south and the east.

4.  Which of the following best expresses your view of giving Scottish Ministers power to issue statutory guidance to other relevant public bodies related to Remote Rural Proofing which they would be required to adhere to in exercising their functions and duties?

    √    Fully supportive
    ☐    Partially supportive
    ☐    Neutral (neither support nor oppose)
    ☐    Partially opposed
    ☐    Fully opposed
    ☐    Unsure

    Mirroring the response to Q3, once embedded into legislation, providing that resource comes with extra legislative powers, it will be easier to retain a level playing field across Scotland's remote rural areas.

    However, care must be taken to recognise the unique challenges and opportunities for each of the remote rural areas. A top down approach may not be fully cognisant of the local geographies etc. Council officers have experience of this in the delivery of employability programmes which are target driven but do not in general take into account geography, transport or training capacity of the remote rural areas.

5. If Scottish Ministers had such a power, which public bodies should it apply to, and in relation to which of their functions and duties?

It should apply to all public bodies with a responsibility for delivery of services in rural and remote rural areas or across the whole of Scotland to allow for a holistic approach, where all agencies are committed or encouraged to work more closely together to enable more added value to be delivered at the local level. To fulfil the opportunities that could be afforded by this legislation cannot be a tick box exercise.

**EMPOWERING REMOTE RURAL COMMUNITIES**

6. Do you agree that councils that serve remote rural areas currently have sufficient powers to deliver positive outcomes for their communities?

☐ Yes
√ No
☐ Don't know

Please give reasons for your response (and suggest any additional powers that you think these councils should have).

As noted under the council's response to the initial Local Governance Review/Democracy Matters consultation, 14th December 2018, it remains unknown at this stage what the proposed Local Democracy Bill will contain. However it is anticipated that it will have the potential to have a) a long term impact on how decisions are made affecting our communities in Argyll and Bute and b) generate organisational or structural change or introduce the transfer of powers between or from spheres of government and communities. The Scottish Government intends to continue the 'Democracy Matters' conversations during 2020. Therefore, in short, any proposed legislation for remote rural communities should be implemented complete with appropriate powers.

Officers believe that in order to continue to deliver a sustainable service to remote and rural communities going forward there are current opportunities for the council to exercise its powers to raise tax locally, such as the Transient Visitor Levy, if it so wishes with due consideration to the needs and challenges faced by remote communities.

**REMOTE RURAL PLAN**

7. Which of the following best expresses your view of requiring the Scottish Government to prepare a 'National Remote Rural Plan'?

√ Fully supportive
☐ Partially supportive
☐ Neutral (neither support nor oppose)

☐       Partially opposed
☐       Fully opposed
☐       Unsure

Please explain the reasons for your response.

Officers are fully supportive of the overarching principle of providing legislation that ensures the Scottish Government gives due recognition to remote rural mainland areas. However, Argyll and Bute Council officers would welcome the inclusion of remote rural issues within the Islands Act and associated National Islands Plan that will address similar challenges and issues, accompanied by sufficient additional resources to meet such requirements.

8.   How often should the plan be reviewed?

☐ Every 10 years
√  Every 5 years
☐ Every 3 years
☐ Every year
☐ Other frequency (please specify)
☐ No need for regular reviews
☐ Don't know

Five year plans allow for outcomes to begin to be realised at the local level. As noted under the response to Q1, if there is to be a National Remote Rural Plan for discrete parts of Scotland, it should be reviewed and updated in parallel with the National Islands Plan, rather than it working to a separate timescale.

## ELECTORAL WARDS AND CONSTITUENCIES

9.   The Boundary Commission is normally required to ensure that all constituencies and wards contain similar populations, even if that results in rural constituencies and wards being much larger than urban ones. At present, the only exceptions are for a few island areas (e.g. Orkney, Shetland and the Western Isles must remain separate constituencies, despite their relatively small populations). Do you believe further exceptions should be made for mainland remote rural areas?

☐ Yes
☐ No
√ Don't know

Please explain the reasons for your response.

In principle, remote rural areas face similar challenges and issues as island communities. However, due cognisance should be given to the ongoing review of electoral ward and constituency boundaries within Argyll and Bute (and other areas). see: https://www.lgbc-scotland.gov.uk/2019-reviews-electoral-arrangements

**FINANCIAL IMPLICATIONS**

10. Taking account of both costs and potential savings, what financial impact would you expect the proposed Bill to have on:

    (a) Government and the public sector
    √      Significant increase in cost
    ☐      Some increase in cost
    ☐      Broadly cost-neutral
    ☐      Some reduction in cost
    ☐      Significant reduction in cost
    ☐      Unsure

    (b) Businesses
    ☐      Significant increase in cost
    ☐      Some increase in cost
    √      Broadly cost-neutral
    ☐      Some reduction in cost
    ☐      Significant reduction in cost
    ☐      Unsure

    (c) Individuals
    ☐      Significant increase in cost
    √      Some increase in cost
    ☐      Broadly cost-neutral
    ☐      Some reduction in cost
    ☐      Significant reduction in cost
    ☐      Unsure

    Please explain the reasons for your response.

    **Public sector**: the delivery of the National Islands Plan is the responsibility of local authorities, where an integral part of the delivery in the need to undertake an Island Communities Impact Assessment, in order to "island proof" legislation, policy, strategies and services where those are considered likely to have an effect on an island community which is significantly different from its effect on other communities. Given that remote rural areas within Argyll and Bute face similar challenges to island communities it is anticipated that capturing a remote rural element within the National Islands Plan, as suggested for Argyll and Bute, will have a significant impact on already tight resources.

    The public sector is, and will remain, a key employer in remote rural mainland areas where there is often a shortage of alternative high value employment in the private sector. Continued reductions in public sector / local authority budgets could have a huge impact on remote rural communities that rely heavily on the public sector for employment.

    Other public bodies not geographically linked might face higher costs to adapt. Service delivery costs are generally higher in remote rural areas; the Bill may provide the platform for remote rural mainland areas to argue for

more resources.

The Scottish Government should look at ways that jobs / agencies could be decentralised and relocated in remote rural areas to reduce property costs and give a much needed jobs boost to remote rural areas.

**Businesses**: existing budget pressures causing a reduction in service provision are likely to have a disproportionate effect on island communities, who are already less able to access (face-to-face) adviser or workshop Business Gateway support due to geographical challenges. The same is true for service provision in remote rural mainland areas, where the higher cost of delivery coupled with reduced budgets will marginalise some communities due to less support being available.

Argyll and Bute's business profile is largely SMEs, with the majority of these being micro businesses, which do not hit the Government's growth agenda for support but play a vital role in sustaining vibrant local communities. The ongoing challenges for remote rural SMEs are issues such as poor mobile/digital coverage, higher distribution/delivery costs, less choice of utility suppliers which can drive up the operating costs.

This Bill could present a real opportunity to seek more resources for businesses in island/remote rural areas and in particular to support fragile island and remote rural communities with self-employment. Approximately 12.3% of the working age population in Argyll and Bute are self-employed, compared with 8.2% for Scotland.

**Individuals**: if the plan brings an additional financial burden to the council then this will need to be passed on to residents/visitors.

11. Are there ways in which the Bill could achieve its aim more cost-effectively (e.g. by reducing costs or increasing savings)?

    Turning the above question around, it is vital that rural/remote rural areas are awarded more funding per head of population than urban areas as using a standard method of basing investment per capita puts remote rural areas at a huge disadvantage as these areas are often characterised by large geographic areas with low and dispersed populations.

    Activity should be focused on growth sectors in rural/remote rural areas e.g. tourism, marine industries and food and drink production, with greater use of digital technologies to increase efficiencies and reduce costs. These industries are major employers with significant potential for growth and high value career opportunities. Modern apprenticeships and training should be tailored to employment gaps in these sectors, schools should be encouraged to promote parity of esteem between vocational learning and further education at universities. The Scottish Government should be encouraged to reflect this when assessing attainment. Remote rural areas are subject to an ageing and depleting population and have the need to in-migrate young people. Therefore the academic offer in rural/remote rural areas needs to be expanded and linked to economic opportunities.

Schools and further education should be encouraged to work closely with the business sector and vice versa. Understanding the businesses already in the area and relative succession planning requirements would assist with matching skills/courses to the employment opportunity. Better links would also support opportunities for mentoring.

The provision for quality and affordable co-working space has the potential to tackle inequalities (aligned to Q12) by providing opportunity for businesses to grow, peer-to-peer learning whilst also combating social isolation and promoting inclusion.

**EQUALITIES**

12. What overall impact is the proposed Bill likely to have on equality, taking account of the following protected characteristics (under the Equality Act 2010): age, disability, gender re-assignment, marriage and civil partnership, race, religion and belief, sex, sexual orientation?

   ☐     Positive
   ☐     Slightly positive
   √     Neutral (neither positive nor negative)
   ☐     Slightly negative
   ☐     Negative
   ☐     Unsure

Please explain the reasons for your response.

Officers do not foresee this as an issue as Argyll and Bute Council has an equalities agenda built into its constitution and ensures that this is also reflected in the procurement process. In short, delivery of service interventions should have no adverse impact on key equality groups if the provision complies with all Equal Opportunities policies and obligations.

This consultation does not mention the Fairer Scotland Duty, which is about reducing socio-economic inequalities. It is anticipated that a Remote Rural Bill and associated National Remote Rural Plan is more likely to address issues of socio-economic disadvantage rather than the protected characteristics within the Equality Act, 2010. That said, depending on what is included in the proposed Plan, if it leads to improved access to health services, it might have positive impacts on the protected characteristics of age, disability and possibly gender re-assignment.

13. In what ways could any negative impact of the Bill on equality be minimised or avoided?

By ensuring that good lines of communication exist between those administering the Bill and the agencies on the ground who have to deliver on it. It is likely that, as with the Islands Plan, this Bill will create additional measures that must be implemented then this must come with additional resource.

16

**SUSTAINABILITY**

14. Do you consider that the proposed bill can be delivered sustainably, i.e. without having likely future disproportionate economic, social and/or environmental impacts?

    √       Yes
    ☐       No
    ☐       Don't know

Please explain the reasons for your response.

Officers believe that remote rural mainland areas, although some are very ambitious, continue to face significant sustainability challenges due to Scottish Government budgetary restraints, greater urbanisation and growth focused on city regions. Remote rural areas require further support at all levels. With additional resource allocation and strong guidelines for collaborative working between the agencies, remote rural mainland areas have everything to gain.

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**ARGYLL AND BUTE COUNCIL**          **ENVIRONMENT, DEVELOPMENT AND INFRASTRUCTURE**

**DEVELOPMENT AND ECONOMIC GROWTH**          **5TH MARCH 2020**

**HOUSING TO 2040 CONSULTATION**

## 1.0    EXECUTIVE SUMMARY

1.1    The main purpose of this report is to consult with Members on the proposed Council response to the Housing to 2040 consultation.

1.2    The Housing to 2040 consultation was due to close on 28th February but the Scottish Government has agreed to an extension so that officers can consult with Members at the 5th March Economic, Development and Infrastructure Committee. This consultation is the latest stage in the process of the Scottish Government setting out a vision for Housing to 2040 which is scheduled to be published in the Summer of 2020.

1.3    The outcome of the Consultation will determine how much Scottish Government funding will be provided to the local authority to deliver key housing functions such as new build affordable housing, energy efficiency measures, delivery housing adaptations, assisting with common repairs and bringing empty homes back into use.

1.4    It is recommended that Members consider the proposed Officer response to the Housing to 2040 consultation.

**ARGYLL AND BUTE COUNCIL**

**ENVIRONMENT, DEVELOPMENT AND INFRASTRUCTURE**

**DEVELOPMENT AND ECONOMIC GROWTH**

**5TH MARCH 2020**

**HOUSING TO 2040 CONSULTATION**

## 2.0 INTRODUCTION

2.1 The Housing to 2040 Scottish Government consultation is an opportunity for stakeholders to tell the Government what they think housing priorities should be beyond 2021. Housing to 2040 will set out a vision for the housing system in Scotland for the next 20 years.

2.2 The outcome of the consultation will determine how much Scottish Government funding will be provided to the local authority to deliver key housing functions such as new build affordable housing, energy efficiency measures, delivery housing adaptations and bringing empty homes back into use.

## 3.0 RECOMMENDATIONS

3.1 It is recommended that Members consider the proposed Officer response to the Housing to 2040 consultation.

## 4.0 DETAIL

4.1 The Housing to 2040 consultation follows on from a Housing Beyond 2021 consultation which took place in 2018 and was reported to Council in November 2018. The outcome of the 2018 exercise was that stakeholders want certainty and a whole system holistic approach to the housing system in Scotland. Stakeholders wanted to see improvements to existing housing stock as well as a recognition of the distinct needs of rural communities. Stakeholders want to see people, communities and place making at the heart of planning and decision making.

The overarching vision of Housing to 2040 is to have a **well- functioning housing system, high quality sustainable homes, sustainable communities and homes that meet people's needs**. The Consultation recognises that the are some major influencers on the housing system going forward – population and health, political, economic, technology, transport, energy and climate change and climate adaptation. There are 15 principals proposed within the vision of Housing to 2040 Consultation which are detailed from 4.2 to 4.16.

4.2    Principal 1 - **The housing system should supply high-quality affordable homes for living in, to shift the balance away from the use of homes as a means to store wealth.**

4.3    Principal 2 - **Government policy (including taxes and subsidies, for example) should promote house price stability, to help underpin Scotland's standard of living and productivity and promote a Fairer Scotland.**

4.4    Principal 3 - **Everybody should be able to save for the future (as well as be secure in their home and make significant changes to it) whether they rent or own.**

4.5    Principal 4 - **Housing provision should be informed by whole life economic costs and benefits in the round and help to address inequalities in health, wealth and education**.

4.6    Principal 5 - **Tenure-neutral space and quality standards for new homes (and existing homes where possible) should be set specifically to improve and protect quality of living and of place.**

4.7    Principal 6 - **Government policy should promote a greater diversity of home builders and broader availability of land for development to reduce prices and improve building quality.**

4.8    Principal 7 - **All tenures should apply the same high quality and safety standards and levels of consumer protection.**

4.9    Principal 8 - **New homes for sale should be built to high standards, defects should be identified and remedied quickly and all owners should be required to maintain the condition of their home.**

4.10   Principal 9 - **Decisions around the quality, location and utilisation of existing stock and new build should be ambitious in enhancing biodiversity, promoting Scotland's energy security, and be consistent with the target for Scotland's emissions to be net zero carbon by 2045.**

4.11   Principal 10 - **New housing, and the required community resources, should only be provided where they help to create safer, stronger, attractive, sustainable and integrated communities.**

4.12   Principal 11 - **Local communities should be empowered to respond to housing need in their area, as part of a coherent regional economic approach (creating and maintaining jobs) and supported by provision of the right infrastructure.**

4.13 Principal 12 - **Government intervention should help existing and new communities to be physically, digitally, culturally and economically connected within a coherent geographic region; this includes retaining and attracting vibrant communities in areas facing depopulation.**

4.14 Principal 13 - **Government should ensure that there are affordable housing options across Scotland for households at all income levels.**

4.15 Principal 14 - **Housing and the housing market should be highly flexible to enable people to meet their changing needs.**

4.16 Principal 15 - **Everyone has a right to an adequate home**.

**Consultation Questions**

4.17 There are 8 main questions in the consultation which are detailed from 4.18 to 4.26.

4.18 Do you have any comments on the draft vision and principals?

4.19 Do you have any comments on the scenarios and resilience of the route map or constraints?

4.20 Do you have any proposals which would increase the affordability of housing in the future?

4.21 Do you have any proposals which would increase the accessibility and/or functionality of existing and new housing (for example for older and disabled people)?

4.22 Do you have any proposals that would help us respond to the global climate emergency by increasing the energy efficiency and warmth and lowering the carbon emissions of existing and new housing?

4.23 Do you have any proposals that would improve the quality, standards and state of repair of existing and new housing?

4.24 Do you have any proposals that would improve the space around our homes and promote connected places and vibrant communities?

4.25 Any other comments?

4

**5.0    CONCLUSION**

5.1    The proposed officer response is contained in appendix 3. Issues raised but not contained in the response to the Scottish Government relate to Planning policy and the management of Short Term Lets such as Air B and B's. These issues require Council policy decisions rather than national policy decisions. For example research will be carried out in relation to the impact of Air B and B's in Argyll and Bute as part of the Local Housing Strategy work in 2020.

5.2    In terms of the Council response to the Housing to 2040 consultation It is essential that the new build affordable housing supply programme is increased and that it enables economic growth in remote rural areas as well as meeting traditional housing need and demand. It is important that existing housing is made fit for purpose in terms of being adapted and made energy efficient. It is also vital that we tackle our ineffective housing stock in Argyll and Bute and bring empty properties back into use particularly in areas of high demand.

**6.0    IMPLICATIONS**

6.1    Policy – the Council must continue to have an effective affordable housing supply programme to meet the Council's statutory obligations towards homeless households.

6.2    Financial – the Council must continue to receive adequate funding to assist with statutory adaptations to existing housing and also assist with common repairs to existing housing in the local authority area. We must also continue to receive adequate energy efficiency funding to meet the objectives of Housing to 2040.

6.3    Legal – if the Council fails to deliver statutory housing obligations.

6.4    HR – none.

6.5    Fairer Scotland Duty: the Council must ensure that affordable housing is available to meet assessed housing need and demand.

6.5.1    Equalities - protected characteristics

6.5.2    Socio-economic Duty – the Council has a statutory duty to assess and meet housing need and demand in the local authority area.

6.5.3    Islands – island housing issues are recognised in the Consultation.

6.6.    Risk – the Council being unable to fulfil statutory housing obligations.

6.7    Customer Service – the Council not being able to deliver statutory housing obligations to households.

**Kirsty Flanagan**, Interim Executive Director with responsibility for Development and Economic Growth

**Policy Lead Councillor Robin Currie**

10th February 2020

**For further information contact:**

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**APPENDICES**

      Appendix 1 Housing to 2040 Full Length Version

      Appendix 2 Pointer to Route Map to 2040

      Appendix 3 Proposed Council Response to the Consultation

Appendix 1

# HOUSING TO
# 2040

## A VISION
## FOR OUR FUTURE
## HOMES AND
## COMMUNITIES

FULL-LENGTH
2040

## What is Housing to 2040?

Housing has a vital role to play in meeting many of our ambitions for Scotland, including eradicating child poverty and homelessness, ending fuel poverty, tackling the effects of climate change and promoting inclusive growth.

We want everyone in Scotland to have a home that is warm, affordable and accessible and that fits their needs. We also want to ensure we have a housing system that is dynamic and resilient enough to respond to future changes, and can help to address the number of challenges we are facing, including an ageing population and a global climate emergency. That is why we have now begun to consider our longer term aspirations for housing in Scotland and the opportunities for how we might achieve this.

In our 2018-19 Programme for Government, we made a commitment to plan together with stakeholders for how our homes and communities should look and feel in 2040 and the options and choices to get there.  This new approach will encompass the whole housing system[1] – we want Housing to 2040 to be a lasting legacy that is not just about new homes, but that takes into account the people, place, environment and communities in which our homes, both new and old, are located.

Since making this commitment, we have been engaging extensively with a variety of stakeholders, including local government, businesses, the third sector, home owners, tenants and others to help shape a draft vision and principles for 2040.

This document sets out the Housing to 2040 draft vision and principles that emerged following our initial round of stakeholder engagement.

## What is the purpose of the vision and principles?

Our National Performance Framework provides the high-level vision for Scotland.  Our draft housing vision for 2040 describes in more detail what we want the housing system to look and feel like in the future.  It is meant to be ambitious and aspirational.

The vision is **person-centred**, and views the system from the citizen's perspective to reflect the diversity of people, homes and communities across Scotland. But the vision is also for all those involved in housing delivery and services - making the vision a reality will require action from Scottish Government, public, private and third sector partners and the people of Scotland.

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[1] In this context, the "housing system" includes culturally appropriate accommodation for Gypsy/Travellers such as sites, for example, as well as more traditional forms of accommodation.

The principles underpinning the vision are a high-level guide to how policy decisions might be made to make the vision a reality.

## What are some of the challenges we face?

### We have an ageing population and people are living longer

This means that demands on health and social care will increase in the future. We want to think about our different housing options and promote greater adaptability to allow us to live independently at home for longer, reducing that demand.

### The number of households is growing and more people are living alone
The number of households in Scotland is projected to increase and one person households are set to become the most common household type. This means we need to think strategically about how we design and build new homes and where, and how we can make the best use of our existing stock.

### We need to mitigate the impact of climate change

We must  ensure our homes are energy efficient and are able to adapt to the effects of climate change We've set out the actions we'll take to reduce emissions from our homes in our Climate Change Plan and our Energy Efficient Scotland route map. We have also introduced a Climate Change Bill to strengthen our greenhouse gas emission reduction targets.

### We must act on homelessness

Nobody should be without a safe, warm place they can call home - that is why we are working hard to prevent homelessness in Scotland. We have published our Ending Homelessness and Rough Sleeping action plan to transform temporary accommodation and put an end to rough sleeping and homelessness.

### We want to tackle child poverty

The Scottish Government is committed to ending child poverty and the housing system can help us to do this. We want to increase housing affordability and lower running costs to reduce poverty for households with children.

### We need to manage the impact of Brexit and the UK Government's welfare reforms

Brexit will have consequences for both housing supply and demand.  The UK Government's welfare reforms have reduced the support it provides - the Scottish Government works to mitigate this, but this isn't sustainable in the long term.

## We want to hear your views…

The first phase of Housing to 2040 stakeholder engagement concluded on 30 November 2018, and attracted contributions from over 800 people representing more than 100 organisations. A Scottish

Government report on stakeholder engagement in 2018 was published in May 2019 and is available here:  https://www.gov.scot/publications/housing-2040-report-stakeholder-engagement2018/

We will continue to engage with a wide range of people across Scotland and will undertake further formal public consultation in the autumn on the draft vision and principles, themes and outline options for the route map.

The outputs from the next round of consultation will help us to create the final vision and a route map to 2040, which we intend to publish in spring 2020.

What you can do now:

- Discuss this with friends, family or in your communities/workplace or on twitter using the hashtag #Housing2040
- E-mail us your thoughts at Housing2040@gov.scot (please note we won't be able to respond to each e-mail individually)

# HOUSING TO 2040 VISION

## A WELL-FUNCTIONING HOUSING SYSTEM

- **Finding the right home** - I can quickly find a home that is right for me when I need one, for example when my circumstances change, and the process of moving is straightforward.  I have a choice about where in Scotland I live and the type of home I live in.  I can find suitable accommodation no matter what area I choose to live in, even though I am on a modest income.  There are new ways to find homes through, for example, arranging swaps directly with other people who want to move.

- **Affording a home** - I can afford a home that meets my needs.  I find renting is affordable and allows me to make regular savings for my future, in order to buy a home, if I want to.

- **Making the best use of our homes** - As an older person wanting to move, I can get help to move to a home which better meets my needs; my current home is no longer right for me but would be ideal for a family.

  I live in a social rented home, and can move across Scotland to be nearer family without losing my right to a home.

  As a parent on a low income, I can get help to move to home better suited to my children's needs.

- **Investing** - There are a range of attractive forms of investment and savings products for me to consider beyond bricks and mortar and these will help me to fund my retirement.

- **Fairness** – I know that help with housing is there for me if and when I need it, for example if I am struggling to pay my rent.  I am assisted to keep my home at difficult points in my life.

- **Rural and island communities** – I live in a remote area and it is great to know there are good housing options for everyone here, from farmers and crofters to young people and those seeking to move to the area to set up home and bring employment and new opportunities to the area.  Housing supports much needed skilled workers living and staying in my community; and local people and businesses are building the new homes.

  New homes in my rural community have supported a jump in population.  The future of the primary school and local shop is secure.  It's a comfort to know that our local circumstances are taken into account when government makes decisions about housing; it feels like we're on a level playing field with the big cities.

## HIGH QUALITY SUSTAINABLE HOMES

**Design** – My home is well-designed and of a high standard, with enough space and flexibility to allow me to live well.  I know that a lot of effort went into the design of my home, which has helped make it functional, attractive, flexible, resilient and energy efficient.

- **Equality of standards** - You can't tell by looking at my home whether I own or rent my home; it's in a great place and meets all of my needs.

- **Older homes** – My home is quite old but there are a range of innovative and affordable ways available to me to make it more comfortable and energy efficient without spoiling its appearance.

- **New build homes** – When I bought my new home, any defects were rectified quickly. Defects are minimised because of the high level of quality control during the construction process.  I am confident that my house builder is a fair and inclusive employer.

- **Empowered** – I am not afraid to ask my landlord about changes or improvements to my home because I know they have to consider my request fully and I cannot be penalised for asking.

- **Good use** – Every home on my street is occupied and no home is left empty for a significant period of time without good reason.

- **Maintenance** – I find it easy to find high quality, reliable and cost effective tradespeople to make repairs and improvements to my home.  Although I live in a block of flats, it is really straightforward to make improvements and repairs to communal areas.  My property factor delivers a high quality service.

- **Running costs** - I understand exactly how much it costs to run my home and what I can do to reduce costs and carbon emissions; it's great that fuel poverty is a thing of the past.

- **Low carbon** - I know that my home is not damaging the planet having been retrofitted to be near zero carbon; it is heated using renewable energy, which is affordable and efficient.  Every home in Scotland is energy efficient and we're all playing our part in tackling the global climate emergency.

## SUSTAINABLE COMMUNITIES

**Staying local** – There is a good mix of housing where I live, which means I have the option to stay in the area if my needs change.  This means I know I can stay in contact with my neighbours and friends and can continue to access the services that my family and I use.  The

right homes are available across Scotland and in the right place to support both rural and urban communities; there are homes suitable for different cultures and for people who need extra help to be cared for in my community.  This means my elderly relatives can live nearby too if they choose.

- **Well-designed places** –The place where I live is well-designed, distinctive and has a strong sense of identity.  House builders are building homes that are high quality, fit well into the neighbourhood and are climate ready.  The flooding issues that used to bother us have been resolved by, for instance, using living roofs or allowing space for wild areas; these help to soak up the rain.

- **Connected places** – My local council and developers listen to me and my community.  They pay attention to what we want and what makes my community special.  We have the right infrastructure in place for new homes and we are well-connected.  Open spaces are accessible and used by people of all ages.  Good transport connectivity gives me easy access to the services I need, even though I live a long way from the nearest town.

- **Health and well-being** - There is a strong sense of community pride where I live and people care about our surroundings and are supported to maintain them.  The streets around me are clean, accessible and safe.  It is a walking and cycle-friendly environment.  The parks, play areas and green spaces are easily accessible and used by people of all ages.  We all benefit from good physical and mental health from a clean environment, inspiring and well-maintained surroundings.

- **Vibrant communities** – The centre of my community is a lively hub with shops, services and attractive places to meet.  My community is digitally connected enabling me to work from home or hot desk locally when I want to.  People are attracted to live and work in my island community, and local businesses are thriving.

## HOMES THAT MEET PEOPLE'S NEEDS

**My lifestyle** - My home supports my well-being, and the well-being of my family.   My home supports my children in doing the best they can at school, and allows me to engage with my community and other people who matter to me, including my family, friends and neighbours.  My home supports me in progressing my career.  My home supports me through different stages of my life and can be easily adapted around me.

- **My rights** – I know where to go to get information and advice about my rights to housing and housing services and I feel empowered.  I know where to get the help I need to prevent me from losing my home.

As a former member of the Armed Forces, I receive support from my local authority including advice about the additional support to which I am entitled from veteran organisations. When I signed up to the Armed Forces, I was provided with information and advice on the housing options in Scotland which allowed me to plan for a better future in civilian life.

- **Diversity** – Where I live, there are a variety of different homes that meet the differing needs of people in the community. Land is available to support further housebuilding and the community is engaged and involved with taking forward proposals for housing in new and innovative ways, for example through self build projects. There are also options to live more communally, if that is what people want. When my illness became more severe and limited my mobility, I was able to find a home that allows me to stay in my community and had my independence supported.

- **My services** – I get the help I need to live independently at home, supported by new and advancing technology. I can access health, welfare, education and other services, not least because my community is well-connected with good transport services. If I need an aid or adaptation to my home to allow to me to continue to live independently, it will be provided within a reasonable time. If I am no longer able to live independently at home, there is a good choice of retirement, sheltered or residential homes available to me close to my family.

- **Self-build** – When I built my own home, I found it easy to access advice and support for my self-build project and I was able to work on it myself. This means I have a home which is just right for me.

# HOUSING TO 2040 PRINCIPLES

**A WELL-FUNCTIONING HOUSING SYSTEM**

## PRINCIPLE 1

**The housing system should supply high-quality affordable homes for living in, to shift the balance away from the use of homes as a means to store wealth.**

One decent home per household takes priority over second homes and investment returns on property, i.e. investment in housing is not for asset growth. Commercial investment in the Private Rented Sector is based on rental income return (not capital appreciation). Housing promotes fairer wealth distributions and reduces inequality. Government actively shapes the market to make sure that there is a sufficient number of high-quality homes in urban and rural areas so that everyone has a reasonable choice of where they live and the type of accommodation they live in. Older and disabled people benefit from the increased availability of affordable and accessible housing to support them to live independent lives.

## PRINCIPLE 2

**Government policy (including taxes and subsidies, for example) should promote house price stability, to help underpin Scotland's standard of living and productivity and promote a Fairer Scotland.**

House price inflation is broadly in line with wage growth and other living costs, i.e. the ratio between the cost of a house and the cost of a loaf of bread is more or less constant[2]. The cost of housing is under control, boosting productivity, because there is less pressure on wages and this increases Scotland's attractiveness as a place to invest. Policy is tailored to the different needs of urban, rural and island communities. Housing availability in rural areas is attracting inward investment and creating employment opportunities which, in turn, is attracting people to rural communities. People can live close to good quality schools for their children to attend.

## PRINCIPLE 3

**Everybody should be able to save for the future (as well as be secure in their home and make significant changes to it) whether they rent or own.**

Renters share more of the benefits of owner occupation[3] as they have the capacity and mechanisms to save for the future, increased security of tenure and the discretion to make changes

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[2] We may even need a period of static house prices in cash terms in order to increase affordability in some areas.

[3] Owner occupation is currently popular for three main reasons: repayment mortgages are a form of saving and, at the end of the mortgage, the homeowner has both a valuable asset and a rent-free home; they have more security of tenure (provided they keep up with their repayments); and they have greater discretion to make changes to their home.

to their home.  There are new and innovative financial products and tenancy agreements which combine aspects of renting with owning, for example actuarial products that offer lifetime tenure and a pension in return for the capital asset at end of life.

## PRINCIPLE 4

**Housing provision should be informed by whole life economic costs and benefits in the round and help to address inequalities in health, wealth and education**.

The cost assessment of all new homes takes account, not only of the upfront build cost, but also the running costs of the home and its environmental impact.  This applies both to the direct costs from utility bills, maintenance and repair and also to the indirect costs of developments which promote unhealthy lifestyles which are likely to have a health service cost later on (e.g. promoting car use over walking or cycling).  Rules around, and investment in, housing takes account of the differing costs of delivery between rural and urban Scotland and also accounts for people with different needs.  This includes adequate provision of culturally appropriate sites and accommodation for Gypsy/Travellers.

## HIGH QUALITY, SUSTAINABLE HOMES
## PRINCIPLE 5

**Tenure-neutral space and quality standards for new homes (and existing homes where possible) should be set specifically to improve and protect quality of living and of place.**

Rooms are the right size for their purpose and the size of the household.  The space in the home can be configured flexibly to meet the household's needs.  For example, there is sufficient space for children to do their homework and for others to work at home if this option is available to them.  This improves economic productivity as it helps bring new workers into the market, reduces the resources required to support work (travel time and costs of commuting) and reduces the adverse economic, environmental and health impacts of congestion.

## PRINCIPLE 6

**Government policy should promote a greater diversity of home builders and broader availability of land for development to reduce prices and improve building quality.**

There is a larger number and a greater variety of house builders and developers, including Small and Medium-sized Enterprises, community and social enterprises, custom-build and self-build.  Land zoned for housing or with planning permission is made available to whoever is willing to progress development and this happens rapidly.  Better use of public sector land supports infrastructure provision, creates social, economic and environmental value and improves the quality of place.  Lower land costs frees up more money to be spent on building design and quality; and greater competition helps ensure that is the case.  People are well-informed about the importance of quality and design and the homes being built are the ones they want.

Developers offer a real choice and new homes are customised to the first occupants' wants and needs. Government investment in new and existing homes across all tenures is not an isolated activity but is part of the development of the wider place and enhances the quality of life.

## PRINCIPLE 7

**All tenures should apply the same high quality and safety standards and levels of consumer protection.**

High standards are backed up through a system of incentives and penalties. All homes of all tenures are subject to the same high standards and with appropriate ways of enforcement, compliance and seeking speedy redress. The legislative and fiscal framework require and encourage households and businesses to meet the standards. Homes that cannot reasonably be adapted to meet the standards (taking account of technical feasibility and cost effectiveness) are considered for demolition or are repurposed. Good design is shared and reused, where appropriate.

## PRINCIPLE 8

**New homes for sale should be built to high standards, defects should be identified and remedied quickly and all owners should be required to maintain the condition of their home.**

Tougher inspection and, where required, enforcement is in place during the construction phase so that, for example, insulation is installed properly. Purchasers are confident that defects and snagging are remedied quickly, even after the site is completed and the developer has left. People maintain their outside space in a nature-friendly way to make their neighbourhood attractive and are encouraged, sometimes required, to cooperate over communal repairs.

## PRINCIPLE 9

**Decisions around the quality, location and utilisation of existing stock and new build should be ambitious in enhancing biodiversity, promoting Scotland's energy security, and be consistent with the target for Scotland's emissions to be net zero carbon by 2045.**

The existing housing stock is made more energy efficient, uses low carbon heat and is more efficiently allocated (e.g. so that people can live nearer their work, if that is what they want to do). New build homes are built so that they are net zero carbon (i.e. built to high standards of energy efficiency and use renewable heat or very low carbon heating), taking into account the natural resources consumed by the construction process too. Brownfield sites are prioritised and incentivised and the true value of green space is taken into account. There is more innovation in environmentally-friendly building and improvement techniques and materials, which are thoroughly tested before being implemented. All housing is resilient to the impacts of climate change, including minimising flood risk, and contributes to climate ready places and communities. Our homes, and the space around them, promote biodiversity by providing a variety of habitats and wildlife corridors. Fuel poverty has been eradicated.

## SUSTAINABLE COMMUNITIES
### PRINCIPLE 10

**New housing[4], and the required community resources, should only be provided where they help to create safer, stronger, attractive, sustainable and integrated communities.**

New housing is built to facilitate active or accessible travel to school, healthcare and employment opportunities, and enables residents to continue to be active in their community as they get older. There is a more organic approach to new housing, with the right number and type of homes placed in such a way as to strengthen the existing community, so that both incomers and existing residents benefit. Town centres are rejuvenated by more people living in them. The right housing supports rural and island economies to thrive.

### PRINCIPLE 11

**Local communities should be empowered to respond to housing need in their area, as part of a coherent regional economic approach (creating and maintaining jobs) and supported by provision of the right infrastructure.**

Young people have the choice to stay in their community if they want to, and key workers can live locally, because local communities take action to meet that housing need. Communities do this by getting suitable homes built and having a say about how the homes are used in their area (e.g. numbers of second homes). New housing for working age people is planned in anticipation of employment opportunities. Local communities get assistance linking to transport or utility infrastructure, for example. Conversely, employment is attracted and directed to places where there is underutilised good housing. Rural communities are getting the relatively modest number of homes that make a big difference to them planned and built quickly.

### PRINCIPLE 12

**Government intervention should help existing and new communities to be physically, digitally, culturally and economically connected within a coherent geographic region; this includes retaining and attracting vibrant communities in areas facing depopulation.**

Settlements do not exist in isolation and have strong inbound and outbound connections (e.g. bus, rail and ferry links and broadband). Settlements "make sense" in their regional context, in terms of where people live, work, relax and access services. There are strong local connections that see the local café supplied by the butcher who buys his meat from the local farmer, for example. People are attracted to live and work in rural communities through a range of supply of affordable housing

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[4] Of whatever size or scale, from self-build to large developments.

options and good public transport links; this also boosts local business and attracts inward investment.

## HOMES THAT MEET PEOPLE'S NEEDS

### PRINCIPLE 13

**Government should ensure that there are affordable housing options across Scotland for households at all income levels.**

Households at the lower end of the income distribution are offered assistance with housing and housing costs and households at the higher end can afford the home of their choice. Those in the middle can also afford housing appropriate for their needs, wherever they live in Scotland. Social housing is available across Scotland for people who need it and they can easily move home for work or personal reasons; nationally, we make best use of our social housing stock. The Private Rented Sector is the right size to provide quality, affordable and secure options for the households who want or need a rented home. Service personnel are provided with the right support upon resettling in their community by local authorities and veteran organisations. Homelessness has been eradicated; people needing homes are found homes quickly.

### PRINCIPLE 14

**Housing and the housing market should be highly flexible to enable people to meet their changing needs.**

There are enough accessible or adaptable homes across Scotland suitable for older people, disabled people, or anyone else in need of specialist accommodation, making it easy to move to be nearer family or work. Ex-service personnel are well looked after. There are no fiscal barriers or disincentives to people moving to a more suitable home for their needs. Government shows leadership but social housing development is progressed in partnership between local authorities, housing associations, developers and communities, with government intervention only if required. The state has an enabling role and communities know their rights and are more empowered. Government mediation balances individual and public good.

Housing supports, enables and reflects the diverse people of Scotland – people of all protected characteristics and other vulnerable or disadvantaged groups live in the right homes for them. They are well-represented in the workforce delivering housing and housing services. The housing system supports innovation, new models of housing and service delivery and the provision of other types of less traditional forms of accommodation: for example, culturally appropriate accommodation for Gypsy/Travellers that meets their needs and aspirations.

### PRINCIPLE 15

**Everyone has a right to an adequate home[5].**

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[5] The UK has ratified seven core United Nations human rights treaties, including the International Covenant on Economic, Social and Cultural Rights (ICESCR). Article 11 of ICESCR states that

This includes:

- legal security of tenure
- availability of services, materials, facilities and infrastructure
- affordability
- habitability
- accessibility
- location; and
- cultural adequacy (including for Gypsy/Travellers, for example).

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everybody has the right to an adequate standard of living for themselves and their families, including adequate food, clothing and housing.

## 2.4 Pointer for a route map to 2040

1. During the launch event, delegates were presented with a blank timeline and were asked to consider key milestones for the housing system from 2018 to 2040. This section summarises what *stakeholders* added to the timeline, and does not represent Scottish Government planned activities[8].

**Milestones to 2020**

- Scottish Government recognises the differences between urban and rural PRS and considers rural differences, e.g. Edinburgh tenure of 18 months versus a rural tenure of greater than 9 years.
- Scottish Government: achieves best value for tax payers' money; is transparent about analysis of cost-effectiveness; and includes taxes in this assessment of value.
- Scottish Government give grants to PRS that reflect that extra taxes will give a return to the tax payer (c.f. social housing).
- Scottish Government rural-proofs all legislation and regulation.
- Scottish Government persuades HM Treasury to alter capital gains tax to provide holdover relief for affordable rented housing.
- Best practice in design promoted and shared.
- Effective resourcing of local government to help regulate and enforce.

- Housing recognised as a human right and housing outcomes understood in human rights terms.
- A common narrative on human rights for housing.
- Planning Bill becomes an Act.
- Land value capture mechanism in place.
- Develop method of describing place through community engagement "visions" to inform new housing as a basis for assessing and approving planning applications.
- Clear remit for Scottish National Investment Bank to deliver infrastructure to unlock housing.
- Housing representation as a core member of Integrated Joint Boards.
- Diversification of access to finances to build community bodies and co-housing.
- Infrastructure fund to service sites for development.
- Development of "open-source" designs to enable people to self-build.
- Long-term commitment to clear targets and subsidy.

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[8] The milestones noted are directly reported based on input from delegates and provide a reflection of what delegates added during the launch event. Following further stakeholder engagement later in 2019 the Beyond 2021 Team will present a route map to 2040.

## Milestones 2021-2025

- Agreed cross-party political consensus and consistent manifestos on the future of housing.
- Housing associations and councils working as a team.
- All public investment in a place is planned in relation to a single spatial plan.
- Agreed standard for housing and place quality and standards with published manual to support this.
- Refreshed strategy every five years.
- Addressed skills shortages (through training and education starting now).
- Clear definition of what is 'affordable'.
- Establish means of identifying, sharing, supporting people to know what good quality and place looks like and how to deliver it.
- Support for owners to maintain homes.
- Stronger role for Scottish Government and wider public sector in developing infrastructure proactively and creatively.
- Sinking funds established for repairs across tenures, using tax incentives and penalties.
- Mapped infrastructure needs and used as basis for investment.
- Increased rent to buy options and help to buy extended to existing stock.
- Private sector repair grants restored to support town centre regeneration.
- Engagement focused on future communities.
- Policy based on the housing principles.
- Reviewed effectiveness of existing housing and health policies for consistency.

- Rural impact assessment of Homelessness and Rough Sleeping Action Group (HARSAG) recommendations.
- Scottish Water capital investment planning redesigned.
- Supported and developed leadership role for planning and design in local authorities to promote quality of housing and place.
- Reformed taxation regarding house sales to capture profits made on private sector sales.
- Guidance on a single standard published.
- Created a more fluid housing system and market through land value capture and CPOs at affordable housing value.
- Reviewed funding for social housing (capital, benefits, rent).
- PRS EPC threshold of E to be enforced only on re-letting, rather than sitting tenants having to be evicted to carry out necessary work.
- Agree and work towards implementing tenure neutral standards on quality, access, public perception.
- Meaningful tax imposed on inherited wealth.
- Discussions with funders to identify continuing and new sources of funding.
- Different model of funding for local authorities, so they can be fully resourced to deliver consistently.
- Established a National Housing Agency.
- Provided Scottish Standard Assessment Procedure (SAP) for energy efficiency.
- Public sector pension funds investing in delivery of affordable housing.
- Financial and policy support for new entrants in the market.

- National and local policy clearly directed at the agreed housing system outcomes.
- Planning system review of housing land allocations.
- Consistent 30 year housing investment and development plans from councils.
- Local authorities rewarded (through increased budget) for meeting high new accessible homes targets.
- Key elements of a new housing programme identified i.e. new build/regeneration/new tenures.
- Alternatives to housing as "safe pension investment" identified and promoted.
- Revise procurement framework to promote SME participation.
- Improved section 75 process (e.g. contributions for education are used local to the development).
- Long-term agreement on subsidy in housing.
- Single accessible building standard.

**Milestones from 2026 to 2030**

- Mainstream quality and space standard across tenures.
- Cultural shift/change in thinking about home ownership.
- Mainstream best practice.
- Commitment in place to increase housing association and council housing to 40% of market by 2040.
- We are building homes across tenures that meet the access and space requirements of older and disabled people who use wheelchairs etc.
- Recognition that different geography, economy, demography have different requirements.

- People able to access adaptions to their homes much more quickly.
- Houses will be valued by square footage, rather than number of bedrooms.
- Budgets for home adaptations increased.
- Road testing and piloting of new housing models and tenures with top-sliced, ring-fenced funding.
- Education, health, social care, housing have joint strategy for housing based on an understanding of local needs reflecting diversity.
- Flexible tenure model introduced with rising and falling equity shared over life-time.
- Digital transformation of housing services to free up capacity.
- Incentives to bring empty building into housing use.
- Local government finance reformed.
- Front-loaded planning system to enable small and micro development within larger sites.

- Housing system is organised to respond to needs of older and disabled people because it ensures: an adequate supply of accessible homes; effective allocation of accessible homes; and timely adaptations.
- Review of Scottish Government and local government concordat.
- Home owners encouraged to face up to challenges of moving to smaller, more easily managed housing.
- Tax incentives in place to invest in own home or self-build.
- Young people in the industry increases.
- Tough regulatory standards in all tenures.

- All housing looking aesthetically pleasing.
- Public investment in supporting infrastructure, rather than vanity projects.
- Introduction of "local people and place" strategic plans.
- National dataset and map in place to form our thinking and strategy.
- More private finance for all tenures.

- Investment decisions based on outcomes, rather than outputs.
- Empowered communities and individuals to contribute to planning.
- Replaced council tax with land value tax.
- Further devolution: housing benefit.
- Eradicate fuel poverty by 2028.

## Milestones from 2030 to 2040

- Electrical grid capacity in place as part of energy efficiency and electrical car charging.
- One million electric vehicles in Scotland with home, work, community, retail and rail car parks as charging points.
- Delivery of Energy Efficiency EPC rating band D in private rented homes. (Required 205,000 to be upgraded).

- Reconsideration of Energy Efficiency Standards for Social Housing post-2020 (EESSH2) impacts on social housing balance sheet and its viability in rural Scotland.
- New homes and existing homes adapted to meet 25% population being 65+ years old.

## Milestones at 2040

- A well-functioning housing system that delivers on human rights.

- People have access to homes that are stress and problem free, affordable, safe, warm and efficient.

Appendix 3

Argyll and Bute Council

Comhairle Earra Gháidheal agus Bhóid

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**Your Ref:**
**Date:**

**Housing to 2040 Consultation Response**

Argyll and Bute Council as one of 32 strategic housing authorities in Scotland welcomes the opportunity to respond to the Scottish Government's consultation on the future of housing policy in Scotland.

The delivery of good quality affordable housing is key to positive outcomes in all aspects of life including family, health, wellbeing, being economically active and feeling part of a community.

As the strategic housing authority in Argyll and Bute the Council has consulted with key partners through the Strategic Housing Forum and has had the opportunity to participate in Scottish Government consultation events on Jura and Islay.

Fundamentally, delivering any ambitious or aspirational vision will be dependent on adequate resources/funding.

Our Response

**Question 1 – Do you have any comments on the draft vision and principals?**

**Vision**

The vision to have a well-functioning housing system, high quality sustainable homes, sustainable homes that meet people's needs should contain a direct reference to how a well-functioning housing system will not only meet people's needs but enhance their lives.

**Principals**

**Principal 15** – Everyone has a right to an adequate home should be the first principal as it the highest level most overarching principal in the document. **Principal 1** underlines the importance of delivering high quality affordable homes for living in which is key to a successful housing system. The success of **Principal 3** will dependent on whether or not a sufficient supply of affordable housing can be delivered which will enable households to save for the future. There is also a concern around the complexity of "actuarial products" and how the benefits of the products can be effectively communicated to the households who will benefit from them.

While **Principals 5 to 10** are desirable there needs to be sufficient funding available to be able to deliver affordable housing which meet standards laid out in these Principals. It is difficult to effectively influence the open market as we cannot change the value of land beyond what people will pay for it on the open market.

The reference to land availability in **Principal 6** is key in Argyll and Bute. While the Local Development Plan identifies land availability for housing it can still be problematic securing serviceable land particularly in areas where there are only 1 or 2 major landowners e.g the islands.

**Principal 7** is extremely ambitious and potentially undeliverable in an area like Argyll and Bute where there are many traditional built hard to treat properties. '*Homes that cannot reasonably be adapted to meet the standards (taking account of technical feasibility and cost effectiveness) are considered for demolition or are repurposed*' appears to be an extreme reaction. It may also be impossible or expensive for a local authority to enforce as many of the homes will be the property of individuals. There are exemptions currently in meeting the Scottish Housing Quality Standard and if there is engagement from owners of hard to treat properties a similar regime to the SHQS exemption model would be appropriate.

**Principal 12** is crucial in Argyll and Bute where we have many remote rural communities who require affordable housing as a key part of sustaining and growing these communities. There must be a joined up approach therefore from Scottish Government level when assisting communities to buy land through the Scottish Land Fund in order to fulfill the aims of buying the land. Affordable housing is often the first step to safeguarding the futures of fragile communities so the Scottish Government should ensure that communities and established affordable housing providers should work together to deliver suitable housing solutions.  In other words a successful application to the land fund needs to be adequately funded post purchase to meet the aims of the community concerned including where affordable housing is considered a priority by that community.

**Principals 13 and 14** are key to the ambition of delivering a well- functioning housing system, high quality sustainable homes, sustainable communities and homes that meet people's needs. Under **Principal 13** all individuals and groups must be considered including adults with learning disabilities, homeless households with mental health and addition issues alongside veterans. All models of housing and tenancy types must be considered when finding suitable sustainable housing solutions. **Principal 14** is dependent on a continuing affordable housing supply programme. There also must be sufficient flexibility in the programme to deliver the tenure type of affordable housing to meet needs and demands identified by local authorities. There also must be flexibility in housing allocations systems e.g. we must recognise that the needs of single person households may not be met by allocating them simply a one bedroom house.

There is a strong consensus amongst Strategic Housing Forum partners that many of the proposed principles are very aspirational and a more practical/pragmatic focus on a few key priorities and "big ideas" would be more realistic and achievable to deliver. We should concentrate on areas where housing sector can actually / directly influence outcomes.

**Question 2 - Do you have any comments on the scenarios and resilience of the route map or constraints?**

The route maps appear to be at an early stage of development with numerous milestones listed under specific dates. The milestones need to be prioritised and ownership of each milestone must be clearly identified. An early milestone must be agreement on a clear definition of what affordable housing is. There must be agreement amongst key stakeholders on how that definition is considered when approving and delivering affordable homes, projects for communities in the context of justifying social rent, midmarket rent and low cost home ownership levels. The different needs of urban, rural and remote rural including our island communities have to also be considered when defining what affordable housing actually means for these different communities. Communities must be able to understand the process of delivering affordable housing. A 'clear definition of what is affordable' currently sits in milestone target 2021 – 2025 yet we have been delivering an Affordable Housing Supply Programme for decades.

The role of housing in employment and sustainable local economic development and the government's commitment to "re-populate our rural, island and coastal communities" must be at the heart of the route maps and tackling these issues early and effectively may remove constraints such as workforce skills and capacity in remote rural areas.

**Questions 3 – 7**

Argyll and Bute Council as a strategic housing authority suggest that the following 13 policy areas are key to delivering the Housing to 2040 Vision

1) **Maintain Affordable Housing Supply Programme to meet need and demand** – the Council submitted an annual update on the Strategic Housing Investment Plan in September 2019 which covers a 5 year period up to 2024. The SHIP has already identified the requirement to deliver over 500 affordable homes beyond 2021. The

Scottish Government and local authorities are determined to address homelessness through the Rapid Rehousing policy and an increase in suitable affordable housing is required if this policy is to have any hope of being successful. Any uncertainty around future funding arrangements could jeopardise this basic fundamental requirement. In can be said that one year of uncertainty could set the affordable housing supply programme back 5 years which would be catastrophic in terms of delivering a well-functioning housing system by 2040.

2) **Enhance the Affordable Housing Supply Programme to protect fragile remote rural communities** – The Council is responsible for producing a robust and credible housing need and demand assessment. There are 9 Housing Market Areas within the local authority which demonstrates the complexity of delivering sufficient affordable housing to meet the traditional housing need and demand. The affordable housing supply programme should be enhanced to take account of sustainable economic development to repopulate our rural, island and coastal communities. All New Supply Shared Equity houses should have a Golden Share retained by the Scottish Government to ensure that they are retained as affordable housing and principal homes.

3) **Maintain the enhanced rural benchmark figure within the Affordable Housing Supply Programme** – it is essential that the enhanced rural benchmark figure is protected. There is a limit of suitable developable land in pressured areas of Argyll and Bute due to a lack of serviceable land which means that the costs of development will not reduce moving forward. Development costs will increase as the sites with greater infrastructure costs will require to be brought into use to meet the affordable housing demand in remote rural areas.

4) **The Rural and Islands Housing Fund should continue Beyond 2021** – the Fund compliments the Affordable Housing Supply Programme and enables community groups to work with the local authority and social landlords to deliver housing solutions for some our most remote rural communities including the 23 inhabited islands within Argyll and Bute. There should be a clear governance structure similar to RSL governance for community groups who deliver and manage affordable housing to ensure consistency of service to tenants across the affordable housing sector.

5) **The Housing Infrastructure Fund should continue Beyond 2021** – the Housing Infrastructure Fund (HIF) has enabled the delivery of 300 affordable homes in Dunbeg, an area of Argyll with high housing need and demand. As sites become more difficult to develop the HIF is an essential financial tool in unlocking potential development sites. The loan element of the HIF should be promoted and private contractors should be encouraged to take up the loan option to help stimulate the private housing market across Scotland including in Argyll and Bute.

6) **The Affordable Housing Supply Programme should be flexible enough to put sufficient resources into meeting identified accommodation needs of the Gypsy Traveller community** – COSLA and the Scottish Government have launched an Action Plan aimed at improving the lives of Scotland's Gypsy/Travellers. The Plan talks about assessing accommodation needs and demands of the community. Once we have engaged with the community we must have the resources to deliver the accommodation need and demands identified. If the accommodation requirement is not a traditional New Build Scottish Secure Tenancy then the affordable housing

supply programme must be flexible enough to meet the stated accommodation needs.

7) **Ensure that sufficient funding is provided to assist private owners through the Scheme of Assistance and other Schemes (Conservation Area Regeneration Schemes) to maintain existing properties and sustain town centres** - we have a significant proportion of our existing stock which is old, sub-standard buildings and in a great number of cases historic buildings in poor repair and of sub-standard quality. It is essential that funding continues to be available to assist the regeneration and improvement of these buildings to ensure we can preserve our town fabric in a sustainable manner and maintain residential use of these buildings which is fit for the 21st century.

8) **Implement a tenure neutral approach to housing adaptations and provide clear guidance as to what social landlords are expected to contribute to the process in financial terms** – it is not acceptable for waiting times for adaptations to be dependent on and dictated by the tenure of house you live in. A tenure neutral approach with good partnership working between housing and health professionals will make best use of the public subsidy available for this type of work. The Scottish Government must set out clear guidelines on what is expected in terms of a financial contribution from social landlords under the current tenure based approach to ensure fairness until a tenure neutral approach is implemented.

9) **A Health and Social Care contribution statement should be provided by Health and Social Care Partnerships to be included in Local Housing Strategies** – a health and social care contribution statement in relation to housing would enable partners to make best use of resources available by providing a focus to what is provided effectively and what gaps in provision there are for particular households. This policy suggestion will undoubtedly lead to better understanding and partnership working between housing, health and social care colleagues.

10) **Empty Homes identified as being brought back into use should be made eligible for Home Energy Efficiency Programme funding** – if an owner has a clear plan to bring an empty property back into use to be used as a permanent residential address which will involve various funding streams including a funding commitment from the owner they should be eligible for energy efficiency funding. This will ensure that when the property is brought back into use it is a high quality home which will meet the needs of the family occupying it.

11) **Bring in Compulsory Purchase / Housing Re-use Powers to enable the most problematic empty homes to be brought back into use** – some empty home owners owe substantial amounts of Council Tax and in some cases the 200% Council Tax levy has not encouraged owners to take the steps required to bring their properties back into use. A CPO process with a clear time line and appeal process for the owner would enable more empty homes to be brought back into use at a potential nett nil cost as the property would be sold at the end of the process and used to meet assessed need and demand by being used as a principal home.

12) **Continue to fund Energy Efficiency measures to support rural, off gas grid properties** – there are ambitious plans in terms of minimum energy efficiency standards across all tenures. There should be easily accessible advice and financial support available to householders in order to bring properties up to standard. There should also be a recognition that many properties in Argyll and Bute are considered "Hard to Treat" and many may never reach the proposed standards or it will be too

financially onerous to reach the standards. Significant support and advice will need to be available to assist these householders. Support also needs to be given to the supply chain, in order that households across the whole of Argyll and the Isles can access trusted, high quality tradespeople to install energy efficiency upgrades.

13) **Review the way that ECO funding is gathered and distributed** - more flexibility with the funding would make meeting energy efficiency targets easier. At the moment a lot of the funding is tied into energy suppliers which restricts the options to householders as to who would carry out actual improvements to their homes. There should be a robust system of quality assurance linked to energy efficiency installers carrying out the work. Eco is seen as a de facto tax on poorest, rural households. The current system does not support simple, positive interventions that can have a significant impact on energy efficiency of property and costs to households.

Argyll and Bute Council as the Strategic Housing Authority is committed to delivering on the overall Vision to 2040 and will continue to work with partners through the Strategic Housing Partnership to deliver housing outcomes which meet the needs and demands of the communities of Argyll and Bute.

ARGYLL AND BUTE COUNCIL          ENVIRONMENT, DEVELOPMENT AND
                                 INFRASTRUCTURE COMMITTEE

ROADS AND INFRASTRUCTURE
SERVICES AND
CUSTOMER SUPPORT SERVICES        5 MARCH 2020

## THE TRANSITION FROM PAPER TO DIGITAL WASTE COLLECTION CALENDARS

### 1.0    INTRODUCTION

1.1    In June 2018 the Environment, Development and Infrastructure (EDI) Committee
       approved the transition from the annual distribution of paper waste calendars to
       digital calendar provision; albeit with the safety net of an on demand printed
       calendar facility for those customers who could not or would not use digital. The
       aim was to make efficiencies of circa £23k in direct design, print and distribution
       costs of 48,000 paper calendars, with consequential environmental benefits. These
       efficiencies to be reinvested in electronic and web services to promote the waste
       hierarchy.

1.2    Between September and November 2019 the last of the paper waste calendars
       expired and a series of digital options were introduced to allow customers to
       determine their uplift dates for the different types of waste. This paper details the
       success of that transition, which has seen 96% of calendar related transactions
       being fulfilled through digital and only 3091 printed calendars being issued on
       request. The paper provides an update to the EDI committee following the report in
       June 2018 on a service initiative.

### 2.0    RECOMMENDATIONS

2.1    It is recommended that EDI notes:

   •   the success of this collaborative digital transition
   •   that a post implementation review is scheduled to identify further improvements for
       2020.

### 3.0    DETAIL

3.1    As part of an efficiency proposal the June 2018 EDI Committee approved that the
       annual distribution of waste calendars to 48,000 households should cease and be
       replaced by digital alternatives, but with some provision for customers who were
       unable or unwilling to use digital. The aim was to reduce the number of paper

calendars, provide our service users with an electronic solution including a post code search and phone app and make some service efficiencies in direct design and production costs for the paper calendars and was based on the assumption that only circa 2,500 households would require printed calendars.

3.2  To achieve a successful transition to digital required Roads and Infrastructure took the lead in progressing this transformational project. This joint piece of work included:

- The Operations Team coordinated and providing  the detailed information regarding bin/bag uplift dates for every domestic property and every waste type across Argyll and Bute and to fulfil on demand requests for printed calendars
- The ICT Development Team to build and maintain the master database that could generate the online calendars and be used by the property based online and voice automated customer lookups
- The Web Team to build the online look up, host the pdf downloadable calendars and create the device downloadable iCalendars.
- The CSC and Digital Team to build the voice automated calendar request form and bin day look ups, log requests for printed calendars and print calendars in service points, also to provide Keep In the Loop pro-active awareness campaigns
- The Communication Team to publicise the new service and its benefits in the local press and across social media.

3.3  A range of digital solutions were developed that tapped into the new master database, including:

- An online property based bin day uplift lookup
- Over 200 downloadable and printable pdf calendars that can be updated immediately if route changes occur
- An iCalendar equivalent of the pdf calendars that can be downloaded into customers mobile devices to display in their calendars and provide alerts when bins are due for uplift
- A bin uplift day display in the MyAccount page of the 7000+ customers signed up to MyAccount
- A voice automated bin day uplift service on the 01546 605514 Amenity Golden Number
- Service disruption announcements online, through voice automation and through Keep in The Loop when the bin uplift service is disrupted

3.4  As requested by EDI, provision was also made to allow customers who did not use digital to be able to request a printed calendar, either at a Service Point, through a 24/7 voice form or through the contact centre. Only 3091 printed calendars were requested and provided free of charge; in line with the original estimate of circa 2,500.

3.5  In contrast digital options were used to download 69,515 calendars and the web pages with bin day lookups etc. were viewed 133,358 times. Appendix 1 gives a per week and per request type breakdown during the transition period, but in

summary <u>96% of calendars were accessed using digital self-service</u> and 4% were printed. Hence the switch to digital has been very successful, with little negative feedback from customers. However, a post implementation review is being held between all the teams to identify further improvements e.g. a potential downloadable app, to make this service even easier to support and access.

## 4.0 CONCLUSION

4.1 The successful transition from paper to digital waste calendars was achieved through:

- Close collaborative working between council teams
- Development of a range of easy to use digital options to suit customer preferences and abilities, backed by a database of relevant and topical information
- Strong promotion of these solutions and their benefits to ensure awareness of the change and its justification.

## 6.0 IMPLICATIONS

6.1 Policy – Is in line with the Digital First Policy

6.2 Financial – The transition from paper calendars saves £23k pa in direct costs.

6.3 Legal – none

6.4 HR  - none

6.5 Fairer Scotland Duty: (please refer to guidance on Hub) - none

6.5.1 Equalities - protected characteristics – Provision was made for Assisted Digital

6.5.2 Socio-economic Duty- none

6.5.3 Islands - none

6.6. Risk – Reputational risk was avoided; little negative feedback

6.7 Customer Service- A range of topical 24/7 digital calendar options was provided and the high level of uptake indicates satisfaction.


**Head of Service:  Roads and Infrastructure Jim Smith and Customer Services Jane Fowler**

**Policy Leads Rory Colville Customer Support Services and Robin Currie Housing, Roads and Infrastructure**

January 2020

**For further information contact:**

Bob Miller. Customer Engagement and Transformation Manager (01546604026)

Peter Leckie, Roads and Infrastructure Project Manager (0154660

**APPENDICES**

Appendix 1: Detailed Breakdown of Waste Calendar Transactions, September – November 2019.

Appendix 1:     Detailed Breakdown of Waste Calendar Transactions, September – November 2019.

| Contact Medium | 14-20th Sept | 21-27 Sept | 28/9 – 4/10 | 5/10-11/10 | 12/10-18/10 | 19/10-25/10 | 26/10-1/11 | 2/11-8/11 | 9/11 -15/11 | 16/11-22/11 | 23/11-29/11 | TOTAL |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Web Page Views | 10946 | 12,838 | 17,166 | 12,096 | 10,300 | 9,690 | 17,013 | 14,280 | 13,139 | 9,450 | 6,440 | 133,358 |
| Web Calendar Downloads | 4524 | 7216 | 9193 | 6019 | 4071 | 4162 | 8702 | 10260 | 5595 | 3485 | 2905 | 66,132 |
| iCal Calendar downloads | 0 | 0 | 151 | 315 | 251 | 205 | 648 | 866 | 434 | 229 | 154 | 3,253 |
| Total CSC/CSP Enquiries | 400 | 407 | 479 | 426 | 316 | 256 | 339 | 393 | 210 | 95 | 87 | 3,408 |
| Directed to online etc | 47 | 27 | 37 | 33 | 24 | 24 | 39 | 31 | 28 | 15 | 12 | 317 |
| Calendar Reqs to back office | 314 | 231 | 273 | 209 | 142 | 107 | 162 | 198 | 80 | 40 | 30 | 1,786 |
| Printed Calendars at CSPs | 39 | 149 | 169 | 184 | 150 | 125 | 138 | 164 | 102 | 40 | 45 | 1,305 |
| Voice Automated Helpline | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 46 | 47 | 23 | 13 | 129 |
| TOTAL | 15870 | 20461 | 26989 | 18856 | 14938 | 14313 | 26702 | 25,799 | 19,378 | 13,259 | 9,586 | 206,151 |

Total Self Service Calendars = 69,514 (96%)

Total Printed Calendars = 3091 (4%)

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# Environment, Development and Infrastructure Committee Work Plan 2019/20

| This is an outline plan to facilitate forward planning of reports to the Environment, Development and Infrastructure Committee. | | | | |
|---|---|---|---|---|
| **Date** | **Title** | **Service/Officer** | **Date Due** | **Comments** |
| 5 March 2020 | FQ3 19/20 Performance Report | Arlene Kerr | 11 February 2020 – Pre-Agenda<br>25 February 2020 - Meeting | |
| | Roads Capital Reconstruction Programme 2020/21 | Jim Smith | | |
| | Grass Cutting Frequencies | Tom Murphy | | |
| | Use of Technology in RIS | Jim Smith | | |
| | Transport Bill | Jim Smith | | |
| | Festive Lighting Community Transition – End Project Report | Mark Calder | | |
| | Transformation Projects and Regeneration Team - Large Scale Projects Update Report | Audrey Martin | | |
| | The Replacement Of European Structural Funds In Scotland Post EU-Exit Consultation | Ishabel Bremner | | |
| | Consultation on Safeguarding Scotland's Remote Rural Communities | Ishabel Bremner | | |
| | Housing to 2040 Consultation Response | Douglas Whyte | | |
| | Waste Collection Calendars | Bob Miller/Jim Smith | | |
| **Date** | **Title** | **Service/Officer** | **Date Due** | **Comments** |
| 4 June 2020 | Departmental Performance Report FQ4 | Director | 12 May 2020 – Pre-Agenda<br>26 May 2020 - Meeting | |
| | Waste Management | Roads and Infrastructure | | |

# Environment, Development and Infrastructure Committee Work Plan 2019/20

| Date | Title | Service/Officer | Date Due | Comments | |
|---|---|---|---|---|---|
| | Strategy | | | | |
| | LED Project Update | Kevin McIntosh | | Moved from March to June | |
| **Date** | **Title** | **Service/Officer** | **Date Due** | **Comments** | |
| TBC September 2020 | Departmental Performance Report FQ4 | Director | TBC | | |
| | Service Annual Performance Reviews | Customer and Support Services | | | |
| **Date** | **Title** | **Service/Officer** | **Date Due** | **Comments** | |
| | Performance Report FQ2 | Director | | | |
| | Draft Service Plans | Director | | | |
| | Annual Status and Options Report | Roads and Infrastructure Services | | | |
| | Winter Service Policy | Roads and Infrastructure Services | | | |
| December 2020 | Housing Annual Assurance | Development and Economic Growth | | Annual report. | |
| **Future Items** | | | | | |
| | Shared Prosperity Fund: Argyll And Bute Regional Policy Position | Development and Economic Growth | | March 2019 - Agreed that officers come back to a future Environment, Development and Infrastructure Committee meeting to present and seek approval on appropriate criteria and indicators. | |
| | Roads Resurfacing Scrutiny Review | Roads and Infrastructure Services | | December 2019 – Agreed that a report containing an Action Plan would come forward to a future meeting of the Committee | |