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7 May 2020

## **NOTICE OF MEETING**

A meeting of the **BUSINESS CONTINUITY COMMITTEE** will be held **BY SKYPE** on **THURSDAY, 14 MAY 2020** at **10:30 AM**, which you are requested to attend.

Douglas Hendry  
Executive Director

## **BUSINESS**

- 1. APOLOGIES FOR ABSENCE**
- 2. DECLARATIONS OF INTEREST**
- 3. MINUTES**  
Minute of Business Continuity Committee held on 16 April 2020 (Pages 5 - 10)
- 4. COVID-19 RESPONSE UPDATE**  
Report by Executive Director with responsibility for Legal and Regulatory Support (to follow)
- 5. BUDGET:**
  - (a) **BUDGET OUTLOOK 2021-22 TO 2025-2026**  
Report by Section 95 Officer (Pages 11 - 32)
  - (b) **BUDGET UPDATE**  
Report by Section 95 Officer (Pages 33 - 44)
  - (c) **HEALTH AND SOCIAL CARE YEAR END AND OVERSPEND 2019-2020**  
Report by Section 95 Officer (Pages 45 - 52)
  - (d) **CAPITAL BUDGET POSITION**  
Report by Section 95 Officer (Pages 53 - 56)
- 6. COUNCIL TAX ON EMPTY PROPERTIES - TEMPORARY AMENDMENT DUE TO COVID-19**  
Report by Section 95 Officer (Pages 57 - 62)
- 7. EMPLOYABILITY FINANCIAL UPDATE**  
Report by Interim Executive Director with responsibility for Development and Economic Growth (Pages 63 - 70)

- 8. SECONDMENT POLICY**  
Report by Interim Executive Director with responsibility for Customer and Support Services (Pages 71 - 86)
- 9. TEMPORARY DEPARTURE FROM SCHEME FOR THE ESTABLISHMENT OF COMMUNITY COUNCILS**  
Report by Executive Director with responsibility for Legal and Regulatory Support (Pages 87 - 90)
- 10. REMOTE LEARNING AND SQA**  
Report by Executive Director with responsibility for Education (Pages 91 - 100)

#### **REPORTS FOR NOTING**

- 11. SCOTTISH GOVERNMENT TOWN CENTRE CAPITAL FUND - PROJECT UPDATE**  
Report by Interim Executive Director with responsibility for Development and Economic Growth (Pages 101 - 108)
- 12. PLANNING AND REGULATORY ARRANGEMENTS - COVID-19**  
Report by Executive Director with responsibility for Legal and Regulatory Support (Pages 109 - 112)

#### **EXEMPT REPORTS FOR DECISION**

- E1 13. COUNCIL CONSIDERATION OF ABSENCE**  
Report by Executive Director with responsibility for Legal and Regulatory Support (Pages 113 - 114)
- E2 14. STRATEGIC HOUSING FUND - ASSOCIATED FUNDING REQUEST**  
Report by Interim Executive Director with responsibility for Development and Economic Growth (Pages 115 - 124)

The Committee will be asked to pass a resolution in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973 to exclude the public for items of business with an "E" on the grounds that it is likely to involve the disclosure of exempt information as defined in the appropriate paragraph of Part I of Schedule 7a to the Local Government (Scotland) Act 1973.

The appropriate paragraphs are:-

**E1 - Paragraph 1** Information relating to a particular employee, former employee or applicant to become an employee of, or a particular office-holder, former office-holder or applicant to become an office-holder under the authority.

**E2 - Paragraph 6** Information relating to the financial or business affairs of any particular person (other than the authority).

**Paragraph 9** Any terms proposed or to be proposed by or to the authority in the course of negotiations for a contract for the acquisition or disposal of property or the supply of goods or services.

#### **BUSINESS CONTINUITY COMMITTEE**

Contact: Sandra Campbell Tel: 01546 604401

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**MINUTES of MEETING of BUSINESS CONTINUITY COMMITTEE held BY SKYPE  
on THURSDAY, 16 APRIL 2020**

**Present:** Councillor Aileen Morton (Chair)

Councillor Rory Colville	Councillor Gary Mulvaney
Councillor Robin Currie	Councillor Douglas Philand
Councillor Lorna Douglas	Councillor Sandy Taylor
Councillor Kieron Green	

**Also Present:** Councillor Gordon Blair                      Councillor Jean Moffat  
Councillor Bobby Good                                      Councillor Barbara Morgan  
Councillor David Kinniburgh                              Councillor Alastair Redman  
Councillor Jim Lynch    Councillor Elaine Robertson

**Attending:** Pippa Milne, Chief Executive  
Douglas Hendry, Executive Director  
Kirsty Flanagan, Interim Executive Director  
Louise Connor, Head of Education  
Anne Paterson, Head of Education  
David Logan, Head of Legal and Regulatory Support  
Laurence Slavin, Interim Head of Financial Services  
Jane Fowler, Head of Customer and Support Services  
Fergus Murray, Head of Development and Economic Growth  
Ross McLaughlin, Head of Commercial Services  
Tricia O'Neill, Governance Manager  
Marina Curran-Colthart, Local Biodiversity Officer

**1. APOLOGIES FOR ABSENCE**

An apology for absence was intimated from Councillor Yvonne McNeilly.

**2. DECLARATIONS OF INTEREST**

There were no declarations of interest intimated.

**3. MINUTES**

**(a) Argyll and Bute Council Minute of 27 February 2020**

The Minutes of the Meeting of the Argyll and Bute Council held on 27 February 2020 were approved as a correct record.

**(b) Argyll and Bute Special Council Minute of Meeting of 31 March 2020**

The Minutes of the Meeting of the Special Argyll and Bute Council held on 31 March 2020 were approved as a correct record.

**4. MINUTES OF COMMITTEES**

**(a) Environment, Development and Infrastructure Committee of 5 March 2020**

The Minute of the Environment, Development and Infrastructure Committee held on 5 March 2020 were noted.

**(b) Community Services Committee of 12 March 2020**

The Minute of the Community Services Committee held on 12 March 2020 were noted.

**5. LEADERSHIP REPORT**

The Committee gave consideration to a report that updated them on the activities of the Leader of the Council and Policy Lead Councillors from 28 November 2019 to 16 April 2020. The report included an update from the Council Leader's activity during the period accompanied by high level updates for Policy Lead portfolios.

**Decision**

The Council:-

Noted the contents of the report.

Noted that any reports, briefings or copy correspondence referred to in the report can be requested as appropriate through Leadership Support staff, although it should be noted that some confidential reports provided by external organisations such as COSLA may be restricted.

(Ref: Report by Leader of the Council dated 7 April 2020, submitted)

**6. COVID-19 - COUNCIL RESPONSE**

The Committee considered a report which provided a high level overview of some of the key decisions and actions that have been taken across Council services in response to the pandemic, incorporating emergency legislation, government guidance and working in partnership with other responding agencies.

**Decision**

The Committee noted the Council's response to the Covid-19 pandemic and noted the range of actions that have been taken across Council services in response to the pandemic.

The Committee also commended the hard work of all Council staff in putting in place the measures needed to support the community as a whole during this period.

(Ref: Report by Executive Director with responsibility for Legal and Regulatory Support dated 1 April 2020, submitted)

**7. COVID-19 - FINANCIAL MEASURES PUT IN PLACE BY GOVERNMENT**

**(a) BUSINESS SUPPORT**

The Committee considered a report which summarised the various financial measures put in place by Government to support businesses as a result of the Covid-19 pandemic.

**Decision**

The Committee noted the financial measures put in place by Government in response to the Covid-19 pandemic.

(Ref: Report by Interim Executive Director with responsibility for Development and Economic Growth dated 7 April 2020, submitted)

**(b) SUPPORTING COMMUNITIES**

The Committee considered a report which summarised the various financial measures put in place by Government to support businesses as a result of the Covid-19 pandemic.

**Decision**

The Committee noted the financial measures put in place by Government in response to the Covid-19 pandemic.

(Ref: Report by Interim Executive Director with responsibility for Development and Economic Growth dated 7 April 2020, submitted)

**8. REVIEW OF HSCP INTEGRATION SCHEME**

The Committee considered a report which advised of the proposed revisions to the Health and Social Care Integration Scheme as a result of a six week consultation exercise and were asked to approve the Integration Scheme as set out at Appendix 3 of the submitted report.

**Decision**

The Committee:

1. Noted the detail of the 45 responses received during the 6 week consultation period, set out in Appendices 1 and 2;
2. Agreed the revised Integration Scheme (Appendix 3), which had been further updated to take account of feedback received as part of the consultation process;
3. Noted that additional revisions to the Integration scheme may be required in respect of the power to delegate functions in terms of the Children and Young People (Scotland) Act 2014, once in receipt of advice from the Scottish Government; and
4. Noted that a similar report was tabled at the NHS Highland Board on 31 March 2020 where the revised Integration scheme was approved; and
5. Agreed that the Chief Executives of the two parent bodies jointly submit the revised Scheme to the Scottish Government for their consideration, at the appropriate time.

(Ref: Report by Executive Director with responsibility for Legal and Regulatory Support dated 3 March 2020, submitted)

**9. CIVIC GOVERNMENT (SCOTLAND) ACT 1982 - TAXI FARE SCALE REVIEW**

The Committee considered a report which advised that in terms of Section 17 of the Civic Government (Scotland) Act 1982, the Local Authority requires to fix maximum fares and other charges in connection with the hire of taxis operating in their area and to review the scales for taxi fares and other charges on a regular basis. The fares were last reviewed by members on 24<sup>th</sup> October 2018 and took effect on 22<sup>nd</sup> April 2019. The delay between the fares being reviewed and taking effect was due to an appeal being lodged with the Traffic Commissioner on 14<sup>th</sup> February 2019, which was later withdrawn.

**Decision**

The Committee:-

1. Agreed to commence the review of fares in order that this could be completed within the 18 months required in terms of the Act.
2. Agreed that the consultation required in terms of the Act will be in writing.

(Ref: Report by Executive Director with responsibility for Legal and Regulatory Support dated 16 April 2020, submitted)

**10. SKIPNESS (CONSULTATION) (SCOTLAND) ACT 2010 - SKIPNESS PRIMARY SCHOOL**

The Committee considered a report which advised the Skipness Primary School has been mothballed since October 2016 and since that time has had no pupils enrolled. The Community Services Committee previously agreed to undertake the required preliminary consultation and an Options Appraisal which was carried out in accordance with Section 12A of the Schools Consultation (Scotland) Act 2010 and the Committee agreed to note the outcome of the preliminary requirements and requested that officers formulate a draft proposal.

**Decision**

The Committee:-

1. Agreed to the extension of the current consultation period, due to end on 15 May 2020 to 31 August 2020.
2. Agreed that the public meeting scheduled for 5 May 2020 is cancelled and a new date established once the current UK/Scottish Government restrictions on public assemblies are reduced or lifted.

(Ref: Report by Executive Director with responsibility for Education dated 31 March 2020, submitted)

**11. DELAYING THE REVIEW OF THE COUNCIL'S FINANCIAL STRATEGY**

The Committee considered a report which sought a delay to the review of the Council's Medium to Long term Financial Strategy due to the level of economic uncertainty created by Covid-19 outbreak and also the impact the outbreak has had on resource availability.



## **Decision**

The Committee:

1. Approved a temporary cessation of the work to review and refresh the Council's Medium to Long term financial Strategy.
2. Noted that the S95 Officer will present the Budget Outlook report to the BCC as a standard agenda item until such time as the Policy and Resources Committee is reinstated.

(Ref: Report by the Section 95 Officer dated 2 April 2020, submitted)

### **12. LORN ARC TIF - PROGRESS APRIL 2020**

The Committee considered a report which provided a short overview of the current status of the Lorn Arc Initiative and recommended that officers continue to engage with the Scottish Government, Scottish Future Trust and the private sector in an effort to progress the programme within the context of the Covid-19 response.

## **Decision**

The Committee noted the update on the Lorn Arc Initiative and agreed that officers continue to engage with the Scottish Government, Scottish Futures Trust and the private sector to ensure the Lorn Arc can continue to be progressed subject to business case approval as appropriate and within the context of the current Covid-19 response.

(Ref: Report by Executive Director with responsibility for Development and Economic Growth dated 16 April 2020, submitted)

### **13. CHORD - OBAN: NORTH PIER HARBOUR BUILDING AND NORTH PIER PONTOONS - PROJECT CLOSURE**

The Committee considered a recommendation from the Oban, Lorn and the Isles Area Committee with regard to economic outcomes secured following the completion of the North Pier Harbour Building and the North Pier pontoons in Oban.

## **Decision**

The Committee noted the decision of the OLI Area Committee and welcomed their commendation of the report.

(Ref: Recommendation by the OLI Area Committee of 11 March 2020, submitted)

### **14. COMMUNITY FOOD GROWING STRATEGY**

The Committee considered a report which advised that the Community Empowerment (Scotland) Act 2015 requires each local authority to produce a food growing strategy within two years of the Part 9 of the Act, which is due by April 2020. The finalised strategy reflects the established culture of growing our own food from individuals to allotments associations, community growing spaces, care homes and school gardens. The report sought approval for the adoption of the Strategy.

## **Decision**

The Committee:

1. Agreed the contents of the finalised Argyll and Bute Council Community Food Growing Strategy which reflected the duties placed on local authorities arising from Part 9 – Allotments of the Community Empowerment (Scotland) Act 2015;
2. Agreed that the Argyll and Bute Council Community Food Growing Strategy be adopted by the Committee in April 2020 in order to meet our duty under the Part 9 of the Community Empowerment (Scotland) Act 2015; and
3. Noted the Waiting List Register update and the Allotments Rules and Regulations which reflects the duties placed on local authorities arising from Part 9 – Allotments of the Community Empowerment (Scotland) Act 2015.

(Ref: Report by Executive Directors with responsibility for Development and Economic Growth and Legal and Regulatory Support dated 1 April 2020, submitted)

**15. 2020/21 BUDGET UPDATES**

The Committee noted the 2020/21 Budget Update with regard to Health and Social Care Partnership funding.

**16. APPOINTMENT OF CHIEF SOCIAL WORK OFFICER**

The Committee noted the report with regard to the appointment of the Chief Social Work Officer.

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**ARGYLL AND BUTE COUNCIL****BUSINESS CONTINUITY COMMITTEE****FINANCIAL SERVICES****14 MAY 2020**

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**BUDGET OUTLOOK 2021-22 TO 2025-26**

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**1. EXECUTIVE SUMMARY**

- 1.1 This report summarises the budget outlook covering the period 2021-22 to 2025-26 taking into consideration the budget decisions taken at the Council Budget meeting held on 27 February 2020. This is the first outlook of the financial year and is predominantly a roll forward of assumptions used as part of the budget process and extends the budget outlook to 2025-26. This is the first time the outlook has been extended to a five year window. This provides a longer term view of the Council's estimated budget gap and the Council's external auditors agreed that it would be best practice to have this longer term view. The assumptions will be updated and refined as the year progresses.
- 1.2 The estimates within the report are based on the mid-range scenario with best and worst case scenarios noted in Appendix 1.
- 1.3 It is very difficult to estimate the future Scottish Government funding levels with any degree of accuracy. I have reflected on the previous three years funding reductions which were as follows:
- 2018-19 – 1.5%
  - 2019-20 – 1.6%
  - 2020-21 – 0.3% (after accounting for additional funds awarded at Stage 1 of budget process and £0.454m of additional ferry funding)

This gives a three year average of circa 1.2%.

The impact of COVID-19 could also be an important factor in future years funding. This can be looked at from two different perspectives.

The first is that the additional funds made available by the UK and Scottish Government to combat the impact of COVID-19 may have medium to longer term consequences for the Scottish Government. In particular how they seek to effectively pay these back and how the economy is going to recover from this pandemic. This could result in future funding reductions that are higher than those experienced in recent years.

The second perspective is that the Scottish Government recognise the pressures facing Local Government, that the final Scottish Local Government revenue settlement for 2020-21 was flat cash, and that the response required as a result of the COVID-19 pandemic will have an impact on the time councils will be able to spend in 2020-21 developing proposals to deliver a balanced

2021-22 budget. It is hoped these factors will result in a more positive settlement than the one I have set out in the first perspective.

As mentioned, it is very difficult to estimate the future years funding position but I would consider a prudent estimate within the mid-range scenario to be the average of the last three years settlement, 1.2%. The best case and worst case variable would be +/- 0.5% from the mid-range.

- 1.4 The Council tax base has been assumed to grow by 0.1% in the worst case scenario, 0.25% in the mid-range scenario and 0.4% in the best case.
- 1.5 The starting point for the 2021-22 budget is the approved budget for 2020-21 as agreed at Council on 27 February 2020 with the following updates:
- 27 February 2020 budget decisions to:
    - Invest £0.400m in technology to support remote learning.
    - Invest £0.050m in community engagement on shared transport.
    - Invest £0.500m in roads to provide for climate change mitigation and road maintenance.
    - Invest £0.400m in green transportation especially cycle paths and footpaths.
    - Utilise £0.600m of the reprofiling gain from the loans fund review.
  - Adjust for £0.022m profiling of the local plan enquiry cost pressure agreed at the 21 February 2019 budget meeting.
  - Adjust for a one off 2020-21 planning fee cost pressure of £0.060m.
  - Adjust for a one off 2020-21 living wage project cost pressure of £0.050m.
- 1.6 The assumptions in respect of employee costs for Council services are as follows:
- Pay award for 2021-22 to 2025-26 of between 2.7% and 3.5%, with mid-range 3%.
  - Increments between £0.369m and £0.737m with mid-range £0.737m.
- 1.7 For non-pay inflation, only unavoidable/inescapable inflation has been built in for the best case and mid-range scenarios. A further general inflationary increase has been built into the worst case scenario.
- 1.8 There are a number of cost and demand pressures for Council services built into each scenario:
- Universal Credit – HB Admin grant
  - Asbestos Management Plan
  - Skype for Education
  - Oracle EBS Upgrade/Replacement Software Support
  - Oracle EBS Upgrade/Replacement Project Team
  - New HR System Project Team
  - Waste
  - Local Development Plan
  - Implementation of IDOX System
  - Consolidation of the Living Wage

1.9 In addition to the identified cost and demand pressures an allowance for unidentified cost and demand pressures has been included in mid-range and worst case scenarios of between £0.250m and £0.500m per year.

1.10 There is a political decision to be made as to the future allocation to the Health and Social Care Partnership. As part of the budget agreed in February 2020, indicative allocations for 2021-22 and 2022-23 were agreed on the basis of a flat cash allocation. This decision was taken after reflecting on the instruction from the Minister for Public Finance and Digital Economy, as part of the budget announcement, that the additional funding of £100m to be allocated for Health and Social Care and Mental Health services should be additional to the HSCP 2019-20 budget and as a result the payment to the HSCP was effectively protected from any reduction to their base budget.

On 28 February 2020 a letter was issued by the Directorate of Health Finance and Governance which stated that there was flexibility in terms of the HSCP funding however this came after the Council had set its 2020-21 budget and officers were unaware this was an area still being considered. In particular the letter stated:

*Similar to last year, flexibility will be available to Local Authorities to offset their adult social care allocations to Integration Authorities by up to 2% and a maximum of £50 million in 2020-21 based on local needs.*

This would have provided the flexibility for the Council to have adjusted the 2020-2021 adult social care allocation to the HSCP by up to £0.930m (2% of the total 2020-20201 Adult Social Care allocation of £46.511m.

In the budget outlook, I have assumed flat cash allocations in the mid-range and worst case scenarios and a 2% reduction equal to the adult social care portion of the HSCP budget in the best case scenario.

1.11 For Live Argyll, I have assumed the management fee will reduce by 1.9% in the best case scenario, in the mid-range scenario reduce by 1% and worst case would remain at a flat rate equal to the 2020-21 payment. These are only assumptions. Officers will be considering options for the Live Argyll management fee as part of a wider review of budget and service planning. The setting of the fee will be a matter for Council to consider as part of the budget process next year.

1.12 The budget gap in the mid-range scenario after allowing for the current base commitments, employee adjustment, non-pay inflation and cost and demand pressures and not factoring in any previous savings decisions or future potential options is an estimated gap over the five year period of £41.865m with a gap of £6.734m in 2021-22.

1.13 The measures to balance the budget over the next five years are as follows:

- Proposed increase to fees and charges of between 1% and 5% (3% mid-range).
- Service choices savings in respect of longer term redesign of catering and

cleaning service agreed in February 2016 to be delivered by 2021-22.

- Management/operational savings agreed by Council in February 2020.
- Policy Savings already agreed by Council in February 2019 and February 2020.
- Proposed increase to Council Tax (4.84% in best case, 3% in mid-range and 3% in worst case scenario).

1.14 In the mid-range scenario, the budget gap estimated over the five year period 2021-22 to 2025-26 is £31.135m with a gap of £4.350m in 2021-22.

1.15 In contrast, the budget gap in the best case scenario over the five years is £9.315m with a surplus of £0.455m in 2021-22 and in the worst case scenario, the budget gap over the five years is £46.679m with a gap of £7.724m in 2021-22. A summary of all three scenarios is included within Appendix 1.

1.16 It is recommended that the Business Continuity Committee consider the current estimated budget outlook position for the period 2021-22 to 2025-26.

**BUDGET OUTLOOK 2021-22 TO 2025-26**

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**2. INTRODUCTION**

- 2.1 This report summarises the budget outlook covering the period 2021-22 to 2025-26 taking into consideration the budget decisions taken at the Council Budget meeting held on 27 February 2020. This is the first outlook of the financial year and is predominantly a roll forward of assumptions used as part of the budget process and extends the budget outlook to 2025-2026. This is the first time the outlook has been extended to a five year window. The assumptions will be updated and refined as the year progresses.
- 2.2 The budget outlook has been prepared using three different scenarios, best case, worst case and mid-range. Relatively small variations in assumptions can lead to fairly significant changes in the outcome. In the paragraphs that follow, the mid-range outlook is shown, however, all three scenarios are detailed within Appendix 1.

**3. RECOMMENDATIONS**

- 3.1 It is recommended that the Business Continuity Committee consider the current estimated budget outlook position for the period 2021-22 to 2025-26.

**4. DETAIL****4.1 Funding****Scottish Government Finance Settlement**

- 4.1.1 The Local Government finance settlements provided over the last few years have been for one year only and this does not provide any certainty for future years. The last four years have also seen additional funding distributed after the provisional announcement and, whilst welcome, does undermine estimated planning assumptions and makes it difficult to plan given uncertainty over whether similar announcements will be repeated in future settlements. The outbreak of the coronavirus and the subsequent need for major funding provision by both the UK and Scottish Governments to help to combat the implications of it create a further uncertainty about levels of future year funding.
- 4.1.2 For 2020-21 a package of further measures was announced following the Budget Bill Stage 1 debate in Parliament on 27 February 2020. It included additional revenue funding of £95m (our share £1.701m). Prior to that the Scottish Government also confirmed additional ferries funding of £0.954m as

advised in the supplementary paper to the budget pack. £0.500m of this was for the required replacement of the MV Lismore to meet MCA requirements and £0.454m was to cover the net expenditure to the Council of providing ferry services. This funding was not confirmed beyond 2020-21. For the purposes of future budget projections it has been assumed that:

- the £0.500m will not be recurring as, whilst it was allocated as revenue funding, it was a one-off for capital purposes
- the £0.454m will be recurring as when revenue funding for ferries was first provided to Orkney and Shetland in 2018-19, it was continued in future years.

4.1.3 The impact of these changes is to increase the settlement for 2020-21, net of specific grants, from the £195.364m referenced in the budget pack considered by Council on 27 February 2020 to £197.519m.

4.1.4 It is very difficult to estimate the future Scottish Government funding levels with any degree of accuracy. I have reflected on the previous three years funding reductions which were as follows:

- 2018-19 – 1.5%
- 2019-20 – 1.6%
- 2020-21 – 0.3% (after accounting for additional funds awarded at Stage 1 of budget process and £0.454m of additional ferry funding)

This gives a three year average of circa 1.2%.

The impact of COVID-19 could also be an important factor in future years funding. This can be looked at from two different perspectives.

The first is that the additional funds made available by the UK and Scottish Government to combat the impact of COVID-19 may have medium to longer term consequences for the Scottish Government. In particular how they seek to effectively pay these back and how the economy is going to recover from this pandemic. This could result in future funding reductions that are higher than those experienced in recent years.

The second perspective is that the Scottish Government recognise the pressures facing Local Government, that the final Scottish Local Government revenue settlement for 2020-21 was flat cash, and that the response required as a result of the COVID-19 pandemic will have an impact on the time councils will be able to spend in 2020-21 developing proposals to deliver a balanced 2021-22 budget. It is hoped these factors will result in a more positive settlement than the one I have set out in the first perspective.

As mentioned, it is very difficult to estimate the future years funding position but I would consider a prudent estimate within the mid-range scenario to be the average of the last three years settlement, 1.2%. The best case and worst case



variable would be +/- 0.5% from the mid-range. This is an area that will be kept under close review and I will engage with other Directors of Finance and COSLA as to their view of future years funding and update the report throughout the year as necessary.

- 4.1.5 The table below summarises the mid-range scenario estimates expressed in percentage terms and monetary value.

	<b>2021-22 £000</b>	<b>2022-23 £000</b>	<b>2023-24 £000</b>	<b>2024-25 £000</b>	<b>2025-26 £000</b>
% Change to Funding	-1.2%	-1.2%	-1.2%	-1.2%	-1.2%
Estimated SG Funding Reduction	(2,370)	(2,342)	(2,314)	(2,286)	(2,258)
<b>Estimated SG Funding</b>	<b>195,149</b>	<b>192,807</b>	<b>190,493</b>	<b>188,207</b>	<b>185,949</b>

### Council Tax

- 4.1.6 The Council Tax budget for 2020-21 was set at £52.859m. This included a 4.5% increase and 0.25% growth in the Council Tax base.
- 4.1.7 In terms of future growth in the Council tax base it has been assumed that it will grow by 0.1% in the worst case scenario, 0.25% in the mid-range scenario and 0.4% in the best case.
- 4.1.8 For the past two years councils have had discretion to increase Council Tax by a maximum of 3% in real terms each year. This equated to 4.79% in cash terms in 2019-20 and 4.84% in 2020-21. Within this report, I will present the budget gap, prior to any decisions and therefore at this stage in the report, the Council tax base is assumed to remain at the same level as 2020-21. Different scenarios are outlined in paragraph 4.9.6 and feed into the final estimated budget surplus/(gap) in paragraph 4.10.1.
- 4.1.9 The table below summarises the estimated total funding in the mid-range scenario.

	<b>2021-22 £000</b>	<b>2022-23 £000</b>	<b>2023-24 £000</b>	<b>2024-25 £000</b>	<b>2025-26 £000</b>
Estimated SG Funding	195,149	192,807	190,493	188,207	185,949
Earmarked Reserves for Teachers Pensions (as previously agreed)	112	0	0	0	0
Council Tax Base	52,859	52,859	52,859	52,859	52,859
Council Tax Growth	132	264	397	530	663
<b>Total Estimated Funding</b>	<b>248,252</b>	<b>245,930</b>	<b>243,749</b>	<b>241,956</b>	<b>239,471</b>

## 4.2 Base Budget

- 4.2.1 The 2020-21 budget approved by Council on 27 February 2020 was £247.860m.

- 4.2.2 There are adjustments required to the base budget from decisions by Council on 21 February 2019 and 27 February 2020, noted as follows:

	<b>2021-22 £000</b>	<b>2022-23 £000</b>	<b>2023-24 £000</b>	<b>2024-25 £000</b>	<b>2025-26 £000</b>
Base Budget 2020-21	247,860	247,860	247,860	247,860	247,860
<b>27 Feb 2020 Budget</b>					
Technology to support remote learning	(400)	(400)	(400)	(400)	(400)
Community engagement for shared transport	(50)	(50)	(50)	(50)	(50)
Roads – climate change mitigation and maintenance	(500)	(500)	(500)	(500)	(500)
Green transport – cycle paths and footpaths	(400)	(400)	(400)	(400)	(400)
Re-profiling gain from loans fund	600	600	600	600	600
<b>Other Adjustments</b>					
21 Feb 2019 Budget - Local Plan Enquiry Cost	(22)	(22)	(22)	(22)	(22)
Planning fees – one off cost pressure in 2020/21	(60)	(60)	(60)	(60)	(60)
Consolidation of living wage project costs – one off cost in 2020/21	(50)	(50)	(50)	(50)	(50)
One off fleet savings in 2020/21	278	278	278	278	278
Profiling of mgt/operational savings agreed February 2019	240	240	240	240	240
<b>Revised Base Budget</b>	<b>247,496</b>	<b>247,496</b>	<b>247,496</b>	<b>247,496</b>	<b>247,496</b>

### 4.3 Employee Cost Changes

#### Pay Award

- 4.3.1 The 2020-21 pay award was agreed at 3% as part of a previously agreed multi-year pay deal which covered the years 2018-19 to 2020-21. This equated to an increase of £3.929m in 2020-21. For the budget outlook an assumption has been made that there will be an annual increase of 2.7% in the worst case scenario, 3% in the mid-range and 3.5% in the worst case.
- 4.3.2 In terms of teachers, a pay deal was agreed covering the years 2018-19 to 2020-21. Future year assumptions are that teachers pay will increase in line with the SJC employee costs as outlined in paragraph 4.3.1.

#### Increments

- 4.3.3 The cost of employee increments for 2020-21 was £0.737m. There remains a fairly regular turnover of staff within posts and when this happens the cost of increments can, in some cases, be absorbed by the budget provision for the

previous post holder, who may have been at the top of the spinal column point for the grade. This is shown in adjustments to the employee base budget.

4.3.4 In terms of the budget outlook it has been assumed that for future years, the best case is assumed to be half of the previous year cost, for mid-range and worst case, assumes equal to the cost in 2020-21.

4.3.5 The table below summarises the employee cost increases in the mid-range scenario for Council services. The employee cost increases relating to Social Work within the Health and Social Care Partnership are summarised within paragraph 4.6.4.

	<b>2021-22 £000</b>	<b>2022-23 £000</b>	<b>2023-24 £000</b>	<b>2024-25 £000</b>	<b>2025-26 £000</b>
Pay Award	4,047	8,215	12,508	16,930	21,485
Increments	737	1,474	2,211	2,948	3,685
<b>Total Employee Cost Changes</b>	<b>4,784</b>	<b>9,689</b>	<b>14,719</b>	<b>19,878</b>	<b>25,170</b>

#### **4.4 Non-Pay Inflation**

4.4.1 Over the last few years, the Council have only included non-pay inflation within the budget where it was deemed to be unavoidable or inescapable.

4.4.2 In terms of the budget outlook, only unavoidable/inescapable non-pay inflation has been built into the best case and mid-range scenarios. This is based on the non-pay inflation estimate for 2020-21. A general inflationary increase of £0.750m per annum has been built into the worst case scenario. The non-pay inflation estimates will be reviewed during 2020-21 and updated throughout the year.

4.4.3 The table below summarises the non-pay inflation increases in the mid-range scenario for Council services. The non-pay inflation increases relating to Social Work within the Health and Social Care Partnership are summarised within paragraph 4.6.4.

	<b>2021-22 £000</b>	<b>2022-23 £000</b>	<b>2023-24 £000</b>	<b>2024-25 £000</b>	<b>2025-26 £000</b>
Unavoidable/Inescapable	1,294	2,588	3,882	5,176	6,470
<b>Total Non-Pay Inflation</b>	<b>1,294</b>	<b>2,588</b>	<b>3,882</b>	<b>5,176</b>	<b>6,470</b>

#### **4.5 Cost and Demand Pressures**

4.5.1 Over the last few years, services have worked on the basis of having to contain any cost and demand pressures within current resources, however, there are a number of cost and demand pressures already identified for Council services (and reported as part of the budget in February 2020) and these are noted in the table below with further detail included within Appendix 2. This and the other cost pressures will be subject to review during the financial year.

4.5.2 When creating a budget outlook beyond one year, there is a risk that unknown cost and demand pressures will emerge that have not been included within the

outlook. It is suggested that no allowance is included within the best case scenario, £0.500m general allowance is included within the worst case and a £0.250m allowance included within the mid-range scenario each year.

## 4.5.3

	<b>2021-22 £000</b>	<b>2022-23 £000</b>	<b>2023-24 £000</b>	<b>2024-25 £000</b>	<b>2025-26 £000</b>
Universal Credit – HB Admin Grant	60	120	180	240	300
Asbestos Management Plan	48	48	48	48	48
Skype for Education	25	25	25	25	25
Consolidation of Living Wage	500	500	500	500	500
Waste (ref to para 4.5.4)	0	25	29	26	23
Local Development Plan	0	0	50	0	50
New IDOX System	77	0	0	0	0
New HR System Project Team	200	0	0	0	0
Oracle/EBS Upgrade / Replacement Software Support	190	190	190	190	190
Oracle/EBS Upgrade / Replacement Project Team	100	0	0	0	0
Allowance for pressures in future years	250	500	750	1,000	1,250
<b>Total Cost and Demand Pressures</b>	<b>1,450</b>	<b>1,408</b>	<b>1,772</b>	<b>2,029</b>	<b>2,386</b>

#### *Unquantified Cost Pressures*

- 4.5.4 The cost and demand pressure relating to waste, as noted in the table above, relates to additional costs within the current waste model. This does not account for the additional costs due to the ban of biodegradable municipal waste from January 2025 and the Deposit Return Scheme in 2022. Officers are currently working on the future waste strategy, but at this stage the medium to longer term cost pressure has not been sufficiently calculated.
- 4.5.5 The budget outlook report presented to the Policy and Resources Committee in December 2019 highlighted an unquantified cost pressure relating to changes to the nutritional requirements for food and drink in schools. The Scottish Government reviewed the regulations that govern the food and drinks provided in schools the outcome of which was changes to the current food and drinks standards being published in June 2019, with an implementation date of Autumn 2020. The implementation has been delayed until after the Easter 2021 school holidays therefore the cost pressure will be predominantly be from the 2021-22 financial year onwards although there may be a smaller cost pressure for the initial cost of planning and set up in 2020-21. The costs associated with this are difficult to quantify with any accuracy at the current time, especially in a post COVID environment. Therefore this remains as an unquantified cost pressure however this will be kept under review and reported as and when there is additional information.

- 4.5.6 Officers are currently working on identifying and monitoring the short term impact of COVID-19 in terms of creating immediate cost pressures however there will likely be a range of longer term cost and demand pressures associated with COVID-19 (for example reduction in businesses reducing commercial waste income). At this stage, these have not been quantified and it is also unclear as to whether additional funding will be provided towards the ongoing pressures. Officers will keep this position under review and if required will reflect in future budget outlook reports.
- 4.5.7 The cost and demand pressures relating to Social Work within the Health and Social Care Partnership are summarised within paragraph 4.6.4.

#### **4.6 Health and Social Care Partnership**

- 4.6.1 The Local Government Finance Circular 1/2020 supporting the draft Scottish budget for 2020-21 advised of additional funding of £100m to be allocated for Health and Social Care and Mental Health services. The instruction from the Minister for Public Finance and Digital Economy, as part of the budget announcement, was that this £100m should be additional to the HSCP 2019-20 budget and as a result the payment to the HSCP was effectively protected from any reduction to their base budget. On the basis of this the Council, at the budget meeting on 27 February 2020, agreed a 2020-21 flat cash allocation to the HSCP which equated to £60.577m for 2020-21 as well as indicative flat cash allocations for 2021-22 and 2022-23.
- 4.6.2 On 28 February 2020 a letter was issued by the Directorate of Health Finance and Governance which stated that there was flexibility in terms of the HSCP funding however this came after the Council had set its 2020-21 budget and officers were unaware this was an area still being considered. In particular the letter stated:

*Similar to last year, flexibility will be available to Local Authorities to offset their adult social care allocations to Integration Authorities by up to 2% and a maximum of £50 million in 2020-21 based on local needs.*

This would have provided the flexibility for the Council to have adjusted the 2020-21 adult social care allocation to the HSCP by up to £0.930m (2% of the total 2020-21 Adult Social Care allocation of £46.511m).

- 4.6.3 In the budget outlook, I have assumed flat cash allocations in the mid-range and worst case scenarios and a 2% reduction equal to the adult social care portion of the HSCP budget in the best case scenario. These are only assumptions and it will be a matter for Council to consider as part of the budget process next year.
- 4.6.4 Social Work services have already identified a number of cost pressures and these are summarised below and included within Appendix 3 for information purposes. Note that these only extend to three years rather than the five years within this Council budget outlook. Extending the outlook to five years is a

decision for the HSCP to take and their Chief Financial Officer is currently of the view that a five year planning window is not appropriate at the current time due to the uncertainty caused by COVID-19.

	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
Pay Inflation	964	1,957	2,980
Pay Increments	82	164	246
Non-Pay Inflation	1,398	2,847	4,361
Care Services for Older People (Growth)	340	685	1,035
Care Services for Younger Adults	278	548	818
National Care Home Contract	339	691	1,058
Continuing Care for Looked After Children	250	500	750
Unknown Cost and Demand Pressures	500	1,000	1,500
<b>Total Cost Increase estimates for Social Work</b>	<b>4,151</b>	<b>8,392</b>	<b>12,748</b>

#### **4.7 Live Argyll**

- 4.7.1 The management fee for Live Argyll was agreed between October 2017 and 31 March 2021 on that basis that, during this time, the Trust would be able to grow its income streams and over time the percentage of the Trust expenditure represented by the management fee would reduce.
- 4.7.2 At the budget meeting on 27 February 2020, Council approved the management fee for 2020-21 and instructed officers to engage with Live Argyll, in light of the Trust's ongoing income generation and the non-statutory elements of the service, with a view to exploring a reduction in the management fee. Council requested that officers provide reports to the Policy and Resources Committee over the course of 2020-21 as this work progresses. This work has still to be completed.
- 4.7.3 For the budget outlook, I have assumed the management fee will reduce by 1.9% in the best case scenario, in the mid-range scenario reduce by 1% and remain at a flat cash position in the worst case scenario. Officers will be considering options for the Live Argyll management fee as part of a wider review of budget and service planning.

#### **4.8 Estimated Budget Gap PRIOR to Measures to Balance the Budget**

- 4.8.1 The budget gap in the mid-range scenario after allowing for the current base commitments, employee adjustment, non-pay inflation and cost and demand pressures is summarised in the table below. This is the budget gap prior to factoring in any previous savings decisions or potential options towards balancing the budget.

	<b>2021-22 £000</b>	<b>2022-23 £000</b>	<b>2023-24 £000</b>	<b>2024-25 £000</b>	<b>2025-26 £000</b>
Base Budget	247,496	247,496	247,496	247,496	247,496
Employee Cost Changes	4,784	9,689	14,719	19,878	25,170
Non-Pay Inflation	1,294	2,588	3,882	5,176	6,470
Cost and Demand Pressures	1,450	1,408	1,772	2,029	2,386
Increase/(Decrease) to HSCP allocation	0	0	0	0	0
Increase/(Decrease) to Live Argyll payment	(38)	(76)	(113)	(150)	(186)
<b>Total Estimated Expenditure</b>	<b>254,986</b>	<b>261,105</b>	<b>267,756</b>	<b>274,429</b>	<b>281,336</b>
Estimated Funding	248,252	245,930	243,749	241,596	239,471
<b>Estimated Budget Surplus / (Gap) Cumulative</b>	<b>(6,734)</b>	<b>(15,175)</b>	<b>(24,007)</b>	<b>(32,833)</b>	<b>(41,865)</b>

#### 4.9 Measures to Balance the Budget

- 4.9.1 In previous years, a general inflationary increase of 3% has been applied to fees and charges. For the budget outlook it has been assumed a similar increase within the mid-range scenario, a small 1% increase in the worst case scenario and a 5% increase in the best case scenario.
- 4.9.2 A longer term redesign of catering and cleaning services was expected to achieve a further £0.446m of savings by 2021-22 however it is looking less likely that these savings will be delivered in full by 2021-22. For the budget outlook, I have assumed savings in 2021-22 of £0.172m across all scenarios.
- 4.9.3 As part of the work of the Transformation Board, management/operational savings were identified and reported to the Council meeting on 27 February 2020. These will be implemented as per the profiles reported to Council as part of normal business.
- 4.9.4 A number of policy options were agreed at the Council meeting on 21 February 2019 and 27 February 2020. These are now factored into the budget outlook, reducing the budget gap.
- 4.9.5 Councils have had the discretion to increase Council Tax by a maximum of 3% each year since 2017-18. As noted in paragraph 4.1.8, Councils were given the flexibility to increase the Council Tax for 2020-21 by 3% in real terms which the Scottish Government confirmed as 4.84% in cash terms. It could be assumed that a similar increase would be permitted in future years, however, this has not been confirmed. For the budget outlook, I have assumed a 3% increase in the worst case scenario and mid-range scenario and a 4.84% increase in the best case scenario.
- 4.9.6 The table below summarises the proposed measures to balance the budget in

the mid-range scenario.

	2021-22 £000	2022-23 £000	2023-24 £000	2024-25 £000	2025-26 £000
Fees and Charges Increase	318	646	984	1,332	1,690
Catering and Cleaning Service Choices	172	172	172	172	172
Management/Operational Savings February 2020	42	42	42	42	42
Policy Savings February 2019	75	75	75	75	75
Policy Savings February 2020	187	187	187	187	187
Council Tax Increase	1,590	3,239	4,950	6,724	8,564
<b>Total Savings</b>	<b>2,384</b>	<b>4,361</b>	<b>6,410</b>	<b>8,532</b>	<b>10,730</b>

#### 4.10 Estimated Budget Gap AFTER Measures to Balance the Budget

4.10.1 The table below summarises the estimated budget gap in the mid-range scenario.

	2021-22 £000	2022-23 £000	2023-24 £000	2024-25 £000	2025-26 £000
Estimated Budget Gap Prior to Measures to Balance Budget	(6,734)	(15,175)	(24,007)	(32,833)	(41,865)
Savings Measures	2,384	4,361	6,410	8,532	10,730
<b>Estimated Budget Surplus / (Gap) Cumulative</b>	<b>(4,350)</b>	<b>(10,814)</b>	<b>(17,597)</b>	<b>(24,301)</b>	<b>(31,135)</b>
<b>Estimated Budget Surplus / (Gap) In Year</b>	<b>(4,350)</b>	<b>(6,464)</b>	<b>(6,783)</b>	<b>(6,704)</b>	<b>(6,834)</b>

4.10.2 In the mid-range scenario, the budget gap estimated over the five year period 2021-22 to 2025-26 is £31.135m with a gap of £4.350m in 2021-22.

4.10.3 In contrast, the budget gap in the best case scenario over the five years is £9.315m with a surplus of £0.455m in 2021-22 and in the worst case scenario, the budget gap over the five years is £46.679m with a gap of £7.724m in 2021-22. A summary of all three scenarios is included within Appendix 1.

4.10.4 The changes from the previous anticipated outlook to 2022-23 (as noted at the budget meeting on 27 February 2020) are summarised in the table below. Note that the budget meeting report was not extended to 2025-26 which is why the table below only extends to 2022-23.



	<b>2021-22 £000</b>	<b>2022-23 £000</b>
<b>Previously reported budget surplus / (gap) Cumulative</b>	<b>(5,014)</b>	<b>(12,907)</b>
Funding – change in assumed Scottish Government Grant	1,797	3,097
Council Tax rounding adjustment	(3)	(9)
Base budget adjustment (add in ferries monies)	(454)	(454)
Employee costs inflationary factor	(118)	(357)
Cost pressure – removed inflation on SEEMIS	0	3
Cost pressure - Waste	0	(25)
Cost Pressure - New Idox system for Digital Performance Management plus transfer of ABC documents	(77)	0
Cost Pressure - New HR System Project Team	(200)	0
Cost Pressure - Oracle EBS Upgrade/Replacement Project Team	(100)	0
Cost Pressure - Oracle EBS Upgrade/Replacement Software Support	(190)	(190)
Fees and Charges - adjustment	9	28
<b>Revised Budget Surplus / (Gap) Cumulative</b>	<b>(4,350)</b>	<b>(10,814)</b>

## 5. CONCLUSION

- 5.1 In the mid-range scenario, the budget gap estimated over the five year period 2021-22 to 2025-26 is £31.135m with a gap of £4.350m in 2021-22. Council officers are currently working on developing a three year savings programme that will bring forward proposals for balancing the budget in future years.

## 6. IMPLICATIONS

- 6.1 Policy - Sets out the budget outlook that provides the financial envelope for policy decisions.
- 6.2 Financial - Sets best, worst and mid-range scenarios in respect of the budget outlook. The medium to longer term financial strategy is being updated and the Council are actively continuing to pursue opportunities to mitigate against future budget gaps.
- 6.3 Legal - None directly from this report but Council will need to balance the budget.
- 6.4 HR - None directly from this report but there is a strong link

		between HR and budgets.
6.5	Fairer Scotland Duty -	See below
6.5.1	Equalities	None directly from this report but any proposals to address the estimated budget gap will need to consider equality issues.
6.5.2	Socio Economic Duty	None directly from this report but any proposals to address the estimated budget gap will need to consider socio economic issues.
6.5.3	Islands Duty	None directly from this report but any proposals to address the estimated budget gap will need to consider any island specific issues.
6.6	Risk -	None directly from this report but any proposals to address the estimated budget gap will need to consider risk.
6.7	Customer Service -	None directly from this report but any proposals to address the estimated budget gap will need to consider customer service.

**Kirsty Flanagan**  
**S95 Officer**  
**04 May 2020**

**Policy Lead for Financial Services and Major Projects: Councillor Gary Mulvaney**

**APPENDICES:**

Appendix 1 – Budget Outlook, Best, Worst and Mid-Range Scenarios

Appendix 2 – Cost and Demand Pressures (Council Services)

Appendix 3 – Cost and Demand Pressures (Social Work)

	Best Case Scenario					Mid-Range Scenario					Worst Case Scenario				
	2021-22	2022-23	2023-24	2024-25	2025-26	2021-22	2022-23	2023-24	2024-25	2025-26	2021-22	2022-23	2023-24	2024-25	2025-26
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Base Budget	247,860	247,860	247,860	247,860	247,860	247,860	247,860	247,860	247,860	247,860	247,860	247,860	247,860	247,860	247,860
Base Budget Adjustments	(364)	(364)	(364)	(364)	(364)	(364)	(364)	(364)	(364)	(364)	(364)	(364)	(364)	(364)	(364)
<b>Revised Base Budget</b>	<b>247,496</b>	<b>247,496</b>	<b>247,496</b>	<b>247,496</b>	<b>247,496</b>	<b>247,496</b>	<b>247,496</b>	<b>247,496</b>	<b>247,496</b>	<b>247,496</b>	<b>247,496</b>	<b>247,496</b>	<b>247,496</b>	<b>247,496</b>	<b>247,496</b>
Pay Award	3,642	7,383	11,225	15,170	19,222	4,047	8,215	12,508	16,930	21,485	4,721	9,608	14,666	19,901	25,319
Pay Increments	369	737	1,106	1,474	1,843	737	1,474	2,211	2,948	3,685	737	1,474	2,211	2,948	3,685
Change to employee base	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Employee Cost Changes (Council Services)</b>	<b>4,011</b>	<b>8,120</b>	<b>12,331</b>	<b>16,644</b>	<b>21,065</b>	<b>4,784</b>	<b>9,689</b>	<b>14,719</b>	<b>19,878</b>	<b>25,170</b>	<b>5,458</b>	<b>11,082</b>	<b>16,877</b>	<b>22,849</b>	<b>29,004</b>
<b>Non-Pay Inflation - Council Services</b>	<b>1,294</b>	<b>2,588</b>	<b>3,882</b>	<b>5,176</b>	<b>6,470</b>	<b>1,294</b>	<b>2,588</b>	<b>3,882</b>	<b>5,176</b>	<b>6,470</b>	<b>2,044</b>	<b>4,088</b>	<b>6,132</b>	<b>8,176</b>	<b>10,220</b>
Previously Agreed - HB Admin Grant	60	120	180	240	300	60	120	180	240	300	60	120	180	240	300
Asbestos Management Plan	28	28	28	28	28	48	48	48	48	48	68	68	68	68	68
Skype for Education	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25
Consolidation of Living Wage	444	444	444	444	444	500	500	500	500	500	560	560	560	560	560
Waste	0	25	29	26	23	0	25	29	26	23	0	25	29	26	23
Planning (Local Development Plan)	0	0	50	0	50	0	0	50	0	50	0	0	50	0	50
New Idox system for Digital Performance Management plus transfer of ABC documents	77	0	0	0	0	77	0	0	0	0	77	0	0	0	0
Software support for a new HR system & Backfill for project	150	0	0	0	0	200	0	0	0	0	250	0	0	0	0
Oracle EBS Upgrade/Replacement Project Team	50	0	0	0	0	100	0	0	0	0	200	0	0	0	0
Oracle EBS Upgrade/Replacement Software Support	80	80	80	80	80	190	190	190	190	190	340	340	340	340	340
Allowance for Cost and Demand Pressures Future Years	0	0	0	0	0	250	500	750	1,000	1,250	500	1,000	1,500	2,000	2,500
<b>Total Cost and Demand Pressures</b>	<b>914</b>	<b>722</b>	<b>836</b>	<b>843</b>	<b>950</b>	<b>1,450</b>	<b>1,408</b>	<b>1,772</b>	<b>2,029</b>	<b>2,386</b>	<b>2,080</b>	<b>2,138</b>	<b>2,752</b>	<b>3,259</b>	<b>3,866</b>
<b>Adjustment to Health and Social Care Partnership Payment</b>	<b>(930)</b>	<b>(1,842)</b>	<b>(2,735)</b>	<b>(3,611)</b>	<b>(3,539)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Adjustment to Live Argyll Management Fee</b>	<b>(72)</b>	<b>(143)</b>	<b>(212)</b>	<b>(280)</b>	<b>(347)</b>	<b>(38)</b>	<b>(76)</b>	<b>(113)</b>	<b>(150)</b>	<b>(186)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Estimated Expenditure PRIOR to measures to balance</b>	<b>252,713</b>	<b>256,941</b>	<b>261,598</b>	<b>266,268</b>	<b>272,095</b>	<b>254,986</b>	<b>261,105</b>	<b>267,756</b>	<b>274,429</b>	<b>281,336</b>	<b>257,078</b>	<b>264,804</b>	<b>273,257</b>	<b>281,780</b>	<b>290,586</b>
Scottish Government Grant	196,136	194,763	193,400	192,046	190,702	195,149	192,807	190,493	188,207	185,949	194,161	190,860	187,615	184,426	181,291
Additional Ferry Money	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Earmarked Reserves for Teachers Pensions	112	0	0	0	0	112	0	0	0	0	112	0	0	0	0
Council Tax	53,070	53,282	53,495	53,709	53,924	52,991	53,123	53,256	53,389	53,522	52,912	52,965	53,018	53,071	53,124
<b>Total Funding</b>	<b>249,318</b>	<b>248,045</b>	<b>246,895</b>	<b>245,755</b>	<b>244,626</b>	<b>248,252</b>	<b>245,930</b>	<b>243,749</b>	<b>241,596</b>	<b>239,471</b>	<b>247,185</b>	<b>243,825</b>	<b>240,633</b>	<b>237,497</b>	<b>234,415</b>
<b>Budget Surplus / (Gap) PRIOR to measures to balance the budget</b>	<b>(3,395)</b>	<b>(8,896)</b>	<b>(14,703)</b>	<b>(20,513)</b>	<b>(27,469)</b>	<b>(6,734)</b>	<b>(15,175)</b>	<b>(24,007)</b>	<b>(32,833)</b>	<b>(41,865)</b>	<b>(9,893)</b>	<b>(20,979)</b>	<b>(32,624)</b>	<b>(44,283)</b>	<b>(56,171)</b>
Measures to Balance the Budget:															
Fees and Charges	530	1,087	1,672	2,286	2,931	318	646	984	1,332	1,690	106	213	321	430	540
Catering and Cleaning Longer Term Redesign (Service Management/Operational Savings Identified February 2019)	446	446	446	446	446	172	172	172	172	172	172	172	172	172	172
Management/Operational Savings Identified February 2020	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Policy Savings Options agreed February 2019	42	42	42	42	42	42	42	42	42	42	42	42	42	42	42
Policy Savings Options agreed February 2020	187	187	187	187	187	187	187	187	187	187	187	187	187	187	187
One-off Fleet Savings	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Council Tax Increase	2,569	5,282	8,147	11,172	14,364	1,590	3,235	4,938	6,700	8,523	1,587	3,225	4,915	6,659	8,459
Council Tax Increase (Growth element)	0	10	31	64	109	0	4	12	24	41	0	2	5	10	17
<b>Total Measures to Balance the Budget</b>	<b>3,849</b>	<b>7,129</b>	<b>10,600</b>	<b>14,272</b>	<b>18,154</b>	<b>2,384</b>	<b>4,361</b>	<b>6,410</b>	<b>8,532</b>	<b>10,730</b>	<b>2,169</b>	<b>3,916</b>	<b>5,717</b>	<b>7,575</b>	<b>9,492</b>
<b>Budget Surplus / (Gap) Cumulative AFTER measures to the budget</b>	<b>455</b>	<b>(1,767)</b>	<b>(4,103)</b>	<b>(6,241)</b>	<b>(9,315)</b>	<b>(4,350)</b>	<b>(10,814)</b>	<b>(17,597)</b>	<b>(24,301)</b>	<b>(31,135)</b>	<b>(7,724)</b>	<b>(17,063)</b>	<b>(26,907)</b>	<b>(36,708)</b>	<b>(46,679)</b>
	<b>455</b>	<b>(2,222)</b>	<b>(2,336)</b>	<b>(2,139)</b>	<b>(3,074)</b>	<b>(4,350)</b>	<b>(6,464)</b>	<b>(6,783)</b>	<b>(6,704)</b>	<b>(6,834)</b>	<b>(7,724)</b>	<b>(9,339)</b>	<b>(9,844)</b>	<b>(9,801)</b>	<b>(9,971)</b>

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Department	Service	Cost/Demand Pressure	Best Case					Mid Range Scenario					Worst Case				
			2021-22 £000	2022-23 £000	2023-24 £,000	2024-25 £,000	2025-26 £,000	2021-22 £000	2022-23 £000	2023-24 £,000	2024-25 £,000	2025-26 £,000	2021-22 £000	2022-23 £000	2023-24 £,000	2024-25 £,000	2025-26 £,000
Chief Executive's Unit	Financial Services	Universal Credit "Full" Service went live in Sept 2018, but managed migration has been deferred to 2021 and will not be completed until 2024. The DWP will reduce the Housing Benefit Administration Subsidy they pay to the Council as some claimants come off of Housing Benefit processed by Council staff and go onto Universal Credit processed by the DWP. The Council's caseload has reduced by 14% in the first year of Full Universal Credit but it is hard to predict just how quickly the rest of the working age caseload will migrate from Housing Benefit to Universal Credit between now and 2024. DWP announce funding allocations each December. For 2020/21 we are benefitting from transitional protection. These figures represent our best estimates at this time.	60	120	180	240	300	60	120	180	240	300	60	120	180	240	300
Executive Director - Douglas Hendry	Commercial Services	There is an ongoing need for the Council to manage the activities associated with delivery of the Asbestos Management Plan. An earmarked reserve equivalent to £90k per annum was agreed by the Council in FQ2 2017 which should allow the management arrangements to be funded until the end of FQ2 2020 on the understanding that this provision is the subject of ongoing review. From a budgetary perspective, the best case scenario is that funding of the anticipated staff resource will continue to be required beyond the end of FQ2 2020 with no emergent asbestos related issues. The worst case scenario includes an allowance to deal with non-funded emergent issues associated with the management of asbestos.	28	28	28	28	28	48	48	48	48	48	68	68	68	68	68
Executive Director - Kirsty Flanagan	ICT	Further extend the roll out SKYPE for Business to Education - Cost of two senior engineers necessary for both implementation and ongoing support for an additional 70+sites and 1800 staff accounts.	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25
Executive Director - Kirsty Flanagan	Financial Services	Oracle EBS Upgrade/Replacement - Additional revenue costs of software support for Financial system. The range reflects a simple upgrade (£80k) to a full ERP installation - note £190k is low end of RFI responses for full ERP High end was £340k	80	80	80	80	80	190	190	190	190	190	340	340	340	340	340
Executive Director - Kirsty Flanagan	Financial Services	Oracle EBS Upgrade/Replacement Backfilling project team resource during replacement Financial system planning, testing & implementation.	50					100					200				
Executive Director - Kirsty Flanagan	HR	Costs for a project team for a new HR system & Backfill. This is a total new system build unlike the financial system.	150					200					250				
Executive Director - Kirsty Flanagan	Waste	Additional costs derived from the current waste model. Note that the treatment of waste going forward has not been fully costed due to uncertainty as to how the council will deal with the Bio Municipal Waste ban and the Deposit Return Scheme.		25	29	26	23		25	29	26	23		25	29	26	23
Executive Director - Kirsty Flanagan	Planning	Local development plan will require to be done under the new Planning legislation which is a revised process from the current one and will have a 10 year life. The new process has 2 stages where there is likely to be a cost pressure - a gate check followed by an examination some time later.			50		50			50		50			50		50
Executive Director - Kirsty Flanagan	Environmental Health	Implementation of Idox system for Digital Performance Management plus transfer of ABC documents to new system.	77					77					77				
Council Wide	Council Wide	Consolidation of Living Wage	444	444	444	444	444	500	500	500	500	500	560	560	560	560	560
Council Wide	Council Wide	General provision for unidentified Cost and Demand Pressures	0	0	0	0	0	250	500	750	1,000	1,250	500	1,000	1,500	2,000	2,500
<b>TOTAL</b>			<b>914</b>	<b>722</b>	<b>836</b>	<b>843</b>	<b>950</b>	<b>1,450</b>	<b>1,408</b>	<b>1,772</b>	<b>2,029</b>	<b>2,386</b>	<b>2,080</b>	<b>2,138</b>	<b>2,752</b>	<b>3,259</b>	<b>3,866</b>

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**SOCIAL WORK COST AND DEMAND PRESSURES - 2021/22 to 2023/24**  
**BUSINESS CONTINUITY COMMITTEE - 14 MAY 2020**

**Appendix 3**

Service	Cost/Demand Pressure	Best Case			Mid Range			Worst Case		
		2021-22 £000	2022-23 £000	2023-24 £000	2021-22 £000	2022-23 £000	2023-24 £000	2021-22 £000	2022-23 £000	2023-24 £000
All Social Work	Estimated Pay inflation reflecting 3% pay uplift in mid range, 2.7% in best case and 3.5% in worst case	868	1,759	2,674	964	1,957	2,980	1,125	2,289	3,494
All Social Work	For increments for future years, the best case is assumed to be half of the previous year cost, for mid-range and worst case, assumes equal to the cost in 2020-21.	41	82	123	82	164	246	82	164	246
All Social Work	Non-pay inflation, best and worst case based on unavoidable/inescapable inflation and worst case.	1,085	2,204	3,359	1,258	2,553	3,897	1,493	3,045	4,661
All Social Work	Non-pay inflation impact of payroll inflation on NHS posts which are recharged to Social Work.	140	294	464	140	294	464	140	294	464
Adult Care	Older People Demand Growth: The number of older people is increasing and older people are living longer with significant health and support needs and significant expectations of the support they are entitled to receive. Demand pressure estimates 3% growth in homecare and care home placements, this increase is supported by the growth in clients and care requirements over a number of years although in some areas the service capacity is being fully utilised and service expansion is proving difficult. The best case assumes a 0% increase in spending reflecting the limited service capacity in the area, the mid-range reflects 1.5% growth and the worst case reflects 3% growth.	0	0	0	340	685	1,035	689	1,400	2,133
Adult Care	Younger Adults Demand Growth: There has been continuing increase in demand for care and support services for profoundly disabled younger adults (ie under 65) whose parents have historically provided care but are no longer able to. The best case assumes a 0% increase in spending reflecting the limited service capacity in the area, the mid-range reflects 1.5% growth and the worst case reflects 3% growth.	0	0	0	278	548	818	564	1,103	1,642
Adult Services	National Care Home Contract: Contract rates are negotiated on an annual basis with representatives of the Scottish care home sector by Scotland Excel. The best case scenario figures provided are based on an annual increase of 3% , the mid range reflects an increase of 4% and the worst case 5%.	252	511	778	339	691	1,058	428	877	1,348
Children and Families	Continuing Care demand for Looked After young people who are cared for by the HSCP. The best case scenario assumes that demand can be contained within the existing funding allocation as those young people turning 21 during 2020/21 are transitioned to Throughcare support which is typically at a lower cost. However, more younger children may come into the system pushing costs up, reflected in the mid range at £250k per annum and worst case at £500k per annum.	0	0	0	250	500	750	500	1,000	1,500
All Social Work	Allowance for unknown cost and demand pressures which could arise. The best case assumes unknown pressures totalling £250k per annum, the mid range £500k per annum and the worst case £750k per annum.	250	500	750	500	1,000	1,500	750	1,500	2,250
<b>TOTAL UNFUNDED COST AND DEMAND PRESSURES</b>		<b>2,636</b>	<b>5,350</b>	<b>8,148</b>	<b>4,151</b>	<b>8,392</b>	<b>12,748</b>	<b>5,771</b>	<b>11,672</b>	<b>17,738</b>

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**ARGYLL AND BUTE COUNCIL****BUSINESS CONTINUITY COMMITTEE****FINANCIAL SERVICES****14 MAY 2020**

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**BUDGET UPDATE**

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**1. INTRODUCTION**

- 1.1 This is a paper to present the estimated impact of COVID on the delivery of previously agreed savings options and the additional cost pressures and savings arising. It also updates the Committee on progress to identify possible areas for service redesign to deliver future savings.

**2. RECOMMENDATIONS**

- 2.1 To note the estimated budget gap for the period 2021/22 – 2025/26 before the potential impact of COVID on savings and cost pressures.
- 2.2 To note the impact COVID may have on the delivery of agreed savings options up until the end of June 2020 and the anticipated cost pressures and potential savings created by COVID up till the end of June 2020.
- 2.4 To note there is an assumption that all additional costs incurred by the Council as a consequence of COVID-19 will be fully funded by the Scottish Government.
- 2.5 To note that officers are considering areas for potential service redesign and agree that progress will be reported to future meetings of the Business Continuity Committee/Policy and Resources Committee with final proposals to be presented to Members in December 2020 to enable these to be reflected in budget consultation.

**3. DETAIL****3.1 Estimated Budget Gap – 2021/22 to 2025/26**

- 3.1.1 The budget outlook has been updated to reflect the Council's 2020/21 budget agreed on 27 February 2020. In the mid-range the estimated in-year budget gaps are:

- 2021/22 - £4.350m
- 2022/23 - £6.464m
- 2023/24 - £6.783m
- 2024/25 - £6.704m
- 2025/26 - £6.834m

This amounts to a cumulative mid-range scenario gap over the five year period of £31.135m. The equivalent in the best case scenario is £9.315m and in the worst case it is £46.679m.

- 3.1.2 It is important to highlight that these projected future budget gaps are after all current measures to balance the budget have been applied, including measures where Member approval is required, for example, Council Tax, fees and charges inflation and payment to HSCP. It is also important to highlight that whilst assumptions are always estimates, this year in particular, they are very difficult to estimate with any degree of confidence due to the uncertainty created by the impact of COVID on the economy and potential future funding levels.

### 3.2 COVID-19 Impact on Agreed Savings

- 3.2.1 Throughout 2019/20 we reported to the Policy and Resources Committee on progress made against savings agreed in 2018/19 and 2019/20. Further savings were agreed as part of the 2020/21 budget agreed on 27 February 2020. These savings have been reviewed to assess the expected impact COVID will have on their delivery up until the end of June 2020.
- 3.2.2 Appendix 1 provides the detail of each agreed saving and a summary is provided in the table below.

<b>Saving / Budget Year</b>	<b>Anticipated Shortfall by end of June 2020 (£,000)</b>
Savings Agreed (Feb 2018 and Feb 2019)	173
Policy Savings (Feb 2020)	13
Mgt/Operational Savings (Feb 2020)	77
<b>Total</b>	<b>263</b>

- 3.2.3 In summary, it is estimated that £0.263m of 2020/21 savings will not be delivered by the end of June 2020.

### 3.3 COVID-19 Cost Pressures

- 3.3.1 Consideration has also been given to the financial impact COVID might have on the Council in terms of creating new cost pressures and any possible savings. The figures presented in this section are extremely difficult to measure and are best estimates at the current time. These estimates will be kept under review.
- 3.3.2 When performing this review officers were asked to estimate the anticipated costs until the end of June 2020. Therefore the figures represent a quarter of the financial year. The extent to which these should be extrapolated depends on when we estimate the country will come out of lockdown and

how long it will take for service delivery to return to normal. Furthermore there is likely to be costs we are not aware of yet.

- 3.3.3 The table below summarises the total net cost pressures at Head of Service level anticipated to the end of June 2020. Appendix 2 provides a breakdown of the figures in the table.

*Anticipated Cost Pressures*

- 3.3.4

<b>HoS</b>	<b>Cost Pressure (£,000)</b>	<b>Saving (£,000)</b>	<b>Net Cost Pressure</b>
DEG	707	(10)	697
RAIS	2,298	(236)	2,062
EDU	661	0	661
CSS	78	(24)	54
CS	226	(336)	(110)
L&RS	3	0	3
FS	633	0	633
Council Wide	33	(166)	(133)
<b>Total</b>	<b>4,639</b>	<b>(772)</b>	<b>3,867</b>

- 3.3.5 In addition there may be smaller savings across the Council for areas such as reduced printing, postage and stationery costs during the lockdown. These will be relatively small amounts and no attempt has been made to quantify these at the current time.
- 3.3.6 In summary, it is estimated that there are £3.867m of additional cost pressures up until the end of June 2020.

*COVID COSLA Return*

- 3.3.7 COSLA are in the process of gathering information from all councils on the financial impact of COVID and our first submission was prepared on 24 April and reflects the cost pressures and savings impact set out in this report. Updated submissions will be made on a fortnightly basis as clearer information becomes available. The Directors of Finance are reviewing the individual council submissions and will be aggregating them for COSLA who will then submit the consolidated Scotland wide figure to the Scottish Government.
- 3.3.8 In total the estimated impact on the 2020/21 outturn of the shortfall in savings and the net cost pressures is £4.130m. There is an expectation that these cost impacts will be fully funded. We have already received £895k from the Hardship Fund which is available to the Council with no restrictions on usage however it is unclear if the Scottish Government expect us to use this funding toward additional costs.
- 3.3.9 Furthermore the UK Government recently announced a further £1.6bn of

funding for councils to deal with COVID. The Barnett consequentials mean Scotland will receive £155m of this. The Scottish Government have confirmed this will be fully distributed to councils. We have not been advised of our exact allocation yet however if a standard distribution formula is used we estimate it will be approximately £2.8m.

3.3.10 If no additional funding is distribute to councils this will have a detrimental impact on the Council’s general fund which will mean we require a financial recovery plan to rebuild the Council’s general fund contingency fund to 2% of net expenditure. This will increase the pressure on the Council’s 2021/22 budget.

### 3.4 **Controllable vs Non Controllable Elements of the Council Budget**

3.4.1 There is a large part of the Council’s budget which is ‘non-controllable.’ This includes payments to joint boards, loans charges, historic pension costs, NPDO and waste PPP contract costs, audit fees and bank charges. In addition, the Scottish Government has maintained a level of protection for social work and education which further limits areas where savings can be delivered.

3.4.2 Out of the Council’s total 2020/21 expenditure budget of £247.9m, £174.9m (71%) of it is non-controllable. This is set out in appendix 3. This means any savings need to be delivered from the remaining £73.0m (29%). This emphasizes the extent of the challenge for the Council to address the budget gaps set out in paragraph 3.1 and manage the additional pressures brought about by COVID.

3.4.3 The controllable elements are as follows:

Roads and Infrastructure	£18,769,860
Development and Economic Growth	£7,585,863
Education Services (excluding Teachers)	£26,618,100
Customer Support Services	£8,047,996
Financial Services	£4,217,406
Legal & Regulatory	£4,247,554
Commercial Services	£3,241,679
Other (CEX, Exec Director Costs and CPD)	£273,721
<b>Total</b>	<b>£73,002,179</b>

### 3.5 **Discussion on Potential Service Redesign**

3.5.1 The SMT met on 20 April 2020 to initiate discussions about areas for service redesign and a further meeting was held on 27 April 2020 with the Full SMT (incorporating all Heads of Service). It was agreed that discussions on potential areas for service redesign and efficiency would primarily focus on:

- Service Restructure

- COVID Impact and Learning
- Previous Rejected Savings Proposals

*Service Restructure*

3.5.2 Consideration will be given to where there may be opportunities to deliver material savings by service restructure. This could include, but not be limited to, considering:

- Current structures to determine if there are alternative ways to deliver services in a leaner manner.
- Whether there may be scope for more efficient working through potential changes to where services sit within the current structure.
- Whether there are any material areas of service delivery within the controllable £73.0m where there may be value in committing an element of the £0.4m which was set aside from the 2020/21 budget to support transformational change.

*COVID Impact and Learning*

3.5.3 Dealing with the impact of COVID has been, and continues to be, very challenging for the Council with officers and elected members adjusting to new ways of working and, in some cases, entirely new services being implemented in a matter of days or weeks. Whilst this has created considerable cost pressures as set out in paragraph 3.3.4 it also might give rise to opportunities to deliver savings through applying learning and adopting new ways of working. Some ideas to be explored are:

- Reduced Travel and Subsistence - the ongoing period of enforced homeworking and virtual meetings may further raise awareness of the potential and effectiveness of remote working which could realise savings through reduction in travel and subsistence claims. Savings of this nature could be realised with minimal delay and consideration could be given to establishing saving targets on a service by service basis.
- Asset rationalisation – greater remote working may provide a further opportunity to reduce the number of operational buildings the Council operates from. There would be a longer lead time to realise any potential savings from asset rationalisation and any proposals would require detailed analysis and costings.
- Customer Service Centres - All CSCs have been closed throughout the COVID-19 lockdown and there could be scope to remove or reduce the face to face elements of CSCs in future. Greater emphasis could be placed on digital/self-service.
- Catering Provision - During 2019 the Council explored solutions in

respect of the delivery of catering provision across Argyll and Bute including a solution in partnership with NHS Highland. The response to mitigate the impact of COVID saw the Council rapidly implement a food distribution model to cater for vulnerable people and free school meals. The experience gathered from this response may generate new or revised options for catering provision and there could be merit in exploring this to determine if greater savings can be realised.

#### *Other Savings Proposals*

- 3.5.4 If the Scottish Government do not provide additional funding to help bridge the increase in council's funding gaps as a consequence of COVID there will be some very difficult budget decisions which require to be taken in February 2021 with less scope to reject savings proposals which might be considered undesirable. This may mean revisiting savings proposals which have been recently rejected.
- 3.5.5 All services, in particular those not subject to service redesign, will still be expected to look for efficiencies and report these as and when identified. Whilst these would be on a smaller scale they would still be important as they would help reduce the amount of savings required from redesign projects each year thus creating time for them to be delivered effectively.

#### **3.6 Next Steps**

- 3.6.1 Ideas for service redesign will be developed and progress will be reported to future meetings of the Business Continuity Committee. Policy and Resources Committee with final proposals to be presented to Members in December 2020 to enable these to be reflected in the budget consultation.

#### **4. IMPLICATIONS**

- 4.1 Policy – None
- 4.2 Financial – None the paper provides information that may inform future savings decisions however it has no financial implications in itself.
- 4.3 Legal -None
- 4.4 HR - None
- 4.5 Fairer Scotland Duty - None
- 4.5.1 Equalities – None
- 4.5.2 Socio-Economic Duty – None
- 4.5.3 Islands Duty - None
- 4.6 Risk – None
- 4.7 Customer Service - None

**Kirsty Flanagan**  
**S95 Officer**  
**06 May 2020**

**Policy Lead for Financial Services and Major Projects: Councillor Gary Mulvaney**

**APPENDICES**

Appendix 1 – COVID Impact on previously agreed cost savings (until end of June 2020)

Appendix 2 – Cost pressures / savings as consequence of COVID-19 (until 30 June 2020)

Appendix 3 – 2020/21 expenditure budget – controllable vs non -controllable

## Appendix 1 - COVID Impact on previously agreed cost savings (Until end of June 2020)

			Anticipated Shortfall	Comments
<b>POLICY SAVINGS FEBRUARY 2018 AND FEBRUARY 2019</b>				
TB07	RAIS	Create one main depot in key areas to reduce costs	25	Work on depot rationalisation stalled
TB09	RAIS	Public Conveniences - Progress sustainable models including turnstiles and franchising	6	Public conveniences closed plus delay in fitting door entry systems
TB12b	RAIS	Review charges for stadiums to enable improvement work	8	Stadiums closed due to COVID
TB13b	RAIS	Roads & Amenity Services charging (non-statutory services)	25	Internal work stopped due to COVID
TB14	RAIS	Waste services - increase commercial income; reduce costs of collection and disposal	96	Commercial waste collection ceased.
TB17	CS	Opportunities for office rationalisation and raising income	13	Expectation work will be delayed.
<b>POLICY SAVINGS FEBRUARY 2020</b>				
DEG05(a)	DEG	Raise additional fees by adopting the current Building Cost Information Service guide for the cost of building work.	13	Reduction in work due to COVID means reduction in income.
<b>MANAGEMENT OPERATIONAL SAVINGS FEBRUARY 2020</b>				
CSS02(a)	CSS	Increase in NRS (National Records of Scotland) fees in line with decision nationally to increase fees.	6	Increase on hold per NRS due to COVID
CSS02(e)	CSS	Social Security Scotland - charging for use of accommodation	2	Delay in making use of our building due to COVID
CSS02(f)	CSS	Lease Inveraray marriage room as an office space	1	COVID lockdown prevents use
DEG05(b)	DEG	Additional commercialisation through processing Building Warrant applications for other local authorities	13	Reduced work due to COVID.
RAIS06(b)	RAIS	Increase work through fleet workshops	5	External work ceased
RAIS08	RAIS	Cost recovery for Capital Projects within Roads and Infrastructure	50	Capital work has stopped due to COVID
<b>GRAND TOTAL</b>			<b>263</b>	



## Appendix 2 – Cost Pressures / Savings as Consequence of COVID-19 (till end of June 2020)

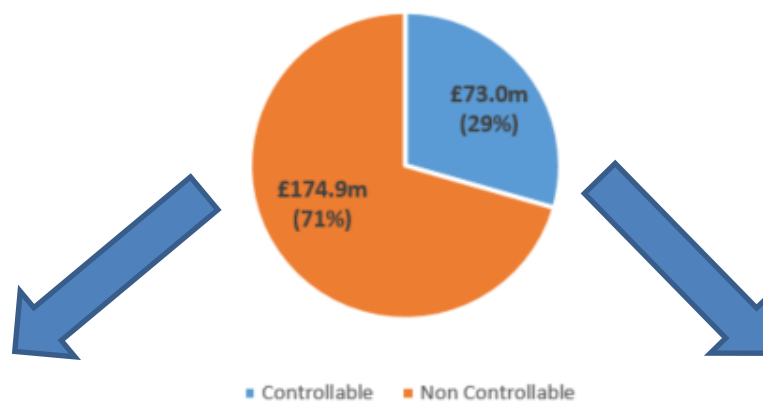
HoS	Pressure	£,000 (COST)	£,000 (SAVING)	Comment/Basis
DEG	Provision of additional support to homeless population due to vulnerability of population	270		
DEG	Building Standards – loss of income for building warrants	73		
DEG	Planning Fees – loss of income	188		75% reduction on income
DEG	Pre application advice – loss of income	11		75% reduction on income
DEG	Increase in housing arrears	15		
DEG	Housing support services - increased funding required by 3rd party providers to support clients through COVID. Not obliged to pay but under pressure to fund	50		
DEG	Previously approved grant payments may not be made due to events being cancelled		(5)	
DEG	Opportunities and Growth Team – reduced promotion related to tourism		(5)	
DEG	Airfield Landing Dues - non-scheduled flights – loss of income	10		
DEG	DIS – EH – Fish export certificates	42		25% of annual income
DEG	DIS – EH – Appraisal of water supplies	42		25% of annual income
DEG	DIS – EH – Environmental health licenses	5		25% of annual income
DEG	DIS – EH - PPE	1		Extra PPE for frontline staff
<b>DEG</b>	<b>Total</b>	<b>707</b>	<b>(10)</b>	
RAIS	Parking – loss of income	156		90% reduction in income
RAIS	Piers and Harbours – loss of income	450		
RAIS	Piers and Harbours – loss of income through fish landings	33		2019/20 income till June
RAIS	Ferries – loss of income	116		
RAIS	Fleet management – loss of income from external work	25		
RAIS	Parks – loss of income from external grounds maintenance (e.g. ACHA)	20		
RAIS	Parks – loss of income from facility hire due to event cancellation	6		2019/20 income till June
RAIS	Waste collection – loss of income from commercial refuse	459		
RAIS	Network & Traffic Mgt – loss of TRO/Permit income	17		2019/20 income till June
RAIS	Cemeteries/Cremations – additional income		(24)	Assumed 10% increase
RAIS	Public conveniences – loss of income due to PC closures	19		Door entry systems still to be fitted. Full years income

RAIS	RIS additional costs in revenue budget which would normally be capitalised (Infrastructure Design and Charges)	650		
RAIS	Pupil transport in house - reduction in fuel costs due to school closures		(14)	School bus fleet operating at 40% capacity
RAIS	Waste disposal – increased landfill tax	247		
RAIS	Waste disposal – increase in private contractors costs	24		
RAIS	Waste disposal – co-mingling reduction in costs due to stopping recycling and incurring separate recycling disposal costs		(83)	
RAIS	Waste disposal – haulage reduction in costs due to stopping recycling thereby not incurring separate haulage costs		(49)	
RAIS	Waste disposal – recycle income loss of income	41		
RAIS	Waste disposal – reduction in 3 <sup>rd</sup> party payments due to stopping of recycling and the recycled waste being added to normal waste (green bin) hereby not incurring separate recycling disposal costs.		(24)	
RAIS	Waste collection – additional external hire of refuse collection vehicles	30		
RAIS	Amenity Services – savings in fuel due to decrease in work		(42)	
RAIS	Additional PPE Costs	5		
<b>RAIS</b>	<b>Total</b>	<b>2,298</b>	<b>(236)</b>	
EDU	Staff travel – delivering meals	3		
EDU	Free school meals for key worker children	16		
EDU	Catering – loss of income from meals for pupils and teachers	410		
EDU	Music tuition – loss of income	37		
EDU	School lets – loss of income	7		
EDU	Pre primary partner providers payments for key worker children	49		
EDU	Payments to community childminders for key worker children	13		
EDU	Cost of psychological services telephone helpline	1		
EDU	Increase cost of Supply Teachers due to using average from January - March which is higher than April-June would have cost	100		
EDU	Possible additional placement in schools residential accommodation due to family breakdown	25		
<b>EDU</b>	<b>Total</b>	<b>661</b>	<b>(0)</b>	
CSS	Loss of registrar income (mainly marriage)	72		
CSS	Additional LEON licenses	2		
CSS	Reduction in training costs due to suspension of training		(24)	

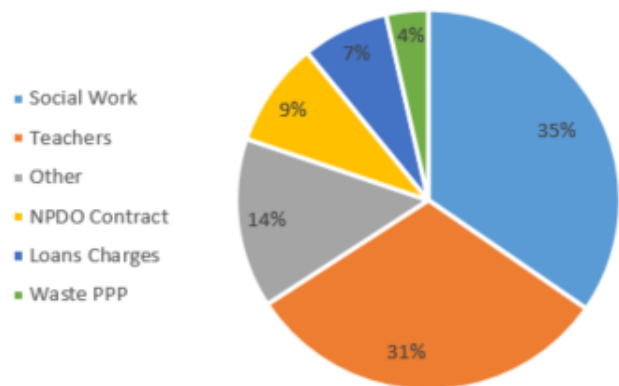
CSS	Additional staff costs due to increased opening hours for registrars	4		
<b>CSS</b>	<b>Total</b>	<b>78</b>	<b>(24)</b>	
CS	Loss of income from events at H&L Civic Centre	11		
CS	Loss of income from catering at H&L Civic Centre due to office closure	19		
CS	Loss of income from catering at Kilmory due to office closure	26		
CS	Cost of catering for community food hubs over and above increased funding	170		
CS	Reduction in catering costs due to school closures		(336)	
<b>CS</b>	<b>Total</b>	<b>226</b>	<b>(336)</b>	
L&RS	Increased staff cost relating to expected increase in anti-social behaviour orders	3	0	
<b>L&amp;RS</b>	<b>Total</b>	<b>3</b>	<b>0</b>	
FS	Reduction in Council Tax collection	600		
FS	Reduction in Council Tax growth	33		
<b>FS</b>	<b>Total</b>	<b>633</b>	<b>0</b>	
Council Wide	Estimated Council wide saving on utility bills due to buildings being closed during lockdown		(66)	
Council Wide	Savings in subsistence, staff travel etc		(100)	60% of T&S charges April to June 2019/20
Council Wide	Overtime payments to staff	25		
Council Wide	Redeployment costs for staff temporarily on higher grades	8		
<b>CW</b>	<b>Total</b>	<b>33</b>	<b>(166)</b>	
<b>GRAND TOTAL</b>		<b>4,639</b>	<b>(772)</b>	<b>(NET) 3,867</b>

### Appendix 3 – 2020/21 Expenditure Budget – Controllable vs Non-Controllable

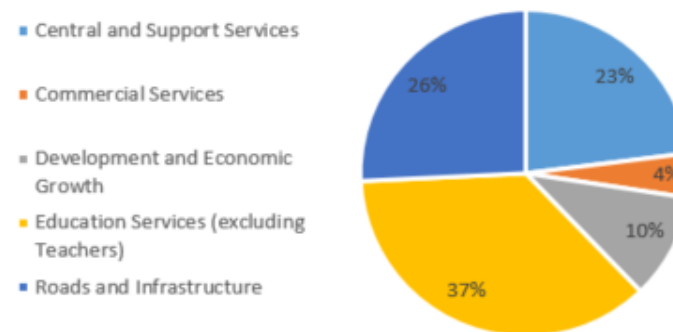
2020-21 Budget (£247.9m)



2020-21 Non-Controllable (£174.9m)



2020-21 Controllable (£73.0m)



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**ARGYLL AND BUTE COUNCIL****BUSINESS CONTINUITY COMMITTEE****FINANCIAL SERVICES****14 MAY 2020**

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**HEALTH AND SOCIAL CARE PARTNERSHIP OVERSPEND 2019/20**

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**1. EXECUTIVE SUMMARY**

- 1.1 At the Council's budget meeting on 27 February 2020 the Council approved a base allocation to the Health and Social Care Partnership (HSCP) of £60.577m for 2020/21, with net payment of £60.077m once the debt repayment schedule requested by the HSCP was taken into account. The schedule, including future years indicative payments, was also approved with an agreement that the profile for repayment would be reconsidered by the Policy and Resources Committee at its May 2020 meeting, when the HSCP's 2019/20 overspend was confirmed. The May 2020 Policy and Resources Committee meeting has been replaced by the 14 May Business Continuity Committee due to the Council's response to the COVID-19 outbreak.
- 1.2 It has been clear throughout 2019/20 that the HSCP has financial challenges and regular financial updates to the Policy and Resources Committee throughout 2019/20 have reported a projected overspend.
- 1.3 A financial recovery plan was approved by the Integrated Joint Board (IJB) on 7 August 2019 with a further recovery plan including further savings options approved by the IJB in September 2019. A report to the IJB at the end of January 2020 noted that £6.962m of the target £10.877m savings had been delivered, 64% of the total and it was clear at this point that HSCP would not be able to deliver financial balance within 2019/20.
- 1.4 On 19 December 2019, the Chief Officer of the HSCP wrote to the Council Chief Executive to provide written assurance to the Council that the HSCP has implemented emergency financial controls and that they continue to put in place appropriate measures to restrict spending and assist in the delivery of savings.
- 1.5 The final outturn for the HSCP overall is a £2.445m overspend and the breakdown of this overspend is £1.165m for Social Work related services and £1.280m for Health related services. The health relates services figure includes a £1.324m accrual for disputed charges from Greater Glasgow and Clyde Health Board which has been added in accordance with NHS accounting rules. The IJB expect this to be covered by brokerage from the Scottish Government with that brokerage repaid at a future date after 2022/23. NHS Highland expect to agree a repayment schedule next year.
- 1.6 My recommendation is that the repayment of the 2017/18, 2018/19 and 2019/20 Social Work overspends are deducted from the Council's payment

to the HSCP over a five year phased basis.

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**ARGYLL AND BUTE COUNCIL****BUSINESS CONTINUITY COMMITTEE****FINANCIAL SERVICES****14 MAY 2020**

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**HEALTH AND SOCIAL CARE PARTNERSHIP OVERSPEND 2019/20**

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**2. INTRODUCTION**

- 2.1 A formal request has been received from the Chief Financial Officer of the IJB to request that consideration is given to payback arrangements relating to the overspend on Social Work services within the HSCP for 2019/20. The final year end outturn for Social Work is an overspend of £1.165m.

**3. RECOMMENDATIONS**

- 3.1 It is recommended that the Business Continuity Committee approve that the repayment of the 2017/18, 2018/19 and 2019/20 Social Work overspends are deducted from the Council's payment to the HSCP on a five year phased basis.

**4. DETAIL****Health and Social Care Partnership Financial Position**

- 4.1 The IJB approved a balanced budget for 2019/20 at its 27 March 2019 meeting. Savings proposals of £6.794m were approved, £5.058m of management/operational savings and £1.736m of policy savings. This was a positive step forward for the HSCP and the Senior Leadership Team were confident that all the proposals agreed were deliverable.
- 4.2 However by the end of the first quarter of 2019/20 the IJB were forecasting an estimated overspend of £2.806m for 2019/20 (£2.307m Social Work and £0.500m Health). In terms of the Social Work element of the overspend, the forecast was based on the current commitments and spending patterns at that date in addition to an adjustment to the estimated delivery of the savings targets. The shortfall in savings for Social Work at that point was estimated to be £1.1m as very little of the remaining planned savings from 2018/19 had been delivered, nor were there detailed plans in progress to deliver them.
- 4.3 A financial recovery plan was approved by the IJB on 7 August 2019 with a further recovery plan including further savings options approved by the IJB in September 2019.
- 4.4 On 19 December 2019, the Chief Officer of the HSCP wrote to the Council Chief Executive to provide written assurance that the HSCP has implemented emergency financial controls and that they continue to put in place appropriate measures to restrict spending and assist in the delivery of savings.
- 4.5 A report to the IJB at the end of January 2020 noted that £6.962m of the target

£10.877m savings had been delivered, 64% of the total.

- 4.6 The forecast outturn for Social Work has improved on a month by month basis over 2019/20. The month end positions are noted in the table below:

Month End	Social Work Forecast Overspend
June	£2.307m
July	£1.931m
August	£1.712m
September	£1.669m
October	£1.480m
November	£1.376m
December	£1.310m
January	£1.186m
February	£1.334m
March (Actual Outturn)	£1.165m

- 4.7 This improvement month on month gives some assurance that actions by management and those agreed within the recovery plan have had a positive effect on the HSCP's financial position however the final outturn for the HSCP overall is a £2.445m overspend. The breakdown of this overspend is £1.165m for Social Work related services and £1.280m for Health related services.

The health related services figure includes a £1.324m accrual for disputed charges from Greater Glasgow and Clyde Health Board which has been added in accordance with NHS accounting rules. The IJB expect this to be covered by brokerage from the Scottish Government with that brokerage repaid at a future date after 2022/23. NHS Highland expect to agree a repayment schedule next year.

- 4.8 The IJB agreed a balanced budget for 2020/21 at their meeting on 25 March 2020. Any savings options previously agreed that were considered to be undeliverable were removed from the savings plan. Management / operational savings of £4.242m and policy savings of £1.463m were agreed to help deliver the balanced budget. The budget paper also highlighted in year budget gaps of £5.086m in 2021/22 and £4.963m in 2022/23.
- 4.9 Whilst the HSCP's financial position is steadily improving with robust monitoring and reporting processes in place they, like most public sector bodies, are now dealing with the impact of COVID-19 which will create further challenges to the delivery of financial balance.

### **Scheme of Integration**

- 4.10 The approved Scheme of Integration outlines what should happen in the event of an overspend at the year end:

*8.2.20 Where recovery plans are unsuccessful and an overspend occurs at*



*the financial year end, and there are insufficient reserves to meet the overspend, the Parties will consider making interim funds available. An analysis will be undertaken to determine the extent to which the overspends relate to either budgets delegated back to or activities managed by the Council or NHS Highland with the allocation of the interim funds being based on the outcome of this analysis. Any interim funds provided by the Council or NHS Highland will be repaid in future years based on a revised recovery plan agreed by both parent bodies, as required by either of the Parties. The NHS and Council will require to be satisfied that the recovery plan provides reasonable assurance that financial balance will be achieved. If the revised recovery plan cannot be agreed by the Parties or is not approved by the Integration Joint Board, the dispute resolution mechanism in clause 14 hereof, will be followed.*

### **Options for Members to Consider**

- 4.11 Members can consider a range of options in relation to the repayment schedule including writing off the overspend with no repayment required, deferring the repayment for a determinable period, phasing of repayments, or the full repayment from the next year's funding.

When considering options members should be mindful that the social work element of the HSCP has experienced overspends in each year of its existence to date and, therefore it is not considered likely it would be in a position to absorb a repayment schedule that was heavily weighted toward the front end of a repayment period.

- 4.12 My recommendation is that the repayment of the 2017/18, 2018/19 and 2019/20 Social Work overspends are deducted from the Council's payment to the HSCP on a phased basis as set out in the table below.

	<b>Repayment 2017/18 Overspend £000</b>	<b>Repayment 2018/19 Overspend £000</b>	<b>Repayment 2019/20 Overspend £000</b>	<b>Total Repayment £000</b>
2020/21	500			500
2021/22	655	545		1,200
2022/23		1,255		1,255
2023/24		1,327		1,327
2024/25			1,165	1,165
<b>Total</b>	<b>1,155</b>	<b>3,127</b>	<b>1,165</b>	<b>5,447</b>

### **Impact on HSCP Budget Outlook**

- 4.13 Following acceptance of the balanced budget for 2020/21 the budget outlook for the IJB over the next two years (mid-range scenario) is a budget gap of £5.136m in 2021/22 and a further gap of £5.282m in 2022/23. Those budget gaps already include the appropriate elements of the repayment of the 2017/18 and 2018/19 overspends which are noted in the table above.

### Impact on the Council Unallocated General Fund Balance

- 4.14 The estimated unallocated General Fund Balance as at the end of 2019/20 when the Council's 2020/21 budget was agreed in February was £0.388m. At this time the Social Work overspend was estimated to be £1.310m overspend with the year end position now being a £0.145m improvement. This will increase the unallocated General Fund Balance to £0.533m (this figure will change again once the Council outturn for 2019/20 is finalised). If the repayment arrangements set out at paragraph 4.12 are approved, the estimated unallocated General Fund balance, not accounting for any other movements, would be as follows:

Financial Year	Opening Balance (£,000)	Repayment 2017/18 Overspend (£,000)	Repayment 2018/19 Overspend (£,000)	Repayment 2019/20 Overspend (£,000)	Closing Balance (£,000)
2020/21	533	500			1,033
2021/22	1,033	655	545		2,233
2022/23	2,233		1,255		3,488
2023/24	3,488		1,327		4,815
2024/25	4,815	0	0	1,165	5,980

## 5. CONCLUSION

- 5.1 The HSCP is £2.445m overspent in 2019/20 (£1.165m Council and £1.280m Health). The health related services figure includes a £1.324m accrual for disputed charges from Greater Glasgow and Clyde Health Board which the IJB expect to be covered by brokerage from the Scottish Government with that brokerage repaid at a future date after 2022/23. The HSCP are seeking a payback arrangement from the Council in relation to the 2019/20 overspend in line with the approved Scheme of Integration.
- 5.2 It is recommended that the repayment of the 2019/20 Social Work overspend is deducted from the Council's payment to the HSCP in year five of a five year phased repayment period. The repayments for 2017/18 and 2018/19 being paid off in years 1-4 of the period.
- 5.3 There remains a risk to the Council that the HSCP are not in position to repay their 2017/18, 2018/19 and 2019/20 overspends however the HSCP's financial position is steadily improving with robust monitoring and reporting processes in place. Like most public sector bodies the HSCP are now dealing with the impact of COVID-19 which will create further challenges to the delivery of financial balance.

## 6. IMPLICATIONS

- 6.1 Policy – In line with the Scheme of Integration

- 6.2 Financial – The overspend on Social Work will directly impact on the General Fund balance until it has been repaid.
- 6.3 Legal - None from this report but savings options considered by the IJB could have legal implications.
- 6.4 HR - None from this report but savings options considered by the IJB will likely have HR implications.
- 6.5 Fairer Scotland Duty - None from this report but savings options considered by the IJB will likely have equalities and socio-economic implications that will be assessed.
  - 6.5.1 Equalities – None
  - 6.5.2 Socio-Economic Duty – None
  - 6.5.3 Islands Duty - None
- 6.6 Risk – There is a risk that any additional payment to the Health and Social Care Partnership will not be recoverable.
- 6.7 Customer Service - None from this report but savings options considered by the IJB will likely have customer service implications.

**Kirsty Flanagan**  
**S95 Officer**  
**05 May 2020**

**Policy Lead for Financial Services and Major Projects: Councillor Gary Mulvaney**

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**ARGYLL AND BUTE COUNCIL****BUSINESS CONTINUITY COMMITTEE****FINANCIAL SERVICES****14 MAY 2020**

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**CAPITAL PROGRAMME FUNDING REPORT**

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**1. INTRODUCTION**

- 1.1 This report follows up on an action in relation to the Capital budget agreed at the Council's budget meeting in February that stated "due to the scale of risk to capital programme funding in future years, request that officers provide an overview report to the Policy and Resources Committee in May 2020".

**2. RECOMMENDATION**

- 2.1 It is recommended that the Business Continuity Committee:
- a) Note that there is a risk as to the funding of the capital programme in future years.
  - b) Agree that a decision on how to address the funding gap is deferred until there is confirmation as to whether a funding announcement will be made in the Spring and further note that this decision would also allow officers time to estimate the impact of COVID-19 on the current capital programme.

**3. DETAIL**

- 3.1 The annual General Capital Grant awarded for 2020-21 was £2.601m less than in 2019-20 falling from £12.262m to £9.661m. This drop in capital funding was not expected by either our Council or other Councils who saw a similar proportionate decrease. This level of funding was significantly less than the estimates for 2020-21 and the two future years in the capital programme 2021-22 and 2022-23. It is unknown as to whether this reduction will be for one year only or continue into future years.
- 3.2 When estimating the funding for future years, an average of the last four years settlements was used and this gave an estimated capital grant of £12.278m in 2021-22 and 2022-23. Consideration was given to reducing the futures years capital grant to the 2020-21 level, however, this would have given an increased budget gap in the capital programme and it is hoped that this drop in capital funding was one-off in nature and the level of capital funding will be restored in the future.
- 3.3 Should the capital grant remain constant for 2021-22 and 2022-23 at £9.661m, then based on the current programme there would be a budget gap totalling £5.234m, £2.617m each of the two years. This position creates a significant risk to the current capital programme.
- 3.4 The Scottish Government gave a commitment to provide Council's with a three year funding allocation for 2020-21 to 2022-23, however, the Finance Order

only provided information for one year, 2020-21. Prior to the provisional settlement being announced the Scottish Government had advised that only one year figures would be announced for capital but the remaining two years would be announced in the Spring of 2020, expected to be June 2020. This is still the expectation, however, due to the COVID-19 pandemic it is possible that the future year allocations will not be announced. If this is the case, then the Council will need to plan how to deal with the current capital plan, should the future years allocations be less than current estimates.

- 3.5 There are a number of options the Council could consider to fund this gap however this will not be an easy decision as all of the options have consequences. It is recommended that any decision is deferred until after there is confirmation as to whether an announcement will be made on future years capital funding within the next few months. COVID-19 may also have an impact on other areas of funding the capital programme such as capital receipts from property sales and could also affect previous cost estimates of projects should prices rise due to delays, therefore this would also allow officers time to estimate the impact of COVID-19 on the current capital programme.

#### **4. CONCLUSION**

- 4.1 Estimated funding of the capital programme for 2021-22 and 2022-23 has been based on an average over the last four years. There is a risk that the actual settlement could be significantly less and therefore consideration should be given as to how the capital programme will be funded should this be the case.
- 4.2 Discussions are still ongoing with the Scottish Government around a multi-year settlement which could be announced during 2020-21 and it is therefore recommended that a decision on how to address the funding gap is deferred until there is confirmation as to whether a funding announcement will be made soon. This would also allow officers time to estimate the impact of COVID-19 on the current capital programme.

#### **5. IMPLICATIONS**

- 5.1 Policy – None
- 5.2 Financial – The report outlines the impact of a continued reduction in capital funding from the Scottish Government.
- 5.3 Legal -None
- 5.4 HR - None
- 5.5 Fairer Scotland Duty - None
- 5.5.1 Equalities – None
- 5.5.2 Socio-Economic Duty – None
- 5.5.3 Islands Duty - None
- 5.6 Risk – None
- 5.7 Customer Service - None

**Policy Lead for Strategic Finance and Capital Regeneration Projects:  
Councillor Gary Mulvaney**

**Kirsty Flanagan  
Section 95 Officer  
27 April 2020**

For further information please contact:  
Anne Macdougall, Finance Manager 01586-555269

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**ARGYLL AND BUTE COUNCIL****BUSINESS CONTINUITY COMMITTEE****FINANCIAL SERVICES****14 MAY 2020**

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**COUNCIL TAX ON EMPTY PROPERTIES – PROPOSED TEMPORARY AMENDMENT DUE TO COVID 19**

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**1.0 EXECUTIVE SUMMARY**

- 1.1 On 27 June 2013 Council approved a policy for charging double Council Tax on long-term empty dwellings under regulation 4 The Council Tax (Variation for Unoccupied Dwellings) (Scotland) Regulations 2013. This allowed the Council to increase the council tax charge on unoccupied properties which are;
- not being actively marketed for sale or for let under appropriate conditions and which have been unoccupied for over 12 months by 100% across the whole of the council area with effect from 1 April 2014, or
  - being actively marketed for sale or for let under appropriate conditions and which have been unoccupied for over 24 months by 100% across the whole of the council area with effect from 1 April 2014.
- 1.2 On 20 August 2015 Policy and Resources Committee approved an amendment to the policy to award 10% discount for a further 6 months where major repairs are continuing, and only to apply the double charge after the new owner has owned the property for a 12 months' period.
- 1.3 On 18 October 2018 the Policy and Resources Committee approved an amendment to the policy so that where major repairs are still underway which require planning permission and/or building warrant, and the property has recently been purchased by a new owner, the double charge is only applied after a 24 month period where senior management approve such measures and conclusive evidence is provided showing no unreasonable delays to works by the parties liable for Council Tax.
- 1.4 The Business Continuity Committee (BCC) is asked to approve a temporary amendment to the policy relating to the impact of Covid-19 has had on the local economy in respect of both the housing market and the availability of licensed tradespersons to undertake works that would bring properties back into circulation.
- 1.5 The temporary amendment will allow management to review the circumstances of the empty property and gather conclusive evidence that efforts have been made or are being made to bring the empty properties back into use. If circumstances dictate management can use discretion to remove the double charge of Council Tax for a maximum of 6 months between 1 April 2020 and 30 September 2020 and apply the equivalent of the normal Council Tax charge equal to the rate paid by second home owners during the period.
- 1.6 In addition the reduction in the charge can also be considered where there is clear evidence of financial hardship of the taxpayer brought about by Covid-19. This discretion will be applied on a case by case basis.
- 1.7 No new double charges should be applied in this six month period to give time for the economy to recover from the impact of Covid-19.

**COUNCIL TAX ON EMPTY PROPERTIES – PROPOSED TEMPORARY  
AMENDMENT DUE TO COVID 19**

---

**2.0 RECOMMENDATIONS**

- 2.1 It is recommended that BCC approve a temporary policy amendment to allow management the discretion to remove the double charge of Council Tax for a maximum of 6 months between 1 April 2020 and 30 September 2020 where there is conclusive evidence that efforts have been made, or are being made to, bring the empty properties back into use and that the homeowners' ability to bring the home back into use is affected by Covid-19.
- 2.2 It is recommended that BCC approve a temporary policy amendment to allow management the discretion to remove the double charge of Council Tax for a maximum of 6 months between 1 April 2020 and 30 September 2020 in exceptional circumstances where there is conclusive evidence of financial hardship of the taxpayer caused by Covid-19.
- 2.3 It is recommended that BCC approve a temporary policy amendment that the Council does not apply any new double charges of Council Tax on long-term empty dwellings where it becomes long-term empty between 1 April 2020 and 30 September 2020 and that a charge equal to the normal level of Council Tax charged is applied to the property until 30 September 2020.

**3.0 DETAIL**

**POLICY AMENDMENTS TO DATE**

- 3.1 On 27 June 2013 the Council approved a policy for charging double Council Tax on long-term empty dwellings under regulation 4 The Council Tax (Variation for Unoccupied Dwellings) (Scotland) Regulations 2013. This allows the Council to increase the council tax charge on unoccupied properties which are not being actively marketed for sale or for let under appropriate conditions and which have been unoccupied for over 12 months by 100% across the whole of the council area with effect from 1 April 2014, and to increase the council tax charge on unoccupied properties which are being actively marketed for sale or for let under appropriate conditions and which have been unoccupied for over 24 months by 100% across the whole of the council area with effect from 1 April 2014.
- 3.2 On 19 March 2015 the Policy and Resources Committee agreed to remove the 6 month transitional exemption from the double charge for buildings under repair and instead amended the policy so as to provide a 24 month period before the double charge would be applied in such cases.
- 3.3 In August 2015 it was agreed to make a further change to the policy to provide a modest relaxation of the policy. This applied only to dwellings which have received

a 50% discount under regulation 5 (c) The Council Tax (Variation for Unoccupied Dwellings) (Scotland) Regulations 2013 (SSI 2013/45), and where evidence is provided that such major repair work or structural alteration has commenced within that 6 month period and is continuing or has been completed. In such cases a 10% discount would be available for up to a 6 month period after the 6 months' 50% discount period has expired, provided the property remains unoccupied.

- 3.4 The 50% discount applies where major repairs are required to render a property habitable but they do not actually have to have commenced. The 10% discount for the following 6 months is only available if the repairs have actually commenced and evidence of this would need to be provided.
- 3.5 In October 2018 the Policy and Resources Committee approved a further policy amendment so that where major repairs are still underway which require planning permission and/or building warrant, and the property has recently been purchased by a new owner, the double charge is only applied after a 24 month period where senior management approve such measures and conclusive evidence is provided showing no unreasonable delays to works by the parties liable for Council Tax.

#### **HISTORIC SUCCESS OF THE EMPTY HOMES POLICY AND THE DOUBLE CHARGE OF COUNCIL TAX**

- 3.6 This policy has worked very well over the years with an Empty Homes Officer working with home owners to encourage them to bring properties back into circulation. The officer provides dedicated support to homeowners giving them lots of useful advice including access to grants to help with the cost of renovations in some circumstances and help with VAT reductions. The officer also administers databases of buyers and sellers and can match people to available properties in an attempt to move things on.
- 3.7 When the two years of exemption and discount expires a double charge for Council Tax is added to the account in an attempt to provide further encouragement for the homeowner to do what is necessary to bring the property into use or pay the extra taxation. The policy works well with the Council attaining the highly commended silver award through the IRRV (Institute of Revenues Ratings and Valuation) in 2014 and also a number of awards from Shelter Scotland for work in this area.

#### **PROPOSAL FOR FURTHER TEMPORARY AMENDMENT DUE TO COVID-19**

- 3.8 The outbreak of Covid-19 has affected the local economy in Argyll and Bute with its unique portfolio of a large number of small businesses suffering considerably.
- 3.9 The supply of skilled tradesman is not available to plan new jobs or complete work already started. In addition for people with their property listed for sale or let there is evidence that the housing market is really slowing up. Sellers are being asked to prepare virtual walkthroughs of their properties by estate agents to help with the buying and selling process.
- 3.10 Approximately 20 property owners to date have contacted the Council stating that Covid-19 is preventing them letting or selling their properties and in some cases work that had started on properties has had to cease and planned works are taking longer to commence. They are claiming it is not reasonable under the

circumstances for the Council to apply the double charge of Council Tax as set out in our policy. 20 properties represents 3.27% of the 610 accounts in Argyll and Bute where the double charge is currently being applied.

- 3.11 To date we have listened sympathetically to those claiming hardship and moved payments back a few months as a short term support measure but there is growing pressure from the Scottish Government, the Scottish Federation for Housing Associations and Shelter Scotland for all local authorities to relax their policies on a temporary basis until the economy recovers..
- 3.12 We asked other Scottish Local Authorities if they were considering reviewing their policies in respect of charging the double Council Tax charge on long-term empty properties. We received 8 responses with 7 Councils indicating that they had amended or will be amending their policies to relax them due to the impact of Covid-19.
- 3.13 The table below shows the current position in Argyll and Bute with regard to the charges levied and amounts collected in respect of long-term empty properties.

YEAR OF ACCOUNT	AMOUNT BILLED (£'000)	AMOUNT COLLECTED	
		(£)	%
2013/2014	0	0	n/a
2014/2015	674	607	90.1
2015/2016	694	606	87.3
2016/2017	764	658	86.1
2017/2018	1,168	1,035	88.6
2018/2019	1,135	982	86.5

The figures for the 2019/2020 year are not available as they are calculated during the yearend process.

- 3.14 Whilst there has been 20 requests for a deferral of the double charge there are many taxpayers who have a long term empty property and appear content to pay the double charge. There are some that do not pay and the debt has transferred to our debt collection partners Walker Love for action. In the current circumstances there is no new action being undertaken on these accounts for now. This will be reviewed in May 2020.
- 3.15 The proposal is that the Council Tax assessment team is given the discretion to reduce the double charge of Council Tax to a single charge that can be applied between 1 April 2020 and 30 September 2020. The reduction cannot be granted beyond the 30 September 2020.
- 3.16 Decisions would be made by management on a case-by-case basis. Approval will require conclusive evidence there is a recent history of engagement with the taxpayer in relation to renovation works or a clear schedule of work that is planned. The reduction could also be applied where the double charge has been added and the property is clearly being marketed for sale or let. Additionally where there is clear evidence of financial hardship brought about by Covid-19 then there could be a reduction on the charge agreed for the period from 1 April 2020 to 30 September 2020.

- 3.17 If the property has already been on the list of long-term empty properties for more than two years at 1 April 2020 then no reduction will be available.
- 3.18 It is proposed that no new double charge is added to any Council Tax accounts where the property becomes eligible to attract the charge between 1 April 2020 and 30 September 2020.
- 3.19 It is difficult to predict the impact that this temporary change will have on the Council's revenue collection in 2020/2021 at this early stage of the financial year. However numbers of taxpayers seeking a deferral of the double charge are relatively low in percentage terms of the overall caseload.
- 3.20 It should be noted that a proportion of the reduction in empty dwelling discount and the increase in taxes in relation to empty properties is paid over to the Strategic Housing Fund. These monies are given to the Registered Social Landlords to support the development of new housing in our area. Funding for these purposes will reduce if there is a reduction in the number of taxpayers affected by the double charge that actually pay. By assisting those who need help in the current circumstances it is expected that payment can be more easily maintained thereby the funding to support Housing is more likely to be maintained at current levels.

#### **4.0 CONCLUSION**

- 4.1 Covid-19 has impacted the local economy in a way that makes the renovation of empty properties and their marketing for sale or let more difficult than normal. The Council is under some pressure externally to relax its policy to apply a double charge of Council Tax for 6 months in order to support taxpayers impacted by current market conditions. Management recommend that the policy is amended for a short period of time to allow some concessions where it is appropriate to do so.

#### **5.0 IMPLICATIONS**

- 5.1 Policy: Temporary relaxation of terms of policy to allow staff to reduce the Council Tax charged on long-term empty properties under some circumstances.
- 5.2 Financial: Anticipated reduction in amount billed in 2020/021 and subsequent reduction in amount collected. It is difficult to estimate this at present due to the unprecedented climate we live in.
- 5.3 Legal: None.
- 5.4 HR: None.
- 5.5 Equalities: None.
- 5.6 Risk: No change.

5.7 Customer Service: No change.

**Kirsty Flanagan**  
**S95 Officer**  
**21 April 2020**

**Policy Lead for Financial Services and Major Projects: Councillor Gary Mulvaney**

For further information please contact Fergus Walker, Revenues and Benefits Manager Tel 01586-555237

**ARGYLL AND BUTE COUNCIL EMPLOYABILITY FINANCIAL UPDATE**

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**1.0 EXECUTIVE SUMMARY**

- 1.1 The purpose of this report is to provide the members of the Business Continuity Committee with an update on the current financial position of the Argyll and Bute Council's Employability Team.
- 1.2 At present the Employability Team delivers the Employability Fund contract on behalf of SDS, the Fair Start Scotland contract on behalf of PeoplePlus and the Argyll and Bute Employment Recruitment and Training Incentive (ABERTI) with direct funding from the Scottish Government under the No One Left Behind (NOLB) policy direction.
- 1.3 A summary of the latest financial performance for the year-end 2019/20 is outlined in **Appendix 1, Table 1**. It should be noted that these figures were collated on 31<sup>st</sup> March 2020 for inclusion in this paper are not the final year end position.
- 1.4 The current balance of £434 shows a surplus for the financial year 2019-20.
- 1.5 The stringent social distancing and self-isolating restrictions imposed due to the current COVID-19 pandemic are having a significant impact on referrals to employment support programmes. A lower number of referrals will impact on the number of programme participants resulting in fewer job outcomes. This will affect provider performance for the coming financial year, but the exact financial impact of this is unknown. It is likely that there will be a year-end deficit position in 2020/21.
- 1.6 The UK and Scottish Governments are working together to identify how best to respond to the specific challenges facing the employability landscape across the public, third and private sectors. There is a commitment to protect provision and continuity of support for those individuals who use and those that provide employability services across the country during this challenging period, especially when the economy begins to recover from this crisis.

## 1.7 Members are asked to:

- Note the content of this report.
- Note that based on the in-year 2019/20 financial outturn, it is likely that there will be a deficit in 2020/21. Further note that due to the current pandemic, less job outcomes will be realised during 2020/21 and this will also adversely affect the financial position.
- Agree that once the new delivery arrangements are in place in April 2021, under the NOLB policy direction, a detailed review of the affordability of employability service provision across Argyll and Bute will be conducted. This review will need to take into account the impact of the COVID-19 pandemic, associated financial support packages and the flexibility to repurpose the Argyll and Bute Council allocation of Phases 2 and 3 of the NOLB to support economic recovery.



**ARGYLL AND BUTE COUNCIL EMPLOYABILITY FINANCIAL UPDATE**

---

**2.0 INTRODUCTION**

2.1 The purpose of this report is to provide the members of the Business Continuity Committee with an update on the current financial position of the Argyll and Bute Council's Employability Team.

**3.0 RECOMMENDATIONS**

3.1 Members are asked to:

- Note the content of this report.
- Note that based on the in-year 2019/20 financial outturn, it is likely that there will be a deficit in 2020/21. Further note that due to the current pandemic, less job outcomes will be realised during 2020/21 and this will also adversely affect the financial position.
- Agree that once the new delivery arrangements are in place in April 2021, under the No One Left Behind (NOLB) policy direction, a detailed review of the affordability of employability service provision across Argyll and Bute will be conducted. This review will need to take into account the impact of the COVID-19 pandemic, associated financial support packages and the flexibility to repurpose the Argyll and Bute Council allocation of Phases 2 and 3 of the NOLB to support economic recovery.

**4.0 DETAIL**

4.1 At present the Employability Team delivers the Employability Fund contract on behalf of SDS, the Fair Start Scotland contract on behalf of PeoplePlus and the Argyll and Bute Employment Recruitment and Training Incentive (ABERTI) with direct funding from the Scottish Government under the NOLB policy direction. It is the Scottish Government's intention to merge all existing employability programmes into one delivery model from April 2021 under the NOLB policy direction.

4.2 Details on the contracts delivered by the Employability Team was presented to the Environment, Development and Infrastructure (EDI) Committee on 12<sup>th</sup> September 2019. An update paper on the financial position for the team was presented to the EDI Committee on 5<sup>th</sup> December 2019. The Council's Strategic Management Team, at its meeting on Monday, 27<sup>th</sup> January 2020, requested that the budgetary position for the Employability Team was to be presented to members of the Policy and

Resources Committee in February 2020, which was later postponed until the meeting in May 2020 (now the Business Continuity Committee).

### **Financial Performance**

- 4.3 A summary of the financial performance for 2019/20 is outlined in **Appendix 1, Table 1**. The in-year deficit position for 2019/20 has been mitigated due to a carry forward credit balance at the end of 2018/19, with the inclusion of financial contributions agreed previously, to achieve a surplus position where the current balance is £434.

### **Performance Challenges**

- 4.4 Under the NOLB policy direction, it is the intention for the Scottish Government to have one employability delivery model in place by April 2021. Until then all the current contractual provision noted above is in effect seeking participants from the same pool of individuals with little transparency on the derivation of fairly large case load delivery targets.
- 4.5 Due to the current COVID-19 pandemic all face-to-face contact with programme participants ceased on 17<sup>th</sup> March 2020. Delivery of all contracts is now being done remotely by Key Workers via the telephone, social media and hopefully through other digital platforms being explored and developed, such as webinars and the use of Google Classroom. Key workers are still providing in-work support, as appropriate, and supporting participants to apply for current vacancies. At the time of writing this report, two participants who previously fell out of work have taken up subsequent employment at their local supermarkets. However, as 70% of provider fees under Fair Start Scotland are achieved on job outcome performance, despite some areas still recruiting at this time, the opportunities for participants to enter work will be more limited and some have now fallen out of work due to the current public health crisis.

### **Mitigation Actions**

- 4.6 At the time of writing this paper a '*NOLB/Employability, COVID-19 Operational Response Group*' was formed with key employability partners from the Scottish Government, Skills Development Scotland, Department for Work and Pensions, Local Government and the Third Sector. The focus of this group is to work collaboratively to develop a shared understanding of the impact of the emerging health crisis on the Scottish labour market and employability system at an individual, employer and sectoral level. More detail on the outcomes from discussions can be shared with members verbally at the meeting in May. In particular, how existing funded programmes have been flexed to provide people and organisations with the support they need in the short to medium term.
- 4.7 PeoplePlus has requested detailed monthly costs from the Employability Team to feed into their discussions with the Scottish Government. It is anticipated that a financial support package will be announced shortly by the Scottish Government, which will provide some financial assistance to

the Employability Team. Details of this support and its duration will be provided at the committee meeting.

- 4.8 No information has been provided from Skills Development Scotland on a financial support package to cover Employability Fund delivery.
- 4.9 A significant level of funding from the Scottish Government, through the partnership agreement with local authorities (signed December 2018), is now coming directly to local Employability leads; the Economic Growth Manager for Argyll and Bute Council. The market failure associated with employability activity is being recognised by the Scottish Government, with some of this funding aligned to revenue costs.
- 4.10 Based on the in-year 2019/20 financial outturn, it is likely that there will be a deficit in 2020/21. Due to the current pandemic, less job outcomes will be realised during 2020/21 and this will also adversely affect the financial position.
- 4.11 Once the new delivery arrangements are in place in April 2021, under the NOLB policy direction, a detailed review of the affordability of employability service provision across Argyll and Bute will be conducted. This review will need to take into account the impact of the COVID-19 pandemic. In particular, discussions are currently being had through SLAED, SOLACE, COSLA and the Scottish Government on the proposal to adopt a flexible approach in order to repurpose the £60m of monies for Phases 2 and 3 of NOLB to support economic recovery. Given the anticipated exponential increase in the number of unemployed as a result of the COVID-19 pandemic. Such a flexible approach will be followed through for consideration and labour market interventions at the local Argyll and Bute level.

## 5.0 CONCLUSION

- 5.1 This report provides the members of the Business Continuity Committee with the current financial position of the Argyll and Bute Council's Employability Team.
- 5.2 By working together, with external contractors and partners the Employability Team strives to offer a robust and financially sustainable approach to the delivery of the employability provision across Argyll and Bute. Combining the skills, strengths and experience of staff will allow for maximum benefit to be delivered to vulnerable individuals across the whole of Argyll and Bute's urban, rural, remote rural and island communities.

## 6.0 IMPLICATIONS

- 6.1 Policy The current employability service provision fits and contributes to *Outcome 3: Education, skills and training maximises opportunities for all* and *Outcome 5: People live active, healthier and independent lives* in the LOIP. The service also fits and contributes to the Argyll and Bute Council priority: 'Argyll & Bute Council will be a mental health champion, promoting

good health and helping people back into employment when necessary’ and the inclusive ‘skills for work’ focus outlined in the council’s new Economic Strategy.

- 6.2 Financial The Council’s Employability Team is funded on a commercial basis through the delivery of challenging service delivery contracts.
- 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. This is a core function of the Council’s Employability Team.
- 6.5.1 Equalities All activities will comply with all Equal Opportunities/Fairer Scotland Duty policies and obligations.
- 6.5.2 Socio-economic Duty Employability services focus on removing socio-economic disadvantage for vulnerable residents across Argyll and Bute.
- 6.5.3 Islands Employability services are delivered across the whole of Argyll and Bute including the island communities.
- 6.6 Risk Start and job outcome rates do not continue to increase resulting in the cost of service provision by the Employability Team being unsustainable.
- 6.7 Customer Services None.

**Kirsty Flanagan, Executive Director with responsibility for Employability  
Cllr Aileen Morton, Policy Lead for Economic Growth**

29<sup>th</sup> April 2020

**For further information contact:** Ishabel Bremner, Economic Growth Manager, tel: 01546 60437

## Appendix 1: Employability Financial Year 2019/20

<b>Table 1: Employability Financial Report Year 2019-20</b>						
<b>Income</b>	<b>Position at 31st March 2019</b>	<b>Apr-June 19/20</b>	<b>July-Sep 19/20</b>	<b>Oct-Dec 19/20</b>	<b>Jan-Mar 19/20</b>	<b>Totals</b>
Fair Start Scotland		17,055	15,967	26,436	28,465	87,923
Employability Fund		3,492	2,300	5,268	4,242	15,301
*NOLB / ABERTI income		0	0	0	9,057	9,057
*SERI claims		1,400	2,000	2,000	0	5,400
Annual contribution from Economic Growth		0	0	0	3,000	3,000
Additional contribution from Economic Growth budgets		0	0	0	16,000	16,000
Workforce Planning/Business Panel Funding for Employability		0	0	0	20,000	20,000
<b>Total Income</b>		<b>21,946</b>	<b>20,267</b>	<b>33,704</b>	<b>80,764</b>	<b>156,681</b>
<b>Expenditure</b>	<b>Position at 31st March 2019</b>	<b>Apr-June 19/20</b>	<b>July-Sep 19/20</b>	<b>Oct-Dec 19/20</b>	<b>Jan-Mar 19/20</b>	<b>Totals</b>
Staffing Costs		31,587	42,652	41,960	48,504	164,703
Running costs (e.g. staff travel, premises, etc, but exc. salaries)		3,011	6,574	260	3,723	13,568
NOLB / ABERTI expenditure		0	0	0	7,000	7,000
SERI payments to employers		1,400	4,000	0	1,000	6,400
Payments to other bodies for Employability Fund delivery		0	3,840	0	0	3,840
Participant Costs - travel/training/PPE		-191	1,318	942	2,065	4,135
<b>Total Expenditure</b>		<b>35,807</b>	<b>58,384</b>	<b>43,162</b>	<b>62,292</b>	<b>199,645</b>
<b>Balance</b>	<b>43,398</b>	<b>-13,861</b>	<b>-38,118</b>	<b>-9,458</b>	<b>18,473</b>	<b>434</b>

\*Notes: NOLB: No One Left Behind

ABERTI: Argyll and Bute Employer Recruitment and Training Scheme

SERI: Scotland's Employer Recruitment Incentive

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**ARGYLL AND BUTE COUNCIL****BUSINESS CONTINUITY COMMITTEE****CUSTOMER SUPPORT SERVICES****14 MAY 2020**

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**SECONDMENT POLICY**

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**1.0 INTRODUCTION**

- 1.1 Council employees have had the opportunity to develop skills through temporarily working in a different role or work area since the Council was established. This includes employees temporarily undertaking work with external organisations in the public sector. Feedback from employees and managers has been that although the informal arrangements worked, there would be benefit from having a formal position and policy on secondments in order to provide clarity and structure to arrangements and align them better with strategic business objectives. On that basis, Committee is presented with a Secondment Policy for consideration and approval.

**2.0 RECOMMENDATIONS**

- 2.1 Business Continuity Committee is recommended to approve the Secondment Policy appended to this report for implementation.

**3.0 DETAIL**

- 3.1 The Council recognises that learning and development opportunities should be available for employees. One aspect of development that enables employees to learn new skills and prepare for promotion is secondment – an employee temporarily undertaking a higher graded role or work in a different work area.
- 3.2 The Council has not, to date, had a formal secondment policy although secondments take place both internally and with external organisations. A Secondment Policy and associated Guidance have been developed to formalise arrangements and provide consistency and structure to development opportunities for employees.
- 3.3 Secondments are a workforce planning tool whereby an employee can develop skills in order to move into a new work area or role in the future. It allows them to experience a role while also going through a period of development. At a time when the Council is undergoing continuous change, secondments are a valuable tool to facilitate retraining of employees and filling skills gaps for the future and supports our Corporate and Strategic Workforce Plans by ensuring our workforce have the skills, knowledge and

behaviours to support our vision now and in the future.

- 3.4 Secondments bring the following benefits to the Council: -
- Fill workforce planning gaps
  - New and existing skills developed
  - Increased motivation.
- 3.5 Consultation was undertaken with stakeholders in creating the guidance on secondments. This included third tier managers, trade union representatives and HROD team members who are the stakeholders with most experience of managing and implementing secondments. A number of questions were posed, to which common themes emerged and have been taken into account in the formulation of the guidance document. The guidance document is not a policy document but rather a 'live' document that will be subject to revision and is attached for the Committee's information.
- 3.6 The guidance also resolves common issues with secondments, eg ongoing secondments – continually extended beyond anticipated end dates – secondments from secondments, and clarification that all public and private sector organisations are covered.
- 3.7 This policy has been in development over a period of time and pre-dates the Covid-19 situation. In draft form it has temporarily been deployed for reference during the Covid-19 response, with specific differences eg employees who are redeployed at this time as part of our Covid-19 response retain their normal pay for their normal hours, irrespective of whether they are working fewer hours or in a lower graded post. This is appropriate to enable us to support Council functions during a time of depleted resources, whereas under normal circumstances a secondment will be an agreed business tool utilised for organisational and individual development.

#### **4.0 CONCLUSION**

- 4.1 Secondment is a valuable workforce planning and employee development tool which helps us develop skills towards achieving our future vision. A policy statement supported by guidance for managers and employees formalises the arrangements within our workforce planning framework and supports our Corporate and Strategic Workforce Plans.

#### **5.0 IMPLICATIONS**

- 5.1 Policy – new policy formalising current arrangements.
- 5.2 Financial - no direct financial implications associated with this report as it formalises current arrangements.
- 5.3 Legal – External Secondment Agreement has been agreed with legal.



- 5.4 HR – formalises current ad-hoc arrangements.
- 5.5 Fairer Scotland Duty:
  - 5.5.1 Equalities – Protected Characteristics – nil. EQSEIA indicates no impact on any protected characteristics although the implementation of a policy and guidance framework will have positive benefits for the workforce overall.
  - 5.5.2 Socio-economic Duty – nil. EQSEIA indicates no impact on any socio-economic characteristics although the implementation of a policy and guidance framework will have positive benefits for the workforce overall.
  - 5.5.3 Islands – nil. EQSEIA indicates no impact on islands although the implementation of a policy and guidance framework will have positive benefits for the workforce overall.
- 5.6 Risk – nil.
- 5.7 Customer Service – nil.

**Interim Executive Director with responsibility for Customer Support Services –  
Kirsty Flanagan**

**Policy Lead – Rory Colville**

30 April 2020

**For further information contact:**

Jennifer Coyle, Business Partner Culture and Talent Management 01546 604010

Jane Fowler, Head of Customer Support Services 01546 604466

**APPENDICES**

Appendix 1      Secondment Policy

Appendix 2      Secondment Guidance

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# **ARGYLL AND BUTE COUNCIL**

## **SECONDMENT POLICY**

Version: 1.0  
Date: 20 April 2020

## **Statement of Policy**

The aims and objectives of the Secondment Policy are: -

- To meet organisational workforce planning needs through the temporary deployment of employees to alternative roles.
- To provide a cost effective, fair and equitable method of providing employees with work experience and development opportunities outside of their normal area of work and / or the Council while ensuring that the short to medium term staffing needs for service provision are in place.

The Secondment Policy: -

- Covers the short-term deployment of employees within an alternative section or organisation for the purposes of work experience or career development.
- Is applicable to all employees of Argyll and Bute Council.
- Will be applied in conjunction with relevant legislation concerning equalities, fixed term and temporary work.
- Will be applied in conjunction with relevant organisational policies and procedures including those concerning recruitment, redeployment and equalities.
- Will be applied in accordance with relevant national and local conditions of service, and conditions of service relevant to incoming secondees.

## **Benefits**

Secondments are an effective way of providing individuals with the opportunity to apply their skills and experience in a new environment and challenge themselves professionally, thereby aiding their development, bridging identified skills gaps and broadening their experience.

The section that hosts the Secondee benefits from the individual's existing and new skills, whilst their 'home' section benefits from their increased motivation and enhanced skills on their return. There is also an organisational benefit of promoting increased mobility within the Council and retaining employees with valuable skills, knowledge and experience.

Secondments can help the Council fill workforce planning gaps by allowing employees to experience alternative roles and potentially retrain for the future.

## **Review**

This policy will be reviewed on a regular basis by HR and Organisational Development. Any comments regarding the Secondment Policy or associated Guidance should be directed to [trainingcentre@argyll-bute.gov.uk](mailto:trainingcentre@argyll-bute.gov.uk)

# **ARGYLL AND BUTE COUNCIL**

## **SECONDMENT GUIDANCE**

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This policy will be reviewed on a regular basis by HR and Organisational Development. Any comments regarding the Secondment Policy or associated Guidance should be directed to [trainingcentre@argyll-bute.gov.uk](mailto:trainingcentre@argyll-bute.gov.uk)

## **SECONDMENT GUIDANCE**

### **Introduction**

The Council is committed to the development of employees. Secondments are a valuable tool for individual career development and for developing skills within the Council.

The Secondment Guidance is designed to provide a framework for employees to undertake a period of career development as a secondment, normally for a period of 4 to a maximum of 23 months inclusive. It is not anticipated that a secondment will continue beyond 23 months. In the event that this situation arises, advice should be sought from HROD in regard to the implications of this for the secondee, seconding section and anyone covering the substantive post.

At the end of a secondment the employee will have the opportunity to return to their substantive post, unless otherwise discussed.

Separate arrangements exist for employees who choose to take up a temporary post outwith the Secondment Procedure.

Normal recruitment and selection processes apply to filling a post on a secondment basis.

### **Definitions**

Secondment	The temporary move or 'loan' of an employee either to another part of the Council (internal secondment) or externally to a different organisation (external secondment).
Seconding Manager	The substantive manager of the employee who is going on secondment – i.e. the manager of the post held prior to the secondment.
Secondment Manager	The manager of the employee while on secondment – i.e. the manager of the secondment post.
Secondee	The employee who is going on secondment.
Seconding Organisation or Section	The normal employer or employing section of the employee going on secondment.
Host Organisation or Section	The employer or section for the period of secondment.
Internal secondment	The movement of an employee temporarily to another post within the Council that is managed under the Secondment



Procedure (please note that employees can take up temporary posts which are not secondments, under separate arrangements).

**External secondment** The movement of an employee to an external organisation for a fixed period of time, managed under the Secondment Procedure and covered by a Secondment Agreement. The employee remains an employee of Argyll and Bute Council and retains their terms and conditions of employment, subject to the terms of the Secondment Agreement.

## **Scope**

The Guidance applies to all employees of Argyll and Bute Council, i.e. those covered by Scottish Joint Council for Local Government Employees (LGE), Scottish Joint Council for Chief Officials (CO), and Scottish Negotiating Committee for Teachers (SNCT) conditions of service.

The Guidance covers internal secondments within the Council and external secondments to public and private organisations.

## **Financial Responsibility**

Employees undertaking an external secondment will normally continue to be paid by the Council.

Internal secondments will be charged to the cost centre of the secondment post according to the HR and financial hierarchies.

For an outward external secondment, the Seconding Manager must arrange for the Council to invoice the Host Organisation for the employee's salary plus on costs on a monthly basis. Your Finance contact will be able to advise you of the relevant financial details in order that this can be organised with the Secondment Manager of the external organisation.

## **Terms and Conditions**

The employee will normally have the right to return to their substantive post on conclusion of the secondment. If this is not possible it will have been agreed at the outset or as soon as it became known, and in this situation the employee will return to the same type of or work of an equivalent grade, although this may be in a different section and / or location. If this is the case the Seconding Manager will meet with the employee and explain the reasons why a return to the substantive post is not possible.

If the reason that the employee cannot return to their substantive post is that the post is redundant, the secondment will be brought to an end once the redundancy situation arises. The employee can request to continue the remaining term of the secondment as a temporary post. A redundancy payment may be applicable in certain circumstances at the end of this temporary post but this is not guaranteed.

Notwithstanding the above, the employee will usually return to their substantive post at the substantive pay level, including appropriate increments.

The employee's existing terms and conditions of employment will continue for the duration of the secondment with the possible exception of those relating to pay, in which case they will receive the appropriate pay relating to the secondment post. If the pay is lower the employee will receive the lower pay applicable to the secondment post. If an employee undertakes a secondment on fewer or more hours than they work in their substantive post, their holiday entitlement will be amended pro-rata to the hours actually worked.

Internal secondments will be dealt with through a temporary variation to an employee's contract, i.e. a contractual amendment. External secondments will be covered by a Secondment Agreement signed by the Secondee and Seconding Manager of the Council and Secondment Manager of the Host Organisation.

If an employee has their request to go on secondment refused due to the needs of the service, they may still apply for the post on a temporary basis, but will not have the right to return to their substantive post at the end of the temporary period. The employee must resign from their substantive post and will then be treated as a temporary employee. This may result in the employee being fairly dismissed from employment with the Council at the end of the temporary contract, subject to the appropriate dismissal process being followed.

If an employee has been granted a secondment and wishes to extend this beyond 23 months they must submit a further request to their line manager. Secondments will not normally be granted beyond 23 months and the secondee may have to make the choice between returning to their substantive post or resigning from their substantive post and taking up a temporary post instead of a secondment. Advice should be sought from HROD in these circumstances.

### **Procedure**

Secondment requests must be made on the Secondment Application Form (SEC1) seeking the approval of their line manager, prior to submitting an application for the secondment. Wherever possible requests will be granted, but this may not always be possible due to the needs of the service. If the employee is not satisfied with the reason(s) for refusal and believes that a secondment should have been granted then they can raise a grievance through the Council's Grievance Procedure.

Where the seconded post requires a PVG or other check(s) to be undertaken, these must be in place before the secondment starts.

A checklist is available on The Hub with points for managers to consider if they receive a Secondment Application Form from a member of their team.

During the secondment period, the Seconding Manager and Secondee should keep in touch at monthly intervals in order that the Secondee is kept up-to-date with developments in their home section. This is especially important at times of change and in advance of the secondment coming to its end.

In advance of a secondment coming to an end, the Secondee and the Secondment Manager should meet to review the secondment. At least 4 weeks before the secondment is due to end the Seconding Manager should plan for the Secondee's return, including any retraining or re-induction that may be necessary. If the employee is unable to return to their substantive role due to redundancy, the Seconding Manager must meet with the employee to begin the redeployment process at an earlier date. Details are available in the Redeployment Procedure. If the employee is returning to an alternative role due to redundancy, the Seconding Manager must notify the employee's new line manager so that they can initiate the planning process.

Secondment Managers and employees will receive automated emails in advance of the end of secondment through the myview system, notifying them of the end date of the temporary arrangements and allowing them time to make the necessary arrangements for the employee's return to the substantive post.

After the secondment has concluded, the Secondee will complete a Reflective Evaluation describing the benefits to the Council of their having been on secondment, based on their experiences of the secondment and development during it. This should be given to the Seconding Manager for their comment and then submitted to HROD [trainingcentre@argyll-bute.gov.uk](mailto:trainingcentre@argyll-bute.gov.uk). It may take between one and three months for the Seconding Manager to see benefits realised and provide comment.

### **Managing the Secondment**

The Secondment Manager should manage the secondment like that of any other new employee to the team. This includes induction and PRD processes. Appropriate targets should be set for the Secondee during the secondment. The Secondment Manager and Seconding Manager should liaise regarding the employee's progress against targets from their substantive post, and the Secondment Manager should be provided with a copy of the last PRD form from during the secondment so that they can discuss the employee's development during the secondment period.

### **Early Termination**

The secondment can be brought to an end by the Secondee or the Secondment Manager by giving a month's notice. There may be unforeseen circumstances that lead to sudden termination of the secondment e.g. withdrawal of funding, early return

from authorised leave / leave of absence (maternity leave, secondment etc). Where any difficulties have been identified by either the Secondee or the Secondment Manager it is expected that discussions will have taken place to resolve these, and early termination is a last resort.

### **External Outward Secondment**

A secondment may be granted to an employee to undertake a period of career development with an external organisation belonging to one of the groups listed in the **Scope** section. This will be covered by a Secondment Agreement signed by all three parties: Secondee, Seconding Manager of the Council (third tier manager or above), Secondment Manager of the Host Organisation. The Secondee will continue to retain Council terms and conditions for the secondment period, with the possible exception of pay. The Host Organisation should reimburse the Council on a monthly basis in order that the Council can continue to pay the Secondee. Additionally, the employee will require to follow any Health and Safety policies of the host organisation and complete any required checks for the secondment post.

Seconding Managers should make early contact with the payroll team if an external secondment is being discussed in order that appropriate arrangements can be made regarding salary payments that do not relate to our pay and grading structure, and with your Finance contact to discuss the process for reimbursement.

Contact during an external secondment should be the same as that for an internal secondment, as detailed in **Procedure** section.

### **External Inward Secondment**

The Council will not invite secondments from other organisations and will advertise all posts in accordance with normal procedures, however employees of other organisations may accept a temporary post with the Council on a secondment basis agreed with their own employer. In these circumstances, an Argyll and Bute Council manager may be asked to sign a Secondment Agreement by the seconding organisation. This can only be signed by a third tier manager, i.e. the manager who has budgetary control for the post being filled (or more senior manager in the absence of the third tier manager).

An individual appointed on an inward secondment from another organisation will remain subject to their employing organisation's terms and conditions, with the exception of any specific health and safety or other Council policies or procedures that are relevant to the specific post. In other respects the Council will treat the inward Secondee the same as other temporary postholders. The Secondment Manager may receive invoices for the postholder's secondment salary. Before any external candidate is appointed on a secondment basis, invoicing arrangements must be agreed with the Seconding Manager of the external organisation and discussed with your Finance contact.

## **Documentation**

Secondment Application Form	Completed and submitted by employee to your line manager before you accept an offer of secondment. This must detail the benefits to the Council of approving the request.
External Secondment Agreement	Completed for each external secondment. This must be organised by the Seconding Manager.
Reflective Evaluation	Completed by employee on conclusion of the secondment, detailing the benefits realised by the secondment. A template for this is available on The Hub.
Contractual Amendment Form	Applies to internal secondments and is completed in advance of each of the secondment's commencement and its conclusion, by the Secondment Manager.

## **Further Information**

The following information is available on The Hub: -  
Secondment Considerations Checklist  
Reflective evaluation  
Frequently Asked Questions

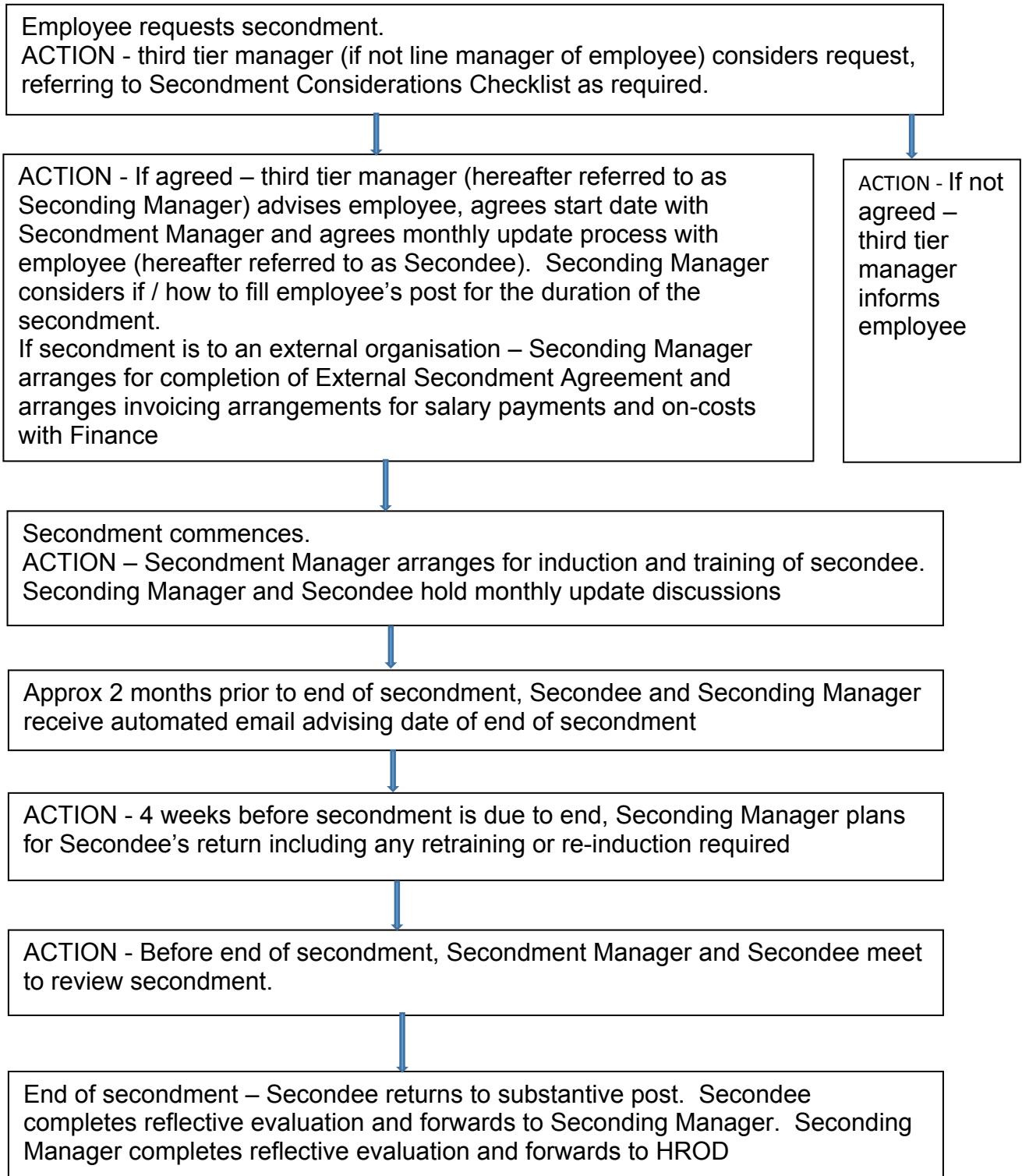
Further advice in regard to secondments is available from HR advice team  
[HRadviceenquiries@argyll-bute.gov.uk](mailto:HRadviceenquiries@argyll-bute.gov.uk)

## **Associated Policies and Procedures**

The Secondment Guidance should be read in conjunction with other policies and procedures as relevant to the specific circumstances. These include, but are not limited to: -

- Recruitment and Selection
- Redundancy
- Redeployment
- Contractual Amendment
- Procedure for Ending Employment

**FLOWCHART – SECONDMENT**



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**ARGYLL AND BUTE COUNCIL****BUSINESS CONTINUITY COMMITTEE****LEGAL AND REGULATORY SUPPORT****14<sup>TH</sup> MAY 2020**

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**TEMPORARY DEPARTURE FROM SCHEME FOR ESTABLISHMENT OF  
COMMUNITY COUNCILS IN LIGHT OF COVID-19 PANDEMIC**

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**1.0 INTRODUCTION**

1.1 The Council agreed a revised Scheme for the establishment of Community Councils which came into effect in April 2018. The Scheme sets out arrangements for meetings including frequency and Annual General Meetings, administration and office bearer periods office as well as consultation requirements which are impacted on by the national guidance and legislation in relation to the Covid-19 Pandemic. The Business Continuity Committee is therefore asked to agree a temporary departure from the Scheme to facilitate Community Council's in continuing to fulfil the important role of representing and supporting local communities at this time.

**2.0 RECOMMENDATIONS**

2.1 The Committee is asked to agree

a) a temporary departure from the Scheme for the Establishment of Community Councils within Argyll and Bute as outlined at 3.1 in relation to Annual General Meetings, Meetings, Decision Making, and Membership.

b) that such departures will be kept under review and any requirement for further or revised measures will be subject to a further report to members.

**3.0 DETAIL**

3.1 The Council agreed a revised Scheme for the Establishment of Community Councils which came into effect in April 2018. The Scheme set out the arrangements for the operation and administration of Community Councils in line with legislation and national model frameworks. Given the current legislation and nation guidance on responding to the global Covid-19 pandemic there are a number of arrangements within the Scheme which cannot be adhered to at this time and therefore a temporary departure is proposed to enable to support

Community Council's in fulfilling their representative role. The proposed departures are as follows:

### 3.1.1 Annual General Meetings (AGMs)

Currently all community councils require to hold their AGMs prior to the end of June in each year for the purpose of receiving and considering the Convener's annual report, the submission and approval of the independently examined annual statement of accounts, the appointment of office-bearers and to set the annual meeting programme.

AGMs are linked to release of the administrative and discretionary grants that the council pay out. If AGM meetings cannot be held before the end of June then community councils will not be in a position to claim their grant money for financial year 2020/21.

Proposal:

- a. 2020 AGMs may take place at any time before 31 December 2020. Where government restrictions are still in place that prohibits meeting before the end of the year, that the 2020 AGM may be postponed and combined with 2021 AGMs.
- b. Administration and discretionary grants for financial year 2020/21 be released as soon as possible after 1 April 2020 (where meeting paperwork is up to date) or where paperwork is not up to date, as soon as the paperwork is brought up to date.
- c. Officer bearers who have held the same positions for 8 or more years are permitted to carry on in post until the next AGM is held, without specific approval of the council, to provide continuity to communities.

### 3.1.2 Meetings

Community Councils are expected to hold a minimum of 6 ordinary meetings each year where the electorate is above 600 or a minimum of 4 ordinary meetings of the community council where the electorate is 600 or less. Many of our community councils, in light of government advice, have understandably ceased holding their public meetings.

#### ***Proposal***

That the minimum number of meetings per annum be lifted for 2020, on the understanding that regular patterns of meetings will recommence when current government restrictions on public gatherings are lifted.

### 3.1.3 Decision Making

Community councils are statutory bodies and need to reflect the views of their communities rather than their own personal views. For this reason they are required to have in place robust methods to engage with their communities. In terms of accountability they are required to hold meetings in public to discuss



issues affecting their communities with there being relatively few reasons to hold meetings in private session. While public meetings and gatherings are affected by government measures in relation to Covid-19 there may be matters requiring urgent response from community councils such as in response to planning applications. Where the method of engagement is through digital means such as email, website or social media then these views can continue to be sought.

***Proposal***

Where measures are in place to consult with communities, and there is an urgent need to conduct business, virtual meetings or consensus reached by email will permit a representative response to be submitted. Where it is impractical to have consultation conducted in such a way, community councils may discuss through virtual means or seek consensus by email but should be clear when submitting these responses that the views reflected are from their own members, having been unable to conduct wider community engagement while following government advice. There would be an expectation that record keeping of all decisions reached be kept and forwarded to the Community Council Liaison Officer and local ward members.

**3.1.4 Membership**

Prior to measures being put in place to restrict movement the Returning Officer had agreed a timetable for the 2020 interim elections however in light of subsequent restrictions on social distancing, the interim by-elections were postponed. The current Scheme outlines maximum membership levels are linked to electorate and also specifies arrangements for co-option in the event of membership vacancies. Co-option is on the basis of full voting rights, to a maximum of one third of the total membership of the community council, for a maximum of 2 years, or until the interim by-election, whichever occurs later.

***Proposal***

Where vacancies exist on a community council, the 1/3 rule regarding the maximum number of co-opted members be extended to permit up to ½ of members to be co-opted. This should allow community councils to manage their own vacancies up until when the postponed by-election can be re-scheduled.

**4.0 CONCLUSION**

This report seeks agreement to a temporary departure from the Scheme for the Establishment of Community Councils within Argyll and Bute to facilitate Community Council's in continuing to fulfil the important role of representing and supporting local communities at this time.

**5.0 IMPLICATIONS**

- 5.1 Policy - This is in keeping with the Council's commitment to manage its response to the Covid-19 pandemic in supporting the people and communities of Argyll and Bute and in adhering to national guidance.
- 5.2 Financial – none
- 5.3 Legal -. Community Councils are Statutory Bodies.
- 5.4 HR –None.
- 5.5 Fairer Scotland Duty:
  - 5.5.1 Equalities - protected characteristics – None
  - 5.5.2 Socio-economic Duty - None
  - 5.5.3 Islands - None
- 5.6. Risk – addresses risk associated with ensuring community resilience.
- 5.7 Customer Service – None

**Douglas Hendry**

**Executive Director with responsibility for Legal and Regulatory Support Services**

23 April 2020

Policy Lead: Councillor Rory Colville

**For further information contact:** David Logan, Head of Legal and Regulatory Support, Argyll and Bute Council 01546 604322, email: [david.logan@argyll-bute.gov.uk](mailto:david.logan@argyll-bute.gov.uk)

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**ARGYLL AND BUTE COUNCIL****BUSINESS CONTINUITY COMMITTEE****EDUCATION****14 MAY 2020**

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**REMOTE LEARNING AND SQA**

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**1.0 EXECUTIVE SUMMARY**

- 1.1 This report provides details of how our primary and secondary establishments are delivering learning and teaching through digital resources in response to the current Coronavirus (Covid-19) pandemic.
- 1.2 This paper also provides an update on current SQA arrangements for all qualifications that were to be undertaken by young people in the 2020 examination diet which has been cancelled due to COVID-19.
- 1.3 It is recommended that the Business Continuity Committee notes the contents of this report and Appendix attached.

**REMOTE LEARNING AND SQA**

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**2.0 INTRODUCTION**

- 2.1 Councils, as an Education Authority, have a statutory duty in terms of the Education (Scotland) Act 1980 to make adequate and efficient provision of school education across their entire area for the current school population and future pattern of demand. This is reflected in “Our Children, Their Future” which is the Education Vision and Strategy for Argyll and Bute Council.
- 2.2 In response to COVID-19 and the closure of all educational establishments by the Scottish Government, Head Teachers in collaboration with Heads of Service: Education established Remote Learning plans to deliver learning and teaching through digital resources and to respond to updates from the SQA with respect to an alternative certification model for 2020.

**3.0 RECOMMENDATIONS**

- 3.1 It is recommended that the Business Continuity Committee notes the contents of this report and Appendix attached.

**4.0 DETAIL**

- 4.1 Delivering teaching and learning for our children and young people remains at the heart of what we do as a Local Authority and all teachers, as part of the General Teaching Council Scotland (GTCS) standards, will be supported to deliver learning and teaching through digital resources.

4.2 The Report in Appendix One contains 6 sections detailing how the Education Service continues to deliver learning and support staff using digital resources whilst following General Teaching Council Scotland (GTCS) advice and guidelines:

- I. Digital Learning
- II. Primary Schools Remote Learning
- III. Secondary Schools remote Learning
- IV. Glow Usage Analysis
- V. General Teaching Council Scotland (GTCS) advice and guidelines
- VI. Other information sources

4.3 On the 2<sup>nd</sup> April 2020, the SQA published an update on their alternative certification model for national qualifications as the 2020 national examination diet will not go ahead. The update for parents and carers can be accessed using the following link:

[https://www.sqa.org.uk/sqa/files\\_ccc/020420-SQA-NQ2020-Parent-Carer-covid-19-FAQ.pdf](https://www.sqa.org.uk/sqa/files_ccc/020420-SQA-NQ2020-Parent-Carer-covid-19-FAQ.pdf)

4.4 Further detailed guidance will be provided to schools and colleges on how to determine and submit estimate information for certification after Easter and by 20 April 2020. Officers will continue to work collaboratively with Head Teachers to ensure estimates are robust and submitted to the SQA by the revised date.

## **5.0 CONCLUSION**

5.1 In summary, remote learning is in place across all school establishments in Argyll and Bute.

5.2 The Education Service will continue to work collaboratively with our Head Teachers to support and enhance the learning in place for our children and young people.

5.3 Officers will continue to work collaboratively with Head Teachers to ensure SQA estimates are robust and submitted by the required date.

## **6.0 IMPLICATIONS**

- 6.1 Policy – The Standards in Scotland’s Schools etc. Act 2000 places a duty on Education Authorities to provide children and young people with school education and (in terms of raising standards) requires Authorities to endeavor to secure improvement in the quality of that school education.
- 6.2 Financial – None
- 6.3 Legal – None
- 6.4 HR – None
- 6.5 Fairer Scotland Duty – None
  - 6.5.1 Equalities – None
  - 6.5.2 Socio-economic Duty – None
  - 6.5.3 Islands – None
- 6.6 Risk – Reputational risk to the Education Service if there are negative perceptions of the learning in place during COVID-19.
- 6.7 Customer Service – The perception of the learning in place throughout COVID-19 Argyll and Bute Council may significantly enhance or detract from the Council’s reputation and attractiveness as an area to work and live in.

**Douglas Hendry - Executive Director with responsibility for Education**

**Councillor Yvonne McNeilly - Policy Lead for Education**

**Louise Connor, Head of Education: Learning and Teaching**

Tel: 01631 569196

Email: [louise.connor@argyll-bute.gov.uk](mailto:louise.connor@argyll-bute.gov.uk)

**For further information please contact:-**

**Douglas Morgan**

**Education Manager: Curriculum**

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Email: [douglas.morgan@argyll-bute.gov.uk](mailto:douglas.morgan@argyll-bute.gov.uk)

**14 April 2020**

**Appendix 1 - Remote Learning Report**

**Argyll and Bute Council: Remote Learning Report**

Delivering teaching and learning for our pupils remains at the heart of what we do as a Local Authority and all teachers, as part of the GTCs standards, will be supported to deliver learning and teaching through digital resources.

**1. Digital Learning**

The Digital Learning Team have been and will continue to be available to support staff and learners during the period of school closure. Below are the resources and forms of support that have been available, as well as other important information:

**Google Classroom:** A website has been created which contains videos and documents to support the use of Google G Suite and is available at: <http://bit.ly/2QtBFUd>

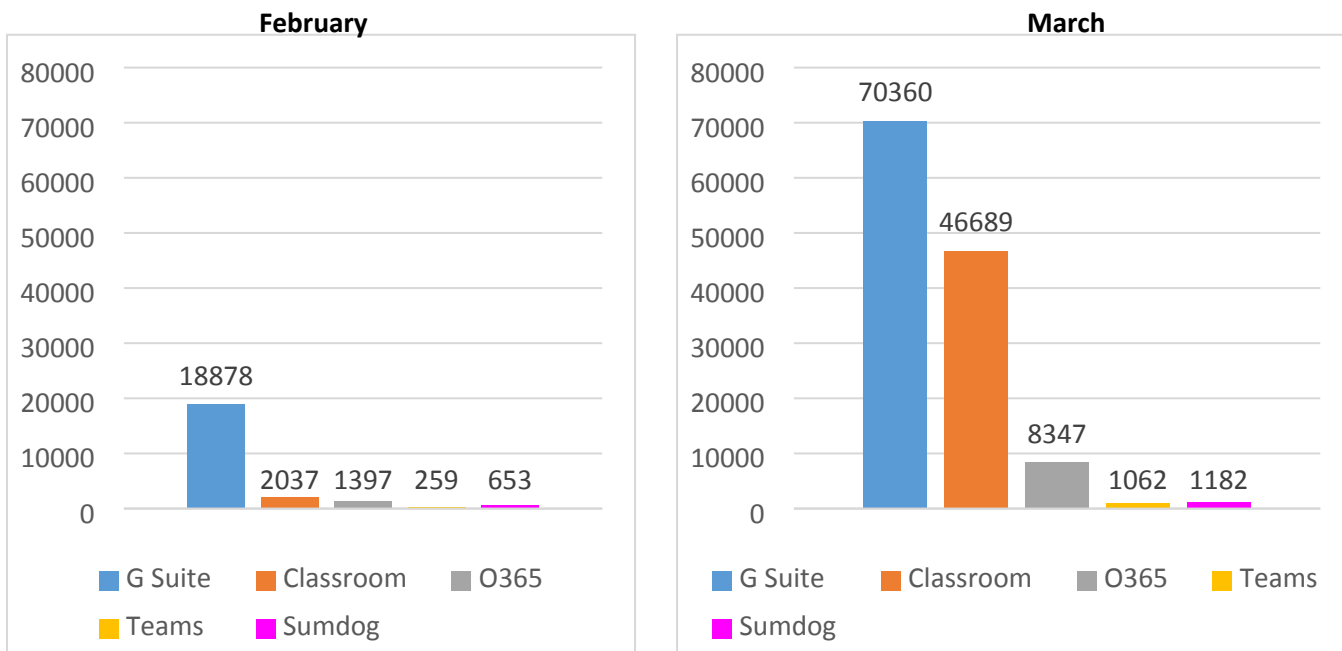
**Webinars:** We have been running a series of live webinars to support staff and pupils in their use of online learning. Support required has ranged from re-establishing Glow accounts through to setting up and using Google Classroom. Contact details and the webinar schedule is available at: <http://bit.ly/3d9IkN8> The webinar include collaborative, fun and interactive technology demonstrations and workshops.

**VPN Connections:** ICT had advised that there was potentially a limited capacity within the Council network for concurrent connections. It was therefore recommended that VPN connections were used where there is a business need to access a school server, administrative data or Skype for Business. Services such as Glow (including Google Classroom) and school email can be accessed without using a VPN connection.

**iPads:** School have been advised that iPads which are enrolled in Jamf, the Council’s Mobile Device Management platform, can be issued to pupils to overcome the challenge where they do not have a device at home. Parents/guardians have been asked to ensure that the iPad is used in a safe, legal and responsible manner and only for the purposes of learning.

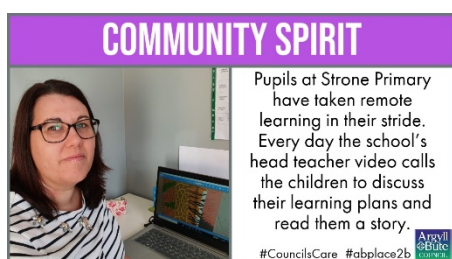
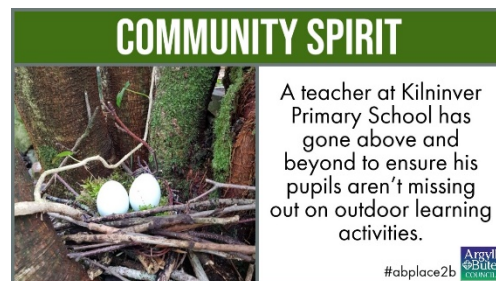
**2. Primary Schools remote learning**

**Primary Schools GLOW Usage: Application usage for comparison**



**Examples for Remote learning:** Remote learning is a new way of life for most children and teachers today. However, in Argyll and Bute, both children and staff have more than risen to the challenge during these unprecedented times. Many examples are available of success as teachers and children come to terms with a new way of working.

Some creative thinking and care of Google Classroom, Mr Maddox, Forrest Schools teacher at Kilniver Primary gave the pupils instructions on how to make a nest in their garden. Enthusiasm is no stranger to the pupils of Kilniver and the Head Teacher was thrilled to have one of the P2 children e-mail in his creation. The child had tested it by putting chicken eggs inside and was so delighted he had to show the staff via e-mail. Whilst respecting all the government directives on staying at home, outdoor learning is still happening at Kilniver Primary!



Every morning at 9.30 am in Strone Primary the P1 - 3 class join the Head Teacher for a chat using Google Meet. During this chat she reads them an online story by casting her screen so they can see the pages of the book. After that each child has a chat with the Head Teacher to discuss any learning problems they're experiencing. The teacher in P4 to 7 also logs in to Google Meet at 10 am to go over set learning and have a chat with the children and again they have the opportunity to talk to each other. It's a great way of keeping a log of each child and following up if they don't seem their usual self. Google Classroom is also being used to add learning resources and communicate with the children. Happy Days at Strone!

Pupils at Colgrain Primary School designed 'perk up postcards' in a bid to cheer up elderly care home residents during lockdown. The children created the images as part of their home schooling, before sending them to three care homes in the Helensburgh area.



**Gaelic Provision:** Gaelic staff have been delivering conversation sessions with GME pupils in Rockfield Primary School GMU. Currently 15 children are involved twice weekly, and each session lasts between ten and fifteen minutes. There are plans to offer these types of sessions to other schools delivering GME across Argyll after the school Easter break. During each conversation session, the young people cover subjects such as mathematics, spelling, colours, days of the week, months, favourite, least favourite food and general discussions regarding what children have been doing daily during their time at home. Some of our young people also read short passages from Gaelic books they have at home. Parents have been particularly appreciative of the sessions and very grateful that the children have had the opportunity to talk in Gaelic with a fluent speaker. Our Gaelic staff have also been talking regularly with the adults who attend the Furan Cearcall Còmhradh Conversation Group and have also begun calling Gaelic-speaking senior citizens who would normally attend the Furan Lynn Court Ceilidh. The senior citizens are also appreciative of these telephone calls and the opportunity to talk to me in Gaelic. Some of the senior citizens also enjoy a Gaelic singalong over the telephone!

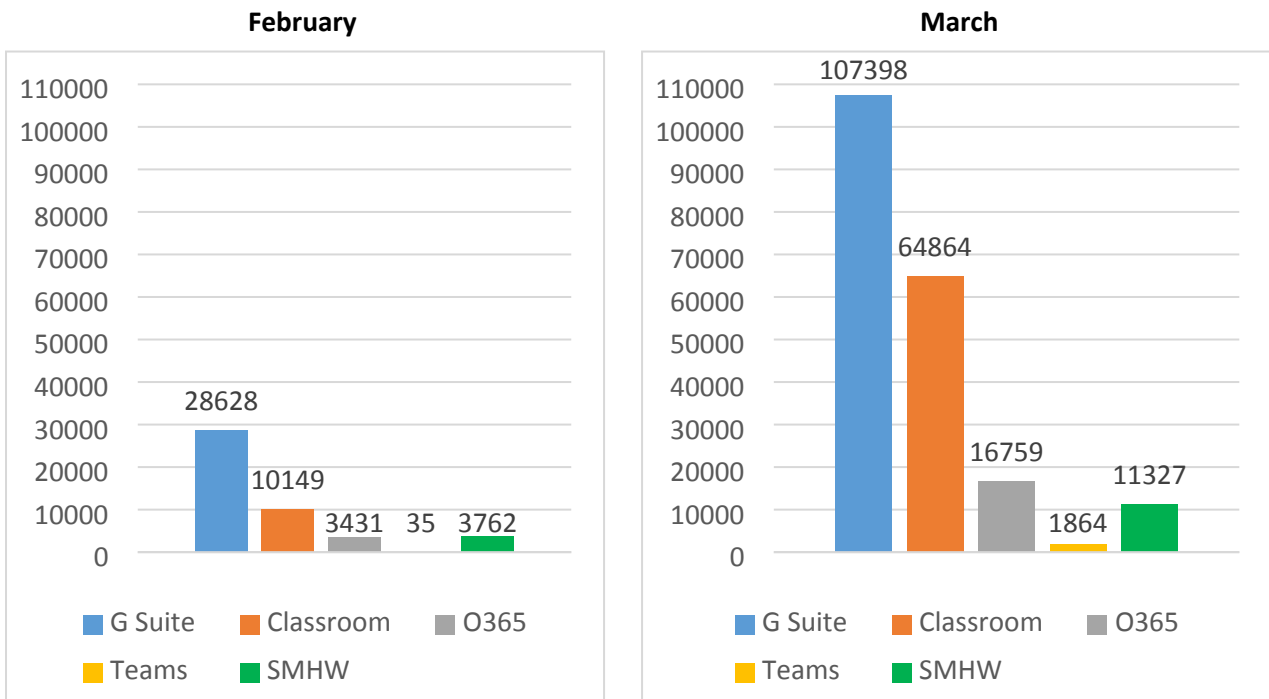
**Music Service:** Our Music Instructors have engaged with online learning with remarkable speed by setting up google classrooms in a variety of ways. We have established individual remote learning environments for flute, clarinet and strings so far. Learners have been engaging really well in a variety of tasks which has allowed our young musicians to continue their development. Our instructors have been working collaboratively to support



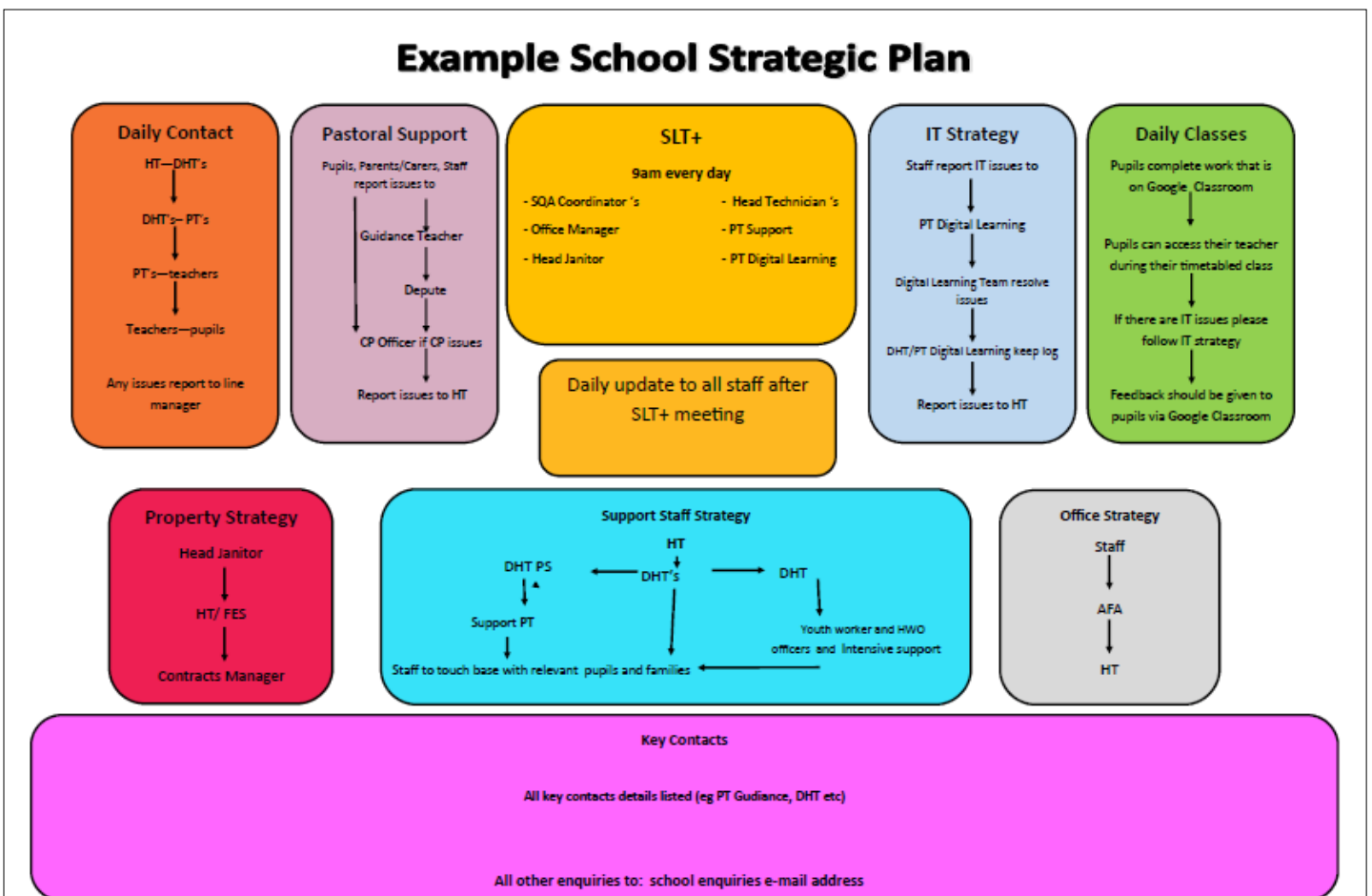
each other as they make best use of the on-line resources. These include pieces to learn, tutorial videos and in some cases the young people posting short video clips of themselves learning.

**3. Secondary Schools remote learning:**

**Secondary Schools GLOW Usage: Application usage for comparison**



**Secondary Schools Strategic Plans:** All secondary schools have plans in place to ensure efficient and effective communication between staff, pupils, parents and the wider community. The example below demonstrates the clear focus that is given to both quality learning provision and pastoral support.



**Scottish Qualification Authority Certification 2020:** As a Local Authority we understand this is a difficult time for all of our young people who are undertaking qualifications this year to support them into further study at school or into their positive destination. We have been awaiting further information from the Scottish Qualifications Authority (SQA) as to how grades will be estimated and awarded this year.

On Thursday 2<sup>nd</sup> April 2020, the SQA provided schools and the Local Authority with this update regarding arrangements that are being put in place for certification due to the COVID-19 outbreak and the resulting cancellation of the 2020 national examination diet.

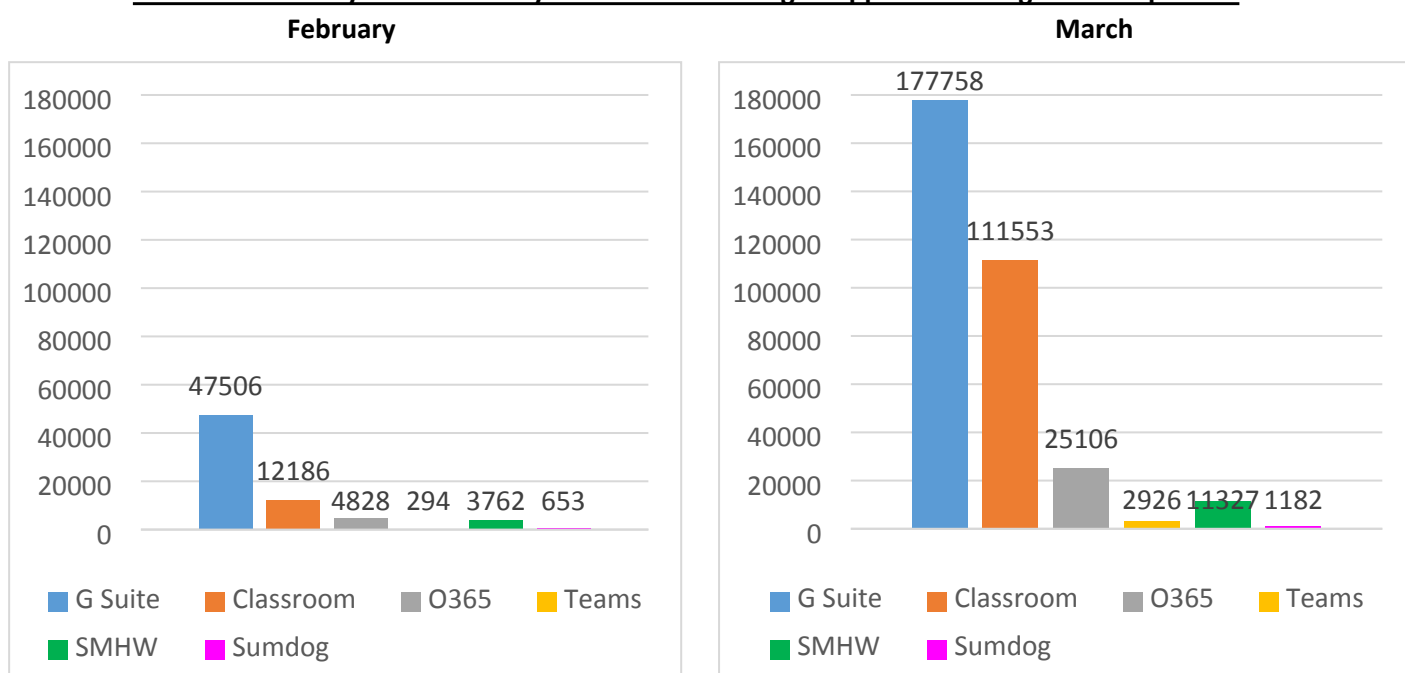
The SQA have thanked schools and the Local Authority for their support and patience during this exceptionally difficult time and we have also passed this onto our young people and their families. Like ourselves the SQA fully appreciate that this is an uncertain time for our learners who have worked hard throughout the year and will now, with their families, be worried about what this means for them.

A standard letter was sent to all pupils and parents on Friday 3<sup>rd</sup> April sharing the update with them. It also highlighted, the link below to the SQA website where there is further guidance for learners, parents and carers. It aims to provide answers to some common questions about how the SQA will deliver a fair, safe and secure set of results over the coming months.

[https://www.sqa.org.uk/sqa/files\\_ccc/020420-SQA-NQ2020-Parent-Carer-covid-19-FAQ.pdf](https://www.sqa.org.uk/sqa/files_ccc/020420-SQA-NQ2020-Parent-Carer-covid-19-FAQ.pdf)

**Timetable Change:** Secondary Schools have been working to make arrangements that will allow for their school timetable to move forward into the next session early in May. This will ensure that staff can work with senior phase pupils to utilise the time created by the cancellation of the SQA exam diet and to maximise preparation for courses selected for the following session.

**4. Combined Primary and Secondary Schools GLOW Usage: Application usage for comparison**



## 5. General Teaching Council (GTCS)

**Teacher Health and Wellbeing:** The GTCS have gathered a range of health and wellbeing resources to support teachers and lecturers during the current situation. The most up to date advice a resources can be found at the link below:

<https://www.gtcs.org.uk/News/news/health-wellbeing.aspx>

**Business Continuity Plan:** GTCS have highlighted the commitment and professionalism of teaching professionals across Scotland who are doing all they can to ensure the delivery of high quality education to all children, young people and students in these most challenging times. The following link offers answers for teaching staff to many frequently asked questions:

<http://www.gtcs.org.uk/News/news/covid-19-gtcs-business-continuity.aspx>

## 6. Other relevant information

**Education Scotland:** Education Scotland curricular resources for online teaching and learning.

<https://education.gov.scot/education-scotland/>

<https://education.gov.scot/improvement/learning-resources/supporting-online-learning-links-for-teachers/>

The following link includes details of webinars on use of the digital teaching and learning tools available within Glow.

<https://blogs.glowscotland.org.uk/glowblogs/digilearn/webinars/>



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**ARGYLL AND BUTE COUNCIL****BUSINESS CONTINUITY  
COMMITTEE****DEVELOPMENT AND  
ECONOMIC GROWTH****14 MAY 2020**

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**SCOTTISH GOVERNMENT TOWN CENTRE CAPITAL FUND – PROJECT UPDATE**

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**1.0 EXECUTIVE SUMMARY**

- 1.1 The council was allocated £1.24m Town Centre Capital Funding from Scottish Government as part of the 2019/20 budget settlement to Argyll and Bute Council. On 27<sup>th</sup> June 2019, Council agreed to allocate the fund across eleven discreet projects and for 5% to be retained as a programme contingency, expenditure of which was delegated to the Executive Director with responsibility for Development and Economic Growth, in consultation with the Leader and Depute Leader of the Council and the Leader of the Opposition.
- 1.2 The timescales required in which to commit spend and to deliver Town Centre Fund (TCF) projects were reviewed by Scottish Government in February 2020, subsequent to which an extension was provided.
- 1.3 Further to the extension announcement, TCF projects are now required to be evidenced by a fully let contract, or through grant contract to a third party organisation, by 31<sup>st</sup> March 2021, and be complete by 30<sup>th</sup> September 2021.
- 1.4 The programme contingency of £63,000 is currently unallocated and as such there is still potential to utilise this to support a project with a shortfall on conclusion of the tender process.
- 1.5 The purpose of this report is to provide an update on each of the eleven projects following the second monitoring report submitted to Scottish Government on 31<sup>st</sup> March 2020. A highlight report (Appendix 1) is attached to provide a summary of each project, and assesses the associated risk especially given the set of extraordinary circumstances brought about by the coronavirus, COVID-19.

**RECOMMENDATION**

- 1.6 Members of the Business Continuity Committee are invited to note the contents of this report.

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**ARGYLL AND BUTE COUNCIL**

**BUSINESS CONTINUITY  
COMMITTEE**

**DEVELOPMENT AND  
ECONOMIC GROWTH**

**14 MAY 2020**

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**SCOTTISH GOVERNMENT TOWN CENTRE CAPITAL FUND – PROJECT UPDATE**

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**2.0 INTRODUCTION**

2.1 The purpose of this report is to update members on the eleven Town Centre Fund projects, which are supported by the £1.24m Town Centre Capital Funding from Scottish Government for 2019/20.

**3.0 RECOMMENDATIONS**

3.1 Members of the Business Continuity Committee are invited to note the contents of this report.

**4.0 DETAIL**

4.1 The overarching aim of the Town Centre Fund (TCF) is to contribute to transformative investments which drive local economic activities and re-purpose town centres to become more diverse, successful and sustainable.

4.2 As members will be aware, the council has been allocated £1.24m from the Town Centre Capital Funding distributed by Scottish Government as part of the 2019/20 budget settlement to Argyll and Bute Council. Projects identified to benefit from this discreet pot of funding were agreed by Council on 27<sup>th</sup> June 2019. Eight of the projects are being managed by council officers and three of the projects are taking the form of grant to a third party; to be managed by the third party. It is the purpose of this report to provide an update on each of these projects following submission of the second monitoring report to Scottish Government. A highlight report is attached as Appendix 1 and provides information on both the status of each project and the associated risk, taking account of the extraordinary circumstances brought about as a result of the coronavirus (COVID-19) pandemic.

4.3 On 20<sup>th</sup> February 2020, Scottish Government announced an extension to the TCF programme. Projects are now required to be evidenced by a fully let contract, or through grant contract to a third party organisation, by 31<sup>st</sup> March 2021 and be complete by 30<sup>th</sup> September 2021. This will go some way to

easing the pressure on each project as a result of having to postpone letting contracts and undertaking works as a result of the crisis management relating to attempts at combating the spread of COVID-19.

- 4.4 The second monitoring report was submitted on 31<sup>st</sup> March 2020. The purpose of the report is to provide an update on the position of each project, including its financial status and to provide a narrative for each that describes how the project was chosen, and how it aligns with Town Centre Fund policy. The report also describes the anticipated benefits and evaluation process.
- 4.5 Appendix 1 shows that the eleven projects remain as agreed by Council and that these are continuing to be progressed by officers as much as practically possible at this challenging time.
- 4.6 In cases where amendments are required, including any respective redistribution of costs, at their meeting of 27<sup>th</sup> June 2019, Council delegated decision making powers to the Executive Director with responsibility for Development and Economic Growth in consultation with the Council Leader, Depute Leader and Leader of the Opposition. There is therefore the potential to allocate the programme contingency of £63,000 to a project showing a shortfall following the conclusion of the tender exercises.
- 4.7 The next monitoring report is required to be submitted to Scottish Government in August 2020. It is therefore intended to provide members with a further update to coincide with this monitoring report.

## **5.0 CONCLUSION**

- 5.1 Even with the programme extension from Scottish Government, as the impact of the coronavirus (COVID-19) pandemic is still unknown this remains a challenging programme to deliver. That being said, the programme is continuing and each project will be progressed as far as is practically possible. Appendix 1 provides an update on each individual project.
- 5.2 It is intended to bring an update to members in September 2020 to coincide with the monitoring report due to Scottish Government on 31<sup>st</sup> August 2020.

## **6.0 IMPLICATIONS**

- 6.1 Policy – There is a need to comply with the Scottish Government Town Centre First policy and associated guidance for the Fund.
- 6.2 Financial – The Scottish Government expect that any uncommitted funds by 1<sup>st</sup> April 2021 will be returned to Scottish Government. The full fund is committed at this stage. £166,422 has been spent do date. The programme contingency of £63,000 can be allocated against a project showing a shortfall on conclusion of the tender exercise.

6.3 Legal – None

6.4 HR – Resourced from existing staff

6.5 Fairer Scotland Duty:

6.5.1 Equalities - protected characteristics - None

6.5.2 Socio-economic Duty – The Fund will support local economies through town centre regeneration activity

6.5.3 Islands – The Fund will support island economies through town centre regeneration activity

6.6. Risk – The full effects of the impact that the coronavirus (COVID-19) pandemic will have on the programme is at this stage unclear. At the time of writing, contractors have been asked by the government to down tools for an unconfirmed period of time, which will have an impact on project delivery. It is too early however to determine to what extent. This is somewhat mitigated by the Fund's delivery extension provided by Scottish Government, which requires contracts to be fully let by 31<sup>st</sup> March 2021, a year later than first instructed. The projects will be continually monitored to ensure that funds can be reallocated to another Town Centre Fund project to avoid having to return any uncommitted funds to Scottish Government at this time.

6.7 Customer Service - None

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

30<sup>th</sup> March 2020

**For further information contact:**

Audrey Martin, Transformation Projects and Regeneration Manager

Tel: 01546 604 180

## **APPENDICES**

Appendix 1 – March Town Centre Fund Highlight Report (EXEMPT)



HIGHLIGHT / PROGRESS REPORT – EXEMPT ITEM			
<b>PROJECT NAME:</b>	Town Centre Fund	<b>Project Manager:</b>	Audrey Martin
<b>Reporting Period:</b>	12/02/20 – 31/03/20	<b>Date report prepared:</b>	30 March 2020
<b>Project stage:</b>	Stage 1: Pre – Works Contract	<b>Project stage completion date:</b>	Contract let - 31/03/20

Tolerance levels for this stage:	
Programme budget	£1,242,000 including £63,000 of programme contingency

Key products completed this period	Key products outstanding this period	Key products for next reporting period
<ul style="list-style-type: none"> <li><i>General</i></li> </ul>		
Projects & Regen team managing programme and continuing to co-ordinate with project leads	March monitoring report to be submitted to Scottish Government on 31 <sup>st</sup> March 2020	The impact of COVID-19
<ul style="list-style-type: none"> <li><i>Procurement</i></li> </ul>		
	The Howie Park play park tender and BID4Oban signage contracts will be let when contractors are able to return to work	Timeframe for letting the remaining contracts
<ul style="list-style-type: none"> <li><i>Finance</i></li> </ul>		
All project budgets to include works costs and fees	There is potential for the unallocated programme contingency to be reallocated to Rothesay Pontoons in the event that the tender returns show a shortfall in funding, and subject to delegated approval as previously agreed by Council	The expenditure deadline has been extended for all projects to 31 <sup>st</sup> Mar 2021 and the completion deadline for all projects to 30 <sup>th</sup> Sep 2021. The expectation from Scottish Government is that LAs and partners will commit remaining funds and prioritise delivery of their projects as soon as possible.
<ul style="list-style-type: none"> <li><i>Legal</i></li> </ul>		
Rockfield third party grant contract issued	BID4Oban third party grant contract on hold until quotations are reviewed from contractors when they are able to return to work	Timeframe for providing remaining third party grant
<ul style="list-style-type: none"> <li><i>Reporting</i></li> </ul>		
Last update – 17 <sup>th</sup> December 2019	31 <sup>st</sup> Mar 2020 – Financial and Project Detail (part 1 & 2) to Scottish Government	31 <sup>st</sup> Aug 2020 – next report to Scottish Government September 2020 – update report to members of P&R

Risk Management / Update to Business Continuity Committee members					
Project	Main Issues / Risks	Current status	Project Lead	Outstanding Action / DMT Decisions Required	Revised status*
<b>Roads and Infrastructure Services</b>					
<ul style="list-style-type: none"><li><b>Roads and Amenity</b></li></ul>					
ABC01 Bowmore	Coronavirus (COVID-19) pandemic	<ul style="list-style-type: none"> <li>On hold</li> </ul>	Julian Green /	Next steps: <ul style="list-style-type: none"> <li>Check impact of COVID-19 on summer works</li> </ul>	

Public realm improvements <b>£85k</b>	Ensuring quality material and finish		Paul Martin	programme (scheduled for June/July start)	
ABC02 <b>Howie Pk</b> Extended car park & new play equipment <b>£90k</b>	Coronavirus (COVID-19) pandemic  Ensuring quality material and finish	<ul style="list-style-type: none"> <li>On hold</li> </ul>	Steven Brookfield / Tom Murphy	Next steps: <ul style="list-style-type: none"> <li>Tender package on hold until the impact of COVID-19 is better understood</li> <li>Car park extension to be added to summer work programme thereafter (scheduled for May start)</li> </ul>	
<b>• Infrastructure Design</b>					
ABC03  <b>Tobermory Harbour</b>  Improvement to railings & sea wall  £150k + £145k Crown Estates Fund  <b>= £295k</b>	Coronavirus (COVID-19) pandemic Partial interventions. Only short term solutions. Climate Change – no study but sea level rise c.1m by 2100. Assets – Uncertain structural condition and life of existing seawall.	<ul style="list-style-type: none"> <li>On hold</li> <li>Contractor in place</li> <li>Tenders returned within budget</li> </ul>	Arthur McCulloch	Next steps: <ul style="list-style-type: none"> <li>A pre-start meeting has been postponed</li> <li>A timetable is to be agreed with the contractor at a time when they are able to return to work.</li> </ul>	
<b>• Marine Services</b>					
ABC04  <b>Helensburgh Pier</b>  Improvements to pedestrian access  <b>£85k</b>	Coronavirus (COVID-19) pandemic  Risk of nearing waterfront development access dates  Ensuring quality material and finish  Ensuring visible before and after	<ul style="list-style-type: none"> <li>In delivery but elements on hold</li> <li>Contractor in place</li> <li>Tenders returned within budget</li> <li>The demountable end rail has begun to be fabricated and an order for the benches was placed before the contractors had to stop work.</li> <li>Structural repair works are to be concentrated on the wooden pier but are also to include repairs to the area connecting the two piers, with sections to be replaced as necessary. An additional planning application has been submitted for this element.</li> </ul>	Elsa Simoes / Stewart Clark	Next steps: <ul style="list-style-type: none"> <li>Await return of contractors</li> </ul>	

ABC05 <b>Rothesay Harbour</b> Pontoons  £150k + Crown Estates Fund £151k =  <b>£301k</b>	Coronavirus (COVID-19) pandemic Operating arrangements to be agreed by separate negotiation - progressed by special projects. Obtaining consents in time – due to closing of public buildings	<ul style="list-style-type: none"> <li>Tenders returned during lockdown</li> <li>Winning contractor will be asked to hold price</li> <li>Shortfall to be met by prudential borrowing</li> </ul>	Elsa Simoes / Stewart Clark	Next steps: <ul style="list-style-type: none"> <li>Award tender on conclusion of lockdown</li> </ul>	
<b>Development and Economic Growth</b>					
ABC06 <b>Hermitage Pk</b> <b>£35k</b>	Coronavirus (COVID-19) pandemic	<ul style="list-style-type: none"> <li>Nearing completion - Remaining items of work on hold until contractors return to work</li> </ul>	Arlene Cullum	Next steps: <ul style="list-style-type: none"> <li>Await contractors return to work</li> </ul>	
ABC07 <b>Rockfield</b> <b>£90k</b>		<ul style="list-style-type: none"> <li>Complete</li> </ul>	Audrey Martin		
ABC08 <b>Oban BID</b> Installation of signage <b>£44k</b>	Coronavirus (COVID-19) pandemic  Third party grant	<ul style="list-style-type: none"> <li>On hold</li> </ul>	Tom Murphy/Audrey Martin	Next steps: <ul style="list-style-type: none"> <li>Issue grant contract when contractors return to work and can confirm quotations</li> </ul>	
ABC09 <b>Lochgilthead Front Green</b> <b>£200k</b>	Coronavirus (COVID-19) pandemic  Timeframe	<ul style="list-style-type: none"> <li>Tender live</li> </ul>	Douglas Grierson / Audrey Martin	Next steps: <ul style="list-style-type: none"> <li>Review tender returns</li> </ul>	
ABC10 <b>Campbeltown</b> Shopfront Improvements <b>£50k</b>	Coronavirus (COVID-19) pandemic Quality – where property owners do not use professional design services	<ul style="list-style-type: none"> <li>In delivery but elements on hold</li> <li>21 grants awarded</li> <li>1 project complete</li> </ul>	James Lafferty	Next steps: <ul style="list-style-type: none"> <li>Issue remaining £5,000</li> </ul>	
<b>Commercial Services</b>					
ABC11 <b>Dunoon</b> Sound and lighting <b>£200k</b>	Coronavirus (COVID-19) pandemic	<ul style="list-style-type: none"> <li>In delivery but elements on hold</li> <li>Main contractor and specialist contractor in place</li> <li>Product and installation costs agreed and within budget.</li> </ul>	David Whyte	Next steps: <ul style="list-style-type: none"> <li>Contractors awaiting equipment and date to return to work</li> </ul>	

\* Red – Contract yet to be let / Amber – Out to tender / Contract let but on hold due to coronavirus (COVID-19) pandemic / Green – complete

Budget Management		
Total budget available:	<b>£1,242,000</b>	
Forecast expenditure for current financial year	Total expenditure this year (19/20) £	
£	£166,422.40	
Previous year's expenditure	Total expenditure to date	Income received
N/A	£166,422.40	£1,242,000

Prepared by: Lorna Pearce, Senior Development Officer  
Transformation Projects and Regeneration, tel: 01700 501 374

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**ARGYLL AND BUTE COUNCIL****BUSINESS CONTINUITY COMMITTEE****LEGAL AND REGULATORY SUPPORT****14 MAY 2020**

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**PLANNING AND REGULATORY ARRANGEMENTS DURING COVID-19 RESPONSE PERIOD**

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**1.0 INTRODUCTION**

- 1.1 This report sets out the arrangements being put in place for the operation of the functions of the Planning, Protective Services and Licensing Committee (PPSL) and the Licensing Board on an interim basis during the response period to the Covid-19 pandemic. This approach recognises the quasi-judicial requirements of these functions and that planning and licensing have a crucial part to play beyond the immediate emergency with a high performing planning and licensing system having a critical role in supporting our future economic and societal recovery.

**2.0 RECOMMENDATIONS**

The Committee is invited to note the arrangements for the operation of the functions of the PPSL Committee and the Licensing Board on an interim basis during the response period to the Covid-19 pandemic.

**3.0 DETAIL**

- 3.1 In order to provide capacity and focus in dealing with the response to the Covid-19 pandemic and adhere to government guidance on Covid-19 the Council has agreed that it will not be possible in the short/medium term to transact business through the usual meetings of the Council and Committees, and as such would not be calling scheduled meetings for a finite period of time.
- 3.2 Alternative arrangements have been made to enable the Council to continue to exercise its essential functions through the temporary constitution of a Business Continuity Committee (BCC) and the operation of existing emergency powers by the Chief Executive have been extended to be in consultation with the Leader, and Depute Leader and Leader of the Opposition where available.
- 3.3 Since these arrangements were agreed by the Council on 31<sup>st</sup> March the Coronavirus (Scotland) Act 2020 has come into force which has a number of significant provisions relating to planning, the Chief Planning Officer has issued national guidance on planning matters and further regulations; The Town and Country Planning (Miscellaneous Temporary Modifications) (Coronavirus) (Scotland) Regulations 2020 have come into effect on 24<sup>th</sup> April.
- 3.4 These temporary changes to existing legislation for the period of response to the pandemic have supported a review which also takes into account the quasi-judicial element of the PPSL Committee remit. The Council has also demonstrated that it has the technological capability to host virtual meetings to support this approach.

3.5 The arrangements being put in place for the operation of the functions of the PPSL Committee and the Licensing Board on an interim basis are as follows:

3.5.1 **Establish a virtual PPSL Committee to meet in May and June 2020**

Adherence to the planned dates of 20th May and 17th June for the committee ensures officers and outside organisations/applicants are already aware of the dates and have an existing plan of activity. This approach ensures consistency in planning matters and supports a focus on economic recovery.

3.5.2 **Establish a virtual Local Review Body (LRB) process noting the caveats arising from limited opportunity for site visits.**

The Council currently has 8 LRB's in the system and there is no time limit by which the LRB has to have made a decision on the application. A key issue will be the impact of current limitations on site visits given national guidance on Covid-19.

3.5.3 **No immediate action in relation to Planning Hearings with a review to be undertaken end of June 2020**

The Council currently has one planning hearing pending.

3.5.4 **Establish virtual Civic Government Hearings on a case by case basis**

Given the quasi-judicial nature of this function consideration will be given to holding a virtual meeting on a case by case basis. It should be noted that the Coronavirus (Scotland) Act provides for extensions to certain types of Civic Government licenses.

3.5.5 **Establish a virtual Appeals Committee pending agreement with Trades Unions, appellants and their representative**

An appeals committee would only operate on a virtual basis with agreement from the appellant and their representative and the Trades Unions have expressed support for this approach.

3.5.6 **Establish a virtual Licensing Board to meet in May and any other dates as agreed.**

The Licensing Board is separate to the Council's committee structure, however the Board has taken the opportunity to consider its meeting arrangements in light of the current circumstances and agreed to proceed with a virtual meeting in May.

#### 4.0 CONCLUSION

The Business Continuity Committee is being invited to note the arrangements for operation of the functions of the PPSL Committee and the Licensing Board on an interim basis during the response period to the Covid-19 pandemic. This position has been informed by temporary changes to existing legislation for the period of response to the pandemic combined with assessment of the quasi-judicial requirements and the Council's technological and governance capacity and capability.

#### 5.0 IMPLICATIONS

5.1 Policy - This is in keeping with the Council's commitment to manage its response to the Covid-19 pandemic in supporting the people and communities of Argyll and Bute and in adhering to national guidance.

- 5.2 Financial – none
- 5.3 Legal – addresses legislation changes contained within The Coronavirus (Scotland) Act 2020, and The Town and Country Planning (Miscellaneous Temporary Modifications) (Coronavirus) (Scotland) Regulations 2020.
- 5.4 HR – This approach supports adherence to recommended government guidelines in relation to Covid-19 for staff, Elected Members and partners.
- 5.5 Fairer Scotland Duty: None
  - 5.5.1 Equalities - Protected characteristics – None
  - 5.5.2 Socio-economic Duty - None
  - 5.5.3 Islands – None
- 5.6 Risk – addresses risk associated with ensuring business continuity and resilience.
- 5.7 Customer Service – supports arrangements for amending decision making framework to support critical customer services.

**Douglas Hendry**

**Executive Director with responsibility for Legal and Regulatory Support**

**Policy Lead**

**Councillor David Kinniburgh**

**Councillor Rory Colville**

5<sup>th</sup> May 2020

**For further information contact:**

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**APPENDICES**

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