



## **BUDGETING PACK 2023-2024**

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**ARGYLL AND BUTE COUNCIL****COUNCIL****FINANCIAL SERVICES****23 FEBRUARY 2023**

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**INTRODUCTORY REPORT AND RECOMMENDATIONS FOR BUDGET PAPERS**

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**1. EXECUTIVE SUMMARY**

- 1.1 This report introduces the full package of papers included in the budget packs in relation to the revenue and capital budget.

**REVENUE PACK****Revenue Budget Overview**

- 1.2 This report summarises the overall revenue budget position covering funding, expenditure and savings. It also sets out the assumptions and proposals around non-pay inflation and the cost and demand pressures for inclusion in the revenue budget.
- 1.3 The Local Government Finance Circular 11/2022, published on 20 December 2022, provides detail of the provisional total revenue and capital funding allocations for 2023-24. The Council's provisional General Revenue Grant is £219.275m (there is also £11.619m of Revenue Specific Grants).
- 1.4 Following the issue of the Finance Circular, we have been advised of three further changes: a reduction to the empty property relief funding of £0.014, the re-instatement of the teachers' pay award funding for 2021-22 of £0.506m and the allocation of funding for the HSCP relating to the Real Living Wage in Adult Social Care of £1.840m. This gives a revised funding total for 2023-24 excluding ring-fenced grants of £221.607m.
- 1.5 The Council Tax budget for 2022-23 was set at £55.262m. The growth has been estimated at 1.5% for 2023-24 which amounts to £0.829m.
- 1.6 The budget for 2022-23 has been rolled forward into 2023-24 and the main changes are as follows:
- Base budget adjustments including settlement commitments amounting to £7.500m.
  - Increases to employee budgets in respect of pay inflation, increments, changes to the employee base and national insurance increase amounting to £5.205m.
  - Non-pay inflation of £4.355m.
  - Cost and demand pressures of £4.428m.
  - Increase to HSCP allocation of £2.299m.
- 1.7 The revised payment to the Health and Social Care Partnership, reflects 2022-23 in year adjustments and the net changes to the settlement in respect of Social Work

that we have been directed to pass over to the Health and Social Care Partnership. The revised payment amounts to £76.253m.

- 1.8 There are a number of measures to balance the budget that have previously been agreed at the Council's budget meetings in 2021 and 2022 which have a net effect of reducing the 2023-24 budget gap by £0.151m.
- 1.9 There are a number of other measures to balance the budget that are for Council approval, summarised as follows:
- General inflationary increase of 6% to fees and charges resulting in £0.838m of additional income.
  - A 3% reduction to the 2022-23 Live Argyll Management fee that was deferred a year amounting to £0.122m.
  - A 3% reduction to the 2023-24 Live Argyll Management fee amounting to £0.119m.
  - New management/operational savings amounting to £2.962m.
  - New policy options savings amounting to £6.464m.
- 1.10 The assumption throughout the year in respect of Council Tax was an approval of an increase equivalent to 3%. The setting of Council Tax should happen on the same day as the Council sets its revenue budget as once all proposals are considered, the Council Tax represents the balance required to balance the budget. In order to balance the budget based on the proposals included within this report, the Council will need to raise Council Tax by a further 1.33% to 4.33%. This balances the 2023-24 budget with a gap in future years.
- 1.11 The budget surplus / (gap) in the period 2024-25 to 2027-28 across each scenario is summarised in the table below.

<b>Budget Gap</b>	<b>2024-25 £000</b>	<b>2025-26 £000</b>	<b>2026-27 £000</b>	<b>2027-28 £000</b>	<b>Total £000</b>
Best Case	(4,378)	(3,381)	(5,283)	(2,459)	<b>(15,500)</b>
Mid-Range	(7,970)	(6,520)	(7,456)	(6,445)	<b>(28,391)</b>
Worst Case	(17,455)	(15,442)	(16,458)	(16,024)	<b>(65,378)</b>

- 1.12 Three funding requests have been received and Members are asked to give consideration to these requests and how they would be funded.

### **Service Concession Flexibility – Accounting Change Proposal**

- 1.13 This purpose of this report is to detail a proposed change to the accounting treatment of the Council's School PPP (Service Concession) contracts following the issuing of revised accounting guidance by Scottish Government contained in Local Government Finance Circular 10/2022.
- 1.14 The Council have two school service concession contracts for the build of seven schools. The NPDO schools contract was entered into on 30/09/2006 at £88.432m repayable over a period of 30 years and the DBFM schools contract created on 30/09/2016 at £60.927m repayable over a period of 25 years.



- 1.15 It is proposed that rather than reflecting the repayment of the capital investment in building the schools over the 25 and 30 years of the PPP contracts, the Council now account for this over a 60 year period. This better reflects the asset life of the schools.
- 1.16 The principal repayments from the start of the contract period up to and including 2022-23 total £38.144m. Based on the proposed 60 year annuity repayment the principal repayments would have been £2.106m by 31 March 2023. This creates a one-off retrospective benefit to be transferred to reserves of £36.038m. Due to the extension of the repayment period, there is also a revenue saving each year until the end of the contract period. The revenue saving for 2023-24 is included within the policy savings in the revenue budget overview report.
- 1.17 This accounting change requires approval by full Council. The approach is considered to be affordable, sustainable and prudent by the Section 95 Officer.
- 1.18 The Council agreed to use the service concessions flexibility in preference to the principal repayment holiday, but as the principal repayment holiday has already been accounted for as part of the current year budget, £5.4m of the one-off retrospective benefit will require to be used to replace the principal repayment holiday.
- 1.19 The Council needs to consider carefully how to use the remaining service concessions one-off retrospective benefit. The Council should consider directing some to the capital pressures that are facing the Council, in addition to investing in options/projects that will provide the opportunity to create a revenue saving in the future.

### **Fees and Charges**

- 1.20 This report sets out proposals for increases in fees and charges and the resulting impact on income included in the revenue budget.
- 1.21 The general increase to fees and charges is proposed at 6% for 2023-24 and is expected to generate additional income of £0.838m.
- 1.22 The changes proposed to the Social Work fees and charges are noted within the report and have been the subject of a report to the Integrated Joint Board on 26 January 2022.
- 1.23 The proposed 5% additional increase over and above the general inflationary increase on piers and harbours is estimated to generate additional income of £0.419m which is ring fenced to fund asset improvements.

### **Financial Risks Analysis 2023-24**

- 1.24 This report set out the risks identified as part of preparing the revenue budget and makes an assessment of the potential financial impact of these. The financial risks are monitored routinely throughout the year and actions put in place to mitigate risks.

- 1.25 There are 6 Council wide revenue risks identified for 2023-24 currently amounting to £5.621m. One of these risks have been classified as likely and four as possible as follows:
- The pay award exceeding 3.5% has been categorised as likely as ongoing discussions with the Unions may result in a higher increase based on the 2022-23 settlement;
  - Energy costs increasing by more than 20% greater than projected has been categorised as possible due to ongoing rising costs;
  - The IJB referring to the Council for additional funding should they have insufficient reserves has been categorised as possible;
  - A 1% variation in council tax income which is uncertain due to the current cost of living crisis impacting collection rates has been categorised as possible;
  - A 1% variation of general inflation risk is categorised as possible.

- 1.26 There are currently 40 departmental risks totalling £4.750m. Five of the 40 departmental risks are categorised as likely with no risks categorised as almost certain.

### **Reserves and Balances**

- 1.27 This report summarises the reserves and balances, sets out an analysis of risk around the adequacy of reserves and balances and proposes a level of contingency to be held in the General Fund Reserve.
- 1.28 The Council had a total of £103.183m usable reserves as at 31 March 2022. Of this balance, £2.682m relates to the Repairs and Renewals Fund, £4.414m relates to Capital Funds and the remainder of £96.087m is held in the General Fund, with £88.990m of this balance earmarked for specific purposes.
- 1.29 The General Fund contingency level remains at 2% of net expenditure. This monetary level has been adjusted to take account of the revised net revenue expenditure proposed for 2023-24. The revised contingency at 2% of net expenditure amounts to £5.684m.
- 1.30 The revenue budget position as at 31 December 2022 was estimated to be £3.408m underspent, however, this is subject to change, particularly as the last three months of the financial year are the time of winter maintenance and the level of expenditure is difficult to predict. This underspend is largely as a result of the treasury gain of £5.398m due to receiving a discount on the early repayment of three PWLB loans offset by £1.491m recognised for the net expected shortfall in funding from the 2022-23 pay award plus other forecast variances within the Departments netting to a £0.499m overspend.
- 1.31 The Current Forecast Outturn at December includes an overspend against the Social Work service of £0.253m. The Chief Financial Officer of the IJB is confident that the spend will be brought in line with budget by the end of the financial year using slippage from growth projects and anticipated additional funding allocations. Social Work began to accumulate reserves at 31 March 2022 therefore it is expected that any residual overspend that materialises would be covered from

those reserves and the General Fund of the Council would not be impacted. As a result of this, the overspend is effectively removed from the forecast outturn position.

1.32 The table below summarises the position of the unallocated General Fund balance.

<b>Heading</b>	<b>Detail</b>	<b>£000</b>	<b>£000</b>
Unallocated General Fund as at 31 March 2022	This is the balance that is unallocated over and above the 2% contingency which amounts to £5.256m		1,841
Allocation to General Fund for 2022-23 budget	Per Budget Motion at Council on 24 February 2022		2,482
Earmarked Balances no longer required	Amounts previously earmarked that can be released back to general fund		553
Transfer of contingency to maintain 2% level			(428)
Forecast Outturn for 2021-22 as at 31 December 2022			3,408
Social Work outturn adjustment			253
<b>Estimated Unallocated General Fund Balance as at 31 March 2023</b>			<b>8,109</b>

## **CAPITAL PACK**

### **Capital Plan Summary**

- 1.33 This report details the revisions proposed to the capital plan approved in February 2022 for the period 2023-24 to 2024-25 and extends the capital plan for a further year to 2025-26. The revisions are based on updated capital funding assumptions, phasing and cost changes.
- 1.34 The annual General Capital Grant for 2022-23 was estimated when the plan was agreed last year to be £9.724m. This estimation was based on the Capital Spending Review undertaken by Scottish Government which advised that the capital settlements were likely to stay constant over the next five years. The updated General Capital Grant based on the settlement is £9.771m and is therefore a £0.047m increase on the previous estimate. This creates a surplus of £0.141m across the life of the capital programme.
- 1.35 The amount of capital resources allocated to Private Sector Housing Grant (PSHG) is £1.033m per annum, similar to previous years.

- 1.36 In addition to the £9.771m general capital grant there is ring fenced funding of £5.424m for Campbeltown Flood Protection Scheme, £0.376m for Cycling, Walking and Safer Streets, £0.157m for Playparks and £2.127m for Free School Meals. These will also be built into the capital programme.
- 1.37 The restricted capital funding of £6.501m is noted within Appendix 2 of the Capital Plan Summary Report. This relates to income which is restricted to specific projects and this has been matched with expenditure against the projects, thereby showing the gross cost of the projects.
- 1.38 A comparison between the capital plan as at December 2022, including the new block allocation for 2025-26, has been compared to the estimated funding and there is gap up to 2025-26 of £0.278m. After adjusting for further anticipated shortfalls the total gap within the capital programme is £0.725m. If the gap was funded through borrowing it would create a revenue cost pressure of £0.046m per annum which has not been built into the revenue budget overview report.
- 1.39 As part of the Service Asset Management plans, two anticipated shortfalls amounting to £0.447m have been identified that require additional funding over and above the block allocation. The first totalling £0.137m relates to the replacement of two ICT systems which are both approaching end of contract and replacement costs are higher. The second relates to cemeteries and totals £0.310m. There are six cemeteries that have an operational life of 5 years or less based on the number of lairs left therefore this would support their extension.
- 1.40 Although the direct impact of COVID on most local services has reduced or even ceased altogether over the last 12 months, COVID-19 in conjunction with the UK exit from the European Union and the Russian invasion of Ukraine, continues to affect worldwide supply chains. This has the impact of reducing the availability of supplies and materials resulting in cost increases through a combination of higher prices and longer materials delivery lead times.
- 1.41 Other future pressures within the Capital Programme include Rothesay Pavilion, Roads Reconstruction programme, further ICT pressures, the ban on biodegradable municipal waste and the Learning Estate Investment Programme. All of these will require additional funding in the years beyond 2023-24.

### **Corporate Asset Management Strategy and Plan**

- 1.42 This report outlines the overall principles, policies and priorities within the Councils Asset Management Strategy and Plan.
- 1.43 This report identifies key issues for this planning cycle in managing the asset base, the proposed actions and any risk assets not addressed through the proposed Capital Plan. It includes the Group and Service Asset Management Plan summary templates.

## **2. RECOMMENDATIONS**

2.1 It is recommended that the Council:

- a) Approve the revenue estimates for 2023-24 and that consequently the local tax requirement estimated at £58.901m is funded from Council Tax.  
Approve the following rates and charges for the year, 2023-24:
  - a. Council Tax to be paid in respect of a chargeable dwelling in Band “D” of £1,469.76 representing a 4.33% increase.
  - b. Council Tax to be paid in respect of a chargeable dwelling in each of the other valuation bands in accordance with Section 74(1) of the Local Government Finance Act 1992 as amended.
  - c. Business Rates as determined by Scottish Ministers.
- b) Approve the revenue budget for 2023-24 as set out in the revenue budget overview report.
- c) Approve a base allocation to the Health and Social Care Partnership of £76.253m for 2023-24. Approve indicative base allocations for 2024-25 and 2025-26 to be £76.253m. The level of future years funding is subject to the level of Scottish Government funding and the Council’s overall financial position in future years.
- d) Approve the deferred 3% reduction to the Live Argyll Management Fee from 2022-23 and a 3% reduction in 2023-24, resulting in a management fee in 2023-24 of £3.835m.
- e) Endorse the new management/operational savings as outlined in Appendix 5 of the revenue budget overview report and approve the policy savings options as outlined in Appendix 6 of the revenue budget overview report.
- f) Consider the three funding requests received as set out within Appendix 8 of the Revenue Budget Overview Report.
- g) In respect of the service concession arrangements:
  1. Consider the accounting change as outlined within the report.
  2. Note that the view of the Section 95 Officer is that the revised accounting approach is affordable, sustainable and prudent.
  3. Approve the accounting change as outlined within the report, noting the principal repayment period will now be 60 years which better reflects the life of the asset.
  4. Note that this accounting change will create a one-off retrospective benefit of £36.038m.
  5. Agree that £5.4m of the one-off retrospective benefit will be used to replace exercising the principal repayment holiday that was previously agreed by Council.
  6. Consider how the remaining one-off retrospective benefit generated from the accounting change will be used.
- h) Approve the following in relation to fees and charges with effect from 1 April 2023 unless otherwise noted:

1. Approve the proposals for the fees and charges inflationary increase of 6% and approve the charges that are over and above inflation. Note that this would generate additional income of £0.838m in total.
  2. Approve no increase to school meal charges in 2023-24 as detailed in section 3.5.2 of the Fees and Charges report.
  3. Approve the changes proposed to the Social Work fees and charges.
  4. Approve all other charges as noted within the Fees and Charges Schedule.
- i) Note the financial risks analysis.
- j) Approve the contingency level for the General Fund balance at a level of 2% of net expenditure, equivalent to £5.684m and note the report on reserves and balances.
- k) Approve the allocation of £0.100m from the unallocated General Fund balance for the HSCP, in partnership with the Council, to engage with Hub North to develop a strategic business case in relation to the provision of services for older adults and other vulnerable people across Argyll and Bute.
- l) Approve the capital plan as set out in Appendix 3 of the capital plan summary report, noting that consideration needs to be given as to how to fund the £0.725m gap. If borrowing was taken out to fund the gap within the capital programme it would create a revenue cost pressure of £0.046m per annum from 2024-25.
- m) Approve the Corporate Asset Management Strategy and Plan including the Asset Group Summaries.

### **3. IMPLICATIONS**

- 3.1 Policy – There are policy implications associated with proposals to balance the revenue budget as well as the policy options that have been subject to employee consultation.
- 3.2 Financial – The report outlines the revenue budget position over 2023-24 to 2027-28 and the funding and commitments for the capital plan 2023-26.
- 3.3 Legal – Any legal implications have and will be considered when developing the savings options required for the revenue budget. The funding for new capital expenditure may not address all the statutory and regulatory requirements in relation to health and safety.
- 3.4 HR – Any HR implications have and will be considered when developing savings options required for the revenue budget. There are risks that the capital funding available will have an impact on the sustainability of the property design team and the design team within Roads and Amenity Services.
- 3.5 Fairer Scotland Duty – See Below

- 3.5.1 Equalities - Equality and Socio-Economic Impact Assessments have been carried out where appropriate for savings options already agreed or developed. Equality and Socio-Economic Impact Assessments will be a key consideration in developing future savings proposals. These assessments can be found on the Councils website here: [Equality and Socio-Economic Impact Assessments \(argyll-bute.gov.uk\)](http://argyll-bute.gov.uk)
- 3.5.2 Socio-Economic Duty - Equality and Socio-Economic Impact Assessments have been carried out where appropriate for savings options already agreed or developed. Equality and Socio-Economic Impact Assessments will be a key consideration in developing future savings proposals.
- 3.5.3 Islands Duty – Islands duty is considered as part of the Equality and Socio-Economic Impact Assessments
- 3.6 Climate Change – The Council is committed to addressing climate change and reviews of how Services are delivered is ongoing within the available budget resources.
- 3.7 Risk – There is a separate report assessing financial risks and there is also an overall assessment of risk included within the separate report on Reserves and Balances. In respect of the capital programme, there are risks around the level of capital receipts, ongoing cost increases, grant funding, future pressures and there are a number of other risks highlighted within the corporate asset management plan.
- 3.8 Customer Service – There may be some customer service implications arising from previously agreed savings options and the new policy options. Future customer service implications will be considered when developing savings options.

**Kirsty Flanagan**  
**Executive Director/Section 95 Officer**  
**9 February 2023**

**Policy Lead for Finance and Commercial Services: Councillor Gary Mulvaney**

For further information please contact Anne Blue, Head of Financial Services  
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**ARGYLL AND BUTE COUNCIL****COUNCIL****FINANCIAL SERVICES****23 FEBRUARY 2023**

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**REVENUE BUDGET OVERVIEW 2023-24 to 2027-28**

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**1. EXECUTIVE SUMMARY**

- 1.1 This report summarises the position with regard to the key issues surrounding the revenue budget estimates and setting of council tax for 2023-24. It also provides budget estimates for 2024-25 to 2027-28; within the report the mid-range estimates are noted, with the best case and worse case estimates included in Appendix 1.
- 1.2 The Local Government Finance Circular 11/2022, published on 20 December 2022, provides detail of the provisional total revenue and capital funding allocations for 2023-24. The Council's provisional General Revenue Grant is £219.275m (there is also £11.619m of Revenue Specific Grants).
- 1.3 Following the issue of the Finance Circular, we have been advised of three further changes: a reduction to the empty property relief funding of £0.014, the re-instatement of the teachers' pay award funding for 2021-22 of £0.506m and the allocation of funding for the HSCP relating to the Real Living Wage in Adult Social Care of £1.840m. This gives a revised funding total for 2023-24 excluding ring-fenced grants of £221.607m.
- 1.4 The Council Tax budget for 2022-23 was set at £55.262m. In terms of the growth in the council tax base, throughout the year a growth of 1.5% was assumed within the mid-range scenario (1.0% in worst case and 2.0% in best case) with the growth in future years between 0.25% and 0.75% (mid-range 0.50%) pending a further assessment during 2023-24. The 1.5% growth in 2023-24 amounts to an estimated increase of £0.829m.
- 1.5 The budget for 2022-23 has been rolled forward into 2023-24 and the main changes to the 2023-24 base budget are summarised below:
- Remove one-off cost pressure of £0.350m to cover the Local Government Election.
  - Remove one-off Management/Operational savings of £2.174m.
  - Recognition of the 2021-22 Teachers pay award being agreed at a higher cost than the original estimate by £0.121m.
  - Recognition of the 2022-23 SJC pay award being agreed at a higher cost than the original estimate by £5.873m (Council).
  - Recognition of the 2022-23 SJC pay award being agreed at a higher cost than the original estimate by £0.912m (net HSCP).
  - Reversal of the 1.25% additional employer's national insurance increase amounting to £0.858m.

- Addition of £0.435m Scottish Government Policy Directions.
  - Removal of Discretionary Housing Payments Budget £0.807m pending the funding allocation being announced.
- 1.6 The employee cost increases for 2023-24 amount to £5.205m and this includes pay inflation, increments and employee base changes.
- 1.7 Only unavoidable/inescapable inflation has been included within 2023-24 and this amounts to £4.355m. This includes utilities, catering purchases, contract inflation, and landfill tax.
- 1.8 There are a number of cost and demand pressures for 2023-24, amounting to £4.428m summarised as follows:
- Housing Benefits Admin Grant £0.040m
  - Oracle Fusion running costs £0.040m
  - Internal Audit fees £0.051m
  - Payroll system implementation £0.085m
  - Empty Property Relief devolution £0.157m
  - NDR revaluation of properties £0.590m
  - SEEMIS Membership Fees £0.009m
  - Undelivered office rationalisation saving £0.292m
  - Software support for new HR system and backfill for project team £0.150m
  - Waste - additional costs from current waste model £0.156m
  - Waste – increase to tipping fees and haulage costs for H&L residual waste £0.646m.
  - Rightsize House Loans budget £0.019m
  - Loss of income Glen Loin car park £0.015m
  - Increased bandwidth for schools £0.026m
  - ACHA IT support contract £0.040m
  - Increased cost of salt for winter maintenance £0.196m
  - Increased fuel costs £0.078m
  - Loss of parking income at Helensburgh Leisure Development £0.024m
  - Rightsize Council insurances budgets £0.414m
  - Additional Pressure 0.5% of Council Budget to manage in-year pressures £1.400m.
- 1.9 The revised payment to the Health and Social Care Partnership, reflects 2022-23 in year adjustments and the net changes to the settlement in respect of Social Work that we have been directed to pass over to the Health and Social Care Partnership. The revised payment amounts to £76.253m.
- 1.10 The budget gap prior to any measures to balance the budget is a deficit of £13.082m in 2023-24.
- 1.11 There are a number of measures to balance the budget that have previously been agreed at the Council's budget meetings in 2021 and

2022 which have a net effect of reducing the 2023-24 budget gap by £0.151m.

1.12 There are a number of other measures to balance the budget that are for Council approval, summarised as follows:

- General inflationary increase of 6% to fees and charges resulting in £0.838m of additional income.
- A 3% reduction to the 2022-23 Live Argyll Management fee that was deferred a year amounting to £0.122m.
- A 3% reduction to the 2023-24 Live Argyll Management fee amounting to £0.119m.
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1.13 The assumption throughout the year in respect of Council Tax was an approval of an increase equivalent to 3%. The setting of Council Tax should happen on the same day as the Council sets its revenue budget as once all proposals are considered, the Council Tax represents the balance required to balance the budget. In order to balance the budget based on the proposals included within this report, the Council will need to raise Council Tax by a further 1.33% to 4.33%. This balances the budget with a gap in future years.

1.14 The budget gap over the period 2024-25 to 2027-28 across each scenario is summarised in the table below.

<b>Budget Gap</b>	<b>2024-25 £000</b>	<b>2025-26 £000</b>	<b>2026-27 £000</b>	<b>2027-28 £000</b>	<b>Total £000</b>
Best Case	(4,378)	(3,381)	(5,283)	(2,459)	<b>(15,500)</b>
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Worst Case	(17,455)	(15,442)	(16,458)	(16,024)	<b>(65,378)</b>

1.15 The Council are asked to consider three funding requests summarised within Appendix 8. Members are asked to give consideration to these requests and how they would be funded.

**REVENUE BUDGET OVERVIEW 2023-24 to 2027-28**

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**2. INTRODUCTION**

- 2.1 This report summarises the position with regard to the key issues surrounding the revenue budget estimates and setting of council tax for 2023-24. It also provides budget estimates for 2024-25 to 2027-28; within the report the mid-range estimates are noted, with the best case and worse case estimates included in Appendix 1.
- 2.2 Regular reports on the budget outlook 2023-24 to 2027-28 have been presented to Members throughout the year. Reports were presented to the Policy and Resources Committee on 16 June 2022, 11 August 2022, 13 October 2022 and 8 December 2022.

**3. DETAIL****3.1 Funding****Finance Settlement**

- 3.1.1 The Scottish Budget was announced by the Deputy First Minister on 15 December 2022 and the Local Government Finance Circular 11/2022 was published on 20 December 2022 providing detail of the provisional total revenue and capital funding allocations for 2023-24 (one year only). The provisional total funding allocations form the basis for the annual consultation between the Scottish Government and COSLA ahead of the Local Government Finance (Scotland) Order 2023 presented to the Scottish Parliament in early February 2023.
- 3.1.2 The Circular outlines that the Scottish Government will work in partnership with local government to implement the budget and the joint priorities in return for the full funding package worth £13.2 billion which includes:
- £260m to support the local government pay deal and deliver additional funding to ensure that payment of SSSC fees for the Local Government workforce will continue to be made on a recurring basis.
  - £72.5m increase to the General Revenue Grant.
  - £105m to give effect to the devolution of Non-Domestic Rates Empty Property Relief.
  - Maintained key in-year transfers worth over £1 billion and added a further net £102m of resource to protect key shared priorities particularly around education and social care.

- £50m capital to help with the expansion of the Free School Meals policy.
- £100m to deliver a £10.90 minimum pay settlement for adult social care workers in commissioned services.
- Consolidation of £30.5m for the homelessness prevention fund.

### Scottish Government Funding for Argyll and Bute Council

- 3.1.3 The funding excluding ring-fenced grants for 2022-23 noted within the February 2022 budget pack was £209.661m. The funding for 2023-24, excluding ring-fenced grants for 2023-24 is £219.275m as outlined within the Finance Circular.
- 3.1.4 Following the issue of the Finance Circular, we have been advised of three further changes: a reduction to the empty property relief funding of £0.014, the re-instatement of the teachers' pay award funding for 2021-22 of £0.506m and the allocation of funding for the HSCP relating to the Real Living Wage in Adult Social Care of £1.840m. This gives a revised funding total for 2023-24 excluding ring-fenced grants of £221.607m.
- 3.1.5 The table below represents the changes between 2022-23 and 2023-24:

	£000	£000
Funding Budget 2022-23 as per budget pack		209,661
<i>SG Policy Commitments – Health and Social Care</i>		
Social Care Investment	3,635	
Social Work capacity in adult services	402	
Adult Disability	45	
Whole Family Wellbeing	439	
		4,521
<i>SG Policy Commitments – Council:</i>		
Discretionary Housing payments	807	
Scottish Child Bridging payments	414	
Removal of Curriculum Charges	105	
Removal of Music Tuition Charges	118	
Free School Meals expansion and school holidays	834	
Summer Programme	135	
Teacher Pay Award 2021-22	528	
Home Energy Efficiency	75	
Scottish Child Bridging Payments	276	
Green Growth Accelerator	26	
Pay Deal	2,504	
DHP Benefits Cap and Admin	25	
Educational Psychologists	11	
Council Tax Reduction Data Extract	9	
Easter Study Support	42	
Teachers Induction Scheme	109	

Self Isolation Assistance Service	12	
		6,030
<b>Updated Funding 2022-23 (FC 11/2022)</b>		<b>220,212</b>
Updating of Indicators (this relates to the updating of the various funding indicators used to determine overall grant – they are updated based on a range of factors, but mainly population)		(1,658)
Increase to Core Budget		2,145
Assumed Council Tax Contribution		(254)
Loans Charges Support		(276)
Change to the floor		390
Indicators Removed/Reduced Monies		(148)
Indicators Removed as one-off		(1,068)
Indicators Still to be Distributed (Teachers pay award now distributed see line below)		(1,431)
SG Policy Commitments – Health and Social Care		391
SG Policy Commitments – Council		973
Rounding		(1)
<b>Provisional Settlement 2023-24 (FC 11/2022)</b>		<b>219,275</b>
Adjustment to Empty Property Relief		(14)
Teachers Pay Award 2021-22		506
Real Living Wage – Adult Social Care		1,840
<b>Updated Provisional Settlement 2023-24</b>		<b>221,607</b>

3.1.6 If you compare the settlement of £221.607m to the finalised cash funding in 2022-23 the funding has increased by £2.332m. However, this is not a like-for-like comparison as there is some funding in 2022-23 that was one-off and some funding for 2023-24 that still has to be distributed as outlined in the table below. The like-for-like comparison is an increase of £3.379m or 1.52%.

	£000	£000
2022-23 Settlement	220,212	
Interim Care	(366)	
Child Bridging Payments	(690)	
Self Isolation Assistance	(12)	
<b>2022-23 Settlement for comparison</b>		<b>219,144</b>
2023-24 Settlement	221,607	
Teachers Induction	109	
Discretionary Housing Benefit	807	
<b>2023-24 Settlement for comparison</b>		<b>222,523</b>
<b>Increase</b>		<b>3,379</b>
<b>Increase %</b>		<b>1.52%</b>

3.1.7 A further comparison could exclude the funding that has been directed for Scottish Government Policy (£0.391m, £0.973m, £1.840m and

Empty Property Relief Adjustment (£0.014m)) as although this is an increase in cash, the funding has to be used for directed purposes and therefore cannot be used to support the Councils core funding. This would change the comparison to an increase of £0.189m (0.09%).

3.1.8 In considering the assumption related to future years funding, I have reflected on the funding change in the last 4 years after accounting for new policy commitments:

- 2020-21 funding reduction of 0.3%
- 2021-22 funding increase of 0.39%.
- 2022-23 funding decrease of 0.01%
- 2023-24 funding increase of 0.09%

The spending review published in May 2022 has indicated that the total budget for Local Government would remain flat cash until 2026-27.

The previous funding assumption was based on a range of between a 0.5% reduction (best case) and 1.5% (worst case) with a mid-range reduction of 1.0%. In light of the settlement over the last few years and the estimates indicated within the spending review I consider that this is now a bit pessimistic and I have revised to between a flat cash (best case) and 1.0% reduction (worst case) with a mid-range reduction of 0.5%. I consider it still prudent to assume a small reduction within the mid-range scenario. The assumptions will be reviewed and updated as necessary during 2023-24 as more information becomes available.

3.1.9 The Scottish Government agreed additional funding to support the 2022-23 pay award, some of which was capital. £120.6m is to be paid within 2022-23 and also 2023-24 and then this will be baselined into the revenue settlement. Our share of the funding in 2022-23 was £2.157m, and due to distribution changes, has reduced to £2.134m in 2023-24. It is assumed there will be no distribution changes when this is transferred to the revenue baseline in 2024-25 and thereafter the funding assumptions apply. As this will be paid as capital funding in 2022-23 and 2023-24, the Council will require to make a few substitutional accounting adjustments between capital and reserves.

## **Council Tax**

3.1.10 The Council Tax budget for 2022-23 was set at £55.262m. This included a 3% increase and a 0.5% growth in the council tax base. This is the starting position for 2023-24.

3.1.11 In terms of the growth in the council tax base, throughout the year a growth of 1.5% has been assumed within the mid-range scenario (1% in worst case and 2% in best case). The 1.5% growth in 2023-24 amounts to an estimated increase of £0.829m. The growth in future years is estimated at 0.5% in the mid-range scenario with the best and worst cases being 0.75% and 0.25% respectively.

3.1.12 Throughout the year there was an assumption of an approval of a 3% increase in Council tax in 2023-24 in all scenarios. The setting of Council Tax is picked up later in the report.

3.1.13 The estimated council tax income (excluding future year Council Tax increases) over the next five years is noted in the table below.

	<b>Draft 2023-24 £000</b>	<b>Mid- Range 2024-25 £000</b>	<b>Mid- Range 2025-26 £000</b>	<b>Mid- Range 2026-27 £000</b>	<b>Mid- Range 2027-28 £000</b>
Council tax budget 2022-23	55,262	55,262	55,262	55,262	55,262
Growth at 1.5% in 2023-24 and 0.50% thereafter	829	1,109	1,391	1,674	1,959
<b>Total Council Tax Income</b>	<b>56,091</b>	<b>56,371</b>	<b>56,653</b>	<b>56,936</b>	<b>57,221</b>

### Total Funding

3.1.14 The table below summarises the total estimated funding over the next five years within the mid-range scenario.

	<b>Draft 2023-24 £000</b>	<b>Mid- Range 2024-25 £000</b>	<b>Mid- Range 2025-26 £000</b>	<b>Mid- Range 2026-27 £000</b>	<b>Mid- Range 2027-28 £000</b>
Scottish Government funding	221,607	220,499	219,396	218,300	217,209
Funding for 22-23 pay award (Paid via capital in 2023-24, then baselined)	2,134	2,134	2,123	2,112	2,101
Council Tax income	56,091	56,371	56,653	56,936	57,221
<b>Total Funding</b>	<b>279,832</b>	<b>279,004</b>	<b>278,172</b>	<b>277,348</b>	<b>276,531</b>

## 3.2 Base Budget

3.2.1 As with previous years the base budget for 2023-24 is the current year's approved budget adjusted for any:



- one-off items included within 2022-23 that are not carried forward into 2023-24;
- previously agreed items for future years; and
- funding adjustments since the 2022-23 budget was agreed.

3.2.2 The split of the base budget across services and other central commitments is based on a snapshot of the copy budget for 2022-23 as this is the most up to date budget provision reflecting any coding improvements and virements up until this time.

3.2.3 The base budget for 2023-24 is £269.127m. The changes to the base budget are as follows:

- Removal of one-off cost pressure of £0.350m for the Local Government Election in 2022-23
- Removal of one-off Management/Operational savings of £2.174m
- Recognition of the 2021-22 Teachers pay award being agreed at a higher cost than the original estimate by £0.121m
- Recognition of the 2022-23 SJC pay award being agreed at a higher cost than the original estimate by £5.873m (Council)
- Recognition of the 2022-23 SJC pay award being agreed at a higher cost than the original estimate by £0.912m (net HSCP)
- Reversal of the 1.25% additional employer's national insurance increase amounting to £0.858m.

3.2.4 Although the majority of the funding from the Scottish Government is not strictly ring-fenced, there are many elements of the funding that are directed to deliver on Scottish Government policy. The base budget needs to be adjusted to reflect the additional costs for delivering on these directions and the budget increase is limited to the funding provided. The adjustments for the Council are listed in the table below and it should be noted that any relating to the HSCP are detailed at section 3.6 of the report.

	<b>Increase / (Decrease) £000</b>
Early Learning and Childcare	(60)
Child Bridging Payments	(414)
Local Heat and Energy Efficiency Strategies	75
Free School Meals P6/7 expansion	165
School Clothing Grants	14
Empty Property Relief Devolution	608
Instrumental Tuition	28
Curriculum Charges	9
Scottish Disability Assistance	10
<b>Net Increase</b>	<b>435</b>

3.2.5 The funding for Discretionary Housing Payments has not yet been distributed and will be advised later in the year. The DHP budget has

been removed from the base pending confirmation of the funding for 2023-24. Once the funding is known, the budget will be added back in equal to the level of funding.

3.2.6 The revised base budget over the next five years is summarised in the table below.

	<b>Draft 2023-24 £000</b>	<b>Mid- Range 2024-25 £000</b>	<b>Mid- Range 2025-26 £000</b>	<b>Mid- Range 2026-27 £000</b>	<b>Mid- Range 2027-28 £000</b>
Base Budget 2022-23	269,127	269,127	269,127	269,127	269,127
Remove one-off cost pressure from 2022-23	(350)	(350)	(350)	(350)	(350)
Remove one-off management/operational savings from 2022-23	2,174	2,182	2,182	2,182	2,182
Teachers Pay Award	121	121	121	121	121
Pay Award - Council	5,873	5,873	5,873	5,873	5,873
Pay Award – net HSCP	912	912	912	912	912
Reversal of NIC increase	(858)	(858)	(858)	(858)	(858)
SG Policy Directions	435	435	435	435	435
Removal of DHP budget pending funding allocation	(807)	(807)	(807)	(807)	(807)
<b>Revised Base Budget</b>	<b>276,627</b>	<b>276,635</b>	<b>276,635</b>	<b>276,635</b>	<b>276,635</b>

### 3.3 Employee Costs

3.3.1 Financial Services have populated salary templates with details of the current establishment and where necessary liaised with budget holders to confirm their staff. The templates calculate the next years pay bill including superannuation and national insurance contributions. The cost of the employees from the template is compared to the previous year and reasons for differences explained.

- 3.3.2 In terms of the level of employee budgets for 2023-24, the expectation would be that the budget would reflect the 2022-23 budget plus any increase due to incremental progression, inflation and any other unavoidable employee cost increases less previously approved employee budget savings. For 2023-24 there is an overall decrease in the employee budget base of £0.607m (excluding Social Work). This is due to a number of reasons including a change to ELC hours, grant funding of staff associated with the universal free school meals expansion and increments and inflation being funded by 1140 hour grants.
- 3.3.3 The 2023-24 pay award has not been agreed yet and therefore an estimate will require to be built into the budget. In terms of assumptions, I have assumed a pay award in 2023-24 of 3.5% in the mid-range scenario (2% in best case and 5% in worst case). For future years, the mid-range scenario has been scaled back to 2% on the basis that it is expected that as inflation reduces, pay awards could also reduce. It is acknowledged that as the pay award is not yet agreed it could differ from this estimate so a financial risk has been recognised within the Financial Risks Analysis Report.
- 3.3.4 The cost of employee increments for 2023-24 equates to £0.657m. Every year it is assumed that most employees will be on the top of the scale and therefore there should be no further incremental cost, however, there is still a turnover on the employee base and as a result, staff may leave who are on the top point of the grade, with a new/transferred employee commencing on the bottom point of the grade. This gives rise to an incremental cost which can be partly offset by a decrease to the employee base. For 2023-24 the increment is based on the actual calculated cost. For future years the cost of employee increments is based on 50% of the 2023-24 increment in the best case scenario and 100% of the 2023-24 increment in the mid-range and worst case scenario.
- 3.3.5 The changes to the employee budgets estimated over the next five years for Council services are summarised in the table below. The employee cost increases relating to the Health and Social Care Partnership are summarised within paragraph 3.6.5.

	<b>Draft 2023-24 £000</b>	<b>Mid- Range 2024-25 £000</b>	<b>Mid- Range 2025-26 £000</b>	<b>Mid- Range 2026-27 £000</b>	<b>Mid- Range 2027-28 £000</b>
Change to employee base	(607)	(607)	(607)	(607)	(607)
Pay Award	5,155	8,204	11,314	14,486	17,721
Increments	657	1,314	1,971	2,628	3,285
<b>Total Employee Increases</b>	<b>5,205</b>	<b>8,911</b>	<b>12,678</b>	<b>16,507</b>	<b>20,399</b>

### 3.4 Non-Pay Inflation

3.4.1 The position remains that only unavoidable/inescapable inflation has been included for 2023-24, this is with a view to only including a provision in the budget for an inflationary increase where it is absolutely required. The inflationary increases for 2023-24 for Council Services are noted below with further detail provided in Appendix 2. The total of £4.355m is a decrease of £0.214m on the £4.569m reported to the Policy and Resources Committee on 8 December 2022. This is due to the removal of the general contingency for unidentified/insufficient inflation estimates (£0.250m) partially offset by an increase to Landfill Tax rate affecting the Waste PPP (£0.030m), an increase in RPI impacting Community Pool Subsidies (£0.004m) and an adjustment to the pre-primary partner uplifts of £0.002m.

<b>Service</b>	<b>Inflation Category</b>	<b>Amount</b>
Council Wide	Utilities – Electricity, Gas, Oil and Solid Fuel	1,219
Council Wide	Vehicle Fuel	61
Council Wide	Insurances	162
Education	Residential Schools	90
Education	Pre-Primary Partner Uplift	358
Commercial Services	Catering and Milk	307
Commercial Services	Central Repairs – Outside Contractor	66
Legal and Regulatory Support	Community Pools	84
Legal and Regulatory Support	NPDO	878
Legal and Regulatory Support	Hub Schools	94
Customer Support Services	ICT	172
Roads and Amenity Services	Landfill Tax	66
Roads and Amenity Services	Waste PPP Contract	465
Roads and Amenity Services	Street Lighting Electricity	174
Roads and Amenity Services	Bitumen	159
<b>Total</b>		<b>4,355</b>

3.4.2 In terms of the budget outlook for 2024-25 to 2027-28 the estimated impact of unavoidable / inescapable non-pay inflation has been calculated based on projected inflation rates at this point in time. The worst case scenario is 0.5% higher than the value included within the mid-range and the best case is 0.5% less than the mid-range scenario. This position will be monitored closely and reported to the Policy and Resources Committee throughout the year.

3.4.3 The overall additional budget requirement for non-pay inflation estimated over the next five years is summarised in the table below. Further detail is provided in Appendix 2. The estimated inflationary increases relating to the Health and Social Care Partnership are summarised within paragraph 3.6.5.

	<b>Draft 2023-24 £000</b>	<b>Mid- Range 2024-25 £000</b>	<b>Mid- Range 2025-26 £000</b>	<b>Mid- Range 2026-27 £000</b>	<b>Mid- Range 2027-28 £000</b>
Unavoidable/ inescapable Non-Pay Inflation	4,355	7,881	11,471	15,411	19,738

### 3.5 Cost and Demand Pressures

3.5.1 For a number of years, services have worked on the basis of having to contain any cost and demand pressures within current resources where possible. An allowance for unidentified cost and demand pressures has been included from 2024-25 onwards at £0.250m per annum within the mid-range scenario and £0.500m per annum within the worst case scenario.

3.5.2 For 2023-24, I have included an additional pressure equivalent to circa 0.5% of the Council budget (£1.400m). Due to the current volatility in prices, the increases in inflation and interest rates together with continuing increased demand, I consider it prudent that the Council include this additional pressure to manage both inflation and demand in-year pressures that are likely to arise. 0.5% of the Council budget is a reasonable estimate to make.

3.5.3 The estimated cost and demand pressures identified for Council services are noted in the table below, with further detail provided in Appendix 3. The cost and demand pressures relating to the Health and Social Care Partnership are summarised within paragraph 3.6.5.

	<b>Draft 2023-24 £000</b>	<b>Mid- Range 2024-25 £000</b>	<b>Mid- Range 2025-26 £000</b>	<b>Mid- Range 2026-27 £000</b>	<b>Mid- Range 2027-28 £000</b>
Housing Benefits Admin Grant	40	80	120	160	200

Oracle Fusion running costs	40	40	40	40	40
IFRS16 Implementation	0	18	18	18	18
Increase in external audit fees	51	51	51	51	51
New Payroll System Implementation	85	0	0	0	0
Empty Property Relief devolution	157	0	0	0	0
NDR revaluation	590	590	590	590	590
ASN Support	0	75	206	206	206
SEEMIS Membership Fees	9	11	13	16	16
Sustainable Rate for Partner Providers	0	327	327	327	327
Election Costs	0	0	0	0	300
Undelivered Office Rationalisation saving	292	292	292	292	292
Software support & project team for new HR system	150	(50)	(50)	(50)	(50)
Waste	156	49	243	(86)	284
Compliance with BMW Ban	0	0	608	2,433	2,433
Waste - Increase to tipping fees/haulage in H&L	646	646	646	646	646
Planning (Local Development Plan)	0	50	0	50	0
House Loans	19	19	19	19	19
Parking	15	15	15	15	15
IT - increased bandwidth in schools	26	26	26	26	26
IT - support contract with ACHA ceased	40	40	40	40	40
Increase in cost of Salt for Winter Maintenance	196	196	196	196	196

Cessation of Red Diesel usage	78	78	78	78	78
2 hour free parking at Helensburgh Pool	24	24	24	24	24
Rightsize Council insurance budgets	414	414	414	414	414
Allowance for pressures in future years	0	250	500	750	1,000
Additional Pressure 0.5% of Council Budget to manage in-year pressures	1,400	1,400	1,400	1,400	1,400
<b>Total Cost and Demand Pressures</b>	<b>4,428</b>	<b>4,641</b>	<b>5,816</b>	<b>7,655</b>	<b>8,565</b>

### 3.6 Health and Social Care Partnership (HSCP)

3.6.1 The Council agreed an allocation to the HSCP of £69.005m for 2022-23 at its meeting on 24 February 2022 and noted that the level of future years funding is subject to the level of Scottish Government funding and the Council's overall financial position in future years.

3.6.2 The changes to the payment during the year were as follows:

- Additional funding allocated by the Scottish Government after the Council set its budget that had to be handed over to the HSCP: £3.635m Adult Social Care Investment and £0.402m for Social Work Capacity in Adult Services.
- Agreement by P&R on 8 December 2022 that we would pass over a share of the £140m revenue funding and £120.6m capital funding that the Council received in respect of the 2022-23 pay award. Total transfer of £0.912m

This gave a revised payment in 2022-23 of £73.954m, excluding redeterminations which were also passed over to the HSCP for Adult Disability (£0.045m) and Whole Family Wellbeing (£0.439m).

3.6.3 The Local Government Finance Circular 11/2022 included additional funding to be passed over to the Health and Social Care Partnership for 2023-24 and funding that had now been removed as it was allocated on a one-off basis only. The net amount to be passed over to the HSCP is summarised below:

- £100m for the Real Living Wage in Adult Social Care – ABC share £1.840m.

- £15m for Personal and Nursing Care for Older People – ABC share £0.380m.
- £32m for Whole Family Wellbeing – ABC share £0.438m.
- Scottish Disability Assistance – HSCP share £0.011m.
- Removal of Interim Care funding that was given for 2022-23 on a one-off basis £0.366m.
- Adjustment to share of £120.6m capital funding for pay award, due to distributional change – reduction of £0.004m.

3.6.4 The revised payment to the Health and Social Care Partnership is noted below.

	<b>Draft 2023-24 £000</b>	<b>Mid- Range 2024-25 £000</b>	<b>Mid- Range 2025-26 £000</b>	<b>Mid- Range 2026-27 £000</b>	<b>Mid- Range 2027-28 £000</b>
Funding agreed for 2022-23	69,005	69,005	69,005	69,005	69,005
2022-23 In-Year Adjustments	4,949	4,949	4,949	4,949	4,949
<b>Revised 2022-23 Funding</b>	<b>73,954</b>	<b>73,954</b>	<b>73,954</b>	<b>73,954</b>	<b>73,954</b>
2023-24 net additional funding to be passed to HSCP	2,299	2,299	2,299	2,299	2,299
<b>Payment to HSCP</b>	<b>76,253</b>	<b>76,253</b>	<b>76,253</b>	<b>76,253</b>	<b>76,253</b>

3.6.5 Members should note that the payment assumes that the HSCP will absorb any inflationary and cost and demand pressures. The latest estimated inflation and cost and demand pressures for Social Work have been discussed with the HSCP Chief Financial Officer. The mid-range estimates are summarised in the table below and further detail is contained within Appendix 4. These pressures are not included within the Council's budget gap but are included within this report for information. Note that these only extend to three years rather than the five years that the Council's budget outlook extends to. 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.

	<b>Draft 2023-24 £000</b>	<b>Mid- Range 2024-25 £000</b>	<b>Mid- Range 2025-26 £000</b>



Pay Inflation	1,174	1,868	2,576
Pay Increments	103	206	309
Non-Pay Inflation	3,615	6,679	9,784
Non-Pay Inflation on NHS posts recharged to Social Work	96	197	303
Younger Adults Demand Growth	459	928	1,407
Learning Disability Budget Adjustment	498	997	1,495
Further investment in Learning Disability	500	1,000	1,500
Physical Disability Service Growth	62	123	185
Mental Health Budget Adjustment	35	69	104
Continuing Care for Looked After Young people	0	250	500
Kintyre Care Centre	750	750	750
Support families in claiming Disability payments	11	11	11
Whole family wellbeing investment	438	438	438
<b>Social Work Pressures</b>	<b>7,741</b>	<b>13,516</b>	<b>19,362</b>

### 3.7 Budget Gap PRIOR to Measures to Balance the Budget

3.7.1 The budget gap prior to factoring in any previous savings decisions or potential options towards balancing the budget is summarised in the table below.

	<b>Draft 2023-24 £000</b>	<b>Mid- Range 2024-25 £000</b>	<b>Mid- Range 2025-26 £000</b>	<b>Mid- Range 2026-27 £000</b>	<b>Mid- Range 2027-28 £000</b>
Base Budget	276,627	276,635	276,635	276,635	276,635
Employee Cost Changes	5,205	8,911	12,678	16,507	20,399
Non-Pay Inflation	4,355	7,881	11,471	15,411	19,738
Cost and Demand Pressures	4,428	4,641	5,816	7,655	8,565
Increase to HSCP allocation	2,299	2,299	2,299	2,299	2,299
<b>Total Net Expenditure</b>	<b>292,914</b>	<b>300,367</b>	<b>308,899</b>	<b>318,507</b>	<b>327,636</b>
Total Funding	279,832	279,004	278,172	277,348	276,531

<b>Budget Surplus / (Gap) Cumulative</b>	<b>(13,082)</b>	<b>(21,363)</b>	<b>(30,727)</b>	<b>(41,159)</b>	<b>(51,105)</b>
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### 3.8 Measures to Balance the Budget – Previously Agreed

3.8.1 There are a number of measures to balance the budget which have been previously agreed by Council and these are summarised in the table below.

	<b>Draft 2023-24 £000</b>	<b>Mid- Range 2024-25 £000</b>	<b>Mid- Range 2025-26 £000</b>	<b>Mid- Range 2026-27 £000</b>	<b>Mid- Range 2027-28 £000</b>
Management/ Operational Savings Agreed February 2021	20	20	20	20	20
Policy Savings Agreed February 2021	128	128	128	128	128
Policy Savings Agreed February 2022	3	6	6	6	6
<b>Total Previously Agreed Savings</b>	<b>151</b>	<b>154</b>	<b>154</b>	<b>154</b>	<b>154</b>

### 3.9 Measures to Balance the Budget – For Council Approval

3.9.1 There is a separate report included in the budget pack which relates to fees and charges together with the detailed schedule of charges for 2023-24. The general increase to fees and charges is proposed at 6% for 2023-24. The general inflationary increase would give additional income of £0.838m. In terms of the outlook for 2024-25 to 2027-28, fees and charges have been estimated at a 6% in the mid-range scenario (3% in worst case and 9% in best case).

3.9.2 As part of the 2022-23 budget setting process a 3% reduction to the Live Argyll management was agreed to be deferred until 2023-24. This equated to £0.122m and has now been built into the 2023-24 budget position. In addition to this a new 3% reduction relating to the 2023-24 management fee has also been built into the budget position which equates to £0.119m. It is for Council to agree the reduction in the management fee and the responsibility of the Live Argyll Board to consider and approve the options to deliver their service within their overall quantum of funding.

3.9.3 Savings options totalling £7.825m were included in the Budget Outlook that was reported to P&R on 8 December 2022. Further savings options were presented to P&R on 19 January 2023 amounting to £1.618m. There has been a reduction to one of the savings options by £0.045m and an increase to another by £0.028m, taking the overall value of savings identified to £9.426m.

3.9.4 The savings options have been classified as either:

- Management / Operational – meaning they do not result in either redundancies or any change in policy and can be implemented without Council approval
- Policy – meaning they require Council approval due to having staff or policy implications.

The management/operational savings are set out in Appendix 5 and the proposed policy savings are set out in Appendix 6.

3.9.5 A summary of the savings identified are noted in the table below. The savings reduce between 2023-24 and 2024-25 due to one-off savings included within 2023-24.

<b>Saving Type</b>	<b>2023-24 £000</b>	<b>2024-25 £000</b>	<b>2025-26 £000</b>	<b>2026-27 £000</b>	<b>2027-28 £000</b>
Management/ Operational	2,962	426	461	461	461
Policy	6,464	6,657	6,755	6,944	7,580
<b>Total</b>	<b>9,426</b>	<b>7,083</b>	<b>7,216</b>	<b>7,405</b>	<b>8,041</b>

3.9.6 The number of staff affected by potential redundancy required the Council to undertake a statutory 45 day consultation. This has been concluded in accordance with the Council's redundancy policy and procedures seeking to avoid compulsory redundancy wherever possible.

3.9.7 As per paragraph 3.1.12 throughout the year there was an assumption of an approval of a 3% increase in Council tax in 2023-24 and a 3% increase in Council Tax in all scenarios beyond 2023-24. This estimate is included within the budget gap table below in Section 3.10.

### 3.10 Budget Gap AFTER Measures to Balance the Budget

3.10.1 The budget gap after applying all the measures to balance the budget is summarised within the table below.

	<b>Draft 2023-24 £000</b>	<b>Mid- Range 2024-25 £000</b>	<b>Mid- Range 2025-26 £000</b>	<b>Mid- Range 2026-27 £000</b>	<b>Mid- Range 2027-28 £000</b>
Estimated Budget Gap Prior	<b>(13,082)</b>	<b>(21,363)</b>	<b>(30,727)</b>	<b>(41,159)</b>	<b>(51,105)</b>

to Measures to Balance Budget					
Previously Agreed Savings	151	154	154	154	154
Fees and Charges 6% Increase	838	1,686	2,545	3,416	4,298
Live Argyll Management Fee 3% reduction deferred from 2022-23	122	122	122	122	122
Live Argyll Management Fee 3% reduction 2023-24	119	119	119	119	119
NEW Management/Operational Savings	2,962	426	461	461	461
NEW Policy Savings Options	6,464	6,657	6,755	6,944	7,580
Council Tax 3% Increase	1,683	3,450	5,278	7,170	9,127
<b>Budget Surplus / (Gap) Cumulative</b>	<b>(743)</b>	<b>(8,749)</b>	<b>(15,293)</b>	<b>(22,773)</b>	<b>(29,244)</b>
<b>Budget Surplus / (Gap) In Year</b>	<b>(743)</b>	<b>(8,006)</b>	<b>(6,544)</b>	<b>(7,480)</b>	<b>(6,471)</b>

3.10.2 The setting of Council Tax should happen on the same day as the Council sets its revenue budget as once all proposals are considered, the Council Tax represents the balance required to balance the budget. The figures in the table above assume a 3% increase to Council Tax. In order to balance the budget based on the proposals included within this report, the Council will need to raise Council Tax by a further 1.33% to 4.33%. This balances the budget with a gap in future years as noted in the table below.

	<b>Draft 2023-24 £000</b>	<b>Mid- Range 2024-25 £000</b>	<b>Mid- Range 2025-26 £000</b>	<b>Mid- Range 2026-27 £000</b>	<b>Mid- Range 2027-28 £000</b>
Budget Surplus / (Gap) in Year as noted in 3.10.1 above	<b>(743)</b>	<b>(8,749)</b>	<b>(15,293)</b>	<b>(22,773)</b>	<b>(29,244)</b>
Further increase to Council Tax of 1.33% (total 4.33%)	743	779	803	827	853

<b>Final Budget Surplus / (Gap) Cumulative</b>	<b>0</b>	<b>(7,970)</b>	<b>(14,490)</b>	<b>(21,946)</b>	<b>(28,391)</b>
<b>Final Budget Surplus / (Gap) In Year</b>	<b>0</b>	<b>(7,970)</b>	<b>(6,520)</b>	<b>(7,456)</b>	<b>(6,445)</b>

3.10.3 Appendix 7 provides a summary of the draft budget for 2023-24 at service level.

3.10.4 Members should note the recurring nature of proposals and how this impacts future year's budget estimates. As an example, should Council reject a budget saving that is recurring in nature, say for £0.150m and replace with a one-off measure, the next year budget gap will be increased by £0.150m.

### 3.11 Balancing Future Years Budget

3.11.1 The budget surplus / (gap) in the period 2024-25 to 2027-28 across each scenario is summarised in the table below.

<b>Budget Gap</b>	<b>2024-25 £000</b>	<b>2025-26 £000</b>	<b>2026-27 £000</b>	<b>2027-28 £000</b>	<b>Total £000</b>
Best Case	(4,378)	(3,381)	(5,283)	(2,459)	<b>(15,500)</b>
Mid-Range	(7,970)	(6,520)	(7,456)	(6,445)	<b>(28,391)</b>
Worst Case	(17,455)	(15,442)	(16,458)	(16,024)	<b>(65,378)</b>

## 4. CONCLUSION

4.1 This report summarises the position with regard to the key issues surrounding the revenue budget and setting of council tax for 2023-24. It also provides estimates of the budget outlook for the period 2024-25 to 2027-28.

4.2 All proposals included within this report result in a balanced budget for 2023-24.

4.3. There remains a significant budget gap in future years and officers will continue to explore options to generate future savings or additional income.

4.4 The Council are asked to consider three funding requests summarised within Appendix 8. Members are asked to give consideration to these requests and how they would be funded.

## 5. IMPLICATIONS

5.1 Policy – There are policy implications associated with the new saving options and also previously agreed savings options which impact 2023-24 and beyond.

- 5.2 Financial – The report outlines the budget position over 2023-24 to 2027-28.
- 5.3 Legal – Any legal implications have and will be considered when developing the savings options.
- 5.4 HR – Any HR implications have and will be considered when developing savings options.
- 5.5 Fairer Scotland Duty – See below
  - 5.5.1 Equalities – Equality and Socio-Economic Impact Assessments have been carried out where appropriate for savings options already agreed or developed.
  - 5.5.2 Socio Economic Duty – Equality and Socio-Economic Impact Assessments have been carried out where appropriate for savings options already agreed or developed.
  - 5.5.3 Islands Duty - Equality and Socio-Economic Impact Assessments have been carried out where appropriate for savings options already agreed or developed. This includes consideration of Islands Duties.
- 5.6 Climate Change – The Council is committed to addressing climate change and reviews of how Services are delivered is ongoing within the available budget resources.
- 5.7 Risk – There is a separate report assessing financial risks and there is also an overall assessment of risk included within the separate report on Reserves and Balances.
- 5.8 Customer Service – There may be some customer service implications arising from the new savings options. Future customer service implications will be considered when developing savings options.

**Kirsty Flanagan**  
**Executive Director /Section 95 Officer**  
**9 February 2022**

**Policy Lead for Finance and Commercial Services: Councillor Gary Mulvaney**

**APPENDICES:**

- Appendix 1 – 2023-24 – 2027-28 Budget Outlook Scenarios
- Appendix 2 – Non-Pay Inflation Estimates 2023-24
- Appendix 3 - Cost and Demand Pressures 2023-24 to 2027-28
- Appendix 4 – Health and Social Care Partnership Cost Pressures
- Appendix 5 – New Management/Operational Savings
- Appendix 6 – New Policy Options Savings Summary and Templates
- Appendix 7 – Service Summary of Budget Position
- Appendix 8 – Funding Requests

For further information contact Anne Blue, Head of Financial Services  
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**BUDGET OUTLOOK 2023-24 to 2027-28**  
**BUDGET PACK 23 FEBRUARY 2023**

**APPENDIX 1**

	DRAFT 2023-24 £000	Best Case Scenario				Mid-Range Scenario				Worst Case Scenario			
		2024-25 £000	2025-26 £000	2026-27 £000	2027-28 £000	2024-25 £000	2025-26 £000	2026-27 £000	2027-28 £000	2024-25 £000	2025-26 £000	2026-27 £000	2027-28 £000
Base Budget	269,127	269,127	269,127	269,127	269,127	269,127	269,127	269,127	269,127	269,127	269,127	269,127	269,127
Base Budget Adjustments	7,872	7,880	7,880	7,880	7,880	7,880	7,880	7,880	7,880	7,880	7,880	7,880	7,880
Settlement Adjustment	(372)	(358)	(358)	(358)	(358)	(372)	(372)	(372)	(372)	(358)	(358)	(358)	(358)
<b>Revised Base Budget</b>	<b>276,627</b>	<b>276,649</b>	<b>276,649</b>	<b>276,649</b>	<b>276,649</b>	<b>276,635</b>	<b>276,635</b>	<b>276,635</b>	<b>276,635</b>	<b>276,649</b>	<b>276,649</b>	<b>276,649</b>	<b>276,649</b>
Pay Award	5,155	8,204	11,314	14,486	17,721	8,204	11,314	14,486	17,721	12,777	20,780	29,183	38,006
Pay Increments	657	986	1,314	1,643	1,971	1,314	1,971	2,628	3,285	1,314	1,971	2,628	3,285
Additional Teacher Costs	0	0	0	0	0	0	0	0	0	0	0	0	0
Adjustment to Employee Base	(607)	(607)	(607)	(607)	(607)	(607)	(607)	(607)	(607)	(607)	(607)	(607)	(607)
<b>Total Employee Cost Changes (Council Services)</b>	<b>5,205</b>	<b>8,583</b>	<b>12,021</b>	<b>15,522</b>	<b>19,085</b>	<b>8,911</b>	<b>12,678</b>	<b>16,507</b>	<b>20,399</b>	<b>13,484</b>	<b>22,144</b>	<b>31,204</b>	<b>40,684</b>
<b>Non-Pay Inflation - Council Services</b>	<b>4,355</b>	<b>7,235</b>	<b>10,576</b>	<b>14,229</b>	<b>18,228</b>	<b>7,881</b>	<b>11,471</b>	<b>15,411</b>	<b>19,738</b>	<b>10,129</b>	<b>15,573</b>	<b>21,405</b>	<b>27,672</b>
Housing Benefits Admin Grant	40	80	120	160	200	80	120	160	200	80	120	160	200
Oracle Fusion running costs	40	40	40	40	40	40	40	40	40	40	40	40	40
IFRS16 Implementation	0	18	18	18	18	18	18	18	18	18	18	18	18
Increase in External Audit Fees	51	51	51	51	51	51	51	51	51	51	51	51	51
New Payroll System Implementation	85	0	0	0	0	0	0	0	0	0	0	0	0
Empty Property Relief	157	0	0	0	0	0	0	0	0	0	0	0	0
NDR Revaluation	590	590	590	590	590	590	590	590	590	590	590	590	590
ASN Support	0	0	198	198	198	75	206	206	206	145	444	444	444
SEEMIS Membership Fees	9	11	13	16	16	11	13	16	16	11	13	16	16
Sustainable Rate for Partner Providers	0	327	327	327	327	327	327	327	327	327	327	327	327
Election Costs	0	0	0	0	250	0	0	0	300	0	0	0	350
Office Rationalisation/OMW undeliverable savings	292	292	292	292	292	292	292	292	292	292	292	292	292
Software support for a new HR system & Backfill for project team.	150	(50)	(50)	(50)	(50)	(50)	(50)	(50)	(50)	(50)	(50)	(50)	(50)
Waste	156	39	165	(107)	193	49	243	(86)	284	59	321	(65)	374
Compliance with BMW Ban	0	0	0	462	925	0	608	2,433	2,433	0	608	2,433	2,433
Waste - Increase to tipping fees/haulage in H&L	646	478	478	478	478	646	646	646	646	839	839	839	839
Planning (Local Development Plan)	0	50	0	50	0	50	0	50	0	50	0	50	0
House Loans	19	19	19	19	19	19	19	19	19	19	19	19	19
Parking	15	15	15	15	15	15	15	15	15	15	15	15	15
IT - increased bandwidth in schools	26	26	26	26	26	26	26	26	26	26	26	26	26
IT - support contract with ACHA ceased - loss of income	40	40	40	40	40	40	40	40	40	40	40	40	40
Increase in cost of Salt for Winter Maintenance	196	176	176	176	176	196	196	196	196	216	216	216	216
Cessation of Red Diesel usage	78	78	78	78	78	78	78	78	78	78	78	78	78
2 hour free parking at Helensburgh Pool - loss of income	24	24	24	24	24	24	24	24	24	24	24	24	24
Rightsize Council insurance budgets	414	414	414	414	414	414	414	414	414	414	414	414	414
Allowance for Cost and Demand Pressures Future Years	0	0	0	0	0	250	500	750	1,000	500	1,000	1,500	2,000
Contingency for Inflationary Increases	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400
<b>Total Cost and Demand Pressures</b>	<b>4,428</b>	<b>4,118</b>	<b>4,434</b>	<b>4,717</b>	<b>5,720</b>	<b>4,641</b>	<b>5,816</b>	<b>7,655</b>	<b>8,565</b>	<b>5,184</b>	<b>6,845</b>	<b>8,877</b>	<b>10,156</b>
<b>Adjustment to Health and Social Care Partnership Payment</b>	<b>2,299</b>	<b>2,299</b>	<b>2,299</b>	<b>2,299</b>	<b>2,299</b>	<b>2,299</b>	<b>2,299</b>	<b>2,299</b>	<b>2,299</b>	<b>2,299</b>	<b>2,299</b>	<b>2,299</b>	<b>2,299</b>
<b>Total Estimated Expenditure PRIOR to measures to balance the budget</b>	<b>292,914</b>	<b>298,884</b>	<b>305,979</b>	<b>313,416</b>	<b>321,981</b>	<b>300,367</b>	<b>308,899</b>	<b>318,507</b>	<b>327,636</b>	<b>307,745</b>	<b>323,510</b>	<b>340,434</b>	<b>357,460</b>
Scottish Government Grant	219,261	219,261	219,261	219,261	219,261	218,165	217,074	215,989	214,909	217,068	214,897	212,748	210,621
Reinstatement of teachers pay funding - £32.8m	506	506	506	506	506	503	500	498	496	501	496	491	486
£100m Real Living Wage Funding for Adult Social Care	1,840	1,840	1,840	1,840	1,840	1,831	1,822	1,813	1,804	1,822	1,804	1,786	1,768
Share of £120.6m paid via Capital Grant in 2023-24 and Mainlined from 2024-25	2,134	2,134	2,134	2,134	2,134	2,134	2,123	2,112	2,101	2,134	2,113	2,092	2,071
Council Tax	56,091	56,512	56,936	57,363	57,793	56,371	56,653	56,936	57,221	56,231	56,372	56,513	56,654
<b>Total Funding</b>	<b>279,832</b>	<b>280,253</b>	<b>280,677</b>	<b>281,104</b>	<b>281,534</b>	<b>279,004</b>	<b>278,172</b>	<b>277,348</b>	<b>276,531</b>	<b>277,756</b>	<b>275,682</b>	<b>273,630</b>	<b>271,600</b>
<b>Budget Surplus / (Gap) PRIOR to measures to balance the budget</b>	<b>(13,082)</b>	<b>(18,631)</b>	<b>(25,302)</b>	<b>(32,312)</b>	<b>(40,447)</b>	<b>(21,363)</b>	<b>(30,727)</b>	<b>(41,159)</b>	<b>(51,105)</b>	<b>(29,989)</b>	<b>(47,828)</b>	<b>(66,804)</b>	<b>(85,860)</b>
Measures to Balance the Budget:													
Fees and Charges	838	2,529	3,818	3,416	6,447	1,686	2,545	3,416	4,298	843	1,273	1,708	2,149
Live Argyll - 3% decrease to management fee - deferred from 2022/23	122	122	122	122	122	122	122	122	122	122	122	122	122
Management/Operational Savings agreed February 2021	20	20	20	20	20	20	20	20	20	20	20	20	20
Policy savings agreed February 2021	128	128	128	128	128	128	128	128	128	128	128	128	128
Policy savings reported Agreed February 2022	3	6	6	6	6	6	6	6	6	6	6	6	6
Council Tax Increase	2,429	4,197	6,031	7,933	9,905	4,193	6,018	7,907	9,861	4,189	6,006	7,882	9,818
Council Tax Increase (Growth element)	0	49	84	121	159	36	63	90	119	24	42	60	79
NEW Management/Operational Savings	2,962	426	461	461	461	426	461	461	461	426	461	461	461
NEW Teachers Savings	700	700	700	700	700	700	700	700	700	700	700	700	700
NEW Service Concessions Savings	4,831	4,861	5,028	5,504	6,140	4,861	5,028	5,504	6,140	4,861	5,028	5,504	6,140
NEW Policy Options Savings	933	1,096	1,027	740	740	1,096	1,027	740	740	1,096	1,027	740	740
NEW Live Argyll Payment Adjustment - 3% reduction - 2023/24	119	119	119	119	119	119	119	119	119	119	119	119	119
Rounding	(3)												
<b>Total Measures to Balance the Budget</b>	<b>13,082</b>	<b>14,253</b>	<b>17,544</b>	<b>19,270</b>	<b>24,947</b>	<b>13,393</b>	<b>16,237</b>	<b>19,213</b>	<b>22,714</b>	<b>12,534</b>	<b>14,932</b>	<b>17,450</b>	<b>20,482</b>
<b>Budget Surplus / (Gap) Cumulative AFTER measures to balance the budget</b>	<b>0</b>	<b>(4,378)</b>	<b>(7,759)</b>	<b>(13,042)</b>	<b>(15,500)</b>	<b>(7,970)</b>	<b>(14,490)</b>	<b>(21,946)</b>	<b>(28,391)</b>	<b>(17,455)</b>	<b>(32,897)</b>	<b>(49,354)</b>	<b>(65,378)</b>
<b>Budget Surplus / (Gap) In Year AFTER measures to balance the budget</b>	<b>0</b>	<b>(4,378)</b>	<b>(3,381)</b>	<b>(5,283)</b>	<b>(2,459)</b>	<b>(7,970)</b>	<b>(6,520)</b>	<b>(7,456)</b>	<b>(6,445)</b>	<b>(17,455)</b>	<b>(15,442)</b>	<b>(16,458)</b>	<b>(16,024)</b>

**NON-PAY INFLATION (COUNCIL)**

**Appendix 2**

Service	Category	Basis of Inflation	Inflation Percentage	Mid Range 2023/24
Council Wide	Electricity	Due to current market condition for electricity 30% increase mid range, with a 0.5% tolerance for best and worst case.	30.00%	720,750
Council Wide	Gas	Due to current market condition for gas 50% increase mid range, with a 0.5% tolerance for best and worst case.	50.00%	247,358
Council Wide	Heating Oils	Due to current market condition for heating oils 50% increase mid range, with a 0.5% tolerance for best and worst case.	50.00%	133,424
Council Wide	Solid Fuel	Due to current market condition for solid fuel 25% increase mid range, with a 0.5% tolerance for best and worst case.	25.00%	57,594
Council Wide	Water Charges	Current rate of inflation with a 0.5% tolerance for best and worst case.	10.10%	59,016
Council Wide	Vehicle Fuel	Historic rate carried forward from last year - will be reviewed during 2022-23	4.97%	60,871
Council Wide	Central Repairs - Outside Contractors	Based on labour and materials costs survey data from the Royal Institute of Chartered Surveyors (RICS) and information from the property team on the typical allocation of their costs between labour and materials.	3.39%	65,993
Council Wide	Insurances	Current rate of inflation with a 0.5% tolerance for best and worst case.	10.10%	162,172
<b>Council Wide Total</b>				<b>1,507,178</b>
Education	Pre-Primary Partner Provider Uplift	Reflects estimated rate based on a combination of the recently announced increase in the Real Living Wage rate for staff costs and relevant uplifts for non-staff costs.	9.86%	357,850
Education	External School Placements	Based on prior year uplifts	8.00%	90,261
Commercial Services	Catering Purchases	Figure used by facility services based on national estimates for year 1 with a 0.5% tolerance for best and worst case.	15.00%	306,954
Legal & Regulatory Support	Leisure SLA-MAKI/Islay Pools	Based on RPI at February 2022 with a 0.5% tolerance in the best and worst case scenarios.	8.18%	13,757
Legal & Regulatory Support	Leisure SLA-Atlantis	Based on RPI at September 2022 with a 0.5% tolerance in the best and worst case scenarios.	12.64%	70,009
Legal & Regulatory Support	NPDO-Variable Element	Based on year on year RPI uplift with a 0.5% tolerance for best and worst case.	8.18%	599,843
Legal & Regulatory Support	NPDO-Utilities Rebate	RPI at February 2022 with a 0.5% tolerance for best and worst case.	8.20%	-23,945
Legal & Regulatory Support	NPDO-Electricity	Due to current market condition for electricity 30% increase mid range, with a 0.5% tolerance for best and worst case.	30.00%	134,896
Legal & Regulatory Support	NPDO-Gas	Due to current market condition for gas 50% increase mid range, with a 0.5% tolerance for best and worst case.	50.00%	79,654
Legal & Regulatory Support	NPDO-Heating Oil	Due to current market condition for heating oils 50% increase mid range, with a 0.5% tolerance for best and worst case.	50.00%	34,401
Legal & Regulatory Support	NPDO-LPG	Due to current market condition for LPG 25% increase mid range, with a 0.5% tolerance for best and worst case.	25.00%	17,967
Legal & Regulatory Support	NPDO-Water	Current rate of inflation with a 0.5% tolerance for best and worst case.	10.10%	35,412
Legal & Regulatory Support	HUB-Variable Element	Based on year on year RPI uplift with a 0.5% tolerance for best and worst case.	8.18%	93,883
<b>Executive Director Douglas Hendry - Total</b>				<b>1,810,942</b>
Customer and Support Services	ICT	Historic rate carried forward from last year - will be reviewed during 2022-23	15.00%	172,329
Roads and Infrastructure	Waste PPP-Private Contractor Inflation	Based on RPIX at February 2022 with a 0.5% tolerance for best and worst case.	7.09%	465,049
Roads and Infrastructure	Waste PPP-Central Government Inflation	Based on Landfill Tax increase between 22/23 and 23/24 with a 0.5% tolerance for best and worst case.	3.55%	66,419
Roads and Infrastructure	Roads - Bitumen for Road Surfacing	Based on price increases in 2022/23 with a 0.5% tolerance for best and worst case.	40.00%	158,512
Roads and Infrastructure	Electricity - Street Lighting	Due to current market condition for electricity 30% increase mid range, with a 0.5% tolerance for best and worst case.	30.00%	174,458
<b>Executive Director Kirsty Flanagan - Total</b>				<b>1,036,767</b>
<b>Total Non-Pay Inflation in the Mid Range</b>				<b>4,354,887</b>



Department	Service	Cost/Demand Pressure	Best Case					Mid Range Scenario					Worst Case				
			2023-24 £,000	2024-25 £,000	2025-26 £,000	2026-27 £,000	2027-28 £,000	2023-24 £,000	2024-25 £,000	2025-26 £,000	2026-27 £,000	2027-28 £,000	2023-24 £,000	2024-25 £,000	2025-26 £,000	2026-27 £,000	2027-28 £,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 marginally since implementation of 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. These figures represent our best estimates at this time.	40	80	120	160	200	40	80	120	160	200	40	80	120	160	200
Chief Executive's Unit	Financial Services	Implementation of new financial ledger system - Oracle Fusion Project	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40
Chief Executive's Unit	Financial Services	Implementation of new IFRS16 system to manage leases and accounting requirements of the IFRS Finance Leases accounting standard.	0	18	18	18	18	0	18	18	18	18	0	18	18	18	18
Chief Executive's Unit	Financial Services	Increase in external audit fees reflecting the impact on audit costs of the increasing requirements, expectations and scrutiny of the audit profession.	51	51	51	51	51	51	51	51	51	51	51	51	51	51	51
Chief Executive's Unit	Financial Services	Implementation of new Payroll System to manage the Council's monthly pay roll. Cost relates to the creation of a small project team for one year to configure and test the new system, prepare and test the data transfer from the current system and deliver end user training and post-implementation support to the payroll team.	85	0	0	0	0	85	0	0	0	0	85	0	0	0	0
Chief Executive's Unit	Financial Services	Non Domestic Rates revaluation by the Assessors	590	590	590	590	590	590	590	590	590	590	590	590	590	590	590
Chief Executive's Unit	Financial Services	Devolved Empty Property Relief Funding Shortfall - there is a shortfall of £139k in the Devolved Empty Property Relief Budget for 2023/24 which has been caused by a combination of a significant increase in the value of relief afforded following the bankruptcy of a local factory and the timing of the bankruptcy coming after the Scottish Government agreed the funding allocation model currently used to allocate national funding for the relief to Councils. Officers are in contact with the Scottish Government regarding this matter and are seeking additional funding to meet the expected funding shortfall, reflected in the best case scenario. The mid-range and worst case scenarios reflect the impact if no additional funding is forthcoming and the factory premises remains unused.	0	0	0	0	0	157	0	0	0	0	157	0	0	0	0
Executive Director - Douglas Hendry	Education	The demand for ASN support in Argyll and Bute has continued to grow with a significant increase in, and early identification of children and young people presenting with complex additional support needs, including mental health difficulties. It is anticipated that growth continues over the next 5 years however the extent of this growth is difficult to determine. Scottish Government statistics show that the number of pupils identified with ASN has increased markedly since 2010 and there continue to be year on year increases. These increases are likely due to continued improvements in recording and the introduction of the additional need types 'Child plans' and 'Other' in 2011. Scottish Government statistical datasets show that the percentage of school roll in mainstream schools of pupils with ASN has increased by approximately 3% year on year. Within many authorities, this means increased numbers of children accessing specialist provision.	0	0	198	198	198	0	75	206	206	206	0	145	444	444	444
Executive Director - Douglas Hendry	Education	The SEEMIS group, provider of the Council's Education Management Information System, recently reviewed their long term financial plan and refreshed it to cover the period 2021/22 to 2025/26. As a result of this exercise there were implications on Membership fees with a cost pressure on the Education service arising from financial year 2023/24. Indicative membership fees were provided for financial years 2021/22 to 2022/23 and these have been factored in accordingly.	9	11	13	16	16	9	11	13	16	16	9	11	13	16	16
Executive Director - Douglas Hendry	Education	The Council has had a requirement to deliver 1140 hours of Early Learning and Childcare from August 2021. The Council has been notified that the ring fenced funding will be reduced by £1.124m from 2022-23. Also, as part of the 1140 expansion programme, the Scottish Government 'Funding Follows the Child' guidance, requires local authorities to set a rate locally that is paid to funded providers in the private and third sectors, including childminders, to deliver the funded entitlement that allows them to deliver a high quality ELC experience for all children. This rate should be sustainable and reflect national policy priorities, including funding to enable payment of the real Living Wage to all childcare workers delivering the funded entitlement and have a margin for re-investment built in. The service has worked hard to mitigate the effects of this and has reduced expenditure as far as possible. However there remains a funding gap, the service are able to cover the over spend for 2022-23 and 2023-24 from carry forwards so the cost pressure is requested from 2024-25 onwards. The service will continually review their plans looking for efficiencies where possible.	0	327	327	327	327	0	327	327	327	327	0	327	327	327	327
Executive Director - Douglas Hendry	Legal and Regulatory Services	Estimated cost (to be borne by the Council) of carrying out local Government elections in May 2027 (and in financial year 2027/28). Operating approx. 100 polling stations and carrying out poll and count for 11 Multi member wards – requiring 11 separate counts	0	0	0	0	250	0	0	0	0	300	0	0	0	0	350

COUNCIL COST AND DEMAND PRESSURES 2023-24 to 2027-28

APPENDIX 3

Department	Service	Cost/Demand Pressure	Best Case					Mid Range Scenario					Worst Case					
			2023-24 £,000	2024-25 £,000	2025-26 £,000	2026-27 £,000	2027-28 £,000	2023-24 £,000	2024-25 £,000	2025-26 £,000	2026-27 £,000	2027-28 £,000	2023-24 £,000	2024-25 £,000	2025-26 £,000	2026-27 £,000	2027-28 £,000	
Executive Director - Douglas Hendry	Commercial Services	Our Modern Workspace has delivered a reduction in spend on shared offices including mothballing, some office closures and relocation based on staff survey and feedback. However PROP01 forecast savings did not account for legacy projects (TB-17 from 2017) being unfulfilled and was also optimistic with NDR savings of 100% in the current property market which is fragile. There has also been a reprioritisation of buildings as a result of staff survey and feedback which has meant that some of the buildings identified for rationalisation cannot be achieved.	134	134	134	134	134	134	134	134	134	134	134	134	134	134	134	134
Executive Director - Douglas Hendry	Commercial Services	Our Modern Workspace has delivered a reduction in utility consumption through a systematic approach to mothballing and office closures. Unfortunately the utilities element of PROP01 savings cannot be harvested and accredited to the Service due to the unprecedented inflationary increases in utility costs. The original forecast savings to be made on utilities pre-date a number of global influences such as the war in Ukraine, Covid-19 and the Cost of Living Crisis that have had material impact, resulting in this saving being undeliverable due to pressure on the overall utilities budget.	158	158	158	158	158	158	158	158	158	158	158	158	158	158	158	158
Executive Director - Kirsty Flanagan	HR	Costs for a project team for a new HR system & Backfill. This is a total new system build.	100	-50	-50	-50	-50	150	-50	-50	-50	-50	200	-50	-50	-50	-50	-50
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. Pressure has increased due to an updated waste model.	88	39	165	(107)	193	156	49	243	(86)	284	224	59	321	(65)	374	374
Executive Director - Kirsty Flanagan	Waste	Achieving compliance with ban on biodegradable municipal waste in 2025. This is the estimated revenue costs from potential scenarios, remaining in or coming out of the current waste PPP contract. Coming out of the Waste PPP contract would create an additional one-off cost. There are also capital cost implications that are not included within these estimates. Due to the complexity of the model, estimates are subject to change. The best case scenario reflects option 4 detailed in the report to the Environment, Development and Infrastructure Committee on 01/12/2022. The mid range and worst case scenarios reflects option 3 included in the same report and take into account the risk that the SG will not agree a derogation.	0	0	0	462	925	0	0	608	2,433	2,433	0	0	608	2,433	2,433	2,433
Executive Director - Kirsty Flanagan	Waste	Increase to tipping fees and haulage costs for H&L residual waste. Scottish Government laid an Amendment Order on Friday 1 July 2022 which came into force at 1700 on 1 July which indicates that Landfill tax will be due on materials previously not chargeable and we have now received notification of an increase in the cost.	478	478	478	478	478	646	646	646	646	646	839	839	839	839	839	839
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.	0	50	0	50	0	0	50	0	50	0	0	50	0	50	0	0
Executive Director - Kirsty Flanagan	Housing	Rightsize budget for House Loans which is a historic budget which has simply been rolled forward year on year	19	19	19	19	19	19	19	19	19	19	19	19	19	19	19	19
Executive Director - Kirsty Flanagan	Parking	Loss in income at Glen Loin Car park, Arrochar due to end of lease and responsibility for car park returning to owners, Luss Estates	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15
Executive Director - Kirsty Flanagan	IT	Increased bandwidth for schools to allow digital transformation to support the move to online learning	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26
Executive Director - Kirsty Flanagan	IT	IT Support contract ceased with ACHA. £40k income received from this annually will now not be received.	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40
Executive Director - Kirsty Flanagan	Roads	Increased cost of Salt for Winter Maintenance, average usage of 15,000 tonnes of salt over the winter period would equate to £163k of additional costs.	176	176	176	176	176	196	196	196	196	196	216	216	216	216	216	216
Executive Director - Kirsty Flanagan	Roads	Change at 1 April 2022 to stop the use of Red Diesel in certain vehicles has resulted in an unavoidable increase in fuel costs in Roads and Infrastructure.	78	78	78	78	78	78	78	78	78	78	78	78	78	78	78	78
Executive Director - Kirsty Flanagan	Roads	Helensburgh Leisure Development - 2 hour free parking period resulting in the loss of parking income	24	24	24	24	24	24	24	24	24	24	24	24	24	24	24	24
Council Wide	Council Wide	Rightsize budget for Council insurances which is a historic budget that requires to be increased in line with the current insurance costs.	414	414	414	414	414	414	414	414	414	414	414	414	414	414	414	414
Council Wide	Council Wide	General provision for unidentified Cost and Demand Pressures	0	0	0	0	0	0	250	500	750	1,000	0	500	1,000	1,500	2,000	2,000
Council Wide	Council Wide	0.5% of Council Budget to manage in-year pressures relating to inflation and demand.	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400
<b>TOTAL</b>			<b>3,965</b>	<b>4,118</b>	<b>4,434</b>	<b>4,717</b>	<b>5,720</b>	<b>4,428</b>	<b>4,641</b>	<b>5,816</b>	<b>7,655</b>	<b>8,565</b>	<b>4,759</b>	<b>5,184</b>	<b>6,845</b>	<b>8,877</b>	<b>10,156</b>	

**SOCIAL WORK COST AND DEMAND PRESSURES - 2023-24 to 2025-26**

APPENDIX 4

Service	Cost/Demand Pressure	Best Case			Mid Range			Worst Case		
		2023-24 £000	2024-25 £000	2025-26 £000	2023-24 £000	2024-25 £000	2025-26 £000	2023-24 £000	2024-25 £000	2025-26 £000
All Social Work	Estimated Pay inflation reflecting a best case of 2%, mid range of 3.5% and worst case of 5%.	671	1,355	2,053	1,174	1,868	2,576	1,677	3,438	5,287
All Social Work	Estimated Pay increments, best case is that 50% of the incremental changes based on 2022/23 are absorbed and in the mid-range and worst case, the increase is in line with the increase in 2022/23.	52	103	155	103	206	309	103	206	309
All Social Work	Non-pay inflation, best and worst case based on unavoidable/inescapable inflation and worst case.	3,246	5,902	8,563	3,615	6,679	9,784	3,984	7,461	11,021
All Social Work	Non-pay inflation impact of payroll inflation on NHS posts which are recharged to Social Work.	96	197	303	96	197	303	106	217	335
Adult Care	Younger Adults Demand Growth (Excluding Physical Disability): 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 1% increase in spending reflecting the limited service capacity in the area, the mid-range reflects 2% growth and the worst case reflects 3% growth.	194	390	588	388	785	1,190	583	1,184	1,804
Adult Care	Younger Adults Demand Growth - Physical Disability: 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 1% increase in spending reflecting the limited service capacity in the area, the mid-range reflects 2% growth and the worst case reflects 3% growth.	35	71	107	71	143	217	106	216	329
Adult Services	Learning Disability Budget Adjustment - The Learning Disability Supported Living and Residential budgets are carrying a recurring unbudgeted commitment of circa £1.495m which is contributing to the recurring overspend on the Social Work budget. To address this situation, it is proposed to realign the budget over the three year period from 2023/24 to 2025/26 whilst also reviewing cases and redesigning services. The adjustment will be reviewed annually to reflect spending reductions delivered as well as any changes to funding and practice resulting from the implementation of the Independent Review of Adult Social Care.	498	997	1,495	498	997	1,495	498	997	1,495
Adult Services	Further investment in Learning Disability Budget totalling £250k per annum, the mid range £500k per annum and the worst case £750k per annum given immediate and on-going budget pressures in this service area.	250	500	750	500	1,000	1,500	750	1,500	2,250

Service	Cost/Demand Pressure	Best Case			Mid Range			Worst Case		
		2023-24 £000	2024-25 £000	2025-26 £000	2023-24 £000	2024-25 £000	2025-26 £000	2023-24 £000	2024-25 £000	2025-26 £000
Adult Services	Physical Disability Budget Adjustment - The Physical Disability budget is carrying a recurring unbudgeted commitment of circa £316k which is contributing to the recurring overspend on the Social Work budget. To address this situation, it is proposed to realign the budget over the three year period from 2023/24 to 2025/26 whilst also reviewing cases and redesigning services. The adjustment will be reviewed annually to reflect spending reductions delivered as well as any changes to funding and practice resulting from the implementation of the Independent Review of Adult Social Care.	62	123	185	62	123	185	62	123	185
Adult Services	Mental Health Budget Adjustment - The Mental Health budget is carrying a recurring unbudgeted commitment of circa £197k which is contributing to the recurring overspend on the Social Work budget. To address this situation, it is proposed to realign the budget over the three year period from 2023/24 to 2025/26 whilst also reviewing cases and redesigning services. The adjustment will be reviewed annually to reflect spending reductions delivered as well as any changes to funding and practice resulting from the implementation of the Independent Review of Adult Social Care and any additional funding provided to address mental health issues as a consequence of the COVID pandemic.	35	69	104	35	69	104	35	69	104
Children and Families	Continuing Care demand for Looked After young people who are cared for by the HSCP. The best case scenario is that the expected additional demand can be funded from within existing resources as a result of planned improvements to the service delivery model (eg shift away from high cost external residential care to local foster and kinship care), the mid case reflects £250k per annum and the worst case reflects £500k per annum.	0	0	0	0	250	500	250	500	750
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.	0	0	0	0	0	0	0	0	0
Adult Services	Kintyre Care Centre - cost pressure as a result of transfer of KCC facility to HSCP Management.	750	750	750	750	750	750	900	900	900
All Social Work	Investment in activity to support families to prepare and submit claims for the Child & Adult Disability Payments - increase in funding.	11	11	11	11	11	11	11	11	11
Children and Families	Investment in Whole Family Wellbeing in line with Scottish Government funding provided for 2023/24.	438	438	438	438	438	438	438	438	438
<b>TOTAL COST AND DEMAND PRESSURES</b>		<b>6,338</b>	<b>10,906</b>	<b>15,502</b>	<b>7,741</b>	<b>13,516</b>	<b>19,362</b>	<b>9,503</b>	<b>17,260</b>	<b>25,218</b>

**MANAGEMENT/OPERATIONAL SAVINGS**

**APPENDIX 5**

Ref	Service Area	Saving Summary	2023/24			2024/25			2025/26		
			Saving £'000	FTE	H/Count	Saving £'000	FTE	H/Count	Saving £'000	FTE	H/Count
MGT1	Council Wide	Estimated saving in relation to additional voluntary contributions to the pension scheme.	100	0.0	0.0	100	0	0	100	0	0
MGT2	Earmarked Reserves/Capital Fund	Utilisation of Capital Fund to support capital works instead of drawing down from previous earmarked reserves, thereby, releasing a one-off saving from earmarked reserves into revenue.	1,536	0.0	0.0	0	0	0	0	0	0
MGT3	Financial Services	One -off saving identified from the loans fund modelling as a result of utilising an amount that was previously earmarked from the loans fund but is no longer required, volatility of interest rates, high cash levels and slippage within the capital programme meaning less borrowing is required at this stage.	685	0.0	0.0	0	0	0	0	0	0
MGT4	Commercial Services	Increase to commercial income and events	5	0.0	0.0	40	0	0	75	0	0
MGT5	DEG - Development Management	Additional Planning Fees from major applications - one off saving.	340	0.0	0.0	0	0	0	0	0	0
MGT6	Roads and Infrastructure	Increase unbudgeted income from Commercial Waste (rightsizing of income budgets).	250	0.0	0.0	250	0	0	250	0	0
MGT7	HR &OD	Pause A&B Manager programme for 1 year while the approach is redesigned which would provide a one-off saving then rightsizing would allow potential future recurring savings which cannot be quantified at this stage.	20	0.0	0.0	To be explored further			To be explored further		
MGT8	Registrars	Introduced pilot for funerals service. The findings of the pilot will inform any future income projections. £6k represents the area the pilot is being undertaken for a limited time period.	6	0.0	0.0	6	0	0	6	0	0
MGT9	Registrars	Reflecting on the pattern of income generated over the last 5 years (rightsizing of income budgets).	10	0.0	0.0	10	0	0	10	0	0
MGT10	Governance, Risk and Safety	10% inflation on recharge to HSCP for Governance Services.	10	0.0	0.0	10	0	0	10	0	0
MGT11	Internal Audit	HSCP contract due for renewal in March 2024. Increase charge to HSCP for Internal Audit Services in line with benchmark of other Local Authorities.	0	0.0	0.0	10	0	0	10	0	0
			<b>2,962</b>	<b>0.0</b>	<b>0.0</b>	<b>426</b>	<b>0.0</b>	<b>0.0</b>	<b>461</b>	<b>0.0</b>	<b>0.0</b>

Ref	Service Area	Saving	Detail	Risks	2023/24			2024/25			2025/26		
					Saving £'000	FTE	H/Count	Saving £'000	FTE	H/Count	Saving £'000	FTE	H/Count
FIS2324-001	Treasury Management	Service Concessions - Alteration to accounting treatment to align the repayment of borrowing relating to new schools over their asset life. Guidance from Scottish Government now permits this change of accounting treatment. Further detail will be provided to Council in due course.	Councils were previously required by statutory guidance to charge the debt element of service concession arrangements to their accounts over the contract period, in our case, 25 years and 30 years. As part of supporting the additional costs during the height of the COVID pandemic and also to support ongoing recovery, the Scottish Government agreed a financial flexibility that would allow service concessions debt to be paid over the life of the asset rather than the contract period. This will generate a recurring saving in the revenue budget and these figures are based on a 60 year pay back.	Loans will be repaid over a longer time period.	4,831.0	0.0	0.0	4,861.0	0.0	0.0	5,028.0	0.0	0.0
EDU2324-001	Education	Estimated saving due to change in pupil numbers	Removal of additional teacher numbers required during COVID to reduce class sizes and also to support recovery.  This option is possible due to falling pupil rolls and a robust staffing allocation process in relation to statutory class sizes which has allowed more permanent contracts to be issued.	Larger class sizes closer to statutory limits bringing this in line with a number of other Local Authorities therefore any risks are unlikely.	700.0	0.0	0.0	700.0	0.0	0.0	700.0	0.0	0.0
CSS2324-001	Customer Engagement Team	Operating an appointment only service for those still struggling digitally in line with our drive to use digital technology to its fullest while being mindful of the needs of those unable to access this kind of technology. Closure of Customer Service Points (CSPs) for walk in appointments.	Three components resulting in £318k annual saving: 1. Close the doors of all CSPs (Customer Service Points) to walk in customers and operate an appointment only service and move to digital only receptions at Kilmory and Helensburgh Civic Centre. Most CSPs would need to be retained as offices, as they house other services and/or are the locations of Registration District Offices. However offering only structured appointments would allow more efficient use of resources and incentivise the shift to digital. 2. Closure of the part time CSPs on the smaller islands, which would mean shutting the CSP on Tiree and withdrawing the funding for Jura and Colonsay Development Companies who run the part time CSP service there on the council's behalf. Also removing 4 part time Home Based Registrar post on these three islands, plus Coll and merging the Registration Districts with other ones. 3. Reducing the CSC Agent resources in the Contact Centre by 15% and accepting a lower standard of responsiveness and less resilience for unusual peaks of demand. .  The above is the minimum viable service that still provides an appointment based face to face contact option for digital strugglers and the minimum statutory Registration Service using digital remote registration processes recently given legislative approval by the Scottish Parliament.	1. Significantly reduced capacity to deal with customer enquiries. 2. Reduced resilience to deal with significant peaks of customer demand. 3. Reduced capacity to assist with emergency responses. 4. Very vulnerable customers may struggle to make appointments. 5. Reduced council service/footprint on smaller Islands. 6. Very limited capacity to assist other Services with one off and seasonal processing exercises. 7. Numerous small-scale CSP based activities carried out for other Services would need to be "rehomed"; e.g. Lair Management, Minibus Hires, Toilet Radar Keys, document scanning as front doors to offices would be locked. 8. Physical receptionists at Kilmory and Helensburgh and CSPs acting as de facto reception at multi service offices such as Manse Brae and Oban Civic Centre would be removed and alternative measures would need to be put in place direct with Services for visitor management. 9. There may be an impact on Registration income as most CSP staff double up as Registrars or Assistant Registrars. 10. Impact on remaining staff dealing with increased workloads.	191.0	10.6	13.0	318.0	10.6	13.0	318.0	10.6	13.0
DEG2324-001	Building Standards	Long-term vacant 0.5FTE building standards surveyors post that arose through an employee reducing their working hours is no longer requires in structure.	This post has been vacant for 2 years and the building standards service continues to operate and provide services despite this vacancy. The changes arising from the Covid pandemic (e.g. virtual inspections, new ways of working etc.) and the reduction in building warrants/downturn in the building sector/cost of living crisis have assisted in managing workloads with available resource.	1. Recruitment of professional officers is a concern across Argyll and Bute and nationally, and this includes building standards surveyors. The saving removes the potential for the post-holder to increase their working hours in the future, without additional income. 2. There is a potential impact on service capacity to provide commercialisation, should there be a significant increase in building warrants or dangerous buildings statutory activities.	24.0	0.5	0.0	24.0	0.5	0.0	24.0	0.5	0.0
DEG2324-002	Economic Growth (GIS)	Reduce discretionary budget to minimum. Retain budget to pay memberships to SCDI, SLAED & HOPS but remove remainder of discretionary budget.	The Economic Growth Service retains an element of discretionary funding to allow the service to enable match funding activity, contribute to feasibility studies, pay membership fees and undertake one off expenditure to assist with larger projects such as CARs and TH work. It is proposed to reduce this fund to only cover business and professional memberships. The main impact will be a reduction of the capability of the service to contribute to feasibility funding and other requests for assistance or to do additional works in relation to economic growth activities or recovery of the economy. This would mean the service having to apply for additional resources as and when required.  There will be no ability to pay a contribution to the Argyll and the Isles Countryside Trust ACT (currently £14.5k) or undertake economic marketing activity for Argyll and Bute.	1. Inability to move quickly when undertaking feasibility works 2. Loss of core funding to ACT 3. Inability to market Argyll and Bute for economic opportunities	36.0	0.0	0.0	36.0	0.0	0.0	36.0	0.0	0.0
EDU2324-002	2-18 Curriculum	Removal of non-statutory Cultural Coordinator post.	Cultural co-ordinator in post works 0.8 fte of which Education fund 0.4FTE and the grant is match funded by Creative Scotland/YMI.  Removal of Cultural Co-ordinator in Schools provision which supports schools to develop creative projects. Part of the remit is to engage with external providers to facilitate funding for taking forward projects related to the arts, creativity and the development of Expressive Arts within Curriculum for Excellence.	Removal of this post would mean that there would be no capacity to work with Creative Scotland and to provide culture and arts based activities for our children and young people unless schools prioritised this to enhance their core curriculum.  The cultural co-ordinator manages the Argyll Arts Collection which includes overseeing loan agreements, press releases etc. This work would have to be picked up by other staff as would be the support with the YMI Grant which has to be evaluated and feed back to Scottish Government every year.	15.0	0.8	1.0	15.0	0.8	1.0	15.0	0.8	1.0

Ref	Service Area	Saving	Detail	Risks	Saving	FTE	H/Count	Saving	FTE	H/Count	Saving	FTE	H/Count
					£'000			£'000			£'000		
EDU2324-003	2-18 Curriculum	Remove funding to support parent and toddler groups and other non statutory third sector.	Withdrawal of Third Sector Grants (unrelated to delivery of 1140hrs) This will remove grant funding used to support running costs for a number of third sector groups across all localities. None of these groups deliver statutory services for Education but do support children, young people and families.	The non-statutory groups and organisations may not be in a position to continue or may have to reduce services.	86.0	0.0	0.0	86.0	0.0	0.0	86.0	0.0	0.0
FIS2324-002	Revenues and Benefits	The Service has identified savings through rightsizing of budgets, an organisational restructure with investment in modern apprenticeships and temporary staff designed to boost income from the billing of additional local taxes and the recovery of associated debt. In addition efficiency savings from increased productivity, increased levels of process automation and moving more customers to transact with the service over the internet will allow previously outsourced review works to be carried out internally.	Budgets can be realigned with certainty in relation to additional income from the DWP with no associated risks.  Changes to the organisational structure will assist in driving improvements in efficiency and productivity across the service generating opportunities for new employees to join the service and for more experienced staff who have volunteered for redundancy to go in the years ahead.	1. The current cost of living crisis continues for a significant period of time making the environment for collecting debt even more challenging than it is already. While these budgets can be realigned with certainty other areas of anticipated income recovery levels may become harder to achieve. 2. The new productivity targets are not embedded in the service and expected efficiencies are not realised. 3 Migration of Housing Benefit claims to Universal Credit is further delayed by the DWP beyond December 2024 and the level of automation that we hope to achieve by 2025/2026 is not realised. This would mean that the Council would need to retain Assessor staff to help it continue to fulfil its statutory duty in respect of Housing Benefit processing	493.0	0.0	0.0	466.0	2.5	3.0	397.0	3.0	3.0
RIS2324-001	School Crossing Patrollers	Support Communities to move to different approaches to delivering School Crossing Patrols through engagement with Parent Council and Communities.	Support community and PTA groups to operate school crossing services including assessment of use of existing facilities – anecdotally there appear to be fewer children walking to school post pandemic than pre pandemic. Below are the listed number of School Crossing Locations which give a Head count of 20 for each area: Mid Argyll Kintyre & Islay – 2 Oban, Lorn & the Isles – 1 Helensburgh and Lomond – 14 Bute & Cowal – 3 In addition to the above there are 8 vacant posts that the Service have been unable to recruit to for some time.	Limited take up from parent/teacher association groups (PTA) and ability to maintain a sustained interest for PTAs to self-deliver school crossing patrollers. An alternative model, should there be limited interest from the PTAs, would be to stop service.  A limited resource would need to be retained by the council to carry out training and ensure that a compliant and safe service is maintained.	88.0	8.4	20.0	151.0	8.4	20.0	151.0	8.4	20.0
					<b>6,464.0</b>	<b>20.3</b>	<b>34.0</b>	<b>6,657.0</b>	<b>22.8</b>	<b>37.0</b>	<b>6,755.0</b>	<b>23.3</b>	<b>37.0</b>

## 2023-24 BUDGET PREPARATION – SAVING OPTION

HEAD OF FINANCIAL SERVICES			Ref: FIS2324-001					
Service Delivery Area			TREASURY MANAGEMENT – LOANS FUND					
Saving Title			Service Concessions					
<b>Summary of Savings Proposal</b>								
<p>This relates to a change in the accounting treatment of borrowing for new schools under Service Concession arrangements. Guidance from Scottish Government now allows the repayment of borrowing within the loans fund to be done over the asset life instead of the life of the contract.</p>								
<b>Impact and Risk Associated with Proposed Saving</b>								
<p>Councils were previously required by statutory guidance to charge the debt element of service concession arrangements to their accounts over the contract period, in our case, 25 years and 30 years. As part of supporting the additional costs during the height of the COVID pandemic and also to support ongoing recovery, the Scottish Government agreed a financial flexibility that would allow service concessions debt to be paid over the life of the asset rather than the contract period. This will generate a recurring saving in the revenue budget and these figures are based on a 60 year pay back in line with the asset life of new schools within the Treasury Management Strategy.</p>								
<b>Current Status of Developing the Option and Next Steps</b>								
<p>Financial Services have liaised with external Treasury advisors who provided calculations to identify the value of savings. They have no concerns regarding the 60 year pay-back period therefore this saving could be implemented immediately.</p>								
<b>Saving</b>								
<b>2023-24</b>			<b>2024-25</b>			<b>2025-26</b>		
£000	FTE	H/Count	Cumulative £000	FTE	H/Count	Cumulative £000	FTE	H/Count
4,831	0	0	4,861	0	0	5,028	0	0





## 2023-24 BUDGET PREPARATION – SAVING OPTION

<b>Head of Customer Support Services</b>		<b>Ref: CSS2324-001</b>
<b>Service Delivery Area</b>	Customer Engagement Team	
<b>Saving Title</b>	Minimising Face to Face Customer Service Delivery	
<p><b>Summary of Savings Proposal</b></p> <p>This proposal has three components that together result in a <b>£317,739</b> annual saving:</p> <ol style="list-style-type: none"> <li>1. Close the doors of all CSPs (Customer Service Points) to walk in customers and operate an appointment only service and move to digital only receptions at Kilmory and Helensburgh Civic Centre. Most CSPs would need to be retained as offices, as they house other services and/or are the locations of Registration District Offices. However offering only structured appointments would allow more efficient use of resources and incentivise the shift to digital. This would allow a reduction in headcount that would provide <b>£233,454</b> savings as follows: <ul style="list-style-type: none"> <li>• Oban lose LGE9 Supervisor if managed from Mull and an LGE6 post is uprated to LGE7 Service Point Officer in Oban to support the Mull based supervisor</li> <li>• Islay to lose 1 LGE6 CSP Agent Post (0.9FTE)</li> <li>• Lochgilphead to lose 1 LGE6 CSP Agent Post</li> <li>• Helensburgh to lose 1 LGE6 CSP Agent/Reception post</li> <li>• Campbeltown to lose 1 LGE6 CSP Agent Post</li> <li>• Kilmory to lose 1.5FTE LGE6 Agent/Reception posts</li> <li>• Dunoon to lose 0.5FTE LGE6 CSP Agent Post</li> <li>• Bute to lose 0.5FTE CSP Agent Post.</li> </ul> </li> <li>2. Closure of the part time CSPs on the smaller islands, which would mean shutting the CSP on Tiree (0.4 FTE LGE6) and withdrawing the funding for Jura and Colonsay Development Companies who run the part time CSP service there on the council's behalf. Also removing 4 part time Home Based Registrar post on these three islands, plus Coll and merging the Registration Districts with other ones. Savings will be <b>£31,038</b> as follows: <ul style="list-style-type: none"> <li><b>£18,745</b> Funding for Development Companies on Jura and Colonsay</li> <li><b>£8093</b> For 0.4 FTE LGE6 and office expenses on Tiree</li> <li><b>£4,200</b> saving of net cost for 4 Home Based Registrars</li> </ul> </li> <li>3. Reducing the CSC Agent resources in the Contact Centre by 15% and accepting a lower standard of responsiveness and less resilience for unusual peaks of demand. Savings will be <b>£53,247</b> from reduction of 1.8FTE LGE6.</li> </ol> <p>The above is the minimum viable service that still provides an appointment based face to face contact option for digital strugglers and the minimum statutory Registration Service using digital remote registration processes recently given legislative approval by the Scottish Parliament. It is predicated on the continuing optimisation of digital engagement channels that have seen face to face interactions fall to under 40% of pre-pandemic levels. The risks are detailed below.</p>		
<p><b>Impact and Risk Associated with Proposed Saving</b></p> <ol style="list-style-type: none"> <li>1. Significantly reduced capacity to deal with customer enquiries, with inevitable reduction in speed and quality of response and consequent probability of increased customer dissatisfaction resulting in more complaints and thus reputational damage.</li> <li>2. Reduced resilience to deal with significant peaks of customer demand due to seasonal, cyclical and one off operational demands such as the Scotland Loves Local Exercise, Short Term Lets go live, annual bin calendar renewals or weather events etc.</li> </ol>		

3. Reduced capacity to assist with emergency responses. CSC/CSP resource was used heavily for the pro-active communication and support request management elements of Caring for People and to aid NHS vaccination exercise.
4. The current reduced hours opening for walk in customers has already attracted much negative comment; particularly in respect of vulnerable customers. This solution would see doors to all council offices closed to walk in customers. Very vulnerable customers may struggle to make appointments.
5. Reduced council service/footprint on smaller Islands – previous attempts to reduce customer service and Registration services were met with resistance/dismay and gave rise to significant Island related concerns in the EqSEIA for loss of income, opportunity and absence of council presence. Servicing the islands remotely will also redirect resources from servicing of mainland communities e.g. doing a wedding on Colonsay will potentially take a mainland registrar offline for 3 days due to ferries etc.
6. Very limited capacity to assist other Services with one off and seasonal processing exercises e.g. we currently help Education process over 1000 Free School Meal and Clothing Grant applications each summer, undertake telecare quality outbound calling etc. This processing assistance could not be offered as resources would be fully deployed in customer contact management. Hence the saving in CSC/CSP would require additional resource elsewhere.
7. Numerous small-scale CSP based activities carried out for other Services would need to be “rehomed”; e.g. Lair Management, Minibus Hires, Toilet Radar Keys, document scanning as front doors to offices would be locked.
8. Physical receptionists at Kilmory and Helensburgh and CSPs acting as de facto reception at multi service offices such as Manse Brae and Oban Civic Centre would be removed and alternative measures would need to be put in place direct with Services for visitor management.
9. There may be an impact on Registration income as most CSP staff double up as Registrars or Assistant Registrars, therefore the loss of 6.4 FTE from this small service will constrain the ability to accept ceremony bookings; particularly at peak times. It also increases the risk of failed ceremonies due to fewer resources able to cover – with consequent reputational damage. The far smaller pool of registrars also has implications for progression and the ageing profile of our pool of registrars.
10. Impact on remaining staff dealing with increased workloads and higher numbers of dissatisfied angry customers, plus the number of times agents/registrars will be lone workers will increase, with consequent increase in risk.

**Current Status of Developing the Option and Next Steps**

This option will require:

- Obligatory staff consultation for those at risk of redundancy and application of the compulsory/voluntary redundancy procedures (12 headcount (9.7 FTE) posts to be cut, but circa 20 staff affected through potential selection exercises)
- Completion of an EqESIA including consultation with stakeholders such as the Development Companies currently funded to provide services on Colonsay and Jura
- Consultation with National Records of Scotland regarding the proposed registration changes to Home Based registration and merging of Registration Districts.
- Engagement with Property regarding offices on Colonsay, Jura and Tiree that are council owned but no longer required as Service Points. Also tenancy of Development Companies.

**Saving (Assumes all savings for all 3 components above are taken)**

<b>2023-24</b>			<b>2024-25</b>			<b>2025-26</b>		
£000	FTE	H/Count	Cumulative £000	FTE	H/Count	Cumulative £000	FTE	H/Count
<b>£191</b> (60% x £317,739*)	10.6	13	£318	10.6	13	£318	10.6	13

\*As most savings are staff related they could not be fully realised in 2023/24 due to redundancy and restructuring timescales involved, therefore a 60% saving in year 1 is assumed.

## 2023-24 BUDGET PREPARATION – SAVING OPTION

<b>HEAD OF DEVELOPMENT AND ECONOMIC GROWTH</b>		<b>Ref: DEG2324-001</b>
<b>Service Delivery Area</b>	<b>BUILDING STANDARDS</b>	
<b>Saving Title</b>	Reduction of 0.5 FTE to building standards service	
<b>Summary of Savings Proposal</b>		
Removal of 0.5 FTE building standards surveyors post from building standards establishment, achieving an annual saving of £24000.		
<b>Impact and Risk Associated with Proposed Saving</b>		
<p>Impact:</p> <ol style="list-style-type: none"> <li>1. The proposed saving is a long-term vacancy within the building standards team which arose from alternations to working arrangements of a current employee. The post has been vacant for two years.</li> <li>2. The building standards service continues to operate and provide services, despite this vacancy. The changes arising from the Covid pandemic (e.g. virtual inspections, new ways of working etc.) and the reduction in building warrants/downturn in the building sector/cost of living crisis have assisted in managing workloads with available resource.</li> <li>3. The post is currently vacant.</li> <li>4. Building Standards is self-funding from building warrant income. Income is effected by the costs of building materials post pandemic, the economy and the building market. Commercial income from other local authorities is necessary to provide a balanced budget and the service has been successful in securing work form other local authorities (currently East Lothian Council and Dundee City). Current staffing levels supports this commercialisation.</li> <li>5. Building Standards staff morale will be affected by any staff reduction given the success in generating additional revenue, increasing the profile of Argyll and Bute Council and being highly regarded by LABSS and the other local authorities.</li> <li>6. If commercial work is unsustainable in the longer-term, it would be necessary to downsize the team to balance the budget. Building Standards would deal solely with Argyll and Bute warrants, together with our statutory duties relating to dangerous buildings and enforcement.</li> </ol> <p>Risks:</p> <ol style="list-style-type: none"> <li>1. Recruitment of professional officers is a concern across Argyll and Bute and nationally, and this includes building standards surveyors. The saving removes the potential for the post-holder to increase their working hours in the future, without additional income.</li> <li>2. There is a potential impact on service capacity to provide commercialisation, should there be a significant increase in building warrants or dangerous buildings statutory activities.</li> </ol>		
<b>Current Status of Developing the Option and Next Steps</b>		
The post is currently operating at 0.5FTE, and the saving would mean a reduction of the post hours from 1 FTE. There is no direct impact on staffing or potential redundancy issue.		

**Saving**

<b>2023-24</b>			<b>2024-25</b>			<b>2025-26</b>		
£000	FTE	H/Count	Cumulative £000	FTE	H/Count	Cumulative £000	FTE	H/Count
24	0.5	0	24	0.5	0	24	0.5	0

## 2023-24 BUDGET PREPARATION – SAVING OPTION

<b>HEAD OF DEVELOPMENT AND ECONOMIC GROWTH</b>			<b>Ref: DEG2324-002</b>					
<b>Service Delivery Area</b>			Economic Growth					
<b>Saving Type</b>			Policy					
<b>Saving Title</b>			Reduction of Discretionary Funds					
<b>Summary of Savings Proposal</b>								
<p>The Economic Growth Service retains an element of discretionary funding to allow the service to enable match funding activity, contribute to feasibility studies, pay membership fees and undertake one off expenditure to assist with larger projects such as CARs and TH work. It is proposed to reduce this fund to only cover business and professional memberships.</p>								
<b>Impact and Risk Associated with Proposed Saving</b>								
<p>The main impact will be a reduction of the capability of the service to contribute to feasibility funding and other requests for assistance or to do additional works in relation to economic growth activities or recovery of the economy. This would mean the service having to apply for additional resources as and when required.</p> <p>There will be no ability to pay a contribution to the Argyll and the Isles Countryside Trust ACT (currently £14.5k) or undertake economic marketing activity for Argyll and Bute.</p> <p>Risks:-</p> <ul style="list-style-type: none"> <li>• Inability to move quickly when undertaking feasibility works</li> <li>• Loss of core funding to ACT</li> <li>• Inability to market Argyll and Bute for economic opportunities</li> </ul>								
<b>Current Status of Developing the Option and Next Steps</b>								
This could be implemented for the next financial year.								
<b>Saving</b>								
<b>2023-24</b>			<b>2025-26</b>			<b>2026-27</b>		
£000	FTE	H/Count	Cumulative £000	FTE	H/Count	Cumulative £000	FTE	H/Count
36	0	0	36	0	0	36	0	0

## 2024-25 BUDGET PREPARATION – SAVING OPTION

<b>HEAD OF EDUCATION</b>			<b>Ref: EDU2324-002</b>					
<b>Service Delivery Area</b>			2-18 Curriculum					
<b>Saving Title</b>			Removal of non-statutory Cultural Co-ordinator post					
<b>Summary of Savings Proposal</b>								
Cultural co-ordinator in post works 0.8 fte of which Education fund 0.4 fte and the grant is match funded by Creative Scotland/YMI.								
<u>Saving Option</u> Removal of budget to fund cultural co-ordinator post								
<u>Lead in time</u> Due to academic year, post would be removed from August.								
<b>Impact and Risk Associated with Proposed Saving</b>								
Removal of Cultural Co-ordinator in Schools provision which supports schools to develop creative projects. Part of the remit is to engage with external providers to facilitate funding for taking forward projects related to the arts, creativity and the development of Expressive Arts within Curriculum for Excellence.								
Removal of this post would mean that there would be no capacity to work with Creative Scotland and to provide culture and arts based activities for our children and young people unless schools prioritised this to enhance their core curriculum.								
The cultural co-ordinator manages the Argyll Arts Collection which includes overseeing loan agreements, press releases etc. This work would have to be picked up by other staff as would be the support with the YMI Grant which has to be evaluated and feed back to Scottish Government every year.								
<b>Current Status of Developing the Option and Next Steps</b>								
Discussions have taken place with the member of staff to outline the proposal that is in place relating to the post. Next steps, should this option be taken would be to carry out the statutory HR processes in relation to redeployment. Timescale would be to be complete by June 2023.								
<b>Saving</b>								
<b>2024-25</b>			<b>2025-26</b>			<b>2026-27</b>		
£000	FTE	H/Count	Cumulative £000	FTE	H/Count	Cumulative £000	FTE	H/Count
15	0.8	1	15	0.8	1	15	1	1



## 2023-24 BUDGET PREPARATION – SAVING OPTION

<b>HEAD OF EDUCATION</b>		<b>Ref: EDU2324-003</b>																																	
<b>Service Delivery Area</b>	Early Years																																		
<b>Saving Title</b>	Remove funding to support parent and toddler groups and other non-statutory third sector																																		
<b>Summary of Savings Proposal</b>																																			
<b><u>Background</u></b>																																			
Third Sector grants have been made available annually to both statutory and non-statutory groups.																																			
<b><u>Saving Option</u></b>																																			
Withdrawal of Third Sector Grants (unrelated to delivery of 1140hrs)																																			
This will remove grant funding used to support running costs for a number of third sector groups across all localities. None of these groups deliver statutory services for Education but do support children, young people and families.																																			
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<b><u>Lead in time</u></b>																																			
From start of financial year 2022/23																																			
<b>Impact and Risk Associated with Proposed Saving</b>																																			
The non-statutory groups and organisations may not be in a position to continue or may have to reduce services.																																			
*This group provide afterschool care for local communities. Should this budget be removed this group would have to increase costs in order to continue operating. The current access that this group has to training would still be provided.																																			
There is a risk that withdrawing this funding will lead to some of these groups closing, activities ending and the inability to support new groups.																																			

**Current Status of Developing the Option and Next Steps**

Would require consultation with groups outlined above should this option be approved.

**Saving**

<b>2023-24</b>			<b>2024-25</b>			<b>2025-26</b>		
<b>£000</b>	<b>FTE</b>	<b>H/Count</b>	<b>Cumulative £000</b>	<b>FTE</b>	<b>H/Count</b>	<b>Cumulative £000</b>	<b>FTE</b>	<b>H/Count</b>
86	0	0	86	0	0	86	0	0

## 2023-24 BUDGET PREPARATION – SAVING OPTION

<b>HEAD OF FINANCIAL SERVICES</b>	<b>Ref: FIS2324-002</b>
<b>Service Delivery Area</b>	<b>REVENUE AND BENEFITS</b>
<b>Saving Title</b>	Revenue and Benefits – Income Generation and Business Process Review
<p><b>Summary of Savings Proposal</b></p> <p>During 2022-23 the Revenue and Benefits Service undertook a Business Process Review (BPR) in conjunction with an external consultant. This proposal is the outcome from that process and combines the realigning of budgets, an organisational restructure with investment in modern apprenticeships and temporary staff designed to boost income from the billing of additional local taxes and the recovery of associated debt. In addition efficiency savings from increased productivity, increased levels of process automation and moving more customers to transact with the service over the internet will allow previously outsourced review works to be carried out internally saving money for the Council and protecting jobs.</p>	
<p><b>Impact and Risk Associated with Proposed Saving</b></p> <p>Impact:</p> <ul style="list-style-type: none"> <li>• Delay in DWP timescales for the transfer of Housing Benefit claims to Universal Credit allows the Council to realign income budgets with certainty. This allows us to budget confidently for additional income from the DWP with no associated risks.</li> <li>• Making permanent a temporary 1 FTE LGE7 Housing Benefit Overpayment Recovery Officer provides a net saving for the service given the value of the income the post generates every year.</li> <li>• Changes to the organisational structure will assist in driving improvements in efficiency and productivity across the service generating opportunities for new employees to join the service and for more experienced staff who have volunteered for redundancy to go in the years ahead. This plan sees 4FTE staff join the service in 2023/2024, 2 as Modern Apprentices, with 2.5FTE posts being redundant in 2024/2025 and 3FTE redundant in 2025/2026. These redundancies will be met by a mixture of vacant posts and staff volunteering for redundancy.</li> </ul> <p>Risks:</p> <ul style="list-style-type: none"> <li>• The current cost of living crisis continues for a significant period of time making the environment for collecting debt even more challenging than it is already. This makes some of the anticipated income recovery levels harder to achieve.</li> <li>• The new productivity targets are not embedded in the service and expected efficiencies are not realised</li> <li>• Recruitment of suitably qualified staff can be challenging at present.</li> <li>• Migration of Housing Benefit claims to Universal Credit is further delayed by the DWP beyond December 2024 and the level of automation that we hope to achieve by 2025/2026 is not realised. This would mean that the Council would need to retain Assessor staff to help it continue to fulfil its statutory duty in respect of Housing Benefit processing.</li> </ul>	

**Current Status of Developing the Option and Next Steps**

The option has been fully developed and presented to Executive Leadership Team. We are now at a stage where we have identified 64 actions for change in order to bring about the changes required across the service. Some of these will be quick and easy changes to make, others will need careful planning to introduce new policies and processes and embed changes to working practices.

The service is currently are working with its HR Business Support Manager to coordinate and plan the process for the staffing changes that will be required across the piece.

**Saving**

2023-24			2024-25			2025-26		
£000	FTE	H/Count	Cumulative £000	FTE	H/Count	Cumulative £000	FTE	H/Count
493	0	0	466	2.5	3	397	3	3

## 2023-24 BUDGET PREPARATION – SAVING OPTION

<b>HEAD OF ROADS AND INFRASTRUCTURE</b>			<b>Ref: RIS2324-001</b>					
<b>Service Delivery Area</b>			Roads - Network and Standards					
<b>Saving Title</b>			School crossing patrollers					
<b>Summary of Savings Proposal</b>								
<p>Support community and PTA groups to operate school crossing services including assessment of use of existing facilities – anecdotally there appear to be fewer children walking to school post pandemic than pre pandemic.</p> <p>Below are the listed number of School Crossing Locations which give a Head count of 20 for each area:</p> <p>Mid Argyll Kintyre &amp; Islay – 2  Oban, Lorn &amp; the Isles – 1  Helensburgh and Lomond – 14  Bute &amp; Cowal – 3</p> <p>In addition to the above there are 8 vacant posts that the Service have been unable to recruit to for some time.</p>								
<b>Impact and Risk Associated with Proposed Saving</b>								
<p>Limited take up from parent/teacher association groups (PTA) and ability to maintain a sustained interest for PTAs to self-deliver school crossing patrollers. An alternative model, should there be limited interest from the PTAs, would be to stop service.</p> <p>A limited resource would need to be retained by the council to carry out training and ensure that a compliant and safe service is maintained.</p>								
<b>Current Status of Developing the Option and Next Steps</b>								
<p>Limited progress on this option pending confirmation of political support. It is envisaged there will be some sensitivity around this activity becoming public and the next meaningful steps would require an element of public engagement in order to make meaningful progress.</p>								
<b>Saving</b>								
<b>2023-24</b>			<b>2024-25</b>			<b>2025-26</b>		
£000	FTE	H/Count	Cumulative £000	FTE	H/Count	Cumulative £000	FTE	H/Count
88	8.4	20	151	8.4	20	151	8.4	20

APPENDIX 7  
SERVICE SUMMARY OF BUDGET POSITION 2023-24

Department	Service	2022-23 Budget	Other Base Budget Adjustments	Settlement Commitments	Updated Base Budget	Employee Budget Changes	Non-Pay Inflation - Inescapable	Cost and Demand Pressures	Live Argyll Management Fee Adjustment	Measures to Balance the Budget	Social Work Pressures Absorbed by HSCP	2023-24 Draft Budget
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Council Departments:</b>												
Chief Executive's Unit	Chief Executive	894	15	0	909	29	0	0	0	0	0	938
Chief Executive's Unit	Head of Financial Services	5,126	177	(199)	5,104	294	51	322	0	(187)	0	5,584
Executive Director (Douglas Hendry)	Executive Director (Douglas Hendry)	(61)	4	0	(57)	98	0	0	0	0	0	41
Executive Director (Douglas Hendry)	Head of Commercial Services	9,688	536	0	10,224	549	844	361	(241)	(125)	0	11,612
Executive Director (Douglas Hendry)	Head of Education	93,810	2,808	(248)	96,370	2,582	978	(30)	0	(803)	0	99,097
Executive Director (Douglas Hendry)	Head of Legal and Regulatory Support	18,845	958	0	19,803	80	982	0	0	(4,841)	0	16,024
Executive Director (Kirsty Flanagan)	Executive Director (Kirsty Flanagan)	(270)	3	0	(267)	9	0	0	0	0	0	(258)
Executive Director (Kirsty Flanagan)	Head of Customer Support Services	8,132	275	0	8,407	332	88	216	0	(242)	0	8,801
Executive Director (Kirsty Flanagan)	Head of Development and Economic Growth	7,649	249	75	7,973	303	30	20	0	(432)	0	7,894
Executive Director (Kirsty Flanagan)	Head of Roads and Infrastructure Services	29,167	984	0	30,151	823	1,103	1,093	0	(1,159)	0	32,011
<b>Non Departmental:</b>												
Joint Boards	Joint Boards	1,496	0	0	1,496	0	0	0	0	0	0	1,496
Other Operating Income & Expenditure	Elected Members	1,172	(6)	0	1,166	94	0	0	0	0	0	1,260
Other Operating Income & Expenditure	Sundry Services	878	7	0	885	(7)	117	1,443	0	(100)	0	2,338
Other Operating Income & Expenditure	Unfunded Pensions	1,554	0	0	1,554	0	0	0	0	0	0	1,554
<b>Non Controllable Costs:</b>												
Insurances		1,192	0	0	1,192	0	162	414	0	0	0	1,768
Non Domestic Rates		4,301	200	0	4,501	0	0	590	0	0	0	5,091
Apprenticeship Levy (Council)		527	0	0	527	18	0	0	0	0	0	545
Capital Charges (loans charges)		12,060	750	0	12,810	0	0	0	0	(685)	0	12,125
<b>COUNCIL TOTAL</b>		<b>196,160</b>	<b>6,960</b>	<b>(372)</b>	<b>202,748</b>	<b>5,204</b>	<b>4,355</b>	<b>4,429</b>	<b>(241)</b>	<b>(8,574)</b>	<b>0</b>	<b>207,921</b>
<b>Health and Social Care Partnership:</b>												
Social Work	Chief Officer	1,942	(505)	1,847	3,284	(143)	0	7,741	0	0	(8,838)	2,044
Social Work	Acute and Complex Care	17,748	181	0	17,929	182	0	0	0	0	0	18,111
Social Work	Children & Families	15,394	503	438	16,335	448	0	0	0	0	0	16,783
Social Work	Health and Community Care	37,505	715	14	38,234	599	0	0	0	0	0	38,833
Social Work	Strategic Planning and Performance	453	19	0	472	10	0	0	0	0	0	482
<b>SOCIAL WORK TOTAL</b>		<b>73,042</b>	<b>913</b>	<b>2,299</b>	<b>76,254</b>	<b>1,096</b>	<b>0</b>	<b>7,741</b>	<b>0</b>	<b>0</b>	<b>(8,838)</b>	<b>76,253</b>
Rounding												4
<b>TOTAL</b>		<b>269,202</b>	<b>7,873</b>	<b>1,927</b>	<b>279,002</b>	<b>6,300</b>	<b>4,355</b>	<b>12,170</b>	<b>(241)</b>	<b>(8,574)</b>	<b>(8,838)</b>	<b>284,178</b>
<b>Funding:</b>												
Scottish Government Funding												223,741
Council Tax Income (Includes part of saving - FIS2324-002)												58,901
Utilisation of Capital Funds (Saving - MGT2)												1,536
<b>OVERALL FUNDING SURPLUS / (GAP)</b>												<b>0</b>

## FUNDING REQUESTS

### 1. Introduction

- 1.1 Three funding requests have been received to be considered as part of the Budget as outlined below.

### 2. CHARTS

- 2.1 CHARTS are requesting £75,000 from Argyll and Bute Council to fund a delivery plan which has been designed to build resilience and profile across the region's culture, heritage and arts sector.

- 2.2. In 2021-22 the Council awarded emergency funding (£67,000) to allow the organisation to stabilise, develop its organisational structure and strengthen its operations. In 2022-23 a further £75,000 was provided which levered an additional £317,000 of external funding with potential for further project income before the end of the year. This demonstrates the significant return on Council investment that has enabled CHARTS to continue its successful project delivery and fundraising initiatives. The request in 2023-24 will help to build on these successes with the aim of developing networks that regenerate the cultural economy.

- 2.3 In addition, Creative Scotland were expected to have released their three year funding programme however this has been delayed again and their newly announced two year funding programme to address this vacuum has not been launched.

- 2.4 The request is for 1 year of funding at £75,000. Members are asked to give consideration to this request and how it would be funded.

### 3. Mid Argyll Community Pool (MACPool)

- 3.1 MACPool's funding request from Argyll and Bute Council is two-fold:

- £30,000 in addition to the 2023-24 Service Level Agreement (SLA) payment to address unprecedented utility and property repairs.
- A three year commitment of SLA funding.

- 3.2 MACPool supports 600 swimmers per week to learn to swim, for recreation, to keep active and to aid recovery from injury or illness.

- 3.3 A SLA is currently in place with MACPool and the Council currently contribute approximately £70,000 per annum to support the running of the facility. This payment is increased by RPI each year which for 2023-24 is estimated to be £9,000. MACPool are advised whether they will receive this funding in March each year and notified of the value at that time which makes it difficult to plan, budget or show other potential funders that they are a going concern. The

request is that this is committed for three years on the same terms as it is currently operated.

- 3.4 It is predicted in 2023-24 the facility will have an operating deficit of over £60,000 principally due to unprecedented rises in utility and other property related costs. A plan is in place to mitigate this deficit and in 2022 they have upgraded their site, improving, enhancing and modernising its facilities to ensure they can adapt and support our community for years to come – as well as maximising income. The £30,000, in addition to the SLA payment, will in part address the forecast shortfall and Council will continue to support MACPool access public sector or Third Sector frameworks for purchasing utilities during 2023-24.
- 3.3 The request is for 1 year of funding at £30,000, in addition to the SLA payment, and a three year SLA including a RPI increase each year. Members are asked to give consideration to this request and how it would be funded.

**4. Mactaggart Leisure Centre, Islay**

- 4.1 Mactaggart Leisure Centre are requesting £30,000 from Argyll and Bute Council to support ongoing rises in utility costs.
- 4.2 Mactaggart Leisure Centre facilities include a swimming pool, gym, sauna and activity room. Their activities rely on high usage of utilities therefore they have faced significant inflationary increases over the last 2 years which has put pressure on their ability to operate.
- 4.3 The request is for 1 year of funding at £30,000.



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**ARGYLL AND BUTE COUNCIL****COUNCIL****FINANCIAL SERVICES****23 FEBRUARY 2023**

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**SERVICE CONCESSION FLEXIBILITY – ACCOUNTING CHANGE PROPOSAL**

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**1. INTRODUCTION**

- 1.1 This purpose of this report is to detail a proposed change to the accounting treatment of the Council's School PPP (Service Concession) contracts following the issuing of revised accounting guidance by Scottish Government contained in Local Government Finance Circular 10/2022.
- 1.2 As part of supporting the additional costs that arose during COVID, in 2020 the Scottish Government considered a financial flexibility that would allow councils to undertake internal accounting changes that extend the period over which the principal repayment of the unitary charge can be made which results in a one-off retrospective benefit to the Council and ongoing annual savings up to the end of the original contract period. In the remaining years following the end of the contract period, rescheduled debt repayments continue until the debt liability has been extinguished.
- 1.3 This financial flexibility was considered for some time by Scottish Government and officers have now developed a proposal based on Local Government Finance Circular 10/2022 issued on 6 September 2022 and the details are contained within the body of the report along with the potential financial implications. Whilst in the medium term financial gains are significant and are very welcome in the context of financial challenges facing the Council, it is important that Members consider the longer term implications and recognise that the use of the one-off retrospective benefit released by this proposal needs to be carefully considered. The guidance is clear that any proposal requires approval by full Council.

**2. DETAIL**

- 2.1 The Council have two school service concession contracts for the build of seven schools. The NPDO schools contract was entered into on 30/09/2006 at £88.432m repayable over a period of 30 years and the DBFM schools contract created on 30/09/2016 at £60.927m repayable over a period of 25 years.
- 2.2 The Council pays an annual sum called the unitary charge which covers the capital costs of the buildings, facility management costs, cyclical repairs, financing costs and a number of other costs such as insurance.
- 2.3 The PPP contracts are viewed as service concession arrangements which have specific accounting requirements. As part of the discussions between the Scottish Government and COSLA in 2020, during the early days of the COVID pandemic, it was agreed to investigate whether the accounting for service concessions could be reviewed in order to better reflect the expected life of the

asset created which could generate a potential one-off and/or recurring sum to be used to mitigate the impact of COVID on Council budgets.

- 2.4 Scottish Government took some time to agree the flexibility and Members have been kept informed over the last two years, however, Finance Circular 10/2022 was issued on 6 September 2022 that allows the flexibility to be implemented in either 2022-23 or 2023-24. The flexibility must be applied to all service concession arrangements in line with the key accounting principle of consistency with the exception of such arrangements where the contract will expire within five years.
- 2.5 In terms of the requirements of Finance Circular 10/2022, the Council will need to show that the financial implications for the change are affordable, sustainable and prudent over the life of the asset and explain the basis for the accounting change. The proposal must also be agreed by full Council.
- 2.6 Advice and support has been sourced from the Council's treasury advisors, The Link Group and also via the Directors of Finance Section.
- 2.7 It is proposed that rather than reflecting the repayment of the capital investment in building the schools over the 25 and 30 years of the PPP contracts, the Council now account for this over a 60 year period. This reflects the repayment period for new build schools as laid down in the Councils Treasury Strategy and officers have confirmed this with our Estates team who are comfortable with assuming a 60 year life for the schools.
- 2.8 In line with the current approved policy in relation to Loans Fund principal repayments, it is proposed that the 60 year repayment is made on an annuity basis. Calculation of the debt liability repayments using the annuity method is considered a prudent approach as it reflects the time value of money as well as providing a charge that is better matched to how the benefits of the asset financed by borrowing are consumed over its useful life. That is, a method that reflects the fact that asset deterioration is slower in the early years of an asset and accelerates towards the latter years.
- 2.9 The principal repayments from the start of the contract period up to and including 2022-23 total £38.144m. Based on the proposed 60 year annuity repayment the principal repayments would have been £2.106m by 31 March 2023. This creates a one-off retrospective benefit to be transferred to reserves of £36.038m. Due to the extension of the repayment period, there is also a revenue saving each year to the end of the contract period. The amount saved each year varies from year to year due to the nature of the principal repayments profile. The revenue saving for 2023-24 is included within the policy savings in the revenue budget overview report. There will be a continuing revenue requirement to repay the principal beyond the life of the contracts. Whilst there will be ongoing revenue costs to run the building at the end of the contract period, there will be capacity within the unitary charge budget to cover the principal repayments. The calculation is summarised below and a more detailed calculation is provided in Appendix 1.

PPP principal repayments	Total of PPP schemes			
	Current position	Principal repayments based on simple 60 year annuity		
	Current repayment £000	Revised repayment £000	(Reduction) /cost £000	NPV 3.5% £000
pre 2023/24	38,144	2,106	(36,038)	(36,038)
2023/24	5,232	401	(4,831)	(4,668)
Yrs 2 to 5	23,420	1,887	(21,533)	(19,038)
Yrs 6 to 10	39,546	3,180	(36,366)	(27,526)
Yrs 11 to 25	43,017	20,326	(22,691)	(15,546)
Yrs 26 to 40		66,347	66,347	20,461
Yrs 41 to 50		39,901	39,901	8,891
Yrs 51 to 60		15,211	15,211	2,408
<b>Total</b>	<b>149,359</b>	<b>149,359</b>		<b>(71,057)</b>

- 2.10 What can be seen from the table above is that the current repayment charged to the revenue account is £149.359m (column 1). The revised repayment demonstrates that the total cost remains at £149.359m but as this is now spread over a longer period time (the asset life) the annual cost is reduced in years 1 to 25 which results in a cost reduction (column 3). Over the full life of the service concession arrangements, the total repayment for the debt liability remains the same, however, when a Net Present Value (NPV) is applied, the re-profiled charges would result in an overall reduction in NPV terms of £71.057m.
- 2.11 It is important that the Council understand that this is purely an accounting adjustment. The Council will continue to pay the contractor over the term of the contract. The one-off benefit that is generated will represent a “non-cash” increase in the Council’s reserves and the use of the benefit will require to be managed through the Council’s Treasury Management approach and the exiting cash flow management arrangements. This may result in increased borrowing costs as interest will be incurred, however, there are many other factors which influence treasury management activities and cash flow such as levels of slippage, grant profiles and expenditure patterns. Therefore, this requirement to borrow will be managed in totality and the working assumption is that any additional costs can be met from the existing Loans Fund budget.
- 2.12 The approach proposed in relation to service concessions demonstrates that implementing the Service Concessions guidance is:
- Affordable** – ongoing costs of repaying debt after the end of the PPP contract are affordable from the remaining PPP budget. The use of the non-cash reserves can be managed within the overall Treasury Management Strategy and cash flow management.
- Sustainable** – the loans charges budget can be maintained at current levels.

**Prudent** – the approach better matches the cost of repaying debt to the useful life of the asset and the one-off retrospective benefit will assist in dealing with some short to medium term pressures.

- 2.13 At the Council's budget meeting on 25 February 2021, the Council agreed the following: "Approves that the Council exercises the principal repayment holiday flexibility to make £5.4m available to be directed towards COVID revenue and capital costs but that the use of this flexibility be replaced by the credit arrangements financial flexibility if the Scottish Government give permission for the repayment arrangements to be made on an annuity basis. If this is the case a report will be brought back to the full Council for determination."
- 2.14 The Council were due to take the principal repayment holiday flexibility within financial year 2022-23, however, now that the service concessions flexibility has been made available, the holiday will not be taken. The principal repayment holiday valued at £5.4m has already been accounted for in the Council's budget. The decision of the Council means that £5.4m of the one-off retrospective benefit should now replace the need to exercise the principal repayment holiday. This also removes the revenue cost pressure that would be created over the next 20 years by taking this repayment holiday.
- 2.15 The Council needs to consider carefully how to use the remaining service concessions one-off retrospective benefit. The Council should consider directing some to the capital pressures that are facing the Council, in addition to investing in options/projects that will provide the opportunity to create a revenue saving in the future.

### **3. CONCLUSION**

- 3.1 The Service Concession Flexibility has now been agreed by Scottish Government and allows councils to undertake internal accounting changes that extend the period over which the principal repayment of the unitary charge can be made which results in a one-off retrospective benefit to the Council and ongoing annual savings over a period of time. In the remaining years following the end of the contract payment, rescheduled debt repayments continue until the debt liability has been extinguished.
- 3.2 Based on a 60 year repayment period and exercising this flexibility within financial year 2023-24 the one-off retrospective benefit will be £36.038m with a saving in 2023-24 of £4.831m.
- 3.3 The Council agreed to use the service concessions flexibility in preference to the principal repayment holiday, but as the principal repayment holiday has already been accounted for as part of the current year budget, £5.4m of the one-off retrospective benefit will require to be used to replace the principal repayment holiday.
- 3.4 The Council needs to consider carefully how to use the remaining service concessions one-off retrospective benefit. The Council should consider directing some to the capital pressures that are facing the Council, in addition to

investing in options/projects that will provide the opportunity to create a revenue saving in the future.

#### **4. IMPLICATIONS**

- 4.1 Policy – The repayment of the principal over 60 years is in line with the Council's Treasury Strategy.
- 4.2 Financial – The report outlines a one-off retrospective benefit of £35.926m together with revenue savings in the short to medium term.
- 4.3 Legal – None.
- 4.4 HR – None.
- 4.5 Fairer Scotland Duty – See below
  - 4.5.1 Equalities – Equality and Socio-Economic Impact Assessment has been carried out and there are no significant potential positive or negative quality impacts.
  - 4.5.2 Socio Economic Duty - Equality and Socio-Economic Impact Assessment has been carried out and there are no significant potential positive or negative quality impacts.
  - 4.5.3 Islands Duty - Equality and Socio-Economic Impact Assessment has been carried out and there are no significant potential positive or negative quality impacts.
- 4.6 Climate Change – None.
- 4.7 Risk – There is a risk that extending the debt repayment period that appropriate funds will not be in place to meet the extension of the debt repayments. This is mitigated by retaining the budget in place beyond the period of the contract.
- 4.8 Customer Service – None.

**Kirsty Flanagan**  
**Executive Director /Section 95 Officer**  
**9 February 2022**

**Policy Lead for Finance and Commercial Services: Councillor Gary Mulvaney**

**Appendix 1 – Total Proposed Rescheduling Model**

		DBFM (2019/20, £61m, 24 years)				NPDO (2006/07, £88m, 29 years)					
		Current position	Principal repayments based on simple 60 year annuity @ 4.493%			Current position	Principal repayments based on simple 60 year annuity @ 9.948%				
Year	PPP principal repayments	Current repayment £000	Revised repayment £000	(Reduction) /cost £000	NPV 3.5% £000	Current repayment £000	Revised repayment £000	(Reduction) /cost £000	NPV 3.5% £000	Total (reduction) /cost £000	Total NPV £000
0	pre 2023/24	9,050	903	(8,147)	(8,147)	29,094	1,203	(27,890)	(27,890)	(36,038)	(36,038)
1	2023/24	1,970	252	(1,718)	(1,660)	3,262	150	(3,113)	(3,008)	(4,831)	(4,668)
2	2024/25	1,990	263	(1,727)	(1,613)	3,298	164	(3,134)	(2,925)	(4,861)	(4,538)
3	2025/26	2,025	275	(1,750)	(1,579)	3,459	181	(3,278)	(2,957)	(5,028)	(4,535)
4	2026/27	2,093	287	(1,806)	(1,574)	3,897	199	(3,698)	(3,223)	(5,504)	(4,796)
5	2027/28	2,163	300	(1,863)	(1,568)	4,496	219	(4,277)	(3,601)	(6,140)	(5,169)
6	2028/29	2,138	313	(1,825)	(1,484)	5,025	240	(4,785)	(3,892)	(6,609)	(5,377)
7	2029/30	2,036	328	(1,708)	(1,342)	5,279	264	(5,015)	(3,942)	(6,723)	(5,284)
8	2030/31	2,005	342	(1,663)	(1,263)	5,534	290	(5,244)	(3,982)	(6,906)	(5,245)
9	2031/32	2,169	358	(1,811)	(1,329)	6,075	319	(5,756)	(4,223)	(7,567)	(5,552)
10	2032/33	2,375	374	(2,001)	(1,419)	6,910	351	(6,559)	(4,650)	(8,560)	(6,069)
11	2033/34	2,473	390	(2,082)	(1,426)	7,861	386	(7,475)	(5,120)	(9,557)	(6,546)
12	2034/35	2,498	408	(2,090)	(1,383)	4,241	424	(3,817)	(2,526)	(5,907)	(3,909)
13	2035/36	2,576	426	(2,150)	(1,374)		467	467	298	(1,683)	(1,076)
14	2036/37	2,688	446	(2,243)	(1,385)		513	513	317	(1,730)	(1,069)
15	2037/38	2,822	466	(2,357)	(1,407)		564	564	337	(1,793)	(1,070)
16	2038/39	2,988	486	(2,502)	(1,443)		620	620	358	(1,882)	(1,085)
17	2039/40	3,213	508	(2,704)	(1,507)		682	682	380	(2,023)	(1,127)
18	2040/41	3,567	531	(3,036)	(1,635)		750	750	404	(2,286)	(1,231)
19	2041/42	4,105	555	(3,550)	(1,847)		824	824	429	(2,726)	(1,418)
20	2042/43	3,983	580	(3,403)	(1,710)		906	906	455	(2,497)	(1,255)
21	2043/44		606	606	294		997	997	484	1,603	778
22	2044/45		633	633	297		1,096	1,096	514	1,729	811
23	2045/46		662	662	300		1,205	1,205	546	1,866	846
24	2046/47		691	691	303		1,324	1,324	580	2,016	883
25	2047/48		722	722	306		1,456	1,456	616	2,179	922
26	2048/49		755	755	309		1,601	1,601	655	2,356	963
27	2049/50		789	789	312		1,760	1,760	695	2,549	1,007
28	2050/51		824	824	315		1,936	1,936	739	2,760	1,053
29	2051/52		861	861	318		2,128	2,128	785	2,989	1,102
30	2052/53		900	900	321		2,340	2,340	834	3,240	1,154

		DBFM (2019/20, £61m, 24 years)				NPDO (2006/07, £88m, 29 years)					
		Current position	Principal repayments based on simple 60 year annuity @ 4.493%			Current position	Principal repayments based on simple 60 year annuity @ 9.948%				
Year	PPP principal repayments	Current repayment £000	Revised repayment £000	(Reduction) /cost £000	NPV 3.5% £000	Current repayment £000	Revised repayment £000	(Reduction) /cost £000	NPV 3.5% £000	Total (reduction) /cost £000	Total NPV £000
31	2053/54		940	940	324		2,573	2,573	886	3,513	1,209
32	2054/55		983	983	327		2,829	2,829	941	3,811	1,268
33	2055/56		1,027	1,027	330		3,110	3,110	999	4,137	1,329
34	2056/57		1,073	1,073	333		3,419	3,419	1,062	4,492	1,395
35	2057/58		1,121	1,121	336		3,760	3,760	1,128	4,881	1,464
36	2058/59		1,172	1,172	340		4,134	4,134	1,198	5,305	1,538
37	2059/60		1,224	1,224	343		4,545	4,545	1,273	5,769	1,615
38	2060/61		1,279	1,279	346		4,997	4,997	1,352	6,276	1,698
39	2061/62		1,337	1,337	349		5,494	5,494	1,436	6,831	1,786
40	2062/63		1,397	1,397	353		6,041	6,041	1,526	7,437	1,878
41	2063/64		1,459	1,459	356		6,642	6,642	1,621	8,101	1,977
42	2064/65		1,525	1,525	360		7,302	7,302	1,722	8,827	2,081
43	2065/66		1,594	1,594	363		8,029	8,029	1,829	9,622	2,192
44	2066/67		1,665	1,665	367					1,665	367
45	2067/68		1,740	1,740	370					1,740	370
46	2068/69		1,818	1,818	374					1,818	374
47	2069/70		1,900	1,900	377					1,900	377
48	2070/71		1,985	1,985	381					1,985	381
49	2071/72		2,074	2,074	384					2,074	384
50	2072/73		2,168	2,168	388					2,168	388
51	2073/74		2,265	2,265	392					2,265	392
52	2074/75		2,367	2,367	396					2,367	396
53	2075/76		2,473	2,473	399					2,473	399
54	2076/77		2,584	2,584	403					2,584	403
55	2077/78		2,700	2,700	407					2,700	407
56	2078/79		2,822	2,822	411					2,822	411
57	2079/80										
58	2080/81										
59	2081/82										
60	2082/83										
	<b>Total</b>	<b>60,927</b>	<b>60,927</b>		<b>(25,514)</b>	<b>88,432</b>	<b>88,432</b>		<b>(45,544)</b>		<b>(71,057)</b>

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**REVENUE BUDGET 2023-24**  
**FEES AND CHARGES**

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**1 EXECUTIVE SUMMARY**

- 1.1 This report provides Members with information in relation to fees and charges for 2023-24.
- 1.2 The Council raises fees and charges for a number of services it delivers and a review of the level of fees and charges is carried out each year.
- 1.3 The general increase to fees and charges is proposed at 6% for 2023-24. A 3% increase was applied each year between 2017-18 and 2022-23.
- 1.4 There are some exceptions to the general inflationary increase which are outlined within the report at paragraph 3.2.2. There are also charges where no inflationary increase has been applied, noted in paragraph 3.5 and charges where the rate is set by others, noted in paragraph 3.6. All fees and charges are included within the attached schedule of charges. The total of the general inflationary increase plus the exceptions would equate to additional income of £0.838m.
- 1.5 The proposed 5% additional increase over and above the general inflationary increase on piers and harbours is estimated to generate additional income of £0.419m which will be ring fenced to fund asset improvements. These charges were recommended at the Special Harbour Board of 22nd December 2022.
- 1.6 New fees and charges which are being introduced for 2023-24 are itemised in section 4.
- Funeral Service Charges
  - Ferry Services - Easdale freight (domestic & commercial)
- 1.7 All fees and charges are included within the attached schedule of charges with the exception of Kintyre Care Centre which is being evaluated and will follow at a later date.

**REVENUE BUDGET 2023-24**  
**FEES AND CHARGES**

**2. INTRODUCTION**

2.1 This report provides Members with information in relation to fees and charges for 2023-24.

**3. DETAIL**

3.1 The Council raises fees and charges for a number of services it delivers and a review of the level of fees and charges is carried out each year. The appendix to this report contains the full list of fees and charges for each service and the following paragraphs summarise the main changes.

**3.2 General Inflationary Increase**

3.2.1 The general increase to fees and charges is proposed at 6% for 2023-24. A 3% increase was applied each year between 2017-18 and 2022-23. In some cases fees and charges are rounded up or down and that gives a variation from the simple 6%. For some smaller charges, the rounding effect may mean that the charge remains the same.

3.2.2 There are a few exceptions to the standard inflationary increases and these are noted in the table below:

<b>Description</b>	<b>Increase</b>	<b>Reason for Increase</b>
Local Authority Residential Care Provision (Community Care) Weekly charge	10%	Charge has been right-sized to reflect budgeted costs.
Non - Residential Services – excluding Sleepover Service	9%	Rate increase reflects anticipated change in base to match Scottish Living Wage (SLW) which is a Scottish Government requirement from 2018/19 onwards as well as the impact of inflation on non-payroll costs.
Pest Control	21%	To reflect increased material costs.

3.2.3 The total impact of the general inflationary increases and those in the table above equates to an increase in income of £0.838m.

### **3.3 Piers and Harbours**

3.3.1 Harbour Fees are proposed to be increased by a total of 11%. This 11% increase is split between a 6% general inflationary increase and additional 5% which will be ring-fenced to fund asset improvement and sustainability within the piers and harbours. This additional increase over and above the general inflationary increase is estimated to generate additional income of £0.419m.

### **3.4 Social Work Charges**

3.4.1 The 2023-24 Social Work Fees and Charges schedule was presented to and endorsed by the IJB at its meeting on 25 January 2023. All Social Work fees and charges are included within the attached schedule of charges with the exception of Kintyre Care Centre which is being evaluated and will follow at a later date. There are no other changes proposed to the Social Work charging policies for 2023-24.

### **3.5 No Inflationary Increase**

3.5.1 There are a number of fees where no inflationary increase has been applied. These are:

- Homeless Temporary Accommodation – only the service charge is subject to inflation because the rate is linked to the Local Housing Allowance to keep them affordable.
- Public Convenience entrance fee – these are only reviewed periodically and no increase is proposed in 2023-24. The Council previously decided to raise the fee from 30p to 50p in line with other chargeable publically accessible toilets across Scotland, at the same time as agreeing a project to reinstate defunct charging infrastructure at some sites and introduce charges at new sites. We are about to award a contract for these works and it is felt that since the “new” charge of 50p has not been implemented due do the lack of charging infrastructure it would be unreasonable to increase the charge at this time. .
- Blue Badges - current charge is the maximum allowed.
- Licences – fees set for 3 years as of May 2021 as part of the Triennial review.
- Parking – as per recommendation in the Council’s review of TRO arrangements. Argyll and Bute Council are currently carrying out an external parking review with AECOM. We expect the review findings to be sent to Roads and Infrastructure Services by end of February 2023.
- Helensburgh Civic Centre Events - the hire rate needs to be benchmarked and charged in line with other hall hires in the Helensburgh and Lomond area to remain competitive. There is a risk that any rise in charge beyond those of similar facilities in the area would result in community groups and other hirers opting to use alternative venues, which would result in a loss of income to the Council rather than an increase.
- School meals income (refer to paragraph 3.5.2)

3.5.2 Members are asked to consider a recommendation from officers that the charges for school meals are not increased in 2023-24. The recommendation is based on the factors noted in paragraphs 3.5.3 and 3.5.4 below.

3.5.3 A 6% increase in school meal charges could equate to a net increase in income of around £0.050m after adjusting for the expected reduction in meal demand, resulting from the price rise, on income and meal cost levels. The expected reduction in demand for meals is based on a demand modelling exercise completed prior to the COVID pandemic which suggested an increase in charges would encourage children and parents to seek alternative sources of food leading to a reduction in demand of around 3.7%, equivalent to 21,000 fewer meals per annum.

3.5.4 Whilst a net increase income of £0.050m would be welcome from a financial perspective, there are non-financial factors which officers have taken into account in their assessment which they consider outweigh the financial benefits to the Council from an increase in the school meals charges which are:

- The financial impact on families of additional school lunch costs would compound the financial difficulties which many families are already having to cope with in the current financial crisis. Families may opt to continue to buy the more expensive meals and look at other areas of their expenditure to cut back on to balance their household budgets or they might seek alternative lower cost, less healthy and less nutritional meal options elsewhere. Either option is highly likely to be detrimental to the overall health and wellbeing of pupils and their families; and
- The Council has a statutory duty under the Schools (Health Promotion and Nutrition) (Scotland) Act 2007 to promote nutrition with school meals provision being a key element of the Council's efforts to ensure that all children have at least one nutritious meal per day. Local research on demand modelling shows that an increase in school meal charges will, most likely, reduce school demand, The result would be fewer children having a nutritious school meal which would be counterproductive to the Council satisfying its statutory obligation.

## **3.6 Fees set by Others**

3.6.1 There are also a number of services where the charges are advised by others and therefore, at present, have not been inflated or an estimated inflation rate has been applied:

- Registrars Fees - these are set by the Registrar General and the last fees were set in May 2022.
- Removal of abandoned car – this charge is set by legislation.
- Petrol Storage Certificate
- Explosives/Fireworks License and Registration
- Private Water Supplies
- Landfill Tax
- Roads Inspection charges, set by Roads Authority and Utility Committee (Scotland).

- Penalty Charges notices set by the Scottish Government.
- Private Landlord Registration Fees set by the Scottish Government.
- Inter-Authority Substitute Family Care Placements

### 3.7 **Suspension of Charges**

3.7.1 It should be noted that as agreed at the February 2022 budget meeting, off-street parking charges will be suspended for the two-week period prior to Christmas Day, to encourage residents to support local shops in the lead-up to Christmas, noting that in 2023 this will be from 9th to 24th of December inclusive.

## 4. **New Fees and Charges**

4.1 The 2023-24 budget proposals include new fees and charges for the following;

- Funeral Ceremonies - Monday to Friday - £180.00
- Funeral Ceremonies – Saturday - £300.00
- Cremation Services – Access to undertake Live Streaming - £25.00
- Easdale freight (domestic & commercial) - half boat load - £14.00
- Easdale freight (domestic & commercial) - full boat load - £27.00

## 5. **CONCLUSION**

5.1 The general inflationary increase would equate to additional income of £0.838m in 2023-24. All other fee increases agreed as part of previous budgets have been accounted for within the base budget or as part of the previously agreed savings amount.

5.2 The additional increase applied to fees and charges in respect of Piers and Harbours to fund the Asset Management plan would equate to an additional £0.419m.

## 6. **IMPLICATIONS**

6.1 Policy – Outlines the proposed increases to fees and charges for 2023-24.

6.2 Financial - Outlines the increased income as a result of changes to fees and charges.

6.3 Legal – None.

6.4 HR – None.

6.5 Fairer Scotland Duty: See below

6.5.1 Equalities – Mainly inflationary increases therefore limited impact.

6.5.2 Socio-Economic Duty - Mainly inflationary increases therefore limited impact.

6.5.3 Islands Duty - Mainly inflationary increases therefore limited impact.

6.6 Climate Change – None

6.7 Risk – Minimal risk.

6.8 Customer Service - Minimal risk in respect of the inflationary increases.

**Kirsty Flanagan**  
**Executive Director/Section 95 Officer**  
**9 February 2023**

**Policy Lead for Finance and Commercial Services: Councillor Gary Mulvaney**

Appendix 1 – Schedule of Fees and Charges

For further information contact Anne Blue, Head of Financial Services  
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## Fees and Charges for 2023-24

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Description	Other	2022-23				2023-24				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>SOCIAL WORK</b>												
Local Authority Residential Care Provision (Community Care) Weekly Charge		1,514.67	Outwith the Scope	0.00	1,514.67	1,660.78	Outwith the Scope	0.00	1,660.78	146.11	10%	
Non - Residential Services - Lunch Clubs - per meal		4.80	Outwith the Scope	0.00	4.80	5.10	Outwith the Scope	0.00	5.10	0.30	6%	
Non - Residential Services - Telecare - Community Alarms - per week		5.75	Outwith the Scope	0.00	5.75	6.10	Outwith the Scope	0.00	6.10	0.35	6%	
Non - Residential Services - Telecare - Care Assist System - per week		4.90	Outwith the Scope	0.00	4.90	5.20	Outwith the Scope	0.00	5.20	0.30	6%	
Non - Residential Services - Telecare - Mobile Devices and Monitoring - per week		2.75	Outwith the Scope	0.00	2.75	2.90	Outwith the Scope	0.00	2.90	0.15	5%	
Non - Residential Services - Telecare - Canary System - per week		2.15	Outwith the Scope	0.00	2.15	2.25	Outwith the Scope	0.00	2.25	0.10	5%	
Non - Residential Services - Home Help - hourly rate		21.48	Outwith the Scope	0.00	21.48	23.40	Outwith the Scope	0.00	23.40	1.92	9%	Adjusted to reflect estimated changes in staff pay from April 2023.
Non - Residential Services - Housing Support - hourly rate		21.48	Outwith the Scope	0.00	21.48	23.40	Outwith the Scope	0.00	23.40	1.92	9%	Adjusted to reflect estimated changes in staff pay from April 2023.
Non - Residential Services - Employment Support - hourly rate		21.48	Outwith the Scope	0.00	21.48	23.40	Outwith the Scope	0.00	23.40	1.92	9%	Adjusted to reflect estimated changes in staff pay from April 2023.
Non - Residential Services -Sleepover Service - per night		119.88	Outwith the Scope	0.00	119.88	127.44	Outwith the Scope	0.00	127.44	7.56	6%	Adjusted to reflect estimated changes in staff pay from April 2023 and the 1.25% reduction in Employer's National Insurance Contributions from April 2023.
Non - Residential Services -Transport - per day		3.02	Outwith the Scope	0.00	3.02	3.20	Outwith the Scope	0.00	3.20	0.18	6%	Adjusted to be divisible by 2 to enable one-way charging
Non - Residential Services -Elderly Day Care - hourly rate		9.64	Outwith the Scope	0.00	9.64	10.20	Outwith the Scope	0.00	10.20	0.56	6%	Adjusted to be divisible by 4 to reflect quarter hour visits
Non - Residential Services -Learning Disability Resource Centre Service - hourly rate		25.48	Outwith the Scope	0.00	25.48	27.00	Outwith the Scope	0.00	27.00	1.52	6%	Adjusted to be divisible by 4 to reflect quarter hour visits
Provision of Occupational Therapy Consultation - Per assessment/consultation		267.23	Outwith the Scope	0.00	267.23	283.30	Outwith the Scope	0.00	283.30	16.07	6%	
Provision of Professional Services - Per Community Care Assessment/ Consultation		669.84	Outwith the Scope	0.00	669.84	710.00	Outwith the Scope	0.00	710.00	40.16	6%	
Provision of Professional Services - Full needs assessment only		508.55	Outwith the Scope	0.00	508.55	539.10	Outwith the Scope	0.00	539.10	30.55	6%	
Provision of Professional Services - Needs Review only		185.99	Outwith the Scope	0.00	185.99	197.10	Outwith the Scope	0.00	197.10	11.11	6%	
Children & Families - Local Authority Residential Care Provision: Dunclutha (weekly charge)		2,158.13	Outwith the Scope	0.00	2,158.13	2,285.08	Outwith the Scope	0.00	2,285.08	126.95	6%	Charge levied to other HSCPs/Councils buying places from Argyll and Bute.
Children & Families - Local Authority Residential Care Provision: Shellach View (weekly Charge)		2,126.74	Outwith the Scope	0.00	2,126.74	2,300.88	Outwith the Scope	0.00	2,300.88	174.14	8%	Charge levied to other HSCPs/Councils buying places from Argyll and Bute.
Children & Families - Local Authority Residential Care Provision: Helensburgh (weekly Charge)		2,083.95	Outwith the Scope	0.00	2,083.95	2,223.04	Outwith the Scope	0.00	2,223.04	139.09	7%	Charge levied to other HSCPs/Councils buying places from Argyll and Bute.
Children & Families - Other Charges - Inter Country Adoptions		7,021.38	Outwith the Scope	0.00	7,021.38	7,442.70	Outwith the Scope	0.00	7,442.70	421.32	6%	
Inter-Authority Substitute Family Care Placements: Within Scotland	In line with British Association of Adoption and Fostering (BAAF) recommended figures		Outwith the Scope				Outwith the Scope					In line with British Association of Adoption and Fostering (BAAF) recommended figures.
Inter-Authority Substitute Family Care Placements: Elsewhere - 1 child	In line with British Association of Adoption and Fostering (BAAF) recommended figures		Outwith the Scope				Outwith the Scope					In line with British Association of Adoption and Fostering (BAAF) recommended figures.
Inter-Authority Substitute Family Care Placements: Elsewhere - 2 children (siblings placed together)	In line with British Association of Adoption and Fostering (BAAF) recommended figures		Outwith the Scope				Outwith the Scope					In line with British Association of Adoption and Fostering (BAAF) recommended figures.
Inter-Authority Substitute Family Care Placements: Elsewhere - 3 children (siblings placed together)	In line with British Association of Adoption and Fostering (BAAF) recommended figures		Outwith the Scope				Outwith the Scope					In line with British Association of Adoption and Fostering (BAAF) recommended figures.
Hostel Charges - Room hire - children's hearing - half day		24.00	Exempt	0.00	24.00	25.45	Exempt	0.00	25.45	1.45	6%	



Description	Other	2022-23				2023-24				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
Hostel Charges - Room hire - children's hearing - Full day		40.05	Exempt	0.00	40.05	42.45	Exempt	0.00	42.45	2.40	6%	
Hostel Charges - Room hire - half day		40.05	Exempt	0.00	40.05	42.45	Exempt	0.00	42.45	2.40	6%	
Hostel Charges - Room hire - full day		72.05	Exempt	0.00	72.05	76.35	Exempt	0.00	76.35	4.30	6%	
Hostel Charges - Catering: Tea, Coffee and Biscuits		2.92	Standard	0.58	3.50	3.08	Standard	0.62	3.70	0.20	6%	
Hostel Charges - Catering: Soup and Sandwiches		5.71	Standard	1.14	6.85	6.04	Standard	1.21	7.25	0.40	6%	
Hostel Charges - Catering: Lunch (2 course with coffee)		8.71	Standard	1.74	10.45	9.25	Standard	1.85	11.10	0.65	6%	
Hostel Charges - accommodation - Argyll & Bute Council - Bed & Breakfast		33.38	Standard	6.68	40.05	35.38	Standard	7.08	42.45	2.40	6%	
Hostel Charges - accommodation - Argyll & Bute Council - Half Board		46.83	Standard	9.37	56.20	49.63	Standard	9.93	59.55	3.35	6%	
Hostel Charges - accommodation - Other Groups - Bed & Breakfast		33.38	Standard	6.68	40.05	35.38	Standard	7.08	42.45	2.40	6%	
Hostel Charges - accommodation - Other Groups - Half Board		46.83	Standard	9.37	56.20	49.63	Standard	9.93	59.55	3.35	6%	
Hostel Charges - accommodation - Other Groups - Full Board		53.42	Standard	10.68	64.10	56.63	Standard	11.33	67.95	3.85	6%	

Description	Other	2022-23				2023-24				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>EDUCATION CHARGES</b>												
Primary School Letting Charges per hour - Non-Profit Organisations (room let)		12.65	Exempt	0.00	12.65	13.40	Exempt	0.00	13.40	0.75	6%	
Primary School Letting Charges per hour - Commercial Rate (room let)		35.05	Exempt	0.00	35.05	37.15	Exempt	0.00	37.15	2.10	6%	
Primary School Letting Charges per hour - Non-Profit Organisations (sports facilities)		13.08	Standard	2.62	15.70	13.88	Standard	2.78	16.65	0.95	6%	
Primary School Letting Charges per hour - Commercial Rate (sports facilities)		35.71	Standard	7.14	42.85	37.83	Standard	7.57	45.40	2.55	6%	
Primary School Synthetic All Weather Pitch charge per hour - Non-Profit Organisations - MAKI		51.58	Standard	10.32	61.90	54.67	Standard	10.93	65.60	3.70	6%	
Primary School Synthetic All Weather Pitch charge per hour - Non-Profit Organisations - OLI		51.58	Standard	10.32	61.90	54.67	Standard	10.93	65.60	3.70	6%	
Primary School Synthetic All Weather Pitch charge per hour - Non-Profit Organisations - BUTE		51.58	Standard	10.32	61.90	54.67	Standard	10.93	65.60	3.70	6%	
Primary School Synthetic All Weather Pitch charge per hour - Non-Profit Organisations - COWAL		51.58	Standard	10.32	61.90	54.67	Standard	10.93	65.60	3.70	6%	
Primary School Synthetic All Weather Pitch charge per hour - Non-Profit Organisations - H&L		51.58	Standard	10.32	61.90	54.67	Standard	10.93	65.60	3.70	6%	
Primary School Synthetic All Weather Pitch charge per hour - Commercial Rate		87.88	Standard	17.58	105.45	93.17	Standard	18.63	111.80	6.35	6%	
Sale of Meals to Pupils - Per meal (Primary-without milk)		2.30	Exempt	0.00	2.30	2.30	Exempt	0.00	2.30	0.00	0%	No inflation applied.
Sale of Meals to Pupils - Per meal (Secondary)		2.40	Exempt	0.00	2.40	2.40	Exempt	0.00	2.40	0.00	0%	No inflation applied.
Sale of Milk		0.10	Exempt	0.00	0.10	0.10	Exempt	0.00	0.10	0.00	0%	No inflation applied.
Section 23 Charges per annum - Parklands		47,311.80	Exempt	0.00	47,311.80	50,150.50	Exempt	0.00	50,150.50	2,838.70	6%	
Inveraray Primary - Room hire - half day		41.25	Exempt	0.00	41.25	43.75	Exempt	0.00	43.75	2.50	6%	
Inveraray Primary - Room hire - full day		74.20	Exempt	0.00	74.20	78.65	Exempt	0.00	78.65	4.45	6%	
Inveraray Primary - Catering: Tea, Coffee and Scones		3.00	Standard	0.60	3.60	3.17	Standard	0.63	3.80	0.20	6%	
Inveraray Primary - Catering: Soup and Sandwiches		5.88	Standard	1.18	7.05	6.21	Standard	1.24	7.45	0.40	6%	
Inveraray Primary Charges - Catering: Lunch (2 course with coffee)		8.96	Standard	1.79	10.75	9.50	Standard	1.90	11.40	0.65	6%	
Instrumental Instruction charges - Per Annum		0.00	Exempt	0.00	0.00	0.00	Exempt	0.00	0.00	0.00	0%	Scottish Government's 100 day promise has removed Instrument Instruction Charges.

Description	Other	2022-23				2023-24				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>LEGAL AND REGULATORY / COMMERCIAL SERVICES</b>												
Solicitors Property Enquiry Certificates		170.88	Standard	24.18	205.05	181.13	Standard	36.23	217.35	12.30	6%	
Taxi Car Licence		452.00	Outwith the Scope	0.00	452.00	452.00	Outwith the Scope	0.00	452.00	0.00	0%	
Private Hire Car Licence		452.00	Outwith the Scope	0.00	452.00	452.00	Outwith the Scope	0.00	452.00	0.00	0%	
Taxi/Private Hire Car Driver Licence		113.00	Outwith the Scope	0.00	113.00	113.00	Outwith the Scope	0.00	113.00	0.00	0%	
Second Hand Dealer Licence		452.00	Outwith the Scope	0.00	452.00	452.00	Outwith the Scope	0.00	452.00	0.00	0%	
Second Hand Motor Dealer Licence		524.00	Outwith the Scope	0.00	524.00	524.00	Outwith the Scope	0.00	524.00	0.00	0%	
Metal Dealer Licence		524.00	Outwith the Scope	0.00	524.00	524.00	Outwith the Scope	0.00	524.00	0.00	0%	
Temporary exemption warrant - Metal Dealers		149.00	Outwith the Scope	0.00	149.00	149.00	Outwith the Scope	0.00	149.00	0.00	0%	
Boat Hire Licence		275.00	Outwith the Scope	0.00	275.00	275.00	Outwith the Scope	0.00	275.00	0.00	0%	
Street Trader Licence		275.00	Outwith the Scope	0.00	275.00	275.00	Outwith the Scope	0.00	275.00	0.00	0%	
Street Trader - Charity/Temporary		90.00	Outwith the Scope	0.00	90.00	90.00	Outwith the Scope	0.00	90.00	0.00	0%	
Market Operator Licence		524.00	Outwith the Scope	0.00	524.00	524.00	Outwith the Scope	0.00	524.00	0.00	0%	
Market Operator - voluntary/charitable organisation holding one event per year		173.00	Outwith the Scope	0.00	173.00	173.00	Outwith the Scope	0.00	173.00	0.00	0%	
Public Entertainment Licence		524.00	Outwith the Scope	0.00	524.00	524.00	Outwith the Scope	0.00	524.00	0.00	0%	
Public Entertainment temporary Licence		149.00	Outwith the Scope	0.00	149.00	149.00	Outwith the Scope	0.00	149.00	0.00	0%	
Late hours catering licence		524.00	Outwith the Scope	0.00	524.00	524.00	Outwith the Scope	0.00	524.00	0.00	0%	
Window Cleaner Licence		275.00	Outwith the Scope	0.00	275.00	275.00	Outwith the Scope	0.00	275.00	0.00	0%	
Substitution of vehicle (taxi/private hire) - same day		90.00	Outwith the Scope	0.00	90.00	90.00	Outwith the Scope	0.00	90.00	0.00	0%	
Substitution of vehicle (taxi/private hire) - within 5 days		66.00	Outwith the Scope	0.00	66.00	66.00	Outwith the Scope	0.00	66.00	0.00	0%	
Certified copy of a licence		41.00	Outwith the Scope	0.00	41.00	41.00	Outwith the Scope	0.00	41.00	0.00	0%	
Re-issue of a badge		41.00	Outwith the Scope	0.00	41.00	41.00	Outwith the Scope	0.00	41.00	0.00	0%	

Description	Other	2022-23				2023-24				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
Re-issue of taxi/private hire car plate		41.00	Outwith the Scope	0.00	41.00	41.00	Outwith the Scope	0.00	41.00	0.00	0%	
Extract of Civic Government Register		36.00	Outwith the Scope	0.00	36.00	36.00	Outwith the Scope	0.00	36.00	0.00	0%	
Copy of Civic Government Register		90.00	Outwith the Scope	0.00	90.00	90.00	Outwith the Scope	0.00	90.00	0.00	0%	
Taxi Booking Office Licence		125.00	Outwith the Scope	0.00	125.00	125.00	Outwith the Scope	0.00	125.00	0.00	0%	
Amendment to Civic Govt Licence		77.00	Outwith the Scope	0.00	77.00	77.00	Outwith the Scope	0.00	77.00	0.00	0%	
Knife Dealers Licence		524.00	Outwith the Scope	0.00	524.00	524.00	Outwith the Scope	0.00	524.00	0.00	0%	
Skin piercing & tattoo operator Licence (premises occupied by them)		311.00	Outwith the Scope	0.00	311.00	311.00	Outwith the Scope	0.00	311.00	0.00	0%	
Skin piercing & tattoo operator Licence (premises under control of others)		250.00	Outwith the Scope	0.00	250.00	250.00	Outwith the Scope	0.00	250.00	0.00	0%	
Vehicle Inspection Fee		80.00	Outwith the Scope	0.00	80.00	80.00	Outwith the Scope	0.00	80.00	0.00	0%	
Vehicle inspection surcharge (Covid19 defog process)		12.50	Outwith the Scope	0.00	12.50	12.50	Outwith the Scope	0.00	12.50	0.00	0%	
Letting of Kitchen Accommodation - Monday to Friday (charge per hour)		23.08	Standard	4.62	27.70	24.46	Standard	4.89	29.35	1.65	6%	
Letting of Kitchen Accommodation - Saturday & Sunday (charge per hour)		26.08	Standard	5.22	31.30	27.67	Standard	5.53	33.20	1.90	6%	
Letting of Kitchen Accommodation - Public Holiday (charge per hour)		30.79	Standard	6.16	36.95	32.63	Standard	6.53	39.15	2.20	6%	
Letting of Kitchen Accommodation - Failure to Reinstate		65.17	Standard	13.03	78.20	69.08	Standard	13.82	82.90	4.70	6%	
Helensburgh & Lomond Civic Centre - Hire of Community Room - up to 20 persons (Concession rate per hour Monday - Friday 09:00 to 20:00)		19.00	Standard	3.80	22.80	20.13	Standard	4.03	24.15	1.35	6%	
Helensburgh & Lomond Civic Centre - Hire of Community Room - up to 20 persons (Concession rate per hour Saturday - Sunday & Monday - Friday after 20:00)		24.33	Standard	4.87	29.20	25.79	Standard	5.16	30.95	1.75	6%	
Helensburgh & Lomond Civic Centre - Hire of Community Room - up to 20 persons (Commercial rate per hour Monday - Friday 09:00 to 20:00)		24.71	Standard	4.94	29.65	24.71	Standard	4.94	29.65	0.00	0%	
Helensburgh & Lomond Civic Centre - Hire of Community Room - up to 20 persons (Commercial rate per hour Saturday - Sunday & Monday - Friday after 20:00)		31.58	Standard	6.32	37.90	31.58	Standard	6.32	37.90	0.00	0%	
Helensburgh & Lomond Civic Centre - Hire of Assembly Hall - up to 100 persons (Concession rate per hour Monday - Friday 09:00 to 20:00)		26.54	Standard	5.31	31.85	28.13	Standard	5.63	33.75	1.90	6%	
Helensburgh & Lomond Civic Centre - Hire of Assembly Hall - up to 100 persons (Concession rate per hour Saturday - Sunday & Monday - Friday after 20:00)		31.83	Standard	6.37	38.20	33.75	Standard	6.75	40.50	2.30	6%	
Helensburgh & Lomond Civic Centre - Hire of Assembly Hall - up to 100 persons (Commercial rate per hour Monday - Friday 09:00 to 20:00)		34.46	Standard	6.89	41.35	34.46	Standard	6.89	41.35	0.00	0%	
Helensburgh & Lomond Civic Centre - Hire of Assembly - up to 100 persons (Commercial rate per hour Saturday - Sunday & Monday - Friday after 20:00)		41.38	Standard	8.28	49.65	41.38	Standard	8.28	49.65	0.00	0%	
Helensburgh & Lomond Civic Centre - Hire of Annex Room 1 up to 30 persons (Concession rate per hour Monday - Friday 09:00 to 20:00)		17.25	Standard	3.45	20.70	18.29	Standard	3.66	21.95	1.25	6%	
Helensburgh & Lomond Civic Centre - Hire of Annex Room 1 up to 30 persons (Concession rate per hour Saturday - Sunday & Monday - Friday after 20:00)		22.54	Standard	4.51	27.05	23.88	Standard	4.78	28.65	1.60	6%	
Helensburgh & Lomond Civic Centre - Hire of Annex Room 1 up to 30 persons (Commercial rate per hour Monday - Friday 09:00 to 20:00)		22.42	Standard	4.48	26.90	22.42	Standard	4.48	26.90	0.00	0%	
Helensburgh & Lomond Civic Centre - Hire of Annex Room 1 up to 30 persons (Commercial rate per hour Saturday - Sunday & Monday - Friday after 20:00)		29.29	Standard	5.86	35.15	29.29	Standard	5.86	35.15	0.00	0%	
Helensburgh & Lomond Civic Centre - Hire of Annex Room 2 up to 20 persons (Concession rate per hour Monday - Friday 09:00 to 20:00)		13.71	Standard	2.74	16.45	14.54	Standard	2.91	17.45	1.00	6%	Annex Room 2 will be offered half price if booked in combination with Annex Room 1 For concessions either £8.73 or £12.08 or Commercial either £10.68 or £14.83
Helensburgh & Lomond Civic Centre - Hire of Annex Room 2 up to 20 persons (Concession rate per hour Saturday - Sunday & Monday - Friday after 20:00)		19.00	Standard	3.80	22.80	20.13	Standard	4.03	24.15	1.35	6%	Annex Room 2 will be offered half price if booked in combination with Annex Room 1 For concessions either £8.73 or £12.08 or Commercial either £10.68 or £14.83

Description	Other	2022-23				2023-24				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
Helensburgh & Lomond Civic Centre - Hire of Annex Room 2 up to 20 persons (Commercial rate per hour Monday - Friday 09:00 to 20:00)		17.79	Standard	3.56	21.35	17.79	Standard	3.56	21.35	0.00	0%	Annex Room 2 will be offered half price if booked in combination with Annex Room 1 For concessions either £8.73 or £12.08 or Commercial either £10.68 or £14.83
Helensburgh & Lomond Civic Centre - Hire of Annex Room 2 up to 20 persons (Commercial rate per hour Saturday - Sunday & Monday - Friday after 20:00)		24.71	Standard	4.94	29.65	24.71	Standard	4.94	29.65	0.00	0%	Annex Room 2 will be offered half price if booked in combination with Annex Room 1 For concessions either £8.73 or £12.08 or Commercial either £10.68 or £14.83
Helensburgh & Lomond Civic Centre - Hire of Annex Room 1 and 2 (Concession rate per hour Monday - Friday 09:00 to 20:00)		24.08	standard	4.82	28.90	25.54	standard	5.11	30.65	1.75	6%	
Helensburgh & Lomond Civic Centre - Hire of Annex Room 1 and 2 (Concession rate per hour Saturday -Sunday & Monday - Friday after 20:00)		32.04	standard	6.41	38.45	33.96	standard	6.79	40.75	2.30	6%	
Helensburgh & Lomond Civic Centre - Hire of Annex Room 1 and 2 (Commercial rate per hour Monday - Friday 09:00 to 20:00)		31.25	standard	6.25	37.50	33.13	standard	6.63	39.75	2.25	6%	
Helensburgh & Lomond Civic Centre - Hire of Annex Room 1 and 2 (Commercial rate per hour Saturday -Sunday & Monday - Friday after 20:00)		41.67	standard	8.33	50.00	44.17	standard	8.83	53.00	3.00	6%	
Helensburgh & Lomond Civic Centre - Hire of Marriage Suite/Function Room(Concession rate per hour Monday - Friday 09:00 to 20:00)		23.88	standard	4.78	28.65	25.29	standard	5.06	30.35	1.70	6%	
Helensburgh & Lomond Civic Centre - Hire of Marriage Suite/Function Room (Concession rate per hour Saturday - Sunday & Monday - Friday after 20:00)		29.17	standard	5.83	35.00	30.92	standard	6.18	37.10	2.10	6%	
Helensburgh & Lomond Civic Centre - Hire of Marriage Suite/Function Room (Commercial rate per hour Monday - Friday 09:00 to 20:00)		31.04	standard	6.21	37.25	32.92	standard	6.58	39.50	2.25	6%	
Helensburgh & Lomond Civic Centre - Hire of Marriage Suite/Function Room (Commercial rate per hour Saturday - Sunday & Monday - Friday after 20:00)		37.96	standard	7.59	45.55	40.25	standard	8.05	48.30	2.75	6%	

Description	Other	2022-23				2023-24				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>TRADING STANDARDS</b>												
<b>Notes to Fireworks &amp; Explosives</b>												
1. If you keep fireworks, shotgun cartridges, certain bird scarers or other explosive products for sale you are likely to require an explosive licence. 2. You can generally store up to 2,000 kg of explosives with a licence issued by us, although there are some conditions relating to it's storage. 3. We will need to know the hazard type and quantity of the explosives you wish to store to determine whether your store is suitable. 4. The quantity you will be allowed to store will depend on the hazard type of the explosives. 5. Regulation 27 of the Explosives Regulation 2014 sets out the distances that must be maintained between a store and a building or other place. This is known as the separation distance. You will not normally be required to maintain separation distances if you store no more than: a) 250kg hazard type 4 b) 25kg hazard type 3 (or combination of hazard type 3 and hazard type 4) 7. The most common fees for storage of fireworks for one year are set out below. Discounted rates are available for periods of 2-5 years. 8. Prices for other types of explosive licences are available upon request. 9. All fees for storage of explosives are set by the UK Government, and can currently be found in 'Schedule 7 of the Health & Safety and Nuclear (Fees) Regulations 2021'. These regulations are subject to change at short notice.												
Explosives/Fireworks - Issue of Store Licence (i.e. when separation distances apply)	STATUTORY CHARGE	189.00	Outwith the Scope	0.00	189.00	189.00	Outwith the Scope	0.00	189.00	0.00	0%	set by the UK Government, and can be found in <a href="#">Schedule 7 of the Health &amp; Safety and Nuclear (Fees) Regulations 2021</a> . These Regulations are subject to change at short notice.
Explosives/Fireworks - Renewal of store licence (i.e. when separation distances apply)	STATUTORY CHARGE	88.00	Outwith the Scope	0.00	88.00	88.00	Outwith the Scope	0.00	88.00	0.00	0%	set by the UK Government, and can be found in <a href="#">Schedule 7 of the Health &amp; Safety and Nuclear (Fees) Regulations 2021</a> . These Regulations are subject to change at short notice.
Explosives/Fireworks - Issue of registration for keeping explosives (i.e. when no separation distances apply)	STATUTORY CHARGE	111.00	Outwith the Scope	0.00	111.00	111.00	Outwith the Scope	0.00	111.00	0.00	0%	set by the UK Government, and can be found in <a href="#">Schedule 7 of the Health &amp; Safety and Nuclear (Fees) Regulations 2021</a> . These Regulations are subject to change at short notice.
Explosives/Fireworks - Renewal of registration for keeping Explosives (i.e. when no separation distances apply)	STATUTORY CHARGE	55.00	Outwith the Scope	0.00	55.00	55.00	Outwith the Scope	0.00	55.00	0.00	0%	set by the UK Government, and can be found in <a href="#">Schedule 7 of the Health &amp; Safety and Nuclear (Fees) Regulations 2021</a> . These Regulations are subject to change at short notice.
Fee to transfer, vary or replace a licence or registration	STATUTORY CHARGE	37.00	Outwith the Scope	0.00	37.00	37.00	Outwith the Scope	0.00	37.00	0.00	0%	set by the UK Government, and can be found in <a href="#">Schedule 7 of the Health &amp; Safety and Nuclear (Fees) Regulations 2021</a> . These Regulations are subject to change at short notice.

Description	Other	2022-23				2023-24				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>PETROLEUM</b>												
<b>Notes to Petroleum</b>												
1. A fee is payable to store petrol under regulation 6 (petrol filling stations) or regulation 14 (non work-place storage) of the Petroleum (Consolidation) Regulations 2014.												
2. All fees for storage of petroleum are set by the UK Government, and can currently be found in 'Schedule 7 of the Health & Safety and Nuclear (Fees) Regulations 2021'. These regulations are subject to change at short notice.												
3. The current fees for a certificate or licence for one year are shown below. Prices for multiple-year certificates or licences are available on request.												
4. Historical Records - We hold historical records of tanks previously licensed for the storage of petroleum spirit. Information regarding specific premises and whether tanks were present and the methods used for making them safe from the danger of fire or explosion can be disclosed on written request. The disclosure is subject to payment of a reasonable fee.												
Petrol Storage Certificate or Licence to keep petroleum spirit of a quantity <2500 litres	STATUTORY CHARGE	45.00	Outwith the Scope	0.00	45.00	45.00	Outwith the Scope	0.00	45.00	0.00	0%	These fees and charges have been consolidated and simplified - please refer to <b>Schedule 7 of the Health &amp; Safety and Nuclear (Fees) Regulations 2021</b> . These Regulations are subject to change at short notice.
Petrol Storage Certificate or Licence to keep petroleum spirit of a quantity between 2500 and 50000 litres	STATUTORY CHARGE	61.00	Outwith the Scope	0.00	61.00	61.00	Outwith the Scope	0.00	61.00	0.00	0%	These fees and charges have been consolidated and simplified - please refer to <b>Schedule 7 of the Health &amp; Safety and Nuclear (Fees) Regulations 2021</b> . These Regulations are subject to change at short notice.
Petrol Storage Certificate or Licence to keep petroleum spirit of a quantity > 50000 litres	STATUTORY CHARGE	128.00	Outwith the Scope	0.00	128.00	128.00	Outwith the Scope	0.00	128.00	0.00	0%	These fees and charges have been consolidated and simplified - please refer to <b>Schedule 7 of the Health &amp; Safety and Nuclear (Fees) Regulations 2021</b> . These Regulations are subject to change at short notice.
Historical Records - Charge for Officer time (per hour) - out of hours or weekend work incurs a 50% surcharge on the hourly rate	Officer cost per hour	81.46	Standard	16.29	97.75	86.33	Standard	17.27	103.60	5.85	6%	VAT rate applies unless work undertaken under the Measuring Instruments (EEC Requirements) Regs 1988.
Weights and Measures:- all certification & verification work – Weights & Measures Inspector.	Officer cost per hour	83.83	Standard	16.77	100.60	88.88	Standard	17.78	106.65	6.05	6%	
Weights and Measures:- all certification & verification work – Assisting Officer.	Officer cost per hour	55.92	Standard	11.18	67.10	59.29	Standard	11.86	71.15	4.05	6%	
Certificate of Errors: Request for certificate	Calibration Certificate cost	50.67	Standard	10.13	60.80	53.71	Standard	10.74	64.45	3.65	6%	
<b>Note: When supplying specialist equipment (including but not limited to weighbridge test unit, van and test weights, etc) an additional fee may be charged hourly, daily or per appointment, according to circumstance</b>	Prices on application											

Description	Other	2022-23				2023-24				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>CUSTOMER SUPPORT SERVICES</b>												
Commission on trade union deductions		2.50%	Standard		2.50%	2.50%	Standard		2.50%			Percentage charge - same as previous year
Arrestment handling charge per item		0.83	Standard	0.17	1.00	0.83	Standard	0.17	1.00	0.00	0%	This is a Statutory Charge. The maximum that can be charged is £1
Info to Banks etc - Handling Charge		23.88	Standard	4.78	28.65	25.29	Standard	5.06	30.35	1.70	6%	
Registrars Fees and Charges (Extracts at time of registration)		10.00	Outwith the Scope	0.00	10.00	10.00	Outwith the Scope	0.00	10.00	0.00	0%	Set by Registrar General - no increase for 2023-24
Registrars Fees and Charges (Extracts outwith a calendar month of registration)		15.00	Outwith the Scope	0.00	15.00	15.00	Outwith the Scope	0.00	15.00	0.00	0%	Set by Registrar General - no increase for 2023-24
Registrars Search & Genealogy - Particular Search		5.00	Outwith the Scope	0.00	5.00	5.00	Outwith the Scope	0.00	5.00	0.00	0%	Set by Registrar General - no increase for 2023-24
Registrars Search & Genealogy - General Search		15.00	Outwith the Scope	0.00	15.00	15.00	Outwith the Scope	0.00	15.00	0.00	0%	Set by Registrar General - no increase for 2023-24
Registrars - Recording of name, or change of name or surname or alternative name		40.00	Outwith the Scope	0.00	40.00	40.00	Outwith the Scope	0.00	40.00	0.00	0%	Set by Registrar General - no increase for 2023-24
Registrars - Printing a copy certificate and delivering within the UK		16.00	Outwith the Scope	0.00	16.00	17.00	Outwith the Scope	0.00	17.00	1.00	6%	Comprises £15 set by Registrar General and £2 postage charged by council.
Registrars - Printing a copy certificate and delivering outwith the UK		19.00	Outwith the Scope	0.00	19.00	20.00	Outwith the Scope	0.00	20.00	1.00	5%	Comprises £15 set by Registrar General and £5 postage charged by council.
Marriage Notices (Per Person)		45.00	Outwith the Scope	0.00	45.00	45.00	Outwith the Scope	0.00	45.00	0.00	0%	Set by Registrar General - no increase for 2023-24 (was increased in May 2022)
Civil Marriage/Partnership Solemnisation		55.00	Outwith the Scope	0.00	55.00	55.00	Outwith the Scope	0.00	55.00	0.00	0%	Set by Registrar General - no increase for 2023-24
Registrars Rental Income - Registrars Office Wedding		106.50	Outwith the Scope	0.00	106.50	112.90	Outwith the Scope	0.00	112.90	6.40	6%	
Registrars Rental Income - Registrars Office Wedding - Saturday		214.40	Outwith the Scope	0.00	214.40	227.25	Outwith the Scope	0.00	227.25	12.85	6%	
Admin charges, approved venue weekday		280.75	Outwith the Scope	0.00	280.75	297.60	Outwith the Scope	0.00	297.60	16.85	6%	
Admin charges, approved venue Saturday		333.20	Outwith the Scope	0.00	333.20	353.20	Outwith the Scope	0.00	353.20	20.00	6%	
Admin charges, evenings after 6pm		378.90	Outwith the Scope	0.00	378.90	401.65	Outwith the Scope	0.00	401.65	22.75	6%	
Admin charges, Sundays & Public Holidays (excl. Easter & Christmas)		423.20	Outwith the Scope	0.00	423.20	448.60	Outwith the Scope	0.00	448.60	25.40	6%	
Blue Badges		20.00	Outwith the Scope	0.00	20.00	20.00	Outwith the Scope	0.00	20.00	0.00	0%	Set by Scottish Government
Registrars Travel Fees - rate per mile		0.60	Zero Rated	0.00	0.60	0.60	Zero Rated	0.00	0.60	0.00	0%	
Customer Service Point Room Hire - Non Profit Organisations (room let)		12.65	Exempt	0.00	12.65	13.40	Exempt	0.00	13.40	0.75	6%	
Customer Service Point Room Hire - Non Profit Organisations (room let) - Half day		41.25	Exempt	0.00	41.25	43.75	Exempt	0.00	43.75	2.50	6%	
Customer Service Point Room Hire - Non Profit Organisations (room let) - Full day		74.20	Exempt	0.00	74.20	78.65	Exempt	0.00	78.65	4.45	6%	
Customer Service Point Room Hire - Commercial Rate (room let)		35.05	Exempt	0.00	35.05	37.15	Exempt	0.00	37.15	2.10	6%	
Naming Ceremonies at Registration Office - Monday - Friday		75.00	Standard	16.00	96.00	85.00	Standard	17.00	102.00	6.00	6%	
Naming Ceremonies at Registration Office - Saturday		106.67	Standard	21.33	128.00	113.33	Standard	22.67	136.00	8.00	6%	
Naming Ceremonies at a Venue or Location - Monday - Friday		115.00	Standard	23.00	138.00	121.67	Standard	24.33	146.00	8.00	6%	
Naming Ceremonies at a Venue or Location - Saturday		141.67	Standard	28.33	170.00	150.00	Standard	30.00	180.00	10.00	6%	
Naming Ceremonies - Additional charge if a second registration escort is required for a large ceremony		45.00	Standard	9.00	54.00	47.50	Standard	9.50	57.00	3.00	6%	
Naming Ceremonies - Additional charge for each child of the same family		8.33	Standard	1.67	10.00	9.17	Standard	1.83	11.00	1.00	10%	



Description	Other	2022-23				2023-24				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>CUSTOMER SUPPORT SERVICES</b>												
Naming Ceremonies - Additional charge if held as part of a civil marriage/partnership		45.00	Standard	9.00	54.00	47.50	Standard	9.50	57.00	3.00	6%	
Renewal of Vows Ceremony at Registration Office - Monday - Friday		133.33	Standard	26.67	160.00	141.67	Standard	28.33	170.00	10.00	6%	
Renewal of Vows Ceremony at Registration Office - Saturday		176.67	Standard	35.33	212.00	187.50	Standard	37.50	225.00	13.00	6%	
Renewal of Vows Ceremony at a Venue or Location - Monday - Friday		195.00	Standard	39.00	234.00	206.67	Standard	41.33	248.00	14.00	6%	
Renewal of Vows Ceremony at a Venue or Location - Saturday		195.00	Standard	39.00	234.00	206.67	Standard	41.33	248.00	14.00	6%	
Renewal of Vows - Additional charge if a second registration escort is required for a large ceremony		45.00	Standard	9.00	54.00	47.50	Standard	9.50	57.00	3.00	6%	
Extract/Search of Lair Register on Islands		33.00	Outwith the Scope	0.00	33.00	35.00	Outwith the Scope	0.00	35.00	2.00	6%	

Description	Other	2022-23				2023-24				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>LOCAL DEVELOPMENT PLAN &amp; PRINTING</b>												
Local Development Plan (Incl of P&P) - Proposals Maps Book		59.75	Outwith the Scope	0.00	59.75	63.35	Outwith the Scope	0.00	63.35	3.60	6%	Replacing all Local Plans. Community Councils 50% reduction
Local Development Plan (Incl of P&P) - Written Statement		29.80	Outwith the Scope	0.00	29.80	31.60	Outwith the Scope	0.00	31.60	1.80	6%	Replacing all Local Plans. Community Councils 50% reduction
Landscape Capacity Study (Incl P&P) - Bute & Cowal		27.55	Outwith the Scope	0.00	27.55	29.20	Outwith the Scope	0.00	29.20	1.65	6%	
Landscape Capacity Study (Incl P&P) - Mull		13.10	Outwith the Scope	0.00	13.10	13.90	Outwith the Scope	0.00	13.90	0.80	6%	
Landscape Capacity Study (Incl P&P) - North & South Kintyre		15.80	Outwith the Scope	0.00	15.80	16.75	Outwith the Scope	0.00	16.75	0.95	6%	
Landscape Capacity Study (Incl P&P) - Lorn		31.35	Outwith the Scope	0.00	31.35	33.25	Outwith the Scope	0.00	33.25	1.90	6%	
Landscape Capacity Study (Incl P&P) - Mid Argyll & Inveraray		19.95	Outwith the Scope	0.00	19.95	21.15	Outwith the Scope	0.00	21.15	1.20	6%	
Landscape Capacity Study (Incl P&P) - Islay		10.40	Outwith the Scope	0.00	10.40	11.00	Outwith the Scope	0.00	11.00	0.60	6%	
Location Plans (10 Copies)		31.80	Outwith the Scope	0.00	31.80	33.70	Outwith the Scope	0.00	33.70	1.90	6%	
Printing - Internal Service Only - A2 Prints each		10.10	Outwith the Scope	0.00	10.10	10.70	Outwith the Scope	0.00	10.70	0.60	6%	
Printing - Internal Service Only - A2 Prints (+11) each		7.20	Outwith the Scope	0.00	7.20	7.65	Outwith the Scope	0.00	7.65	0.45	6%	
Printing - Internal Service Only - A1 Prints (1-10 copies) each		14.35	Outwith the Scope	0.00	14.35	15.20	Outwith the Scope	0.00	15.20	0.85	6%	
Printing - Internal Service Only - A1 Prints (+11 copies) each		11.45	Outwith the Scope	0.00	11.45	12.15	Outwith the Scope	0.00	12.15	0.70	6%	
Printing - Internal Service Only - A0 Prints (1-10 copies) each		21.55	Outwith the Scope	0.00	21.55	22.85	Outwith the Scope	0.00	22.85	1.30	6%	
Printing - Internal Service Only - A0 Prints (+11 copies) each		18.75	Outwith the Scope	0.00	18.75	19.90	Outwith the Scope	0.00	19.90	1.15	6%	
Statutory Street Naming and/or numbering of one property		98.25	Outwith the Scope	0.00	98.25	104.15	Outwith the Scope	0.00	104.15	5.90	6%	Renaming or renumbering a street - pricing as for new properties
Statutory Street Naming and/or numbering for the 2nd and each additional property		49.15	Outwith the Scope	0.00	49.15	52.10	Outwith the Scope	0.00	52.10	2.95	6%	
Statutory Street Naming a new street		214.90	Outwith the Scope	0.00	214.90	227.80	Outwith the Scope	0.00	227.80	12.90	6%	
Changing a property name or adding to the Royal Mail database		94.85	Outwith the Scope	0.00	94.85	100.55	Outwith the Scope	0.00	100.55	5.70	6%	
Confirming an address to a solicitor, property owner or any organisation - per letter		63.30	Outwith the Scope	0.00	63.30	67.10	Outwith the Scope	0.00	67.10	3.80	6%	
Phase 1 Habitat Surveys		417.85	Outwith the Scope	0.00	417.85	442.90	Outwith the Scope	0.00	442.90	25.05	6%	Travel to be charged at Council Rate 34.1p/mile Possible overnight stay to be charged at a maximum of £50.

Description	Other	2022-23				2023-24				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>ENVIRONMENTAL HEALTH</b>												
Food Examination - Export of Food/Fish Certificates	Per Certificate	102.45	Outwith the Scope	0.00	102.45	108.60	Outwith the Scope	0.00	108.60	6.15	6%	
Food Examination - Export of Food/Fish Certificates - less than 60kg in weight	Per Certificate	44.55	Outwith the Scope	0.00	44.55	47.20	Outwith the Scope	0.00	47.20	2.65	6%	
Food Examination - Condemnation Certificate (Voluntary Surrender)		230.63	Standard	46.13	276.75	244.46	Standard	48.89	293.35	16.60	6%	
Licences/Registration - Riding Establishment Act 1964/70	Vets Fees to be added	461.45	Outwith the Scope	0.00	461.45	489.15	Outwith the Scope	0.00	489.15	27.70	6%	
Licences/Registration - Dangerous Wild Animals Act 1976	Vets Fees to be added	363.60	Outwith the Scope	0.00	363.60	385.40	Outwith the Scope	0.00	385.40	21.80	6%	
Animal Welfare (Licensing of Activities Involving Animals) (Scotland) Regulations 2021, Animal Welfare Establishment - New licence	Vets Fees to be added	228.38	Outwith the Scope	0.00	228.38	242.10	Outwith the Scope	0.00	242.10	13.72	6%	Charitable discount – 50% (applies to registered Scottish Charities and SCIOs)
Animal Welfare (Licensing of Activities Involving Animals) (Scotland) Regulations 2021, Animal Welfare Establishment - Variation of licence	Vets Fees to be added	182.70	Outwith the Scope	0.00	182.70	193.65	Outwith the Scope	0.00	193.65	10.95	6%	Charitable discount – 50% (applies to registered Scottish Charities and SCIOs)
Animal Welfare (Licensing of Activities Involving Animals) (Scotland) Regulations 2021, Animal Welfare Establishment - Licensing enforcement visit No. 1	Vets Fees to be added	190.31	Outwith the Scope	0.00	190.31	201.75	Outwith the Scope	0.00	201.75	11.44	6%	Subsequent enforcement visits: charged at hourly rate of £30.45 in half-hourly increments
Animal Welfare (Licensing of Activities Involving Animals) (Scotland) Regulations 2021, Dog, Cat or Rabbit Breeding - New licence	Vets Fees to be added	182.70	Outwith the Scope	0.00	182.70	193.65	Outwith the Scope	0.00	193.65	10.95	6%	Charitable discount – 50% (applies to registered Scottish Charities and SCIOs)
Animal Welfare (Licensing of Activities Involving Animals) (Scotland) Regulations 2021, Dog, Cat or Rabbit Breeding - Variation of licence	Vets Fees to be added	137.03	Outwith the Scope	0.00	137.03	145.25	Outwith the Scope	0.00	145.25	8.22	6%	Charitable discount – 50% (applies to registered Scottish Charities and SCIOs)
Animal Welfare (Licensing of Activities Involving Animals) (Scotland) Regulations 2021, Dog, Cat or Rabbit Breeding - Licensing enforcement visit No. 1	Vets Fees to be added	159.86	Outwith the Scope	0.00	159.86	169.45	Outwith the Scope	0.00	169.45	9.59	6%	Subsequent enforcement visits: charged at hourly rate of £30.45 in half-hourly increments
Animal Welfare (Licensing of Activities Involving Animals) (Scotland) Regulations 2021, • Operating a business of selling animals as pets • animal rehoming activities (other than operating as an animal welfare establishment) New licence	Vets Fees to be added	197.93	Outwith the Scope	0.00	197.93	209.80	Outwith the Scope	0.00	209.80	11.87	6%	Charitable discount – 50% (applies to registered Scottish Charities and SCIOs)
Animal Welfare (Licensing of Activities Involving Animals) (Scotland) Regulations 2021, • Operating a business of selling animals as pets • animal rehoming activities (other than operating as an animal welfare establishment) Variation of licence	Vets Fees to be added	152.25	Outwith the Scope	0.00	152.25	161.40	Outwith the Scope	0.00	161.40	9.15	6%	Charitable discount – 50% (applies to registered Scottish Charities and SCIOs)
Animal Welfare (Licensing of Activities Involving Animals) (Scotland) Regulations 2021, • Operating a business of selling animals as pets • animal rehoming activities (other than operating as an animal welfare establishment) Licensing enforcement visit No. 1	Vets Fees to be added	175.09	Outwith the Scope	0.00	175.09	185.60	Outwith the Scope	0.00	185.60	10.51	6%	Subsequent enforcement visits: charged at hourly rate of £30.45 in half-hourly increments
Licences/Registration - Animal Boarding Establishments Act 1963	Vets Fees to be added	196.95	Outwith the Scope	0.00	196.95	208.75	Outwith the Scope	0.00	208.75	11.80	6%	
Licences/Registration - Animal Boarding Establishments Act 1963 (Home boarding)	Vets Fees to be added	136.60	Outwith the Scope	0.00	136.60	144.80	Outwith the Scope	0.00	144.80	8.20	6%	
Licences/Registration - Zoo Act	Vets Fees to be added	1,097.40	Outwith the Scope	0.00	1,097.40	1,163.25	Outwith the Scope	0.00	1,163.25	65.85	6%	
Licences/Registration - Venison Dealers		187.90	Outwith the Scope	0.00	187.90	199.15	Outwith the Scope	0.00	199.15	11.25	6%	

Description	Other	2022-23				2023-24				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
Licences/Registration - Cinema Licence		695.55	Outwith the Scope	0.00	695.55	737.30	Outwith the Scope	0.00	737.30	41.75	6%	
Licences/Registration - Theatre Licence		177.00	Outwith the Scope	0.00	177.00	187.60	Outwith the Scope	0.00	187.60	10.60	6%	
HMO - premises of up to 10 persons		899.90	Outwith the Scope	0.00	899.90	953.90	Outwith the Scope	0.00	953.90	54.00	6%	Tri-Annual Licence
HMO - premises with more than 10 persons		1,101.15	Outwith the Scope	0.00	1,101.15	1,167.20	Outwith the Scope	0.00	1,167.20	66.05	6%	Tri-Annual Licence
HMO- Amendment to HMO licence		132.90	Outwith the Scope	0.00	132.90	140.85	Outwith the Scope	0.00	140.85	7.95	6%	Tri-Annual Licence
HMO - Refund if a new/renewal application is unsuccessful		225.10	Outwith the Scope	0.00	225.10	238.60	Outwith the Scope	0.00	238.60	13.50	6%	
Performing Animals Licence application/renewal		126.70	Outwith the Scope	0.00	126.70	134.30	Outwith the Scope	0.00	134.30	7.60	6%	Vet Fees to be added
Residential Caravan sites- first or new application		657.75	Outwith the Scope	0.00	657.75	697.20	Outwith the Scope	0.00	697.20	39.45	6%	5 year licence
Residential Caravan sites- renewal submitted before expiry date		530.45	Outwith the Scope	0.00	530.45	562.30	Outwith the Scope	0.00	562.30	31.85	6%	5 year licence
Residential Caravan sites- renewal submitted after expiry date		657.75	Outwith the Scope	0.00	657.75	697.20	Outwith the Scope	0.00	697.20	39.45	6%	5 year licence
Residential Caravan sites- recovery of costs related to enforcement action			Outwith the Scope	0.00	Full costs recovery		Outwith the Scope	0.00	Full costs recovery			
Environmental Health Charge for Officer time (per hour) where appropriate ( out of hours or weekend work incurs a 50% surcharge on the hourly rate).		94.30	Outwith the Scope	0.00	94.30	99.95	Outwith the Scope	0.00	99.95	5.65	6%	
Attestation for export business		100.00	Outwith the Scope	0.00	100.00	106.00	Outwith the Scope	0.00	106.00	6.00	6%	
Additional inspections or interventions required as part of attestation		94.30	Outwith the Scope	0.00	94.30	99.95	Outwith the Scope	0.00	99.95	5.65	6%	Officer cost per hour
Private Water Supplies - Visit charge Regulated supply		75.00	Outwith the Scope	0.00	80.00	84.80	Outwith the Scope	0.00	84.80	4.80	6%	
Private Water Supplies -Single visit to regulated supply with multiple commercial properties		75.00	Outwith the Scope	0.00	80.00	84.80	Outwith the Scope	0.00	84.80	4.80	6%	If more than one property on supply to be sampled, additional £10 per property applies as per line below.
Private Water Supplies - multiple commercial properties charge per additional property above		10.00	Outwith the Scope	0.00	10.00	10.60	Outwith the Scope	0.00	10.60	0.60	6%	Charge of £10 for additional commercial property sampled.
Private Water Supplies -Regulated :Analytical parameter cost		-	Outwith the Scope	0.00	0.00	0.00	Outwith the Scope	0.00	0.00	0.00	0%	At cost
Private Water Supplies -Zonal charge per regulated supply		15.00	Outwith the Scope	0.00	15.00	15.90	Outwith the Scope	0.00	15.90	0.90	6%	Analytical costs divided by number of regulated supplies as of 1 <sup>st</sup> January in calendar year
Private water supply-Regulated supply: Initial Risk assessment visit and report (up to 1 hour on site)	<b>STATUTORY CHARGE</b>	125.00	Outwith the Scope	0.00	125.00	132.50	Outwith the Scope	0.00	132.50	7.50	6%	
Private water supply - Regulated Supply: Programmed/review risk assessment visit and report (up to 1 hour on site)	<b>STATUTORY CHARGE</b>	125.00	Outwith the Scope	0.00	125.00	125.00	Outwith the Scope	0.00	125.00	0.00	0%	
Private water supply - Regulated risk assessments (cost per additional hour or part thereof)	<b>STATUTORY CHARGE</b>	50.00	Outwith the Scope	0.00	50.00	50.00	Outwith the Scope	0.00	50.00	0.00	0%	£50 per additional hour
Private Water Supplies: Regulated supplies: desktop review of risk assessment	<b>STATUTORY CHARGE</b>	50.00	Outwith the Scope	0.00	50.00	50.00	Outwith the Scope	0.00	50.00	0.00	0%	
Private Water Supplies - Visit charge Type B	<b>STATUTORY CHARGE</b>	70.00	Outwith the Scope	0.00	70.00	70.00	Outwith the Scope	0.00	70.00	0.00	0%	Charge capped at £70.
Private Water Supplies - Type B - Monitoring & analytical cost	<b>STATUTORY CHARGE</b>	118.00	Outwith the Scope	0.00	118.00	118.00	Outwith the Scope	0.00	118.00	0.00	0%	Charge capped at £118.
Private Water Supplies - Type B - request sample and analytical cost	<b>STATUTORY CHARGE</b>	145.00	Outwith the Scope	0.00	145.00	145.00	Outwith the Scope	0.00	145.00	0.00	0%	Charge capped at £145.

Description	Other	2022-23				2023-24				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
Private water supply- Initial risk assessment visit (TypeB) and report	STATUTORY CHARGE	120.00	Outwith the Scope	0.00	120.00	120.00	Outwith the Scope	0.00	120.00	0.00	0%	Capped
Private waters (Regulated and Type B) - Other Parameters may be sampled if there is a specific need. Those charges will directly reflect those passed to us by the testing laboratory	At Cost	-	Outwith the Scope	0.00	0.00	0.00	Outwith the Scope	0.00	0.00	0.00	0%	At Cost
Private Landlord Registration - principal fee for registration as landlord	STATUTORY CHARGE	68.00	Outwith the Scope	0.00	68.00	68.00	Outwith the Scope	0.00	68.00	0.00	0%	Scottish Government prescribe these charges for Local Authorities to apply
Private Landlord Registration - property fee per property	STATUTORY CHARGE	16.00	Outwith the Scope	0.00	16.00	16.00	Outwith the Scope	0.00	16.00	0.00	0%	
Private Landlord Registration- late application fee	STATUTORY CHARGE	137.00	Outwith the Scope	0.00	137.00	137.00	Outwith the Scope	0.00	137.00	0.00	0%	
Short-term let licensing - home letting/home sharing accomodating to 4 guests		226.00	Outwith the Scope	0.00	226.00	239.55	Outwith the Scope	0.00	239.55	13.55	6%	Tri-Annual Licence
Short-term let licensing - home letting/home sharing accomodating 5-8 guests		316.00	Outwith the Scope	0.00	316.00	334.95	Outwith the Scope	0.00	334.95	18.95	6%	Tri-Annual Licence
Short-term let licensing - home letting/home sharing accomodating 9 -12 guests		497.00	Outwith the Scope	0.00	497.00	526.80	Outwith the Scope	0.00	526.80	29.80	6%	Tri-Annual Licence
Short-term let licensing - home letting/home sharing accomodating 13-20 guests		633.00	Outwith the Scope	0.00	633.00	671.00	Outwith the Scope	0.00	671.00	38.00	6%	Tri-Annual Licence
Short-term let licensing - home letting/home sharing accomodating 21 and over guests		814.00	Outwith the Scope	0.00	814.00	862.85	Outwith the Scope	0.00	862.85	48.85	6%	Tri-Annual Licence
Short-term let licensing - secondary letting accomodating up to 4 guests		316.00	Outwith the Scope	0.00	316.00	334.95	Outwith the Scope	0.00	334.95	18.95	6%	Tri-Annual Licence
Short-term let licensing - secondary letting accomodating 5-8 guests		452.00	Outwith the Scope	0.00	452.00	479.10	Outwith the Scope	0.00	479.10	27.10	6%	Tri-Annual Licence
Short-term let licensing - secondary letting accomodating 9 - 12 guests		678.00	Outwith the Scope	0.00	678.00	718.70	Outwith the Scope	0.00	718.70	40.70	6%	Tri-Annual Licence
Short-term let licensing - secondary letting accomodating 13- 20 guests		904.00	Outwith the Scope	0.00	904.00	958.25	Outwith the Scope	0.00	958.25	54.25	6%	Tri-Annual Licence
Short-term let licensing - secondary letting accomodating 21 and over guests		1,130.00	Outwith the Scope	0.00	1,130.00	1,197.80	Outwith the Scope	0.00	1,197.80	67.80	6%	Tri-Annual Licence
Short-term let licensing- temporary licence fee		50% of total licence fee				50% of total licence fee				0.00	0%	
Short-term let licensing- Temporary exemption application		50% of total licence fee				50% of total licence fee				0.00	0%	
Short-term let licensing- Variation in Licence/change in circumstances		77.00	Outwith the Scope	0.00	77.00	81.60	Outwith the Scope	0.00	81.60	4.60	6%	
Short-term let licensing- Certified copy of licence/duplicate licence		41.00	Outwith the Scope	0.00	41.00	43.45	Outwith the Scope	0.00	43.45	2.45	6%	
Short-term let licensing - Enforcement charge (Hourly rate)		94.30	Outwith the Scope	0.00	94.30	99.95	Outwith the Scope	0.00	99.95	5.65	6%	

Description	Other	2022-23				2023-24				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>PLANNING SERVICES</b>												
Additional administration fee in respect of an Advert required in terms of Regulation 20 of the Town & Country Planning (Development Management Procedure) (Scotland) Regulations 2008		174.17	Standard	34.83	209.00	185.00	Standard	37.00	222.00	13.00	6%	
Planning Section 50 Licence Certificate		148.00	Outwith the Scope	0.00	148.00	157.00	Outwith the Scope	0.00	157.00	9.00	6%	
Pre Application advice for major planning applications		833.33	Standard	166.67	1,000.00	883.33	Standard	176.67	1,060.00	60.00	6%	
Pre Application advice for local planning applications	Maximum £848	666.67	Standard	133.33	800.00	706.67	Standard	141.33	848.00	48.00	6%	
Pre-Application Initiation & follow up 30min meeting		31.67	Standard	6.33	38.00	33.33	Standard	6.67	40.00	2.00	5%	includes 20min prep and 10 mins follow up
Pre-Application Initiation & follow up 1hour meeting		63.33	Standard	12.67	76.00	67.50	Standard	13.50	81.00	5.00	7%	includes 40min prep and 20 mins follow up
Pre-Application Initiation & follow up 2hour meeting		96.67	Standard	19.33	116.00	102.50	Standard	20.50	123.00	7.00	6%	includes 40min prep and 20 mins follow up
High Hedge complaint		478.00	Outwith the Scope	0.00	478.00	507.00	Outwith the Scope	0.00	507.00	29.00	6%	£50 charge if investigated but not classed as a hedge
S64 submission relating to Householder Development		51.50	Outwith the Scope	0.00	51.50	54.50	Outwith the Scope	0.00	54.50	3.00	6%	
S64 submission relating to Non-Householder Local Development		103.00	Outwith the Scope	0.00	103.00	109.00	Outwith the Scope	0.00	109.00	6.00	6%	
S64 submission relating to Major Development		206.00	Outwith the Scope	0.00	206.00	218.00	Outwith the Scope	0.00	218.00	12.00	6%	S64 submissions relating to a single dwelling/plot within a larger Major Development shall be charged as a Non-Householder Local Development
Administration Charge for non e-Planning application submissions - Householder Application		20.50	Outwith the Scope	0.00	20.50	21.50	Outwith the Scope	0.00	21.50	1.00	5%	Exemptions to this charge will be applied where submissions cannot be made through the ePlanning portal including: - Pre-application Screening Notice; - Proposal of Application Notice; - Applications for modification or discharge of planning obligations under s75A; - Applications for marine fish farm development; - Applications for a High Hedge Notice;
Administration Charge for non e-Planning application submissions - Non-Householder Local Application		51.50	Outwith the Scope	0.00	51.50	54.50	Outwith the Scope	0.00	54.50	3.00	6%	
Administration Charge for non e-Planning application submissions - Major Application		103.00	Outwith the Scope	0.00	103.00	109.00	Outwith the Scope	0.00	109.00	6.00	6%	
Property History Search - Copy Document Record Search where specific planning application reference required is provided		38.50	Outwith the Scope	0.00	38.50	41.00	Outwith the Scope	0.00	41.00	2.50	6%	additional printing charges will be applied for provision of hardcopy documentation; no fee for provision of e-copy
Property History Search - Copy Document Record Search where specific planning application reference is not provided		90.00	Outwith the Scope	0.00	90.00	95.00	Outwith the Scope	0.00	95.00	5.00	6%	
Planning Statutory Fees												<a href="http://argyll-bute.gov.uk">Planning fee guidance (argyll-bute.gov.uk)</a>

Description	Other	2022-23				2023-24				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>BUILDING STANDARDS</b>												
Property Inspection		372.00	Outwith the Scope	0.00	372.00	394.00	Outwith the Scope	0.00	394.00	22.00	6%	
Re - Inspection Fee Property Inspection Applications		185.00	Outwith the Scope	0.00	185.00	196.00	Outwith the Scope	0.00	196.00	11.00	6%	
Confirmation of completion Applications		297.00	Outwith the Scope	0.00	297.00	315.00	Outwith the Scope	0.00	315.00	18.00	6%	
Re - Inspection Fee Confirmation of Completion Applications		170.00	Outwith the Scope	0.00	170.00	180.00	Outwith the Scope	0.00	180.00	10.00	6%	
Confirmation of Exempt class of works		75.00	Outwith the Scope	0.00	75.00	80.00	Outwith the Scope	0.00	80.00	5.00	7%	
Building Standards Section 50 Licence Certificate		148.00	Outwith the Scope	0.00	148.00	157.00	Outwith the Scope	0.00	157.00	9.00	6%	
Property Enquiries (if Application Number known)		43.00	Outwith the Scope	0.00	43.00	46.00	Outwith the Scope	0.00	46.00	3.00	7%	
Property Enquiries (if Application Number not known)		107.00	Outwith the Scope	0.00	107.00	113.00	Scope	0.00	113.00	6.00	6%	
Building Standards Statutory Fees												<a href="http://ebuildingstandards.scot">Fee Calculator (ebuildingstandards.scot)</a>
<b>HOUSING</b>												
Housing - Homeless Temporary Accommodation - Bedsit/1 Bed - per week		57.06	Outwith the Scope	0.00	57.06	57.06	Outwith the Scope	0.00	57.06	0.00	0.00	Not subject to inflation - only the service charge is inflated.
Housing - Homeless Temporary Accommodation - 2 Bed Flat/House - per week		64.62	Outwith the Scope	0.00	64.62	64.62	Outwith the Scope	0.00	64.62	0.00	0.00	
Housing - Homeless Temporary Accommodation - 3 Bed Flat/House - per week		71.37	Outwith the Scope	0.00	71.37	71.37	Outwith the Scope	0.00	71.37	0.00	0.00	
Housing - Homeless Temporary Accommodation - 4 Bed House - per week		76.67	Outwith the Scope	0.00	76.67	76.67	Outwith the Scope	0.00	76.67	0.00	0.00	
Housing - Homeless Tenants Service Charge per week		50.35	Outwith the Scope	0.00	50.35	53.35	Outwith the Scope	0.00	53.35	3.00	6%	

Description	Other	2022-23				2023-24				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>WASTE COLLECTION</b>												
Supply of Sacks for Commercial Use (pack of 50)		330.25	Outwith the Scope	0.00	330.25	353.95	Outwith the Scope	0.00	353.95	23.70	7%	Scottish Government Landfill Tax increase of £3.50 per tonne confirmed.
Confidential Sacks - Includes Uplift, Shredding and disposal	<b>Internal Use Only</b> - Minimum of 8 sacks per order	16.45	Outwith the Scope	0.00	16.45	17.45	Outwith the Scope	0.00	17.45	1.00	6%	
Domestic Use Only 140 Litre Bins		37.45	Outwith the Scope	0.00	37.45	39.70	Outwith the Scope	0.00	39.70	2.25	6%	
Domestic Use Only 240 Litre Bins		37.45	Outwith the Scope	0.00	37.45	39.70	Outwith the Scope	0.00	39.70	2.25	6%	
Commercial Use Only 240 Litre Bins		95.79	Standard	19.16	114.95	101.54	Standard	20.31	121.85	6.90	6%	
Commercial Use Only 360 Litre Bins		139.33	Standard	27.87	167.20	147.71	Standard	29.54	177.25	10.05	6%	
Commercial Use Only 660 Litre Bins		351.46	Standard	70.29	421.75	372.54	Standard	74.51	447.05	25.30	6%	
Commercial Use Only 1100 Litre Bins		428.08	Standard	85.62	513.70	453.75	Standard	90.75	544.50	30.80	6%	
Commercial Use Only 1280 Litre Bins		440.83	Standard	88.17	529.00	467.29	Standard	93.46	560.75	31.75	6%	
Householder Special Refuse Collection	Minimum Charge covers work of two men and vehicle up to ten minutes.	72.00	Outwith the Scope	0.00	72.00	76.30	Outwith the Scope	0.00	76.30	4.30	6%	
Householder Special Refuse Collection Extra Charge	Charged per 10 minutes over minimum charge	44.80	Outwith the Scope	0.00	44.80	47.50	Outwith the Scope	0.00	47.50	2.70	6%	
Commercial Special Uplift (Industrial Waste)	(Charge Per Hour - Minimum Charge 1 hour)	158.38	Standard	31.68	190.05	167.88	Standard	33.58	201.45	11.40	6%	
Commercial Special Uplift (Non-industrial Waste)	(Charge Per Hour - Minimum Charge 1 hour) - <b>Housing Associations should be</b>	158.38	Outwith the Scope	0.00	158.38	167.88	Outwith the Scope	0.00	167.88	9.50	6%	Provided not Industrial waste as per Environmental Protection Act 1990. <u>For commercial fridge/freezer disposal, contact the Waste Team for advice.</u>
Return of Supermarket trolleys (each)		44.21	Standard	8.84	53.05	46.88	Standard	9.38	56.25	3.20	6%	



Description	Other	2022-23			
		Net £	VAT Rate	VAT £	Gross £
<b>COMMERCIAL REFUSE</b>					
Wheeled Bins - 140/240 ltr	Based on 1 uplift per week	393.89	Outwith the Scope	0.00	393.89
Wheeled Bins - 340 ltr	Based on 1 uplift per week	557.94	Outwith the Scope	0.00	557.94
Wheeled Bins - 660 ltr	Based on 1 uplift per week	1,070.56	Outwith the Scope	0.00	1,070.56
Wheeled Bins - 800 ltr	Based on 1 uplift per week	1,297.62	Outwith the Scope	0.00	1,297.62
Wheeled Bins - 1100 ltr	Based on 1 uplift per week	1,783.49	Outwith the Scope	0.00	1,783.49
Wheeled Bins - 1280 ltr	Based on 1 uplift per week	2,075.27	Outwith the Scope	0.00	2,075.27
Loads - Bands 1-5		957.45	Outwith the Scope	0.00	957.45
Loads - Bands 6-10		2,157.44	Outwith the Scope	0.00	2,157.44
Front End Loader Service - Uplifted twice weekly by Renewi	Per Cubic Yard	2,096.39	Outwith the Scope	0.00	2,096.39
Front End Loader Service - Uplifted twice weekly by Renewi	Per Cubic Metre	2,474.84	Outwith the Scope	0.00	2,474.84
Pull Out Charge - Commercial only		106.09	Outwith the Scope	0.00	106.09
<b>COMMERCIAL REFUSE (private waste contractor's with Council acting as sub-contractor)</b>					
Supply of Sacks for Commercial Use (pack of 50)		330.27	Standard	66.05	396.32
Wheeled Bins - 140/240 ltr	Based on 1 uplift per week	393.89	Standard	78.78	472.67
Wheeled Bins - 340 ltr	Based on 1 uplift per week	557.94	Standard	111.59	669.52
Wheeled Bins - 660 ltr	Based on 1 uplift per week	1,070.56	Standard	214.11	1,284.67
Wheeled Bins - 800 ltr	Based on 1 uplift per week	1,297.62	Standard	259.52	1,557.14
Wheeled Bins - 1100 ltr	Based on 1 uplift per week	1,783.49	Standard	356.70	2,140.19
Wheeled Bins - 1280 ltr	Based on 1 uplift per week	2,075.27	Standard	415.05	2,490.32
Loads - Bands 1-5		957.45	Standard	191.49	1,148.94
Loads - Bands 6-10		2,157.44	Standard	431.49	2,588.93
Front End Loader Service - Uplifted twice weekly by Renewi	Per Cubic Yard	2,096.39	Standard	419.28	2,515.67
Front End Loader Service - Uplifted twice weekly by Renewi	Per Cubic Metre	2,474.84	Standard	494.97	2,969.81
Pull Out Charge - Commercial only		106.09	Standard	21.22	127.31

2023-24				Increase		Notes/Comments
Net £	VAT Rate	VAT £	Gross £	£	%	
422.17	Outwith the Scope	0.00	422.17	28.28	7%	<b>Minimum Charge 2023/24 - £422.17</b> Equivalent to the 140/240 litre bin charge for collection and landfill tax uplifted once a week. For premises whereby a less than weekly mixed waste service is available only, the minimum charge will be adjusted accordingly.  Agreements are issued Annually to all commercial/front end loader customers. Payments are either made in advance or by direct debit.  Front End Loader service provided by Renewi Some bins still responsibility of Council dependant on location and recognised use by public. Any charge by Renewi above this level to be charged at cost + 2% to customers.
598.00	Outwith the Scope	0.00	598.00	40.06	7%	
1,147.43	Outwith the Scope	0.00	1,147.43	76.87	7%	
1,390.79	Outwith the Scope	0.00	1,390.79	93.17	7%	
1,911.54	Outwith the Scope	0.00	1,911.54	128.05	7%	
2,224.27	Outwith the Scope	0.00	2,224.27	149.00	7%	
1,026.19	Outwith the Scope	0.00	1,026.19	68.74	7%	
2,312.35	Outwith the Scope	0.00	2,312.35	154.90	7%	
2,246.91	Outwith the Scope	0.00	2,246.91	150.52	7%	
2,652.53	Outwith the Scope	0.00	2,652.53	177.69	7%	
112.46	Outwith the Scope	0.00	112.46	6.37	6%	This charge is per bin.
353.98	Standard	70.80	424.78	28.46	7%	<b>Minimum Charge 2023/24 - £506.61</b> Equivalent to the 140/240 litre bin charge for collection and landfill tax uplifted once a week. For premises whereby a less than weekly mixed waste service is available only, the minimum charge will be adjusted accordingly.  Agreements are issued Annually to all commercial/front end loader customers. Payments are either made in advance or by direct debit.  Front End Loader service provided by Renewi Some bins still responsibility of Council dependant on location and recognised use by public. Any charge by Renewi above this level to be charged at cost + 2% to customers.
422.17	Standard	84.43	506.61	33.94	7%	
598.00	Standard	119.60	717.60	48.08	7%	
1,147.43	Standard	229.48	1,376.91	92.24	7%	
1,390.79	Standard	278.16	1,668.95	111.81	7%	
1,911.54	Standard	382.31	2,293.85	153.67	7%	
2,224.27	Standard	444.85	2,669.13	178.81	7%	
1,026.19	Standard	205.24	1,231.42	82.48	7%	
2,312.35	Standard	462.47	2,774.82	185.89	7%	
2,246.91	Standard	449.38	2,696.30	180.63	7%	
2,652.53	Standard	530.51	3,183.05	213.24	7%	
112.46	Standard	22.49	134.95	7.64	6%	This charge is per bin.

Description	Other	2022-23				2023-24				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>RECYCLING CHARGES</b>												
Office Paper - Large Bag / 1 x week		158.75	Outwith the Scope	0.00	158.75	168.27	Outwith the Scope	0.00	168.27	9.52	6%	Council glass services may be subject to change following the introduction of The Scottish Government Deposit Return Scheme in August 2023.
Paper, Cardboard, Plastic and Cans - 240 litre Bins and Minimum Charge for Year		105.27	Outwith the Scope	0.00	105.27	111.58	Outwith the Scope	0.00	111.58	6.32	6%	
Paper, Cardboard, Plastic and Cans - 340 litre Bin	Fortnightly Charge - Weekly services shall be charged accordingly at fortnightly rate x 2	148.37	Outwith the Scope	0.00	148.37	157.27	Outwith the Scope	0.00	157.27	8.90	6%	Charges for recycling collections or treatment should in general be levied on the commercial sector on the same basis as normal refuse collection or disposal, but with the benefit of no landfill tax payment being applied to the charge.
Paper, Cardboard, Plastic and Cans - 660 litre Bin		283.85	Outwith the Scope	0.00	283.85	300.88	Outwith the Scope	0.00	300.88	17.03	6%	
Paper, Cardboard, Plastic and Cans - 800 litre Bin		344.09	Outwith the Scope	0.00	344.09	364.73	Outwith the Scope	0.00	364.73	20.65	6%	
Paper, Cardboard, Plastic and Cans - 1100/1280 litre Bin		472.05	Outwith the Scope	0.00	472.05	500.37	Outwith the Scope	0.00	500.37	28.32	6%	
Commercial Sacks for Recyclable Waste		Charge Per Sack. Service available in Kintyre and only sold and used when no space for a blue bin.	1.58	Outwith the Scope	0.00	1.58	1.67	Outwith the Scope	0.00	1.67	0.09	
Recyclable Waste Brought to Civic Amenity/Recycling Facilities	Purchase of Punch Card - Price per card	46.07	Outwith the Scope	0.00	46.07	48.84	Outwith the Scope	0.00	48.84	2.76	6%	At Waste Disposal Sites and Civic Amenity/Recycling Sites, use by the commercial sector (if permitted by the license conditions) should only be allowed in return for the payment of the appropriate rate, equivalent to the disposal charge excluding landfill tax. A pre-paid punch card system is available. There are some exceptions to this e.g. commercial wood from Council operated island waste disposal sites, where high haulage costs are incurred and an appropriate charge is levied to cover this.
Cooking Oil Collection (per 20/24ltr container)	Service available in Mull, Iona, Tiree, Islay and Jura	3.84	Outwith the Scope	0.00	3.84	4.08	Outwith the Scope	0.00	4.08	0.23	6%	
Commercial Wood Delivered by Contractors	Island waste disposal sites on Mull, Islay and Tiree	116.64	Outwith the Scope	0.00	116.64	123.64	Outwith the Scope	0.00	123.64	7.00	6%	Paper and cardboard recycling charges are also applicable for plastic and cans where such recycling is available.
Segregated Glass Collection - 240 litre bin 1 x weekly	Minimum Charge same as for Mixed Glass	66.25	Outwith the Scope	0.00	66.25	70.22	Outwith the Scope	0.00	70.22	3.97	6%	
Segregated Glass Collection - 330/360 litre bin 1 x weekly		91.27	Outwith the Scope	0.00	91.27	96.75	Outwith the Scope	0.00	96.75	5.48	6%	
Segregated Glass Collection - 660 litre bin 1 x weekly		179.57	Outwith the Scope	0.00	179.57	190.35	Outwith the Scope	0.00	190.35	10.77	6%	
Segregated Glass Collection - 1100/1280 litre bin 1 x weekly		270.72	Outwith the Scope	0.00	270.72	286.97	Outwith the Scope	0.00	286.97	16.24	6%	
Mixed Glass Collection - 240 litre bin and Minimum Charge	Fortnightly Charge for Isles of Mull, Iona, Tiree and Islay	100.36	Outwith the Scope	0.00	100.36	106.39	Outwith the Scope	0.00	106.39	6.02	6%	
Mixed Glass Collection - 660 litre bin		270.72	Outwith the Scope	0.00	270.72	286.97	Outwith the Scope	0.00	286.97	16.24	6%	
Mixed Glass Collection - 1100 litre bin		406.08	Outwith the Scope	0.00	406.08	430.44	Outwith the Scope	0.00	430.44	24.36	6%	
Commercial Food Waste Composting Service - Weekly Service of 140ltr Wheeled Bin	Service only available in Lomond - Bin and 160 Bags per annum supplied by Council	173.26	Outwith the Scope	0.00	173.26	183.66	Outwith the Scope	0.00	183.66	10.40	6%	

Description	Other	2022-23				2023-24				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
Commercial Food Waste Composting Service - Weekly Service of 240ltr Wheeled Bin	Service only available in Lomond - Bin and 160 Bags per annum supplied by Council	296.97	Outwith the Scope	0.00	296.97	314.79	Outwith the Scope	0.00	314.79	17.82	6%	
Commercial Food Waste Composting Service - Weekly Service of 500ltr Wheeled Bin	Service only available in Lomond - Bin and 570 Bags per annum supplied by Council	619.30	Outwith the Scope	0.00	619.30	656.46	Outwith the Scope	0.00	656.46	37.16	6%	
<b>RECYCLING CHARGES (private waste contractor's with Council acting as sub-contractor)</b>												
Office Paper - Large Bag / 1 x week		158.75	Standard	31.75	190.50	168.27	Standard	33.65	201.92	11.42	6%	
Paper, Cardboard, Plastic and Cans - 240 litre Bins and Minimum Charge for Year		105.27	Standard	21.05	126.33	111.58	Standard	22.32	133.90	7.57	6%	
Paper, Cardboard, Plastic and Cans - 340 litre Bin	Fortnightly Charge - Weekly services shall be charged accordingly at fortnightly rate x 2	148.37	Standard	29.67	178.04	157.27	Standard	31.45	188.72	10.68	6%	
Paper, Cardboard, Plastic and Cans - 660 litre Bin		283.85	Standard	56.77	340.62	300.88	Standard	60.18	361.06	20.44	6%	
Paper, Cardboard, Plastic and Cans - 800 litre Bin		344.09	Standard	68.82	412.91	364.73	Standard	72.95	437.68	24.77	6%	
Paper, Cardboard, Plastic and Cans - 1100/1280 litre Bin		472.05	Standard	94.41	566.46	500.37	Standard	100.07	600.45	33.99	6%	
Commercial Sacks for Recyclable Waste		Charge Per Sack. Service available in Kintyre and only sold and used when no space for a blue bin.	1.58	Standard	0.32	1.89	1.67	Standard	0.33	2.01	0.11	6%
Segregated Glass Collection - 240 litre bin 1 x weekly	Minimum Charge same as for Mixed Glass	66.25	Standard	13.25	79.50	70.22	Standard	14.04	84.27	4.77	6%	
Segregated Glass Collection - 330/360 litre bin 1 x weekly		91.27	Standard	18.25	109.52	96.75	Standard	19.35	116.09	6.57	6%	
Segregated Glass Collection - 660 litre bin 1 x weekly		179.57	Standard	35.91	215.48	190.35	Standard	38.07	228.42	12.94	6%	
Segregated Glass Collection - 1100/1280 litre bin 1 x weekly		270.72	Standard	54.14	324.86	286.97	Standard	57.39	344.37	19.50	6%	
Mixed Glass Collection - 240 litre bin and Minimum Charge	Fortnightly Charge for Isles of Mull, Iona, Tiree and Islay	100.36	Standard	20.07	120.43	106.39	Standard	21.27	127.65	7.22	6%	
Mixed Glass Collection - 660 litre bin		270.72	Standard	54.14	324.86	286.97	Standard	57.39	344.37	19.50	6%	
Mixed Glass Collection - 1100 litre bin		406.08	Standard	81.22	487.30	430.44	Standard	86.09	516.53	29.24	6%	
Commercial Food Waste Composting Service - Weekly Service of 140ltr Wheeled Bin	Service only available in Lomond - Bin and 160 Bags per annum supplied by Council	173.26	Standard	34.65	207.91	183.66	Standard	36.73	220.40	12.48	6%	

Description	Other	2022-23				2023-24				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
Commercial Food Waste Composting Service - Weekly Service of 240ltr Wheeled Bin	Service only available in Lomond - Bin and 160 Bags per annum supplied by Council	296.97	Standard	59.39	356.37	314.79	Standard	62.96	377.75	21.38	6%	
Commercial Food Waste Composting Service - Weekly Service of 500ltr Wheeled Bin	Service only available in Lomond - Bin and 570 Bags per annum supplied by Council	619.30	Standard	123.86	743.16	656.46	Standard	131.29	787.75	44.59	6%	

Description	Other	2022-23				2023-24				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>SKIPS</b>												
Hire (for 24 hours)	Any Ferry Journeys will be recharged at cost.	6.08	Standard	1.22	7.30	6.46	Standard	1.29	7.75	0.45	6%	Charge for skip hire if not part of commercial waste collection contract.
Commercial - Service of Skip - Up to 10 miles travel, one way from disposal point	Any Ferry Journeys will be recharged at cost.	79.75	Outwith the Scope	0.00	79.75	84.55	Outwith the Scope	0.00	84.55	4.80	6%	
Commercial - Service of Skip - Up to 20 miles travel, one way from disposal point	Any Ferry Journeys will be recharged at cost.	101.25	Outwith the Scope	0.00	101.25	107.35	Outwith the Scope	0.00	107.35	6.10	6%	
Commercial - Service of Skip - Over 20 miles travel, one way from disposal point	Any Ferry Journeys will be recharged at cost.	125.35	Outwith the Scope	0.00	125.35	132.85	Outwith the Scope	0.00	132.85	7.50	6%	
Commercial - Tipping Charge per Service, including Landfill Tax (Active)	Tiree Only - See notes	357.75	Outwith the Scope	0.00	357.75	372.60	Outwith the Scope	0.00	372.60	14.85	4%	Landfill tax on inactive waste at Council landfill sites on Mull, Islay and Tiree may be charged. This will depend on the type of inactive waste and it's use on the landfill site. A contractor with such waste should contact the Council to discuss this prior to disposal of inactive waste.
Commercial - Tipping Charge per Service, including Landfill Tax (Inactive)	Tiree Only - See notes	0.00	Outwith the Scope	0.00	0.00	0.00	Outwith the Scope	0.00	0.00	0.00	0%	Tipping Charges - Tiree, no weighbridge, charges based on assumed weights based on vehicle size.  Tipping Charges - Islay and Mull - charge based on weighbridge - see Waste Disposal Charges.

Description	Other	2022-23				2023-24				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>HOUSEHOLDER SCRAP CAR REMOVAL AND DISPOSAL SERVICE (Service not available to Commercial Customers they should make their own arrangements with appropriate vehicle dismantlers)</b>												
Scrap Car Deposit Voucher - per car	The voucher service is <b>not</b> available in Helensburgh and Lomond, where advice can be sought from your local area office.	88.54	Standard	17.71	106.25	93.88	Standard	18.78	112.65	6.40	6%	Householder must pay fee and show registration document as proof of ownership before voucher can be issued. Car must be taken to appropriate Council or Renewi disposal site by Householder.
Removal and disposal from householders		145.54	Standard	29.11	174.65	154.29	Standard	30.86	185.15	10.50	6%	Householders should be advised of national takeback schemes i.e. Cartakeback and Autogreen, before proceeding with removal request and payment.
Removal of abandoned car where owner can be traced - Statutory Fee		300.00	Outwith the Scope	0.00	300.00	300.00	Outwith the Scope	0.00	300.00	0.00	0%	Charge set by Legislation. If car has to be stored due to its condition (e.g. still taxed) in Council Depot an additional £20.60 per storage charge per day should be added.
Removal of car by arrangement on private, or other public sector ground, where the last registered keeper cannot be traced. The Executive Director of the Development and Infrastructure Department shall have the discretion to require a payment in advance from the landowner		174.65	Outwith the Scope	0.00	174.65	185.15	Outwith the Scope	0.00	185.15	10.50	6%	A 24 hour notice on the car must be served prior to removal and disposal.

Description	Other	2022-23				2023-24				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>WASTE DISPOSAL</b>												
Ordinary Waste - Landfill Tax Element of Charges per tonne (Fee set by Scottish Government)	Charge includes Landfill Tax	98.60	Outwith the Scope	0.00	98.60	102.10	Outwith the Scope	0.00	102.10	3.50	4%	
Ordinary Waste - Waste Disposal Cost per tonne	Charge includes Landfill Tax	132.50	Outwith the Scope	0.00	132.50	138.00	Outwith the Scope	0.00	138.00	5.50	4%	
Inactive Waste - Landfill Tax Element of Charges per tonne	Charge includes Landfill Tax	3.15	Outwith the Scope	0.00	3.15	3.25	Outwith the Scope	0.00	3.25	0.10	3%	
Inactive Waste - Waste Disposal Cost per tonne	Charge includes Landfill Tax	0.00	Outwith the Scope	0.00	0.00	0.00	Outwith the Scope	0.00	0.00	0.00	0%	
Assumed Loads per vehicle type - Small Van/pick up (Escort size)	0.4 tonnes	54.25	Outwith the Scope	0.00	54.25	56.55	Outwith the Scope	0.00	56.55	2.30	4%	
Assumed Loads per vehicle type - Medium Van/pick up (Transit size)	0.8 tonnes	108.30	Outwith the Scope	0.00	108.30	112.85	Outwith the Scope	0.00	112.85	4.55	4%	
Assumed Loads per vehicle type - Large Van/pick up (twin wheeled)	1.2 tonnes	162.40	Outwith the Scope	0.00	162.40	169.25	Outwith the Scope	0.00	169.25	6.85	4%	
Assumed Loads per vehicle type - Tipper/Large Box Van (over 3.5 tonnes and less than 7.5 tonnes)	3 tonnes	406.10	Outwith the Scope	0.00	406.10	423.20	Outwith the Scope	0.00	423.20	17.10	4%	

Description	Other	2022-23				2023-24				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>PUBLIC CONVENIENCES</b>												
Entrance Fee (where Public Convenience entry system fitted)		0.50	Outwith the Scope	0.00	0.50	0.50	Outwith the Scope	0.00	0.50	0.00	0%	
Radar Keys		4.35	Outwith the Scope	0.00	4.35	4.60	Outwith the Scope	0.00	4.60	0.25	6%	Purchased at Area Offices.
<b>PEST CONTROL</b>												
Eradication of rats and mice, this covers all individual dwelling premises either private or rented from Housing Associations, Social Landlords, Private Landlords or Commercial premises.		134.12	Standard	26.82	160.94	162.28	Standard	32.46	194.74	33.80	21%	Payment must be made in advance. The charge includes 2 visits. Further charges during the initial treatment may be necessary where eradication requires more than 2 visits. Advice on the total charge for eradication can be provided by officers.
Eradication of rats and mice. Charge for third visit (if required) for individual dwelling premises either private or rented from Housing Associations, Social Landlords, Private Landlords or Commercial premises.		67.06	Standard	13.41	80.47	81.14	Standard	16.23	97.37	16.90	21%	
Eradication of rats and mice for Council owned properties.		134.12	Outwith the Scope	0.00	134.12	162.29	Outwith the Scope	0.00	162.29	28.17	21%	
Eradication of rats and mice. Charge for third visit (if required) Council owned properties.		67.05	Outwith the Scope	0.00	67.05	81.13	Outwith the Scope	0.00	81.13	14.08	21%	
Eradication of wasps and ants, this covers all individual dwelling premises either private or rented from Housing Associations, Social Landlords, Private Landlords or Commercial premises.		102.91	Standard	20.58	123.49	124.52	Standard	24.90	149.42	25.93	21%	Payment must be made in advance. The charge includes 1 visit. Further charges may be necessary where eradication requires additional visits. Advice on the total charge for eradication can be provided by officers during the initial treatment.
Eradication of wasps and ants for Council owned properties.		102.91	Outwith the Scope	0.00	102.91	124.52	Outwith the Scope	0.00	124.52	21.61	21%	
Eradication of fleas and bed bugs, this covers all individual dwelling premises either private or rented from Housing Associations, Social Landlords, Private Landlords or Commercial premises.	Minimum fee listed only	503.93	Standard	100.79	604.71	609.75	Standard	121.95	731.70	126.99	21%	The cost of this service would be agreed with the customer at the time of the survey.
Eradication of fleas and bed bugs for Council owned properties.	Minimum fee listed only	503.93	Outwith the Scope	0.00	503.93	609.75	Outwith the Scope	0.00	609.75	105.82	21%	
Eradication of moles for Council owned land only		503.93		0.00	503.93	609.75		0.00	609.75	105.82	21%	Works to be carried out only on Council owned land due to nature of control.
Non refundable survey charge		43.18	Standard	8.64	51.81	52.25	Standard	10.45	62.70	10.88	21%	If works progress to a contract/work agreement, the survey fee can be discounted from the costs of the works.



Description	Other	2022-23				2023-24				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>DOG FEES</b>												
Standard Fee		26.50	Outwith the Scope	0.00	26.50	28.10	Outwith the Scope	0.00	28.10	1.60	6%	Payment in advance. Proof of identity must be shown at the Area Office when payment is made. A receipt will be issued to allow the owner to collect their dog from the kennels. In order for Kennel Operators to accept dogs there is a requirement that they are inoculated.  First 24 hour period, statutory charge applied plus boarding fee. The boarding fee only, will be applied for each subsequent day the dog is in boardings.  Dog microchipping will be required by law from April 2016. Dogs (when not already microchipped) will be microchipped before returning to the owner.
Boarding fee		18.70	Outwith the Scope	0.00	18.70	19.80	Outwith the Scope	0.00	19.80	1.10	6%	
Kennel Inoculation Fee		44.04	Standard	8.81	52.85	46.67	Standard	9.33	56.00	3.15	6%	
Dog microchipping		38.79	Standard	7.76	46.55	41.13	Standard	8.23	49.35	2.80	6%	
<b>Room Hire - Hermitage Park Pavilion</b>												
Hermitage Park Pavilion Community Room (Concession rate per hour Monday to Friday)		19.00	Standard	3.80	22.80	20.13	Standard	4.03	24.15	1.35	6%	A 25% reduction on cost will be offered to groups making block bookings. A block booking is defined as 5 or more bookings within any 3 month period.
Hermitage Park Pavilion Community Room (Concession rate per hour Saturday and Sunday)		24.33	Standard	4.87	29.20	25.79	Standard	5.16	30.95	1.75	6%	
Hermitage Park Pavilion Community Room (Commercial rate per hour Monday to Friday)		24.71	Standard	4.94	29.65	26.21	Standard	5.24	31.45	1.80	6%	
Hermitage Park Pavilion Community Room (Commercial rate per hour Saturday and Sunday)		31.58	Standard	6.32	37.90	33.46	Standard	6.69	40.15	2.25	6%	

Description	Other	2022-23				2023-24				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>PLAYING FIELDS</b>												
Hire of lined Pitch with Changing Facilities including attendant required for changing facilities (2.5 hours)	18 and over	76.00	Standard	15.20	91.20	80.54	Standard	16.11	96.65	5.45	6%	All hire must be paid for in advance. Block Bookings (10 consecutive bookings) booked in advance is VAT exempt.
	Under 18's	37.96	Standard	7.59	45.55	40.25	Standard	8.05	48.30	2.75	6%	
Hire of lined Pitch only (2.5 hours)	18 and over	37.96	Standard	7.59	45.55	40.25	Standard	8.05	48.30	2.75	6%	Minimum of 48 hours notice is required if the pitch requires to be lined. 48 hours notice of cancellation required in order to be reimbursed.
	Under 18's	19.00	Standard	3.80	22.80	20.13	Standard	4.03	24.15	1.35	6%	
Hire of Pitch for Training (2 hours)	All ages	19.00	Standard	3.80	22.80	20.13	Standard	4.03	24.15	1.35	6%	
Hire of Pitch for Training with changing facilities (2 hours)	18 and over	23.04	Standard	4.61	27.65	24.42	Standard	4.88	29.30	1.65	6%	
	Under 18's	11.50	Standard	2.30	13.80	12.21	Standard	2.44	14.65	0.85	6%	
Hire of Pony Park - Bute	Concession	38.67	Standard	7.73	46.40	41.00	Standard	8.20	49.20	2.80	6%	
Hire of Howie Pavilion, Lomond		10.15	Exempt	0.00	10.15	10.75	Exempt	0.00	10.75	0.60	6%	Hire of Howie Pavilion - standard VAT should be applied if Council staff are involved in setting up the hall.

Description	Other	2022-23				2023-24				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>OUTDOOR RECREATION</b>												
Putting and Crazy Golf	Adult	2.79	Standard	0.56	3.35	2.96	Standard	0.59	3.55	0.20	6%	The stadium fee is the daily rate applied and is for use of the stadium hire only, including the spectator area/pavilion and toilet block. Any other service requirements are outwith this charge, and will be charged separately.
	Concession	1.46	Standard	0.29	1.75	1.54	Standard	0.31	1.85	0.10	6%	
Tennis - Per Session	Adult	2.79	Standard	0.56	3.35	2.96	Standard	0.59	3.55	0.20	6%	
	Concession	1.46	Standard	0.29	1.75	1.54	Standard	0.31	1.85	0.10	6%	
Tennis - Season Ticket	Adult	52.46	Standard	10.49	62.95	55.63	Standard	11.13	66.75	3.80	6%	
	Concession	25.83	Standard	5.17	31.00	27.38	Standard	5.48	32.85	1.85	6%	
Tennis - Hire of Racquet and Balls	Adult	2.79	Standard	0.56	3.35	2.96	Standard	0.59	3.55	0.20	6%	
	Concession	1.46	Standard	0.29	1.75	1.54	Standard	0.31	1.85	0.10	6%	
Bowling - Per Session	Adult	2.79	Standard	0.56	3.35	2.96	Standard	0.59	3.55	0.20	6%	
	Concession	1.46	Standard	0.29	1.75	1.54	Standard	0.31	1.85	0.10	6%	
Bowling - Season Ticket	Adult	63.25	Standard	12.65	75.90	67.04	Standard	13.41	80.45	4.55	6%	
	Concession	31.75	Standard	6.35	38.10	33.67	Standard	6.73	40.40	2.30	6%	
Cricket Wicket (unprepared)	Adult	35.00	Standard	7.00	42.00	37.08	Standard	7.42	44.50	2.50	6%	
Cricket Wicket (prepared)	Adult	63.25	Standard	12.65	75.90	67.04	Standard	13.41	80.45	4.55	6%	
Hire of McCaigs Tower (Weddings)		316.46	Standard	63.29	379.75	335.46	Standard	67.09	402.55	22.80	6%	
Hire of Stadium (Mossfield, Dunoon and Rothesay) for a major event - MINIMUM CHARGE		759.29	Standard	151.86	911.15	804.83	Standard	160.97	965.80	54.65	6%	
<b>Dunoon Stadium - Hire of running Track-without marking</b>		12.71	Standard	2.54	15.25	13.46	Standard	2.69	16.15	0.90	6%	
<b>Dunoon Stadium - Hire of Running Track-with marking</b>		56.96	Standard	11.39	68.35	60.38	Standard	12.08	72.45	4.10	6%	
<b>Grass Tracks - Hire of Running Track (without marking)</b>		12.71	Standard	2.54	15.25	13.46	Standard	2.69	16.15	0.90	6%	
<b>Grass Tracks - Hire of Running Track (with marking)</b>		172.08	Standard	34.42	206.50	182.42	Standard	36.48	218.90	12.40	6%	
Grandstand (Public Restricted)		241.75	Standard	48.35	290.10	256.25	Standard	51.25	307.50	17.40	6%	
Rental of Stall - Per Linear Metre		63.54	Standard	12.71	76.25	67.38	Standard	13.48	80.85	4.60	6%	
Rental of Stall - by Registered Charity - by Stall		30.42	Standard	6.08	36.50	32.25	Standard	6.45	38.70	2.20	6%	

Description	Other	2022-23				2023-24				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>FAIRS</b>												Charges for commercial refuse/tydy up will be over and above the charges noted.
Hire of ground for 1 week (7 days) With total frontage of all rides/stalls, less than 49 linear metres		386.70	Exempt	0.00	386.70	409.90	Exempt	0.00	409.90	23.20	6%	
Hire of Ground for 1 week (7 days). With total frontage of all rides/stalls, over 49 linear metres - per linear metre		7.95	Exempt	0.00	7.95	8.45	Exempt	0.00	8.45	0.50	6%	
Food Vans/Stalls - Hire of Ground per week (7days) - per linear metre		5.90	Exempt	0.00	5.90	6.25	Exempt	0.00	6.25	0.35	6%	
Charitable Organisations - Hire of Ground up to 7 days - per linear metre		4.00	Exempt	0.00	4.00	4.25	Exempt	0.00	4.25	0.25	6%	

Description	Other	2022-23			2023-24				Increase		Notes/Comments	
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£		%
<b>FLORAL DECORATIONS</b>												
Hire of Round or Half Baskets (each)		19.46	Standard	3.89	23.35	20.63	Standard	4.13	24.75	1.40	6%	Loss or damage to containers will be charged to hirer at replacement value.
Troughs 1 Metre Long (each)		23.67	Standard	4.73	28.40	25.08	Standard	5.02	30.10	1.70	6%	
Tubs to 16" diameter (each)		27.92	Standard	5.58	33.50	29.58	Standard	5.92	35.50	2.00	6%	
Tubs over 16" diameter (each)		40.46	Standard	8.09	48.55	42.88	Standard	8.58	51.45	2.90	6%	
Handling Charge		At cost price with prior notice										

Description	Other	2022-23				2023-24				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>BURIAL CHARGES</b>												
*Interment/Re Opening Lair Interment (Child under 18)		883.00	Outwith the Scope	0.00	883.00	936.00	Outwith the Scope	0.00	936.00	53.00	6%	* 100% to be added to interment/lair charges (except for the transfer of title deed) for non residents of Argyll & Bute with the following exemptions:  1. Clear proof that deceased lived permanently in Argyll & Bute within 10 years of death.  2. If the deceased person has been in long term residential care outwith the boundaries of Argyll & Bute Council, but was previously a resident of Argyll & Bute and was moved to such residential care at the behest of this, or a previous Local Authority.  3. Any resident or former resident of Argyll & Bute who has died in the service of their country.  4. Permission for erection of memorial to be paid at same time as purchase of lair.
Additional Charge - Interment on Saturday/Sunday or Public Holiday will incur this additional charge	No charge	329.00	Outwith the Scope	0.00	329.00	349.00	Outwith the Scope	0.00	349.00	20.00	6%	
Additional Charge - Burial of ashes on Saturday/Sunday or Public Holiday will incur this additional charge		94.00	Outwith the Scope	0.00	94.00	100.00	Outwith the Scope	0.00	100.00	6.00	6%	
*Burial of cremated remains at minimum depth	Deceased remains being interred at 3 feet as per current procedures	199.00	Outwith the Scope	0.00	199.00	211.00	Outwith the Scope	0.00	211.00	12.00	6%	
*Burial of cremated remains at available depth	Deceased remains being interred at a greater depth per new legislation	883.00	Outwith the Scope	0.00	883.00	936.00	Outwith the Scope	0.00	936.00	53.00	6%	
*Scattering of Ashes		153.00	Outwith the Scope	0.00	153.00	162.00	Outwith the Scope	0.00	162.00	9.00	6%	
Purchase of Lair - exclusive right of burial (Child under 18)						No charge						
*Purchase of Single Lair, incl maintenance		1,041.00	Exempt	0.00	1,041.00	1,103.00	Exempt	0.00	1,103.00	62.00	6%	
*Purchase of Double Lair, incl maintenance		2,084.00	Exempt	0.00	2,084.00	2,209.00	Exempt	0.00	2,209.00	125.00	6%	
*Purchase of Treble Lair, incl maintenance		3,126.00	Exempt	0.00	3,126.00	3,314.00	Exempt	0.00	3,314.00	188.00	6%	
*Lair for Casket only		214.00	Exempt	0.00	214.00	227.00	Exempt	0.00	227.00	13.00	6%	
*Woodland and Green Burial Service Burial Charge		883.00	Outwith the Scope	0.00	883.00	936.00	Outwith the Scope	0.00	936.00	53.00	6%	
*Woodland and Green Burial Service Standard Lair		2,086.00	Exempt	0.00	2,086.00	2,211.00	Exempt	0.00	2,211.00	125.00	6%	
Transfer of Title Deeds		57.00	Outwith the Scope	0.00	57.00	60.00	Outwith the Scope	0.00	60.00	3.00	5%	
Extract/Search Register (£13.20 to be paid in Advance for work up to half an hour)		32.95	Outwith the Scope	0.00	32.95	34.95	Outwith the Scope	0.00	34.95	2.00	6%	
Administration Fee for Return of Lair	10% of purchase price (90% returned)		Standard		0.00		Standard		0.00			
Permission to erect Standard Memorial or one off design		172.00	Exempt	0.00	172.00	182.00	Exempt	0.00	182.00	10.00	6%	
Permission to erect semi recumbent book type memorial		84.00	Exempt	0.00	84.00	89.00	Exempt	0.00	89.00	5.00	6%	
Erection of plaques at Cemeteries (where consent granted)		84.00	Outwith the Scope	0.00	84.00	89.00	Outwith the Scope	0.00	89.00	5.00	6%	
Erection of inscribed memorial plaque (for previously unmarked graves)		287.00	Outwith the Scope	0.00	287.00	304.00	Outwith the Scope	0.00	304.00	17.00	6%	
Erection of Headstone (Tiree ONLY)		221.00	Outwith the Scope	0.00	221.00	234.00	Outwith the Scope	0.00	234.00	13.00	6%	
Exhumations (not including re interment)		945.00	Exempt	0.00	945.00	1,002.00	Exempt	0.00	1,002.00	57.00	6%	
Exhumations of Caskets (hourly rate)		61.80	Exempt	0.00	61.80	65.50	Exempt	0.00	65.50	3.70	6%	

Description	Other	2022-23				2023-24				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>CREMATORIUM CHARGES</b>												
Child (under 18)												No charge
Adults 18 years and over		836.00	Exempt	0.00	836.00	886.00	Exempt	0.00	886.00	50.00	6%	
Adults 18 years and over - Saturday		926.00	Exempt	0.00	926.00	982.00	Exempt	0.00	982.00	56.00	6%	
Additional Charge - Public Holiday		298.00	Exempt	0.00	298.00	316.00	Exempt	0.00	316.00	18.00	6%	
Direct Cremations (no use of chapel)		573.00	Exempt	0.00	573.00	607.00	Exempt	0.00	607.00	34.00	6%	
Direct Cremations (no use of chapel) - Saturday		634.00	Exempt	0.00	634.00	672.00	Exempt	0.00	672.00	38.00	6%	This complies with the Scottish Governments funeral poverty guidance.
Direct Cremations (no use of chapel) - Additional Charge Public Holiday		298.00	Exempt	0.00	298.00	316.00	Exempt	0.00	316.00	18.00	6%	
Clergy		84.17	Standard	16.83	101.00	89.17	Standard	17.83	107.00	6.00	6%	
Access to Undertake Live Streaming of Cremation Services						20.83	Standard	4.17	25.00	25.00		New charge
Dispersal of Ashes		32.95	Exempt	0.00	32.95	34.95	Exempt	0.00	34.95	2.00	6%	
Casket - Purchase		60.00	Standard	12.00	72.00	63.33	Standard	12.67	76.00	4.00	6%	
Urn (plus carrier) - Purchase		27.46	Standard	5.49	32.95	29.13	Standard	5.83	34.95	2.00	6%	
Book of Remembrance (per line)		37.50	Standard	7.50	45.00	40.00	Standard	8.00	48.00	3.00	7%	
Small Book of Remembrance (2 Lines)		119.17	Standard	23.83	143.00	126.67	Standard	25.33	152.00	9.00	6%	
Small Book of Remembrance (5 Lines)		222.50	Standard	44.50	267.00	235.83	Standard	47.17	283.00	16.00	6%	
Small Book of Remembrance (8 Lines)		326.67	Standard	65.33	392.00	346.67	Standard	69.33	416.00	24.00	6%	
Small Book of Remembrance (Gilded Motif)		80.00	Standard	16.00	96.00	85.00	Standard	17.00	102.00	6.00	6%	
Badges		61.67	Standard	12.33	74.00	65.00	Standard	13.00	78.00	4.00	5%	
Coat of Arms and Floral Motif		83.33	Standard	16.67	100.00	88.33	Standard	17.67	106.00	6.00	6%	
Retention of Ashes - per month		14.40	Exempt	0.00	14.40	15.25	Exempt	0.00	15.25	0.85	6%	
Chapel of Rest		45.83	Standard	9.17	55.00	48.33	Standard	9.67	58.00	3.00	5%	
Plaque - Single with inscription (25 years)		208.33	Standard	41.67	250.00	220.83	Standard	44.17	265.00	15.00	6%	
Plaque - Single continuation of lease (25 years)		125.83	Standard	25.17	151.00	133.33	Standard	26.67	160.00	9.00	6%	
Plaque - Double with single inscriptions (25 years)		302.50	Standard	60.50	363.00	320.83	Standard	64.17	385.00	22.00	6%	
Plaque - Double with two inscriptions (25 years)		384.17	Standard	76.83	461.00	407.50	Standard	81.50	489.00	28.00	6%	
Plaque - Double continuation of lease (25 years)		251.67	Standard	50.33	302.00	266.67	Standard	53.33	320.00	18.00	6%	
Additional inscription		113.33	Standard	22.67	136.00	120.00	Standard	24.00	144.00	8.00	6%	
Use of Crematorium Chapel for a Burial Service		263.33	Standard	52.67	316.00	279.17	Standard	55.83	335.00	19.00	6%	
Memorial Kerbstone - (10 years)		258.33	Standard	51.67	310.00	274.17	Standard	54.83	329.00	19.00	6%	
Inscription for Kerbstone		9.75	Standard	1.95	11.70	10.33	Standard	2.07	12.40	0.70	6%	

Description	Other	2022-23				2023-24				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>FERRY FARES</b>												
SPT Concessionary Travel Scheme - Single	STATUTORY CHARGE											Statutory Charge Set by SPT
SPT Concessionary Travel Scheme - Return	STATUTORY CHARGE											
Out of hours Service - Cuan/Easdale/Lismore - up to Midnight		81.40	Zero Rated	0.00	81.40	86.30	Zero Rated	0.00	86.30	4.90	6%	
Out of hours Service - Cuan/Easdale/Lismore - After Midnight		105.20	Zero Rated	0.00	105.20	111.50	Zero Rated	0.00	111.50	6.30	6%	Age 5 to 16 - Child Fare Age 16 and above - Adult Fare Free Travel: Children up to Age 5, Scholars, Primary School Escort, Pre-5 Escort
Easdale/Cuan Passenger Fares - Adult - Return		2.50	Zero Rated	0.00	2.50	2.70	Zero Rated	0.00	2.70	0.20	8%	
Easdale/Cuan Passenger Fares - Adult – 5 Return Journeys		8.00	Zero Rated	0.00	8.00	8.50	Zero Rated	0.00	8.50	0.50	6%	
Easdale/Cuan Passenger Fares - Child – Return		1.40	Zero Rated	0.00	1.40	1.50	Zero Rated	0.00	1.50	0.10	7%	
Easdale/Cuan Passenger Fares - Child – 5 Return Journeys		3.90	Zero Rated	0.00	3.90	4.10	Zero Rated	0.00	4.10	0.20	5%	
Easdale freight (domestic & commercial) - half boat load						14.00	Standard	2.80	16.80			New Charge for 23-24
Easdale freight (domestic & commercial) - full boat load						27.00	Standard	5.40	32.40			New Charge for 23-24
Cuan Vehicle Fares - Private Vehicles - Motor Cars 50% Disability discount - Return		4.70	Zero Rated	0.00	4.70	5.00	Zero Rated	0.00	5.00	0.30	6%	
Cuan Vehicle Fares - Private Vehicles - cars, trailers or caravans - Return - Up to and Including 5m		9.70	Zero Rated	0.00	9.70	10.30	Zero Rated	0.00	10.30	0.60	6%	
Cuan Vehicle Fares - Private Vehicles - cars, trailers or caravans - Up to and Including 5m - 5 Return Journeys		32.00	Zero Rated	0.00	32.00	33.90	Zero Rated	0.00	33.90	1.90	6%	
Cuan Vehicle Fares - Private Vehicles - cars, trailers or caravans - Up to and including 5m – 3 Monthly Unlimited (domestic travellers only - car and driver only)		280.30	Zero Rated	0.00	280.30	297.10	Zero Rated	0.00	297.10	16.80	6%	
Cuan Vehicle Fares - Private Vehicles -Motorcycle - Return		4.00	Zero Rated	0.00	4.00	4.20	Zero Rated	0.00	4.20	0.20	5%	
Cuan Vehicle Fares - Private Vehicles -Motorcycle - 10 Journeys		12.90	Zero Rated	0.00	12.90	13.70	Zero Rated	0.00	13.70	0.80	6%	
Cuan Vehicle Fares - Commercial Vehicles/Coaches - 5.01m to 8.0m - Return		14.25	Standard	2.85	17.10	15.08	Standard	3.02	18.10	1.00	6%	
Cuan Vehicle Fares - Commercial Vehicles/Coaches - 8.01m to 12.0m - Return		16.50	Standard	3.30	19.80	17.50	Standard	3.50	21.00	1.20	6%	
Cuan Vehicle Fares - Commercial Vehicles/Coaches - 12.01m to 18.0m - Return		18.75	Standard	3.75	22.50	19.92	Standard	3.98	23.90	1.40	6%	
Cuan Vehicle Fares - Commercial Vehicles/Coaches - 5.01m to 8.0m - 5 Return Journeys		69.67	Standard	13.93	83.60	73.83	Standard	14.77	88.60	5.00	6%	
Cuan Vehicle Fares - Commercial Vehicles/Coaches - 8.01m to 12.0m - 5 Return Journeys		80.58	Standard	16.12	96.70	85.42	Standard	17.08	102.50	5.80	6%	
Cuan Vehicle Fares - Commercial Vehicles/Coaches - 12.01m to 18.0m -5 Return Journeys		91.42	Standard	18.28	109.70	96.92	Standard	19.38	116.30	6.60	6%	



Description	Other	2022-23				2023-24				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
Lismore Passenger Fares - Adult - Single		2.30	Zero Rated	0.00	2.30	2.40	Zero Rated	0.00	2.40	0.10	4%	Age 5 to 16 - Child Fare Age 16 and above - Adult Fare Free Travel: Children up to Age 5, Scholars, Primary School Escort, Pre-5 Escort
Jura Passenger Fares - Adult - Single		2.20	Zero Rated	0.00	2.20	2.30	Zero Rated	0.00	2.30	0.10	5%	
Lismore Passenger Fares - Adult - 10 Journeys		14.30	Zero Rated	0.00	14.30	15.20	Zero Rated	0.00	15.20	0.90	6%	
Jura Passenger Fares - Adult - 10 Journeys		13.70	Zero Rated	0.00	13.70	14.50	Zero Rated	0.00	14.50	0.80	6%	
Lismore Passenger Fares - Child - Single		1.30	Zero Rated	0.00	1.30	1.40	Zero Rated	0.00	1.40	0.10	8%	
Jura Passenger Fares - Child - Single		1.20	Zero Rated	0.00	1.20	1.30	Zero Rated	0.00	1.30	0.10	8%	
Lismore Passenger Fares - Child - 10 Journeys		6.90	Zero Rated	0.00	6.90	7.30	Zero Rated	0.00	7.30	0.40	6%	
Jura Passenger Fares - Child - 10 Journeys		6.60	Zero Rated	0.00	6.60	7.00	Zero Rated	0.00	7.00	0.40	6%	
Jura Vehicle Fares - Private Vehicles - Excursion Return		17.40	Zero Rated	0.00	17.40	18.40	Zero Rated	0.00	18.40	1.00	6%	
Jura Vehicle Fares - Private Vehicles - Motor Cars 50% Disability Discount - Return (Based on 50% Excursion Return)		8.40	Zero Rated	0.00	8.40	8.90	Zero Rated	0.00	8.90	0.50	6%	
Jura Vehicle Fares - all vehicles up to and including 5m - single journey (including driver)		10.80	Zero Rated	0.00	10.80	11.40	Zero Rated	0.00	11.40	0.60	6%	
Jura Vehicle Fares - all vehicles up to and including 5m - 10 Single Journeys (including driver)		69.90	Zero Rated	0.00	69.90	74.10	Zero Rated	0.00	74.10	4.20	6%	
Jura Vehicle Fares - all vehicles up to and including 5m - 50 Single Journeys (including Driver)		344.60	Zero Rated	0.00	344.60	365.30	Zero Rated	0.00	365.30	20.70	6%	
Jura Vehicle Fares - Private Vehicles - Motorcycle - Single		4.30	Zero Rated	0.00	4.30	4.60	Zero Rated	0.00	4.60	0.30	7%	
Jura Vehicle Fares - Private Vehicles - Motorcycle - 10 Journeys		28.00	Zero Rated	0.00	28.00	29.70	Zero Rated	0.00	29.70	1.70	6%	
Jura Vehicle Fares - Private Vehicles - Motorhomes - 5.01m to 8.0m - single excl driver		23.40	Zero Rated	0.00	23.40	24.80	Zero Rated	0.00	24.80	1.40	6%	
Jura Vehicle Fares - Private Vehicles - Motorhomes - 8.01m to 12.0m - single excl driver		26.30	Zero Rated	0.00	26.30	27.90	Zero Rated	0.00	27.90	1.60	6%	
Jura Vehicle Fares - Commercial Vehicles/Coaches - 5.01m to 8.0m		19.42	Standard	3.88	23.30	20.58	Standard	4.12	24.70	1.40	6%	
Jura Vehicle Fares - Commercial Vehicles/Coaches - 8.01m to 12.0m		21.83	Standard	4.37	26.20	23.17	Standard	4.63	27.80	1.60	6%	
Jura Vehicle Fares - Commercial Vehicles/Coaches - 12.01m to 18.0m		24.50	Standard	4.90	29.40	26.00	Standard	5.20	31.20	1.80	6%	
Jura Vehicle Fares - Commercial Vehicles/Coaches - Out of Hours service - up to Midnight		99.20	Outwith the Scope	0.00	99.20	105.20	Outwith the Scope	0.00	105.20	6.00	6%	

Description	Other	2022-23				2023-24				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>PIERS AND HARBOURS - RATES - GOODS, PASSENGERS &amp; VEHICLES</b>												<b>Rates for Goods Shipped, Transhipped or Unshipped at the Pier or Ferry Slip or within the Harbour</b>
General Goods Packaged (per tonne) Includes Fruit, Beverages, Meat, Dairy Products, General Groceries and Confectionery, Cured Fish, etc.		2.62	Zero Rated	0.00	2.62	2.91	Zero Rated	0.00	2.91	0.29	11%	In determining weights for the purpose of charging dues, the weights of the containers of any goods shall be included.
Dry Bulk Commodities (per tonne) Ores, Aggregates and Crushed Stone, Cement and Building Materials, Timber (including Logs), Salt, etc.		2.33	Zero Rated	0.00	2.33	2.59	Zero Rated	0.00	2.59	0.26	11%	In terms of liquid, gaseous bulk products, bulk shipments of materials may be charged at discounted rates subject to a request being made in writing to the Executive Director, Development and Infrastructure, who will then refer the letter to the full Council.
Liquid and Gaseous Bulk Products (per tonne)		2.92	Zero Rated	0.00	2.92	3.24	Zero Rated	0.00	3.24	0.32	11%	
Explosives (per tonne)		103.98	Zero Rated	0.00	103.98	115.42	Zero Rated	0.00	115.42	11.44	11%	
Livestock - Poultry (per bird)		0.46	Zero Rated	0.00	0.46	0.51	Zero Rated	0.00	0.51	0.05	11%	
Animals (per Animal)		0.87	Zero Rated	0.00	0.87	0.97	Zero Rated	0.00	0.97	0.10	11%	All empty boxes, barrels, sacks and packages if previously shipped or landed will be exempt.
Smolt (per thousand)		5.95	Zero Rated	0.00	5.95	6.60	Zero Rated	0.00	6.60	0.65	11%	Passengers Personal Baggage shall be free of charge.
Fish, including Shellfish - Fresh, all varieties and also fish consigned for sale at other markets - percentage of catch	2.50%		If Applicable	0.00	0.00		If Applicable	0.00	0.00			2.5% of catch
Rates on Passenger and Vehicles - Adult Passengers landing at or embarking from pier (each)		0.53	Zero Rated	0.00	0.53	0.59	Zero Rated	0.00	0.59	0.06	11%	
Rates on Passenger and Vehicles - Child Passengers landing at or embarking from pier (each)		0.33	Zero Rated	0.00	0.33	0.37	Zero Rated	0.00	0.37	0.04	12%	
Rates on Passenger and Vehicles - Private Cars, Taxis, Hearses and Agricultural Machinery (Tractors, Trailers, etc.) (each)		1.68	Zero Rated	0.00	1.68	1.86	Zero Rated	0.00	1.86	0.18	11%	
Rates on Passenger and Vehicles - Caravans or Trailers (except Commercial Trailers) (each)		2.67	Zero Rated	0.00	2.67	2.96	Zero Rated	0.00	2.96	0.29	11%	
Rates on Passenger and Vehicles - Cycles (each)		0.46	Zero Rated	0.00	0.46	0.51	Zero Rated	0.00	0.51	0.05	11%	
Rates on Passenger and Vehicles - Motorcycles including sidecar (each)		1.13	Zero Rated	0.00	1.13	1.25	Zero Rated	0.00	1.25	0.12	11%	
Rates on Passenger and Vehicles - Buses (each)		9.29	Zero Rated	0.00	9.29	10.31	Zero Rated	0.00	10.31	1.02	11%	
Rates on Passenger and Vehicles - Commercial Vehicles - Per Metre		1.13	Zero Rated	0.00	1.13	1.25	Zero Rated	0.00	1.25	0.12	11%	

Description	Other	2022-23				2023-24				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>PIERS AND HARBOURS - RATES - MISCELLANEOUS</b>												
Mobile Cranage - for each lift		14.89	Zero Rated	0.00	14.89	16.53	Zero Rated	0.00	16.53	1.64	11%	For goods remaining in sheds or on the pier or quays for a period longer than 24 hours, 50% of the original pier dues shall be charged for each 24 hours or part thereof. Provided that in the case of sheds occupied from time to time under lease or let from the Council such dues shall not be charged against the occupier or leasee. The terms of such leases or lets shall be subject to individual negotiation with the Executive Director. (Note there is a minimum charge of £10.00 for some items)
Fresh Water - per tonne or part thereof (minimum charge £10)		4.27	Zero Rated	0.00	4.27	4.74	Zero Rated	0.00	4.74	0.47	11%	
Left Luggage - per article up to 24hours (minimum charge £10)		3.68	Standard	0.74	4.41	4.08	Standard	0.82	4.90	0.49	11%	
Parcels and Packages up to 50 kg (minimum charge £10)		0.38	Standard	0.08	0.46	0.43	Standard	0.09	0.51	0.05	11%	
Parcels and Packages- where articles can be measured - charge per cubic metre (minimum charge £10)		4.12	Standard	0.82	4.94	4.57	Standard	0.91	5.48	0.54	11%	
Parcels and Packages- where articles cannot be measured - charge per tonne (minimum charge £10)		4.12	Standard	0.82	4.94	4.57	Standard	0.91	5.48	0.54	11%	
Rope Handling - To be charged each time i.e. Arrival and departure to be charged separately <b>(NB to be charged to ferries where additional resources are required)</b>		167.10	Zero Rated	0.00	167.10	185.50	Zero Rated	0.00	185.50	18.40	11%	
Timber Debris Clearance		417.83	Standard	83.57	501.40	463.79	Standard	92.76	556.55	55.15	11%	
Use of Linkspan - <b>Commercial use</b>		400.65	Zero Rated	0.00	400.65	444.70	Zero Rated	0.00	444.70	44.05	11%	
Use of Linkspan - non-vehicular traffic		46.70	Zero Rated	0.00	46.70	51.85	Zero Rated	0.00	51.85	5.15	11%	
<b>Operational Duties on behalf of external bodies</b>												
Car and Pedestrian marshalling - Rothesay and Dunoon (per day)		135.75	Standard	27.15	162.90	150.67	Standard	30.13	180.80	17.90	11%	Cost of clearing site reflected in increase in charge.
Freight handling - Rothesay Harbour		13.33	Standard	2.67	16.00	14.79	Standard	2.96	17.75	1.75	11%	
Electricity (per unit)		0.21	Standard	0.04	0.25	0.23	Standard	0.05	0.28	0.03	12%	
Slipway Landing fee		6.65	Zero Rated	0.00	6.65	7.40	Zero Rated	0.00	7.40	0.75	11%	
Cruise calls/tenders		667.65	Zero Rated	0.00	667.65	741.10	Zero Rated	0.00	741.10	73.45	11%	
Oban Transit Marina												
Daily Rate (Between 11:00 and 16:00)		11.08	Standard	2.22	13.30	12.29	Standard	2.46	14.75	1.45	11%	
Overnight Charge (per metre length)		2.79	Standard	0.56	3.35	3.08	Standard	0.62	3.70	0.35	10%	Maximum of 3 nights stay

Description	Other	2022-23				2023-24				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>PIERS AND HARBOURS - RATES - VESSELS</b>												
<b>1 - Basic Rate - all vessels to be charged at this rate unless eligible for categories 2, 3, 4 - see comment 2</b>												
Up to 5 metres in length	Per visit up to 24 hours	13.80	Zero Rated	0.00	13.80	15.30	Zero Rated	0.00	15.30	1.50	11%	<p>COMMENTS</p> <p>1. The category and rate under which a vessel is to be charged must be paid at the time of the berthing or on invoicing as appropriate.</p> <p>2. All vessels are liable for dues at the Basic Rate. Only those, which are actively engaged in the relevant activity, are eligible for Category 2,3 or 4.</p> <p>3. All vessels actively engaged in commercial undertaking, these would be subject to minimum payment by length as for unregistered vessels.</p> <p>4. Rothesay and Campbeltown Pontoon are not managed by Argyll and Bute and are subject to their own charges.</p> <p>5. The above rates and dues include for Port Waste Facilities to the level required by local and leisure craft. Any requirements for additional waste facilities or specialised waste disposal, in terms of the Merchant Shipping &amp; Fishing Vessels (Port Waste Reception Facilities) Regulations 2003, must be made to the Service Director at least 24 hours in advance. This cost shall be paid prior to the provision of the service.</p> <p>6. Concession rates for unlimited use will be available only for vessels "regularly sailing". Additional dues will be required for vessels, which have made payment for unlimited use but are not "regularly sailing". A vessel will be deemed to be "regularly sailing" if it leaves the installation for a continuous period of not less than 6 hours between 0600 hours and 2000 hours in any one day for more than 14 days.</p> <p>7. Periods are:  Summer period April to September inclusive, or part thereof.  Winter period October to March inclusive, or part thereof.</p>
Up to 6 metres in length	Per visit up to 24 hours	16.65	Zero Rated	0.00	16.65	18.50	Zero Rated	0.00	18.50	1.85	11%	
Up to 7 metres in length	Per visit up to 24 hours	19.10	Zero Rated	0.00	19.10	21.20	Zero Rated	0.00	21.20	2.10	11%	
Up to 8 metres in length	Per visit up to 24 hours	22.05	Zero Rated	0.00	22.05	24.50	Zero Rated	0.00	24.50	2.45	11%	
Up to 9 metres in length	Per visit up to 24 hours	24.75	Zero Rated	0.00	24.75	27.45	Zero Rated	0.00	27.45	2.70	11%	
Up to 10 metres in length	Per visit up to 24 hours	27.55	Zero Rated	0.00	27.55	30.60	Zero Rated	0.00	30.60	3.05	11%	
Over 10 metres in length - charge per metre	Per visit up to 24 hours	2.70	Zero Rated	0.00	2.70	3.00	Zero Rated	0.00	3.00	0.30	11%	
Up to 5 metres in length	Weekly	68.45	Zero Rated	0.00	68.45	76.00	Zero Rated	0.00	76.00	7.55	11%	
Up to 6 metres in length	Weekly	82.15	Zero Rated	0.00	82.15	91.20	Zero Rated	0.00	91.20	9.05	11%	
Up to 7 metres in length	Weekly	95.75	Zero Rated	0.00	95.75	106.30	Zero Rated	0.00	106.30	10.55	11%	
Up to 8 metres in length	Weekly	111.35	Zero Rated	0.00	111.35	123.60	Zero Rated	0.00	123.60	12.25	11%	
Up to 9 metres in length	Weekly	124.25	Zero Rated	0.00	124.25	137.90	Zero Rated	0.00	137.90	13.65	11%	
Up to 10 metres in length	Weekly	136.95	Zero Rated	0.00	136.95	152.00	Zero Rated	0.00	152.00	15.05	11%	
Up to 5 metres in length	Summer	502.25	Zero Rated	0.00	502.25	557.50	Zero Rated	0.00	557.50	55.25	11%	
Up to 6 metres in length	Summer	602.65	Zero Rated	0.00	602.65	668.95	Zero Rated	0.00	668.95	66.30	11%	
Up to 7 metres in length	Summer	703.10	Zero Rated	0.00	703.10	780.45	Zero Rated	0.00	780.45	77.35	11%	
Up to 8 metres in length	Summer	803.50	Zero Rated	0.00	803.50	891.90	Zero Rated	0.00	891.90	88.40	11%	
Up to 9 metres in length	Summer	903.95	Zero Rated	0.00	903.95	1,003.40	Zero Rated	0.00	1,003.40	99.45	11%	
Up to 10 metres in length	Summer	1,004.50	Zero Rated	0.00	1,004.50	1,115.00	Zero Rated	0.00	1,115.00	110.50	11%	
Up to 5 metres in length	Winter	365.25	Zero Rated	0.00	365.25	405.45	Zero Rated	0.00	405.45	40.20	11%	
Up to 6 metres in length	Winter	438.30	Zero Rated	0.00	438.30	486.50	Zero Rated	0.00	486.50	48.20	11%	
Up to 7 metres in length	Winter	511.50	Zero Rated	0.00	511.50	567.75	Zero Rated	0.00	567.75	56.25	11%	
Up to 8 metres in length	Winter	584.35	Zero Rated	0.00	584.35	648.65	Zero Rated	0.00	648.65	64.30	11%	
Up to 9 metres in length	Winter	657.45	Zero Rated	0.00	657.45	729.75	Zero Rated	0.00	729.75	72.30	11%	
Up to 10 metres in length	Winter	730.45	Zero Rated	0.00	730.45	810.80	Zero Rated	0.00	810.80	80.35	11%	
<b>1a - Any ship of a gross tonnage less than 15 tonnes or used for recreation or pleasure - charge is subject to 20% VAT</b>											0.00	
Up to 5 metres in length	Per visit up to 24 hours	11.75	Standard	2.35	14.10	13.04	Standard	2.61	15.65	1.55	11%	

Description	Other	2022-23				2023-24				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
Up to 6 metres in length	Per visit up to 24 hours	14.00	Standard	2.80	16.80	15.54	Standard	3.11	18.65	1.85	11%	8. All concession rates for unlimited use must be paid for in advance of the period for which they cover. Failure to do so will result in full rates being applied.  9. VAT Zero Rating only applies where the vessels are "qualifying ships". A "qualifying ship" is legally defined as any ship of a gross tonnage of not less than 15 tonnes and neither designed nor adapted for use for recreation or pleasure. The customer is a business customer who belongs outside the UK (it does not matter what size the vessel is).
Up to 7 metres in length	Per visit up to 24 hours	16.33	Standard	3.27	19.60	18.13	Standard	3.63	21.75	2.15	11%	
Up to 8 metres in length	Per visit up to 24 hours	18.63	Standard	3.73	22.35	20.67	Standard	4.13	24.80	2.45	11%	
Up to 9 metres in length	Per visit up to 24 hours	21.00	Standard	4.20	25.20	23.29	Standard	4.66	27.95	2.75	11%	
Up to 10 metres in length	Per visit up to 24 hours	23.29	Standard	4.66	27.95	25.83	Standard	5.17	31.00	3.05	11%	
Over 10 metres in length - charge per metre	Per visit up to 24 hours	2.34	Standard	0.47	2.81	2.60	Standard	0.52	3.12	0.31	11%	
Up to 5 metres in length	Weekly	58.25	Standard	11.65	69.90	64.67	Standard	12.93	77.60	7.70	11%	
Up to 6 metres in length	Weekly	69.79	Standard	13.96	83.75	77.46	Standard	15.49	92.95	9.20	11%	
Up to 7 metres in length	Weekly	81.46	Standard	16.29	97.75	90.42	Standard	18.08	108.50	10.75	11%	
Up to 8 metres in length	Weekly	94.71	Standard	18.94	113.65	105.13	Standard	21.03	126.15	12.50	11%	
Up to 9 metres in length	Weekly	105.54	Standard	21.11	126.65	117.17	Standard	23.43	140.60	13.95	11%	
Up to 10 metres in length	Weekly	116.42	Standard	23.28	139.70	129.21	Standard	25.84	155.05	15.35	11%	
Up to 5 metres in length	Summer	426.88	Standard	85.38	512.25	473.83	Standard	94.77	568.60	56.35	11%	
Up to 6 metres in length	Summer	512.25	Standard	102.45	614.70	568.58	Standard	113.72	682.30	67.60	11%	
Up to 7 metres in length	Summer	597.58	Standard	119.52	717.10	663.33	Standard	132.67	796.00	78.90	11%	
Up to 8 metres in length	Summer	682.96	Standard	136.59	819.55	758.08	Standard	151.62	909.70	90.15	11%	
Up to 9 metres in length	Summer	768.38	Standard	153.68	922.05	852.92	Standard	170.58	1,023.50	101.45	11%	
Up to 10 metres in length	Summer	853.79	Standard	170.76	1,024.55	947.71	Standard	189.54	1,137.25	112.70	11%	
Up to 5 metres in length	Winter	310.50	Standard	62.10	372.60	344.67	Standard	68.93	413.60	41.00	11%	
Up to 6 metres in length	Winter	372.50	Standard	74.50	447.00	413.46	Standard	82.69	496.15	49.15	11%	
Up to 7 metres in length	Winter	434.67	Standard	86.93	521.60	482.50	Standard	96.50	579.00	57.40	11%	
Up to 8 metres in length	Winter	496.71	Standard	99.34	596.05	551.33	Standard	110.27	661.60	65.55	11%	
Up to 9 metres in length	Winter	558.92	Standard	111.78	670.70	620.42	Standard	124.08	744.50	73.80	11%	
Up to 10 metres in length	Winter	621.04	Standard	124.21	745.25	689.38	Standard	137.88	827.25	82.00	11%	
<b>2 - Vessels actively engaged in a commercial undertaking.</b>												
If registered:- per gross registered tonne (see comment 3)		0.49	Zero Rated	0.00	0.49	0.54	Zero Rated	0.00	0.54	0.05	10%	
If not registered then:												
Up to 5 metres in length	Per visit up to 24 hours	7.08	Zero Rated	0.00	7.08	7.86	Zero Rated	0.00	7.86	0.78	11%	
Up to 10 metres in length	Per visit up to 24 hours	14.02	Zero Rated	0.00	14.02	15.56	Zero Rated	0.00	15.56	1.54	11%	
Up to 15 metres in length	Per visit up to 24 hours	21.10	Zero Rated	0.00	21.10	23.42	Zero Rated	0.00	23.42	2.32	11%	
Up to 20 metres in length	Per visit up to 24 hours	27.98	Zero Rated	0.00	27.98	31.06	Zero Rated	0.00	31.06	3.08	11%	
Up to 25 metres in length	Per visit up to 24 hours	35.12	Zero Rated	0.00	35.12	38.98	Zero Rated	0.00	38.98	3.86	11%	
Up to 30 metres in length	Per visit up to 24 hours	42.58	Zero Rated	0.00	42.58	47.26	Zero Rated	0.00	47.26	4.68	11%	
Over 30 metres in length - charge per metre	Per visit up to 24 hours	1.54	Zero Rated	0.00	1.54	1.71	Zero Rated	0.00	1.71	0.17	11%	
Up to 5 metres in length	Weekly	34.45	Zero Rated	0.00	34.45	38.24	Zero Rated	0.00	38.24	3.79	11%	
Up to 10 metres in length	Weekly	69.16	Zero Rated	0.00	69.16	76.77	Zero Rated	0.00	76.77	7.61	11%	
Up to 15 metres in length	Weekly	103.42	Zero Rated	0.00	103.42	114.80	Zero Rated	0.00	114.80	11.38	11%	
Up to 20 metres in length	Weekly	138.81	Zero Rated	0.00	138.81	154.08	Zero Rated	0.00	154.08	15.27	11%	
Up to 25 metres in length	Weekly	173.46	Zero Rated	0.00	173.46	192.54	Zero Rated	0.00	192.54	19.08	11%	
Up to 30 metres in length	Weekly	208.23	Zero Rated	0.00	208.23	231.14	Zero Rated	0.00	231.14	22.91	11%	

Description	Other	2022-23				2023-24				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
3 - All vessels operating a scheduled ferry or pleasure service per gross registered tonne.		0.1355	Zero Rated	0.00	0.1355	0.1504	Zero Rated	0.00	0.1504	0.01	11%	Ferry Charges rounded to 4 decimal places
Unmanned Pier		0.1355	Zero Rated	0.00	0.1355	0.1504	Zero Rated	0.00	0.1504	0.01	11%	Ferry Charges rounded to 4 decimal places
Laying up of ferry at a non ferry/commercial berth		0.43	Zero Rated	0.00	0.43	0.48	Zero Rated	0.00	0.48	0.05	12%	
4 - Vessels regularly engaged in commercial fishing and paying appropriate fish landing dues to Council:												
Up to 10 metres in length	Per visit up to 24 hours	3.20	Zero Rated	0.00	3.20	3.55	Zero Rated	0.00	3.55	0.35	11%	
Up to 15 metres in length	Per visit up to 24 hours	4.73	Zero Rated	0.00	4.73	5.25	Zero Rated	0.00	5.25	0.52	11%	
Up to 20 metres in length	Per visit up to 24 hours	6.35	Zero Rated	0.00	6.35	7.05	Zero Rated	0.00	7.05	0.70	11%	
Up to 25 metres in length	Per visit up to 24 hours	7.94	Zero Rated	0.00	7.94	8.81	Zero Rated	0.00	8.81	0.87	11%	
Up to 30 metres in length	Per visit up to 24 hours	9.48	Zero Rated	0.00	9.48	10.52	Zero Rated	0.00	10.52	1.04	11%	
Over 30 metres in length - charge per metre		0.49	Zero Rated	0.00	0.49	0.54	Zero Rated	0.00	0.54	0.05	10%	
Up to 10 metres in length	Weekly	16.22	Zero Rated	0.00	16.22	18.00	Zero Rated	0.00	18.00	1.78	11%	
Up to 15 metres in length	Weekly	24.44	Zero Rated	0.00	24.44	27.13	Zero Rated	0.00	27.13	2.69	11%	
Up to 20 metres in length	Weekly	32.51	Zero Rated	0.00	32.51	36.09	Zero Rated	0.00	36.09	3.58	11%	
Up to 25 metres in length	Weekly	40.73	Zero Rated	0.00	40.73	45.21	Zero Rated	0.00	45.21	4.48	11%	
Up to 30 metres in length	Weekly	48.54	Zero Rated	0.00	48.54	53.88	Zero Rated	0.00	53.88	5.34	11%	
Up to 10 metres in length	Annual charge	422.60	Zero Rated	0.00	422.60	469.10	Zero Rated	0.00	469.10	46.50	11%	
Up to 15 metres in length	Annual charge	633.95	Zero Rated	0.00	633.95	703.70	Zero Rated	0.00	703.70	69.75	11%	
Up to 20 metres in length	Annual charge	842.95	Zero Rated	0.00	842.95	935.65	Zero Rated	0.00	935.65	92.70	11%	
Up to 25 metres in length	Annual charge	1,059.00	Zero Rated	0.00	1,059.00	1,175.50	Zero Rated	0.00	1,175.50	116.50	11%	
Up to 30 metres in length	Annual charge	1,263.05	Zero Rated	0.00	1,263.05	1,402.00	Zero Rated	0.00	1,402.00	138.95	11%	

In relation to the foregoing charges, the relevant Executive Director, where they consider it to be in the commercial interests of the Council and after consultation with the relevant Policy Lead and the Head of Financial Services, is authorised to negotiate and agree variations of the foregoing charges for individual users or classes of users of the facilities in respect of their respective use of the facilities and the charges as varied shall be applied to such use as the Executive Director shall deem appropriate. In addition, the Executive Director is authorised, after consultation with the relevant Policy Lead and the Head of Financial Services, to put in place a suitable booking procedures for harbour and airport facilities and to take into account, inter alia, the level of bookings made by individual users or classes of users when agreeing variations of the foregoing charges with individual users or classes of users.

Description	Other	2022-23				2023-24				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>AIRFIELD CHARGES</b>												<b>Standard Landing Charges - Applicable to all types of operation (including "Touch and Go" and circuits) MTWA = Maximum Take-Off Weight Authorised</b>
Standard Landing Charges - up to 500kg MTWA		10.42	Standard	2.08	12.50	11.25	Standard	2.25	13.50	1.00	8%	Charge for ultra lights and flexwings.
Standard Landing Charges - 501kg to 1000kg MTWA		14.58	Standard	2.92	17.50	15.42	Standard	3.08	18.50	1.00	6%	Landing Charge Rebates - Only Available if full payment is made prior to final departure or approved credit facilities have been agreed.
Standard Landing Charges - 1001kg to 1500kg MTWA		20.83	Standard	4.17	25.00	22.50	Standard	4.50	27.00	2.00	8%	A) Visiting Aircraft on Training Flights First landing - full rate, Subsequent landings - 50% discount (only applies to aircraft operating within 15nm after 1st landing).
Standard Landing Charges - 1501kg to 2000kg MTWA		27.50	Standard	5.50	33.00	29.17	Standard	5.83	35.00	2.00	6%	B) Safety-related Diversionary Landing (AOPA Scheme). The Council is prepared to consider requests for waiver of charges from a General Aviation (GA) pilot who makes a general safety-related diversionary landing. This waiver only applies to domestic GA traffic. Assessment of the waiver will be carried out by the senior Airport Officer on duty. The council reserves the right to opt out of the AOPA scheme at any time subject to three month's notice being given to AOPA by the council. Eligibility for waiver will be based on the same criteria as for a light aircraft landing fee, i.e. private flight in accordance with Schedule 1 of the ANO 2016.
Standard Landing Charges - 2001kg to 2500kg MTWA		32.50	Standard	6.50	39.00	34.17	Standard	6.83	41.00	2.00	5%	
Standard Landing Charges - 2501kg to 3000kg MTWA		43.33	Standard	8.67	52.00	45.83	Standard	9.17	55.00	3.00	6%	
Standard Landing Charges - 3001kg to 3500kg MTWA		59.17	Standard	11.83	71.00	62.50	Standard	12.50	75.00	4.00	6%	
Standard Landing Charges - 3501kg to 4000kg MTWA		70.00	Standard	14.00	84.00	74.17	Standard	14.83	89.00	5.00	6%	Flying Clubs, The council may negotiate agreements for reduced landing charges for flights made for the purpose of the clubs at an airport but not flights made for hire or reward outside the normal range or scope of club activities. These charges will increase on an annual basis - as a minimum - by the agreed Council Inflation Rate.
Standard Landing Charges - 4001kg to 4500kg MTWA		85.00	Standard	17.00	102.00	90.00	Standard	18.00	108.00	6.00	6%	
Standard Landing Charges - 4501kg to 5000kg MTWA		97.50	Standard	19.50	117.00	103.33	Standard	20.67	124.00	7.00	6%	
Standard Landing Charges - Over 5000kg MTWA - per additional 500g or part thereof		14.58	Standard	2.92	17.50	15.42	Standard	3.08	18.50	1.00	6%	
Standard Landing Fee for Coll and Colonsay		7.50	Standard	1.50	9.00	7.92	Standard	1.58	9.50	0.50	6%	

Description	Other	2022-23				2023-24				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
Flights outside normal hours of availability - Oban		435.00	Standard	87.00	522.00	460.83	Standard	92.17	553.00	31.00	6%	Flights outside normal hours of availability as described in the UK AIP and on the airport website whereby the type of flight requires a Licensed Aerodrome. Where flights are made outside of these hours by arrangement with the Council, an out of hours charge will be payable in accordance with these rates or such rates as agreed with the Council at the time of the arrangement. The rates notes are subject to a minimum charge equivalent to 2 hours. Note: an extension of up to one hour immediately following normal opening hours would incur a charge at 50% of the normal hourly rate i.e. £261. 48hr notice minimum for out of hours availability. 50% of the fees applied to a request for out of hours will be taken at the time the booking (at least 48hrs notification). This will be refunded if cancelled before the airports normal closing time on the day of the planned visit. Coll and Colonsay - helicopter fire cover only.
Flights outside normal hours of availability - Coll and Colonsay		217.50	Standard	43.50	261.00	230.83	Standard	46.17	277.00	16.00	6%	
Flights outside normal hours of availability - Indemnity Certificate		40.83	Standard	8.17	49.00	43.33	Standard	8.67	52.00	3.00	6%	
Aircraft Parking charges (for a period of 24 hours or part thereof) - First 24 hours	NO CHARGE	0.00		0.00	0.00	0.00		0.00	0.00	0.00	0%	No charge.
Aircraft Parking charges (for a period of 24 hours or part thereof) Thereafter - Not exceeding 5 tonnes MTWA - charge is per 500kg or part thereof		2.83	Standard	0.57	3.40	3.00	Standard	0.60	3.60	0.20	6%	Weekly Parking Permit - applications may be made to the Station Manager for the purchase of these at a discounted rate (20% reduction). Arrangement and payment must be made in advance of the aircraft parking fee arrangement period.
Aircraft Parking charges (for a period of 24 hours or part thereof) Thereafter - over 5 tonnes MTWA - charge is per 500kg or part thereof		4.83	Standard	0.97	5.80	5.08	Standard	1.02	6.10	0.30	5%	
Aircraft Parking charges - Refusal of Instruction to move/remove parked aircraft - Charge per day (plus the standard aircraft parking charge noted above)		50.00	Standard	10.00	60.00	53.33	Standard	10.67	64.00	4.00	7%	The Council may at any time order an aircraft operator either to move a parked aircraft to another position or remove it from the airport. Failure to comply with the order within the period specified in it will render the operator liable to this charge.
Damage to Airport Property - Where an airport user damages airport property (for which the avoidance of doubt includes, but is not limited to, the runway, buildings, security barriers and fences) the Council shall have the right to recharge the user for any and all reasonable costs incurred by the Council. This includes, but is not limited to make good materials, vehicles, manpower, equipment etc., deemed necessary to make good the damage.		0.00		0.00	0.00	0.00		0.00	0.00	0.00	0%	
Holiday Voucher - Aircraft operators who are using Oban as a base for their holiday can apply for a Holiday Voucher which includes temporary indemnity for up to 2 weeks. This is only available for aircraft up to 2,730kg. Aircraft operators must present a valid copy of insurance prior to issue of the voucher.		6.50	Standard	1.30	7.80	6.92	Standard	1.38	8.30	0.50	6%	The application process is the same as for a normal indemnity certificate/permit. The cost is £8.30 for one week. Voucher is non-transferable.
Holiday Voucher - Aircraft operators who are using Oban as a base for their holiday can apply for a Holiday Voucher which includes temporary indemnity for up to 2 weeks. This is only available for aircraft up to 2,730kg. Aircraft operators must present a valid copy of insurance prior to issue of the voucher.		10.42	Standard	2.08	12.50	11.25	Standard	2.25	13.50	1.00	8%	The application process is the same as for a normal indemnity certificate/permit. The cost is £13.50 for 2 weeks. Voucher is non-transferable.
Landing Loyalty Cards - A card with 5 sections which all get stamped after each landing. The first 4 are paid and the 5th one is free and the card is complete.		0.00		0.00	0.00	0.00		0.00	0.00	0.00	0%	Cards to be produced with a unique number.
Fire Training Courses - Extinguisher Training and bespoke fire training can all be arranged locally - phone for details.		14.58	Standard	2.92	17.50	15.42	Standard	3.08	18.50	1.00	6%	Price is per delegate. Bespoke training costs are based on customer requirements.
Fire Training Courses - Fire Warden Training and bespoke fire training can all be arranged locally - phone for details.		12.50	Standard	2.50	15.00	13.33	Standard	2.67	16.00	1.00	7%	Price is per delegate. Bespoke training costs are based on customer requirements.



Description	Other	2022-23				2023-24				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
Miscellaneous - Event Bookings, Special Promotions, Business Rates can be arranged and costs vary according to requirements. Business rates are subject to approval from Strategic Transportation Manager.		0.00		0.00	0.00	0.00		0.00	0.00	0.00	0%	These require various periods of notification and will require approval in advance. Any information on events or promotions will be advertised on the airports website.
Penalties - Landing or taking off without an indemnity or registered users certificate (Coll and Colonsay) and trespass on the airport without approval from the Airport Authority (inc the release of animals).		67.00	Outwith the scope	0.00	67.00	71.00	Outwith the scope	0.00	71.00	4.00	6%	Landing/taking off without indemnity - 6 month ban and £71 to be paid within one calendar month, £670 per month thereafter. Trespassing on airport grounds £596.
Penalties - Landing or taking off without an indemnity or registered users certificate (Coll and Colonsay) and trespass on the airport without approval from the Airport Authority (inc the release of animals).		632.00	Outwith the scope	0.00	632.00	670.00	Outwith the scope	0.00	670.00	38.00	6%	Landing/taking off without indemnity - 6 month ban and £71 to be paid within one calendar month, £670 per month thereafter. Trespassing on airport grounds £596.
Sale of aviation fuel												Based on variable monthly rate advised by supplier TOTAL

In relation to the foregoing charges, the relevant Executive Director, where they consider it to be in the commercial interests of the Council and after consultation with the relevant Policy Lead and the Head of Financial Services, is authorised to negotiate and agree variations of the foregoing charges for individual users or classes of users of the facilities in respect of their respective use of the facilities and the charges as varied shall be applied to such use as the Executive Director shall deem appropriate. In addition, the Executive Director is authorised, after consultation with the relevant Policy Lead and the Head of Financial Services, to put in place a suitable booking procedures for harbour and airport facilities and to take into account, inter alia, the level of bookings made by individual users or classes of users when agreeing variations of the foregoing charges with individual users or classes of users.

Description	Other	2022-23				2023-24				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>NETWORK MANAGEMENT</b>												
Temporary Traffic Regulation Orders - Provision of Temporary TRO		991.00	Outwith the Scope	0.00	962.00	1,020.00	Outwith the Scope	0.00	1,020.00	58.00	6%	<b>Plus cost of advert plus cost of traffic management</b>  1 - Temporary Traffic Regulation Orders (TTRO) costs should be met in full by the organiser promoting the event. Event organisers have the option to make a grant application to the local committee for their costs to cover the TTRO. Alternatively event organisers shall recover the costs of the TTRO from the event. Fees include minimal administration costs from the Council and advertising costs from local newspapers. Certain community events may be exempt from this charge - please consult with a local roads officer to confirm.  2 - Cost of adverts will vary depending on the publication in which they are placed.
Temporary Traffic Regulation Orders - Provision of Temporary TRO for Annual Events (2nd year and thereafter)		496.00	Outwith the Scope	0.00	482.00	511.00	Outwith the Scope	0.00	511.00	29.00	6%	
Temporary Traffic Regulation Orders - Provision of Extension of Temporary TRO		496.00	Outwith the Scope	0.00	482.00	511.00	Outwith the Scope	0.00	511.00	29.00	6%	
Temporary Traffic Regulation Orders - Provision of Emergency Notice TRO		496.00	Outwith the Scope	0.00	482.00	511.00	Outwith the Scope	0.00	511.00	29.00	6%	
Controlled Signing- Removal of Illegal Signs	<b>AT-COST</b>		Outwith the Scope	0.00	0.00		Outwith the Scope	0.00	0.00	0.00	0%	
Controlled Signing - Release of impounded signs		20.00	Outwith the Scope	0.00	19.00	20.00	Outwith the Scope	0.00	20.00	1.00	5%	
Scaffoldings & Hoardings - Fees for Licence		101.00	Outwith the Scope	0.00	98.00	104.00	Outwith the Scope	0.00	104.00	6.00	6%	Per 4 weeks
Scaffoldings & Hoardings - Extension of the licence		42.00	Outwith the Scope	0.00	41.00	43.00	Outwith the Scope	0.00	43.00	2.00	5%	One off charge for extension + £23.00 per week or part thereof.
Builders skips placed on the Road - consideration of Licence		31.00	Outwith the Scope	0.00	30.00	32.00	Outwith the Scope	0.00	32.00	2.00	7%	
Provision of signing and guarding	<b>AT-COST + 12.5%</b>		Outwith the Scope	0.00	0.00		Outwith the Scope	0.00	0.00	0.00	0%	
Permission to open up the Road by non Statutory Organisations - Commercial		298.00	Outwith the Scope	0.00	289.00	306.00	Outwith the Scope	0.00	306.00	17.00	6%	For each and every opening. To be charged at commercial rate unless advised differently by Roads Network and Standards Manager
Permission to open up the Road by non Statutory Organisations - Residential		151.00	Outwith the Scope	0.00	147.00	156.00	Outwith the Scope	0.00	156.00	9.00	6%	
Permission to erect Traffic Signals on Roads (1 Month)		105.00	Outwith the Scope	0.00	102.00	108.00	Outwith the Scope	0.00	108.00	6.00	6%	
Permission to erect Traffic Signals on Roads (Up to 3 Months)		209.00	Outwith the Scope	0.00	203.00	215.00	Outwith the Scope	0.00	215.00	12.00	6%	
Permission to erect Temporary Signs for Events (Up to 3 Months)		105.00	Outwith the Scope	0.00	102.00	108.00	Outwith the Scope	0.00	108.00	6.00	6%	This is for assessment and Permission.
Permission to erect Sign for New Development (Up to 12 Months)		523.00	Outwith the Scope	0.00	508.00	538.00	Outwith the Scope	0.00	538.00	30.00	6%	Not supply and erection.

Description	Other	2022-23				2023-24				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
RCC Inspections (per RCC)		56.67	Standard	11.33	66.00	58.33	Standard	11.67	70.00	4.00	6%	£62.00 per £1,000 of Road Bond Value. Option of Time in Line to be available.
RCC Processing (Initial Application + 1 Review)	NIL		Standard	0.00	0.00		Standard	0.00	0.00	0.00	0%	
RCC Processing (Further Reviews)	STAFF COSTS + ON-COSTS		Standard	0.00	0.00		Standard	0.00	0.00	0.00	0%	Staff Costs + On costs for Sub Standard Application
Street Works Register Fines - Fines are levied at a cost of £120 per breach	STATUTORY CHARGE	120.00	Outwith the Scope	0.00	120.00	120.00	Outwith the Scope	0.00	120.00	0.00	0%	Street Works Register - Fines - Fines are only levied against Utility Companies if they breach the recording of road openings on the Street Works Register, As determined by the Roads Network and Standards Manager.
This fine can be reduced to £80 if paid within 30 days	STATUTORY CHARGE	80.00	Outwith the Scope	0.00	80.00	80.00	Outwith the Scope	0.00	80.00	0.00	0%	
Road Inspections as a result of Road Openings - 1st Inspection	STATUTORY CHARGE	36.00	Outwith the Scope	0.00	36.00	36.00	Outwith the Scope	0.00	36.00	0.00	0%	These charges are set by Roads Authority and Utility Committee (Scotland) under NRSWA.
Road Inspections as a result of Road Openings - Further Inspections (each inspection)	STATUTORY CHARGE	36.00	Outwith the Scope	0.00	36.00	36.00	Outwith the Scope	0.00	36.00	0.00	0%	
Removal of materials from Road	AT COST + 12.5%		Outwith the Scope	0.00	0.00		Outwith the Scope	0.00	0.00	0.00	0%	
Re-locating Street Lights or Other Street Furniture	AT COST + 12.5%		Standard	0.00	0.00		Standard	0.00	0.00	0.00	0%	
Site Clearance after Accidents	AT COST + 12.5%		Outwith the Scope	0.00	0.00		Outwith the Scope	0.00	0.00	0.00	0%	
Salt Bins	AT COST + REFILL		Standard	0.00	0.00		Standard	0.00	0.00	0.00	0%	
Traffic Regulation Order to Extend a Speed Limit or Similar		1,134.00	Outwith the Scope	0.00	1,101.00	1,167.00	Outwith the Scope	0.00	1,167.00	66.00	6%	Plus Cost of Advert
Stopping up or re-determining access up to 200m long		1,418.00	Outwith the Scope	0.00	1,377.00	1,460.00	Outwith the Scope	0.00	1,460.00	83.00	6%	Plus Cost of Advert
Stopping up or re-determining access over 200m long		1,774.00	Outwith the Scope	0.00	1,722.00	1,825.00	Outwith the Scope	0.00	1,825.00	103.00	6%	Plus Cost of Advert

#### School & Public Transport

Mini Bus Hire - up to 4 hours		39.17	Standard	7.83	47.00	41.67	Standard	8.33	50.00	3.00	6%	
Mini Bus Hire - per Day		78.33	Standard	15.67	94.00	83.33	Standard	16.67	100.00	6.00	6%	
Privilege rides within school transport (cost per child per term)		90.00	Zero Rated	0.00	90.00	95.00	Zero Rated	0.00	95.00	5.00	6%	
Privilege rides within school transport (where there are 2 or more children, cost per child)		75.00	Zero Rated	0.00	75.00	80.00	Zero Rated	0.00	80.00	5.00	7%	

Description	Other	2022-23				2023-24				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>PARKING</b>												
Oban Car Parks (Except Corran No.1, Longsdale Road Car Park and Lochavullin Car Park) Ganavan Car Park Helensburgh Including Pier Area A, Dunoon Rothesay Luss	Per 15 mins up to 4 hrs	0.25	Standard	0.05	0.30	0.25	Standard	0.05	0.30	0.00	0%	
	Per 30 mins up to 4 hrs	0.42	Standard	0.08	0.50	0.42	Standard	0.08	0.50	0.00	0%	
	Per 45 mins up to 4 hrs	0.67	Standard	0.13	0.80	0.67	Standard	0.13	0.80	0.00	0%	
	Per 60 mins up to 4 hrs	0.83	Standard	0.17	1.00	0.83	Standard	0.17	1.00	0.00	0%	
	Per hour thereafter -4 to 10hrs	0.83	Standard	0.17	1.00	0.83	Standard	0.17	1.00	0.00	0%	
	Quarterly Season	115.83	Standard	23.17	139.00	115.83	Standard	23.17	139.00	0.00	0%	
	6 Monthly Season	215.00	Standard	43.00	258.00	215.00	Standard	43.00	258.00	0.00	0%	
	9 Monthly Season	309.17	Standard	61.83	371.00	309.17	Standard	61.83	371.00	0.00	0%	
	Annual Season	407.50	Standard	81.50	489.00	407.50	Standard	81.50	489.00	0.00	0%	
All Oban, Lorn & Isle Car Parks - Oban Car Parks (Except Corran No.1, Longsdale Road Car Park and Lochavullin Car Park) Ganavan Car Park	Monthly Permit	50.00	Standard	10.00	60.00	50.00	Standard	10.00	60.00	0.00	0%	Two weeks suspension of charges prior to Christmas
All Oban, Lorn & Isle Car Parks - Oban Car Parks (Except Corran No.1, Longsdale Road Car Park and Lochavullin Car Park) Ganavan Car Park	Weekly Permit	25.00	Standard	5.00	30.00	25.00	Standard	5.00	30.00	0.00	0%	
Arrochar Glenloin No.1 and No.2	Per hour	0.83	Standard	0.17	1.00	0.83	Standard	0.17	1.00	0.00	0%	
	Per day	7.50	Standard	1.50	9.00	7.50	Standard	1.50	9.00	0.00	0%	
Helensburgh - Sinclair Street  First 2 hours free, 2 hours thereafter can be paid for up to a maximum of 4 hours total. No return within 24 hours.	Per 15 mins - Maximum 4 hrs	0.25	Standard	0.05	0.30	0.25	Standard	0.05	0.30	0.00	0%	
	Per 30 mins - Maximum 4 hours	0.42	Standard	0.08	0.50	0.42	Standard	0.08	0.50	0.00	0%	
	Per 45 mins - Maximum 4 hours	0.67	Standard	0.13	0.80	0.67	Standard	0.13	0.80	0.00	0%	
	Per 60 mins - Maximum 4 hours	0.83	Standard	0.17	1.00	0.83	Standard	0.17	1.00	0.00	0%	
Oban - Longsdale Road Car Park and Lochavullin Car Park  First 2 hours free	Per 15 mins	0.25	Standard	0.05	0.30	0.25	Standard	0.05	0.30	0.00	0%	
	Per 30 mins	0.42	Standard	0.08	0.50	0.42	Standard	0.08	0.50	0.00	0%	
	Per 45 mins	0.67	Standard	0.13	0.80	0.67	Standard	0.13	0.80	0.00	0%	
	Per 60 mins	0.83	Standard	0.17	1.00	0.83	Standard	0.17	1.00	0.00	0%	
Commercial Parking Helensburgh Pier Area B Car Park Lochavullin and Longsdale Coach and Lorry Parks - Oban Lochgilphead Lorne Street Coach and Lorry Park	0 to 8 hours	0.92	Standard	0.18	1.10	0.92	Standard	0.18	1.10	0.00	0%	
	8 to 24 hours	8.33	Standard	1.67	10.00	8.33	Standard	1.67	10.00	0.00	0%	

Description	Other	2022-23				2023-24				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
Seasonal Car Parks Corran No.1 Inveraray	Per 15 mins - up to 4 hrs	0.25	Standard	0.05	0.30	0.25	Standard	0.05	0.30	0.00	0%	
	Per 30 mins - up to 4 hours	0.42	Standard	0.08	0.50	0.42	Standard	0.08	0.50	0.00	0%	
	Per 45 mins - up to 4 hours	0.67	Standard	0.13	0.80	0.67	Standard	0.13	0.80	0.00	0%	
	Per 60 mins - up to 4 hours	0.83	Standard	0.17	1.00	0.83	Standard	0.17	1.00	0.00	0%	
	Per hour thereafter -4 to 10hrs	0.83	Standard	0.17	1.00	0.83	Standard	0.17	1.00	0.00	0%	
Seasonal Car Parks - Permits	Seasonal Period	90.00	Standard	18.00	108.00	90.00	Standard	18.00	108.00	0.00	0%	
Penalty Charge Notices	Statutory Charge Paid within 14 days	30.00	Zero Rated	0.00	30.00	30.00	Zero Rated	0.00	30.00	0.00	0%	PCNs are statutory charges and the level is set by the Scottish Government
	Statutory Charge Paid after 14 days	60.00	Zero Rated	0.00	60.00	60.00	Zero Rated	0.00	60.00	0.00	0%	
On Street Parking - Inner Zone Oban	Per 40 mins - Limited to 2 hours maximum											
First 30 minutes free at the following: Argyll Square, Queens Park Place, William Street, Corran Esplanade, George Street. Maximum stay of 2 hours total.		0.80	Outwith the Scope	0.00	0.80	0.80	Outwith the Scope	0.00	0.80	0.00	0%	
On Street Parking - Outer Zone Oban	Per 40 mins - Limited to 4 hours maximum											
Maximum stay 4 hours expect Gallanach Road and Ganavan Road which are all day parking.		0.80	Outwith the Scope	0.00	0.80	0.80	Outwith the Scope	0.00	0.80	0.00	0%	
Residents Permit	Annual Charge	98.00	Outwith the Scope	0.00	98.00	98.00	Outwith the Scope	0.00	98.00	0.00	0%	
Staff Permits - Municipal Buildings - Oban	Quarterly Charge	36.00	Outwith the Scope	0.00	36.00	36.00	Outwith the Scope	0.00	36.00	0.00	0%	
	Annual	81.67	Standard	16.33	98.00	81.67	Standard	16.33	98.00	0.00	0%	
<b>ELECTRIC VEHICLES CHARGING</b>												
Connection fee		1.50	Standard	0.30	1.80	1.58	Standard	0.32	1.90	0.10	6%	Connection fee covers management costs e.g. admin, banking fees, merchant fees etc.
Charge Per Kwh		0.22	Standard	0.04	0.26	0.23	Standard	0.05	0.27	0.01	4%	
Overstay Penalty Charges	1st Hour	30.00	Outwith the Scope	0.00	30.00	30.00	Outwith the Scope	0.00	30.00	0.00	0%	10 min grace period then £30 charge up to one hour overstay
	2nd Hour	30.00	Outwith the Scope	0.00	30.00	30.00	Outwith the Scope	0.00	30.00	0.00	0%	Additional £30 for overstaying a second hour. Penalty capped at 2 hours [£60]

COUNCIL WIDE CHARGES		2022-23				2023-24				Increase		Notes/Comments
Description	Other	Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
Photocopying/Printing A4 (black & white) per side		0.22	Exempt	0.00	0.22	0.23	Exempt	0.00	0.23	0.01	5%	Standard Rate across Council
Photocopying/Printing A4 (coloured) per side		0.37	Exempt	0.00	0.37	0.39	Exempt	0.00	0.39	0.02	5%	Standard Rate across Council
Photocopying/Printing - Colour - per side (A3)		0.74	Exempt	0.00	0.74	0.78	Exempt	0.00	0.78	0.04	5%	Standard Rate across Council
Photocopying/Printing - Black and White - per side (A3)		0.37	Exempt	0.00	0.37	0.39	Exempt	0.00	0.39	0.02	5%	Standard Rate across Council
Fax - minimum charge (less than 10 seconds)		0.32	Exempt	0.00	0.32	0.34	Exempt	0.00	0.34	0.02	6%	Standard Rate across Council
Fax - rate per 10seconds thereafter		0.10	Exempt	0.00	0.10	0.11	Exempt	0.00	0.11	0.01	10%	Standard Rate across Council
Fax - receiving per sheet (libraries)		0.74	Exempt	0.00	0.74	0.78	Exempt	0.00	0.78	0.04	5%	Standard Rate across Council

FILMING

PRODUCTION GENRE	Classification (Budget)	2022-23				2023-24				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Charge per day	VAT Rate	VAT £	Gross £	£	%	
<b>FEATURE FILM</b>												
Major US: eg <i>Bond, Jurassic World</i>	High End (£100m+)	1,418.33	Standard	283.67	1,702.00	1,503.33	Standard	300.67	1,804.00	102.00	6%	
Large US: eg <i>Les Miserable</i>	Medium High (£60m+)	1,081.67	Standard	216.33	1,298.00	1,146.67	Standard	229.33	1,376.00	78.00	6%	
Major UK/US Indie: eg <i>Rush, Theory of Everything</i>	Medium (£20m+)	742.50	Standard	148.50	891.00	786.67	Standard	157.33	944.00	53.00	6%	
Medium: eg <i>The Worlds End</i>	Medium/Low (£10m+)	540.00	Standard	108.00	648.00	572.50	Standard	114.50	687.00	39.00	6%	
Low: eg <i>71, Alan Partridge, Alpha Papa</i>	Low (£1.5m+)	270.00	Standard	54.00	324.00	285.83	Standard	57.17	343.00	19.00	6%	
Micro: eg <i>IFeatures</i>	Micro (<1.5M)	56.67	Standard	11.33	68.00	60.00	Standard	12.00	72.00	4.00	6%	
<b>TELEVISION</b>												
Domestic/International receiving Tax Relief: eg <i>Penny Dreadful, The Game</i>	High End Tax Relief	742.50	Standard	148.50	891.00	786.67	Standard	157.33	944.00	53.00	6%	
Period Drama: eg <i>Call the Midwife, The Village</i>	High End Domestic	607.50	Standard	121.50	729.00	644.17	Standard	128.83	773.00	44.00	6%	
Soap/Drama Series: eg <i>Sherlock, Corrie, EastEnders</i>	Medium	540.00	Standard	108.00	648.00	572.50	Standard	114.50	687.00	39.00	6%	
Sitcom/Comedy/Drama: eg <i>Family Tree, My Mad Fat Diary</i>	Medium	337.50	Standard	67.50	405.00	357.50	Standard	71.50	429.00	24.00	6%	
Pilot/Light Entertainment/High End Documentaries/Factual:	Low	118.33	Standard	23.67	142.00	125.83	Standard	25.17	151.00	9.00	6%	
eg <i>Springwatch, Great British Bake Off</i>												
Low-end Doc/Factual: eg <i>Great Railway Journeys</i>	Low	56.67	Standard	11.33	68.00	60.00	Standard	12.00	72.00	4.00	6%	
<b>COMMERCIALS</b>												
High Profile: eg <i>McDonalds, Lagavullin Whisky (International)</i>	High (> £1M)	675.83	Standard	135.17	811.00	716.67	Standard	143.33	860.00	49.00	6%	
Medium Profile: eg <i>Ford, Skoda, Peugeot (National)</i>	Medium (< £1M)	405.00	Standard	81.00	486.00	429.17	Standard	85.83	515.00	29.00	6%	
Low Profile: eg <i>Short promos (Regional)</i>	Low (< £250k)	118.33	Standard	23.67	142.00	125.83	Standard	25.17	151.00	9.00	6%	
<b>MUSIC VIDEOS</b>												
High Profile: eg <i>Florence and the Machine</i>	High	100.83	Standard	20.17	121.00	106.67	Standard	21.33	128.00	7.00	6%	
Low Profile: eg <i>Corporate etc.</i>	Low	56.67	Standard	11.33	68.00	60.00	Standard	12.00	72.00	4.00	6%	

**FINANCIAL RISKS ANALYSIS 2023-24**

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**1 EXECUTIVE SUMMARY**

- 1.1 The main purpose of this report is to provide a summary of the key financial risks facing the Council.
- 1.2 A number of Council wide risks, both revenue and capital have been identified along with risks for each department and service of the Council. For each departmental risk the financial impact has been quantified and the likelihood assessed based on the standard risk matrix.
- 1.3 There are 6 Council wide revenue risks identified for 2023-24 currently amounting to £5.621m.
- 1.4 There are currently 40 departmental risks totalling £4.750m. Five of the 40 departmental risks are categorised as likely.
- 1.5 The financial risks are monitored routinely and actions put in place to continue to mitigate the risks.

**FINANCIAL RISKS ANALYSIS 2023-24**

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**2. INTRODUCTION**

- 2.1 This report outlines the process and approach developed in carrying out a financial risks analysis and provides a note of the current assessment of financial risks for 2023-24.

**3 DETAIL****3.1 Introduction**

- 3.1.1 The Council continues to be in a period of significant financial challenge. In developing its budget to address both restricted resources and cost and demand pressures there are a number of financial risks the Council needs to consider and manage.

- 3.1.2 There are a number of risks that affect the income or expenditure across the whole council and these have been identified. Financial risks have been considered by each department and service of the Council.

- 3.1.3 For each risk, the financial impact has been quantified and the likelihood assessed based on the standard risk matrix as follows:

- 1 – Remote
- 2 – Unlikely
- 3 – Possible
- 4 – Likely
- 5 – Almost Certain

**3.2 Council Wide Risks****Revenue**

- 3.2.1 The 2023-24 budget has a 3.5% pay award assumption across all categories of worker and all grades. Negotiations on the 2023-24 award have still to commence, however, on 27 January 2023, the SJC Trade Unions submitted their 2023-24 claim with a request for a 12% or £4,000 increase alongside a number of other requests. This is their opening claim and negotiations will likely reduce the level of claim but this claim represents an idea of the level of claim Trade Unions will be looking for. The affordability for Local Government has to be considered and based on future estimates, anything more than a 3.5% pay award is deemed to be unaffordable hence why the budget outlook has been based on 3.5% (this also was the cost to the Council for the 2022-23 pay award as Scottish Government provided additional funding). This is a situation that will be kept under close review as the pay negotiations advance during the year and the



assumption will be adjusted if required. A 1.5% increase, resulting in a 5% pay award (equivalent to the SJC pay award in 2022-23), would cost £2.200m and this financial risk has been based on this.

- 3.2.2 Utility costs remain a volatile area and it is difficult to accurately predict how the prices for utilities could vary. Due to the volatility of utilities pricing it is very difficult to predict any impact with a degree of accuracy. The financial risk is based on a 20% variation in utility costs and amounts to £1.046m.
- 3.2.3 In respect of the Health and Social Care Partnership, it is the responsibility of the Chief Officer and Chief Financial Officer to manage the HSCP financial position. If an overspend is forecast, a budget recovery plan will be prepared and submitted to the IJB, the Council and NHS Highland. Where recovery plans are unsuccessful and an overspend occurs at the financial year end, and there are insufficient reserves to meet the overspend, then the partners will be required to make additional payments to the HSCP. Whilst any additional payments by the Council and NHS Highland will be deducted from future years funding, there is still a financial risk that the Council may have to pay out additional monies in year. A possible risk of £1.000m is recognised as a fair reflection of the situation and has been agreed with the Chief Financial Officer of the HSCP.
- 3.2.4 The estimated level of Council Tax income is based on current and forecast Band D equivalents and non-payment rates. This year, the increase in Band D equivalent domestic dwellings on the Council Tax register reduced to a growth rate of 1.27% which is 0.78% lower than the previous year. This still increases the net Council Tax billed and therefore the Council should see an increase in the projected level of income at the end of the financial year 2022-2023. However Council Tax collection remains challenging due initially to COVID and now increasingly, the cost of living crisis but these challenges have been offset somewhat by the governments Cost of Living Award Payments of £4.2 million that were credited to Council Tax accounts at the start of the 2022-23 year. This provided an early boost in income however month on month the in-year collection rate is falling towards last year's recovery rates. The future is very challenging to predict at present but we expect there to be further growth in Band D equivalents in the Council tax base in 2023-24 and this will be built into the 2023-24 budget. A 1% variation in council tax income amounts to approximately £0.562m.
- 3.2.5 At the budget meetings in February 2021 and February 2022, the Council agreed policy savings options that would deliver savings over the period 2021-22 to 2024-25. The savings to be delivered in 2023-24 equate to £0.131m. Whilst the Council have a good track record in delivering savings, a 10% shortfall on these savings targets would amount to £0.013m.
- 3.2.6 The Council wide risks are noted within the table below

Description	Likelihood	Assessed Financial Impact £000
Pay Award exceeding 3.5%	4	2,200
Energy costs increase by 20% greater than anticipated	3	1,046
IJB refer to Council for additional funding to deliver social work services	3	1,000
1% variation in Council Tax Income	3	562
1% variation of General Inflation Risk	3	800
10% shortfall on Savings Options	2	13
<b>Total</b>		<b>5,621</b>

## Capital

- 3.2.7 The finance circular received on 15 December 2022 provided details of the Local Government funding for 2023-24 and there is therefore certainty as to what our funding is in respect of the General Capital Grant and the specific capital grants already distributed.
- 3.2.8 The capital plan for 2023-24 includes an estimate of £1.195m in respect of capital receipts. This is based on an assessment provided by the Estates Team in January 2023. A 10% variation equates to £0.120m and this would require to be managed across the capital programme.
- 3.2.9 There continues to be a pressure on the Capital Programme as a result of an increase in costs due to rising inflation which sees tender prices coming in above budget. While an element of COVID funding has been allocated to the Programme relating to current works, these increases could continue for some time and result in further overspends across the life of the Programme.
- 3.2.10 The capital monitoring as at the end of December is reporting an anticipated overspend on the total capital plan of £0.727m. Members will be asked to give consideration to elements of this overspend as part of the budget process which will also extend the capital programme out to 2025-26.
- 3.2.11 Although the direct impact of COVID on most local services has reduced or even ceased altogether over the last 12 months, COVID in conjunction with the UK exit from the European Union and the Russian invasion of Ukraine, continues to affect worldwide supply chains. This has the impact of reducing the availability of supplies and materials resulting in cost increases through a combination of higher prices and longer materials delivery lead times. Additional funding was set aside for capital projects for this purpose at the budget meetings in February 2021 and 2022 which should mitigate the impact of this within 2023-24 however officers will continue to closely engage with project managers to monitor and report on the impact on the Council's capital programme and services within the revenue budget.

### 3.3 Departmental/Service Risks

3.3.1 Financial risks have been identified for each department and service. It should be noted that the Council have a good track record of delivering services within budget, however, there still are risks and the detail is included within Appendix 1. The following table provides a summary of the number of risks within each department and likelihood category with the financial impact.

Department	1 - Remote		2 - Unlikely		3 - Possible		4 - Likely		5 - Almost Certain		Total	
	No	£000	No	£000	No	£000	No	£000	No	£000	No	£000
Chief Executive's Unit	1	125	0	0	3	460	0	0	0	0	4	585
Executive Director Douglas Hendry	2	20	6	560	10	770	4	530	0	0	22	1,880
Executive Director Kirsty Flanagan	4	210	2	230	7	1,745	1	100	0	0	14	2,285
<b>Total</b>	<b>7</b>	<b>355</b>	<b>8</b>	<b>790</b>	<b>20</b>	<b>2,975</b>	<b>5</b>	<b>630</b>	<b>0</b>	<b>0</b>	<b>40</b>	<b>4,750</b>

3.3.2 The current top three risks in terms of the financial impact are noted in the table below.

SERVICE	TITLE OF RISK	DESCRIPTION OF RISK	LIKELIHOOD	FINANCIAL IMPACT £000
Roads and Infrastructure Services	Roads Maintenance - Bridges, Culverts & Sea Defences	Extreme localised weather may result in loss of bridge, culvert, road or sea defence.	3	750
Roads and Infrastructure Services	Winter Maintenance	Adverse weather conditions which require greater than budgeted number of gritting runs.	3	365
Financial Services	Council Tax Debt Collection Recovery	Recovery of debt becomes more difficult to pursue in the current economic climate. This is in relation to historical debt that has accumulated over many years therefore any adverse collection rates will impact on the year end debt provision as opposed to the in-year financial position, hence no forecast variance has been reported within the current year.	3	345

### **3.4 Monitoring of Financial Risks**

- 3.4.1 Financial risks will be reviewed and monitored on a two monthly basis and will be included in the pack of financial reports submitted to Policy and Resources Committee.

## **4 CONCLUSION**

- 4.1 This report summarises the key financial risks facing the Council. There are 6 Council wide risks and there are 40 departmental risks. Five of the 40 departmental risks are categorised as likely. The financial risks are monitored routinely and actions put in place to continue to mitigate the risks.

## **5 IMPLICATIONS**

- |       |                         |   |
|-------|-------------------------|---|
| 5.1   | Policy                  | Outlines the Financial Risks for 2023-24                          |
| 5.2   | Financial               | The financial value of each risk is included within the appendix. |
| 5.3   | Legal                   | None  |
| 5.4   | HR                      | None  |
| 5.5   | Fairer Scotland<br>Duty | See Below   |
| 5.5.1 | Equalities              | None  |
| 5.5.2 | Socio-Economic<br>Duty  | None  |
| 5.5.3 | Islands Duty            | None  |
| 5.6   | Climate Change          | None  |
| 5.7   | Risk                    | Financial risks are detailed within the appendix.                 |
| 5.8   | Customer Service        | None  |

**Kirsty Flanagan**  
**Executive Director/Section 95 Officer**  
**9 February 2023**

**Policy Lead for Finance and Commercial Services: Councillor Gary Mulvaney**

### **APPENDICES**

Appendix 1 – Detail of Department/Service financial risks.

For further information contact Anne Blue, Head of Financial Services  
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APPENDIX 1

DEPARTMENT/SERVICE FINANCIAL RISKS 2023-24

DEPARTMENT	SERVICE	TITLE OF RISK	DESCRIPTION OF RISK	MITIGATING ACTIONS IN PLACE	2023-24	
					LIKELIHOOD	FINANCIAL IMPACT £000
Chief Executive's Unit	Financial Services	Council Tax Debt Collection Recovery	Recovery of debt becomes more difficult to pursue in the current economic climate. This is in relation to historical debt that has accumulated over many years therefore any adverse collection rates will impact on the year end debt provision as opposed to the in-year financial position, hence no forecast variance has been reported within the current year.	Robust monitoring of arrangements with debt collection agency and performance against target collection rates.	3	345
Chief Executive's Unit	Financial Services	Housing Benefit Subsidy	Loss of Housing Benefit Subsidy due to exceeding LA error threshold.	Processes in place for handling of claims accurately and efficiently.	1	125
Chief Executive's Unit	Financial Services	Sundry Debt Recovery	Recovery of debt becomes more difficult to pursue in the current economic climate.	Additional staff are being put in place in the Sundry Debt Team who will work jointly with Legal Services to enhance the robustness of the Council's debt recovery processes.	3	85
Chief Executive's Unit	Financial Services	Non-Domestic Rates Relief	Risk of demand changing due to legislative changes outwith our control or new charitable businesses.	Outwith direct management control.	3	30
Executive Director Douglas Hendry	Commercial Services	Property - Central Repairs	Increased demands on central repairs as a result of the decrease in capital funding available and increases in material and supplier/contractor charges.	Joint strategy with procurement colleagues to reduce potential impact of supplier/contractor charges. Close monitoring of central repairs budgets and commitments and instructing only statutory tests/inspections and essential repairs.	4	300
Executive Director Douglas Hendry	Commercial Services	Catering Costs – Changes to Food and Drink in Schools Standards	The Scottish Government reviewed the regulations that govern the food and drinks provided in schools and implemented revised regulations from Easter 2021. The revised standards focus on reducing sugar, reducing red and red processed meat and increasing fibre. Thus far, there has been an increase in costs and a reduction in demand for school meals.	There is a need to work with Education colleagues to ensure the maximum uptake of school meals in secondary schools is achieved.	3	150
Executive Director Douglas Hendry	Commercial Services	Catering Costs - Provision of Meals to Early Years Children	The Children and Young People (Scotland) Act places duties on Councils to provide meals in an Early Years setting to entitled children where sessions span over lunch time. The total quantum of funding of £1.2m may not be sufficient to fund the additional costs depending on uptake and the additional costs to support the meal provision in partner provider settings.	Joint strategy with Education colleagues to implement requirements and closely monitor financial implications. Costs likely to be contained within overall early years funding allocation.	2	100
Executive Director Douglas Hendry	Commercial Services	Catering Purchases	Increased supplier charges. This estimate does not include the additional risk to food cost and uptake from the changes to food and drink standards in schools.	Joint strategy with procurement colleagues to reduce potential impact. Control food wastage/portion controls; introduction of online ordering to help manage food waste.	4	100
Executive Director Douglas Hendry	Commercial Services	Catering - Implementation of Universal Free School Meals in Primary Schools for P6 and P7 pupils	The Scottish Government may not give the local authority adequate funds to support the policy to expand free school meals in primary schools to include P6 and P7 pupils (the scheme has already been implemented for P1 to P5 pupils).	Senior Manager connected into the National Operational Delivery Group	2	100
Executive Director Douglas Hendry	Commercial Services	Rental Income from Properties	Due to current economic climate there may be reduced ability to recover rental income from leased properties or place suitable tenants in properties as leases come to an end.	Management of leasehold properties by Estates team, any issues with debt recovery being dealt with in line with Council debt recovery policy.	2	60
Executive Director Douglas Hendry	Commercial Services	Surplus Properties	Ongoing market difficulties lead to increased numbers of surplus properties, there are residual running costs associated with surplus properties.	One Council property team now in place who will monitor market conditions and work with prospective tenants/purchasers to let/sell surplus properties.	3	50
Executive Director Douglas Hendry	Commercial Services	Leisure Service Level Agreements	Increase in RPI and/or other running costs (eg utilities, payroll etc) resulting in requests for additional funding.	Monitoring annual alteration to contract RPI rate, communication with service providers and mitigation through financial forecasting and review of existing budget.	3	50

APPENDIX 1

DEPARTMENT/SERVICE FINANCIAL RISKS 2023-24

DEPARTMENT	SERVICE	TITLE OF RISK	DESCRIPTION OF RISK	MITIGATING ACTIONS IN PLACE	2023-24	
					LIKELIHOOD	FINANCIAL IMPACT £000
Executive Director Douglas Hendry	Education	Central Repairs	Increased demands on budget as a result of increase in statutory and emergency repairs and increases in supplier/contractor charges.	Regular liaison with Property Services re prioritisation and commitment of in-year spend.	2	100
Executive Director Douglas Hendry	Education	ASN Support	Demand for ASN support continues to increase, resulting in an additional resource requirement. The medium term detriments on the development of young children which occurred as a consequence of service closures during the COVID pandemic have increased demands on the service as children require additional support to catch up. The Additional Support for Learning National Implementation plan continues to inform our strategic direction in line with the Angela Morgan Review.	Scottish Government has given additional funding for "additional support needs priority for learning" and this has been built into the budget, this will help reduce the demand risk	3	100
Executive Director Douglas Hendry	Education	Pre-Five Units - retention of partner providers	Failure in the commissioning or retention of pre-five partner provider units to deliver 1140 hours would result in an increased pressure on the Council to deliver the service.	Annual financial appraisal; Support network; Short-term cash injections.	3	100
Executive Director Douglas Hendry	Education	Legislative Requirements - Children and Young People (Scotland) Act - ELC 1140 hours	The Council has been required to deliver 1140 hours of Early Learning and Childcare since August 2021. The Scottish Government has committed to funding this and the Council has altered the implementation plan to align it to the Scottish Government funding profile. A risk remains that actual costs of delivery exceed the Government Grant in any given year. For example, if child numbers are higher than estimated, this may require additional staffing which has not been built into the staffing model funded by Scottish Government.	Continuous monitoring and review of the implementation plan, usage and resources.	3	100
Executive Director Douglas Hendry	Education	Legislative Requirements - Education (Scotland) Act	The Education (Scotland) Act 2000 requires Councils to carry out assessments of the need for the provision of Gaelic Medium Primary Education (GMPE) and the duty to support and promote Gaelic Education. This may lead to additional staffing requirements depending upon the demand for Gaelic from parents.	Monitoring developments of the implementation of the Act and statutory guidance produced and adhered too.	3	50
Executive Director Douglas Hendry	Legal and Regulatory Support	Hub DBDA/DBFM Schools - Litigation	Increased risk of the requirement to litigate to conclude final capital contract payments due.	Monitoring claims and mitigation through robust challenge of any additional claims.	2	150
Executive Director Douglas Hendry	Legal and Regulatory Support	Contract RPI for NPDO and Hub Schools	Increase in RPI would result in higher costs.	Monitoring annual alteration to contract RPI rate and mitigation through financial forecasting and review of existing budget.	4	100
Executive Director Douglas Hendry	Legal and Regulatory Support	NPDO - Reduction in insurance savings within NPDO Schools	Increase in insurance costs as a result of the long term effects of Covid-19 on the insurance market and flood claims.	Monitoring annual alteration to contract insurance rate and mitigation through financial forecasting and review of existing budget.	3	75
Executive Director Douglas Hendry	Legal and Regulatory Support	Legal Services - Litigation	Increased number of litigation cases.	Ensure Legal Services are gateway to access all legal advice and that advice is sought at earliest opportunity.	3	50
Executive Director Douglas Hendry	Legal and Regulatory Support	NPDO/Hub DBFM contract management efficiencies	Reduction in ability to generate contract management efficiencies.	Monitoring annual efficiencies generated and mitigation through robust contract management and application of contract specifications/requirements.	2	50
Executive Director Douglas Hendry	Legal and Regulatory Support	Elections	More than 1 by-election required outwith standard election cycle.	Outwith direct management control.	3	45
Executive Director Douglas Hendry	Legal and Regulatory Support	Licensing	Reduced numbers of licensing applications leading to reduced income.	Monitoring of trends and reporting the financial impact in the budget monitoring.	4	30
Executive Director Douglas Hendry	Legal and Regulatory Support	Children's Panel	Increased number of referrals increasing costs through increases in the running costs.	Maximise the use of council facilities/resources for panel session in the first instance.	1	10
Executive Director Douglas Hendry	Legal and Regulatory Support	Legal Services	Failure to minimise Council wide use of external legal advice.	Ensure legal services are gateway to access all legal advice.	1	10
Executive Director Kirsty Flanagan	Customer Support Services	Software Licences	Potential risk of being under licensed for software which will be identified via software audits which would incur additional costs.	ICT security and compliance officer in post and duties include review of systems to ensure fully licenced.	2	100

APPENDIX 1

DEPARTMENT/SERVICE FINANCIAL RISKS 2023-24

DEPARTMENT	SERVICE	TITLE OF RISK	DESCRIPTION OF RISK	MITIGATING ACTIONS IN PLACE	2023-24	
					LIKELIHOOD	FINANCIAL IMPACT £000
Executive Director Kirsty Flanagan	Customer Support Services	Additional Bandwidth for Education	Additional costs required to be incurred in relation to additional bandwidth required to deliver the Education Digital Strategy due to a more digitalised learning curriculum.	Work closely with Education on Digital Devices for All strategy to ensure necessary IT is in place.	3	50
Executive Director Kirsty Flanagan	Development and Economic Growth	Environmental Health- export certificates	Downturn in requests for export certificates as a result of UK withdrawal from EU, changes to international trading agreements or business economy. Reduction in demand creates a budget pressure on environmental health budget.	Monitor income and resources required for export health certificates/attestations required to support the export market. Continue with food safety regulation activities associated and support at 3rd country audits. Pursue debt rigorously with key customers through seeking regular payments.	2	130
Executive Director Kirsty Flanagan	Development and Economic Growth	Dangerous Buildings interventions	Building Standards having to deal with an increasing level of dangerous building work which has significant financial implications for Council.	Monitor activity and seek to recover costs from the owner.	3	100
Executive Director Kirsty Flanagan	Development and Economic Growth	Planning fees reduced by Scottish Government	Scottish Government reducing planning fees due to poor performance by the Planning Authority. Details of national Planning Performance Co-ordinator and Fee Reform still awaited.	Maintain high levels of performance as articulated by performance markers detailed in Planning Performance Framework annual report.	1	100
Executive Director Kirsty Flanagan	Development and Economic Growth	Planning fee shortfalls	Due to downturn in economic / building activity, in particular renewable energy development and other major developments could lead to planning fee income shortfalls leading to revenue budget pressures.	Current income levels are looking more positive, however, we are dependent on some high value applications coming in which if don't materialise, will impact the overall position. Will continue to monitor Development Management income and expenditure tightly and investigate further income generation streams.	1	50
Executive Director Kirsty Flanagan	Development and Economic Growth	Building Warrant fee shortfalls	Due to loss of commercial income and downturn in economic / building activity, building warrant fee income shortfalls leading to revenue budget pressures.	Continue to monitor Building Standards income and expenditure tightly and investigate further income generation streams.	1	50
Executive Director Kirsty Flanagan	Development and Economic Growth	Homelessness Temporary Accommodation Income	Unpredictable number of Homeless applications. Inability to recover rent. Increase costs of property maintenance and tenancy change over.	Provision of Housing Options information and advice service to minimise number of applicants proceeding to full homeless application. Implementation of Rapid Rehousing Plan.	3	50
Executive Director Kirsty Flanagan	Development and Economic Growth	Animal Health	Carrying out livestock seizure to protect welfare of the animals	Monitor activity and seek to recover costs from the disposal of the animals.	1	10
Executive Director Kirsty Flanagan	Roads and Infrastructure Services	Roads Maintenance - Bridges, Culverts & Sea Defences	Extreme localised weather may result in loss of bridge, culvert, road or sea defence.	Routine inspections to deal with potential weak areas - based on a stitch in time repair regime.	3	750
Executive Director Kirsty Flanagan	Roads and Infrastructure Services	Winter Maintenance	Adverse weather conditions which require greater than budgeted number of gritting runs.	Monitor weather conditions and apply gritting policy to minimise costs.	3	365
Executive Director Kirsty Flanagan	Roads and Infrastructure Services	Roads Maintenance - Roads Network	Adverse weather conditions result in deterioration of the road network necessitating greater spend on repair of defects.	Manage maintenance budgets to ensure that spend is prioritised to deal with safety defects.	3	230
Executive Director Kirsty Flanagan	Roads and Infrastructure Services	Ferry Services - income	Changes to ferry services resulting in reduced berthing and passenger income.	Closely monitor passenger number information coming from CalMac to identify any emerging trends with reducing passenger numbers.	3	200
Executive Director Kirsty Flanagan	Roads and Infrastructure Services	Street Lighting	Age of lighting stock requires greater maintenance as health and safety becomes a consideration.	Manage maintenance budgets to ensure that spend is prioritised to deal with safety defects.	4	100
					<b>40</b>	<b>4,750</b>

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**ARGYLL AND BUTE COUNCIL****COUNCIL****FINANCIAL SERVICES****23 FEBRUARY 2023**

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**RESERVES AND BALANCES – UPDATED FOR BUDGET PACK 2023-24**

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**1 EXECUTIVE SUMMARY**

- 1.1 The main purpose of this report is to advise Members of the overall level of reserves held by the Council as well as providing detail on the monitoring of the earmarked balances held within the General Fund.
- 1.2 The Council has a total of £394.480m unusable reserves that are not backed with resources. They are required purely for accounting purposes.
- 1.3 At 31 March 2022 the Council had a total of £103.183m usable reserves. Of this:
- £2.682m related to the Repairs and Renewals Fund
  - £4.414m related to Capital Funds
  - £96.087m was held in the General Fund with £88.990m of this balance earmarked for specific purposes.
- 1.4 The Council's General Fund contingency remains at 2% of net expenditure. This monetary level has been adjusted to take account of the revised net revenue expenditure proposed for 2023-24. The revised contingency of 2% of net expenditure amounts to £5.684m.
- 1.5 As at 31 December 2022 the forecast outturn for 2022-23 was estimated to be an underspend of £3.408m, however, this is subject to change, particularly as the last three months of the financial year are the time of winter maintenance and the level of expenditure is difficult to predict. This underspend is as a result of the treasury gain of £5.398m due to receiving a discount on the early repayment of three PWLB loans offset by £1.491m recognised for the net expected shortfall in funding from the 2022-23 pay award and other forecast overspends within the Departments totalling £0.499m. As a result, the forecast surplus over contingency at 31 March 2022 is estimated to £8.109m, however, this is an estimated position and subject to change.
- 1.6 Assessing the adequacy of reserves should take account of the strategic, operational and financial risks facing the Council and should consider both internal and external factors. There are 19 categories included in the risk analysis and 5 have been assessed as low, 3 low/medium, 7 medium and 4 medium/high. The medium/high risks are in respect of the potential impact of the UK exit from the EU, future funding, inflation rates and the general financial climate.

ARGYLL AND BUTE COUNCIL

COUNCIL

FINANCIAL SERVICES

23 FEBRUARY 2023

**RESERVES AND BALANCES – UPDATED FOR BUDGET PACK 2023-24****2. INTRODUCTION**

- 2.1 This report outlines current balances on all of the Council's reserves, both usable and unusable. It also provides detail on the monitoring of the earmarked balances within the General Fund.

**3. DETAIL****3.1 Types of Reserves**

- 3.1.1 **Usable Reserves** - Councils have powers to establish certain resource backed reserves which can be used to fund expenditure. The powers of councils to establish reserves are laid out in Schedule 3 of the Local Government (Scotland) Act 1975. These allow councils to establish a Renewal and Repairs Fund, Insurance Fund and Capital Fund. Councils can also establish a Useable Capital Receipts Reserve. The Council must also maintain a General Fund and can earmark balances for specific purposes within the General Fund.

- 3.1.2 **Unusable Reserves** – Councils are also required to establish certain reserves that are not backed by resources. They are required purely for accounting purposes and do not represent resources available for councils to utilise. The Pensions Reserve, Revaluation Reserve, Capital Adjustment Account, Financial Instruments Adjustment Account and Accumulated Absences Account fall into this latter category of accounting reserves.

**3.2 Reserve Balances at 31 March 2022**

- 3.2.1 The balances on each type of reserve at 31 March 2022 are set out in the two tables below, updated as per the Audited Accounts for 2021-22.

<b>Unusable Reserves</b>	<b>£000</b>
Revaluation Reserve	157,645
Capital Adjustment Account	241,327
Financial Instruments Adjustment Account	(2,198)
Pensions Reserve	4,634
Accumulated Absences Account	(6,928)
<b>Total Unusable Reserves</b>	<b>394,480</b>

<b>Usable Reserves</b>	<b>£000</b>
Repairs and Renewals Fund	2,682
Capital Fund and Usable Capital Receipts Reserve	4,414
General Fund	96,087
<b>Total Usable Reserves</b>	<b>103,183</b>
<b>Total Reserves</b>	<b>497,663</b>

- 3.2.2 The Revaluation Reserve represents the unrealised gains in the valuation of fixed assets. The Capital Adjustment Account represents the difference between depreciation based on proper accounting practice and statutory charges for financing capital expenditure. The Financial Instruments Adjustment Account represents the difference between gains and losses on borrowing and statutory capital financing charges. The Pensions Reserve represents the difference between pension costs based on proper accounting practice and payments made for pension costs. The Accumulated Absences Account represents the costed difference between holiday pay entitlement and actual holidays taken at 31 March.
- 3.2.3 The Repairs and Renewals Fund was established to support funding of renewal and replacement of school equipment. Schools can only draw on the Repairs and Renewals Fund to the extent they have previously paid into the Fund and contributions must be contained within schools devolved budgets.
- 3.2.4 The Capital Fund was established to receive all capital receipts generated by the Council and can be used to support the capital plan or meet the principal repayments on loan charges. The Council decides as part of the budget process each year how it wishes to draw funding from the Capital Fund.
- 3.2.5 The Usable Capital Receipts Reserve relates to the accumulated unspent capital receipts from sale of council houses prior to transfer of the housing stock. The reserve forms part of the Council's Strategic Housing Fund and can only be used for investment in social housing. The reserve will be used in accordance with the approach to investing in housing agreed by the Council in August 2012.

### 3.3 General Fund

- 3.3.1 The General Fund balance at 31 March 2022 can be analysed as follows:

	<b>Balance 31/03/22 £000</b>
Balance on General Fund as at 31 March 2021	78,245
Increase to General Fund balance at end of 2021-22	17,842
Earmarked Balances	(88,990)
Contingency allowance at 2% of net expenditure	(5,256)
<b>Unallocated balance as at 31 March 2022</b>	<b>1,841</b>

3.3.2 The General Fund includes balances that the Council has agreed to earmark for specific purposes. Some of these earmarked balances will be spent during the current financial year and some of them will be held over and spent in later years. The table below shows the balance at 31 March 2022, the amounts that are currently invested or set aside for major initiatives, the amount already spent and planned to be spent in the current year, the amount to be spent in future years and any sums no longer required to be earmarked. Appendix 1 provides further details on the breakdown of unspent budget. Officers have reviewed and updated the spending profiles.

Earmarking Category	Balance 31/03/2022 - per year end published report	Transfers between categories	Invested or committed for major initiatives /capital projects	Drawn-down to 2022-23 Budget as at 31/12/22	Still to be drawn-down in 2022-23	Planned Spend Future Years	Released to General Fund
	£000	£000	£000	£000	£000	£000	£000
Strategic Housing Fund	6,590		6,126	464			
Investment in Affordable Housing	3,300		3,200				100
Capital Projects	24,722		22,565	2,157			
Lochgilphead and Tarbert Regeneration	2,271		2,271				
Support for Rural Growth Deal	1,058		894	164			
Asset Management Investment	2,607		2,607				
Piers and Harbours Investment Fund	1,643		1,643				
Scottish Government Initiatives	3,141			1,403	221	1,517	
CHORD	349				83	266	
DMR Schools	1,982			538	1,270	174	
Energy Efficiency Fund	218					218	
Existing Legal Commitments	475			15	15	445	
Unspent Grant	12,834		950	1,644	2,852	7,388	
Unspent Third Party Contribution	166				89	77	
Previous Council Decision - Other	4,343	-55	1,969	215	309	1,770	25
Redundancy Provision	1,732				150	1,582	
Supporting Organisational Change	1,588			141	59	1,388	
Spend to Save Route Optimisation	100				25	75	
Timing Delay	499					499	
Hemitage Park	4					4	
COVID-19	8,964		257	2,994	1,733	3,569	411
Unspent Budget	10,404	55	1,400	870	1,774	6,398	17
<b>Totals</b>	<b>88,990</b>	<b>0</b>	<b>43,882</b>	<b>10,605</b>	<b>8,580</b>	<b>25,370</b>	<b>553</b>

3.3.3 Investment in Affordable Housing £0.100m – this earmarked balance provides cash backed reserves for the loans to registered social landlords. It is

estimated that as at 31 March 2023, the balance on the remaining loans will be £3.200m, therefore £0.100m can be released back to the general fund.

- 3.3.4 Due to there being no planned expenditure, an earmarking for capital expenditure on a leased property of £0.025m has been released back to the general fund.
- 3.3.5 In 2020-21 and 2021-22, the Council received allocations for the administration of Business Support Grants which currently sit within the COVID-19 earmarked reserves. There is a balance remaining of £0.411m which is no longer required for this purpose and is being released to the General Fund.
- 3.3.6 The last of the redundancy payments in relation to the Kintyre Recycling unspent budget earmarking have been drawn down so remaining balance of £0.017m can be released back to the general fund.

### **3.4 Unallocated General Fund Balance**

- 3.4.1 The General Fund contingency is set at 2% of net expenditure for 2022-23 and amounts to £5.256m. This contingency is held to provide a working balance to help cushion the impact of uneven cash flows and cushion the impact of unexpected events. It is up to authorities to make their own judgement on the level of reserves taking local circumstances into account, for example, previous call on contingency and amount of unallocated reserves held. The contingency needs to be updated to reflect the updated budget for 2023-24. The budgeted net expenditure based on the proposed budget contained within the revenue budget overview report is £284.206m. 2% of this balance amounts to £5.684m. There is currently a contingency of £5.256m, therefore £0.428m will require to be moved from the unallocated General Fund balance to supplement the contingency.
- 3.4.2 The revenue budget position as at 31 December 2022 was estimated to be £3.408m underspent, however, this is subject to change, particularly as the last three months of the financial year are the time of winter maintenance and the level of expenditure is difficult to predict. Note that this underspend is largely as a result of the treasury gain of £5.398m due to receiving a discount on the early repayment of three PWLB loans offset by £1.491m recognised for the net expected shortfall in funding from the 2022-23 pay award plus other forecast variances within the Departments netting to a £0.499m overspend.
- 3.4.3 The Current Forecast Outturn at December includes an overspend against the Social Work service of £0.253m. The Chief Financial Officer of the IJB is confident that the spend will be brought in line with budget by the end of the financial year using slippage from growth projects and anticipated additional funding allocations. Social Work began to accumulate reserves at 31 March 2022 therefore it is expected that any residual overspend that materialises would be covered from those reserves and the General Fund of the Council would not be impacted.
- 3.4.4 The table below summarises the position of the unallocated General Fund balance taking into consideration the points noted above.

<b>Heading</b>	<b>Detail</b>	<b>£000</b>
Unallocated General Fund as at 31 March 2022	This is the balance that is unallocated over and above the 2% contingency which amounts to £5.256m	1,841
Budgeted allocation to General Fund for 2022-23 Budget	Per the Budget Motion at Council on 24 February 2022	2,482
Earmarked Balances no longer required	Per paragraph 3.3.3 to 3.3.6 – amounts previously earmarked that can be released back to general fund	553
Transfer of contingency to maintain 2% level	Per paragraph 3.4.1	(428)
Forecast Outturn for 2022-23 as at 31 December 2022	Per paragraph 3.4.2	3,408
Social Work outturn adjustment	Per paragraph 3.4.3	253
<b>Estimated Unallocated General Fund Balance as at 31 March 2023</b>		<b>8,109</b>

3.4.5 The HSCP in partnership with the Council are looking to engage with Hub North to develop a strategic business case relating to the provision of services for older adults and other vulnerable people across Argyll and Bute. One of the several options anticipated to be considered in this piece of work is the possibility of a 'Care Village' development on part of the Lochgilphead hospital site. The cost associated with this is £0.100m and it is recommended that this is funded from the estimated unallocated General Fund balance.

### **3.5 Loans Fund Review**

3.5.1 At the Council meeting on 27 February 2020, it was agreed that the one-off re-profiling gain of £20.561m generated by the loans fund review should be used partly to create a provision for the increasing principal repayments over the next 10 years (£7.649m) with the remainder of the gain (£12.912m) used to fund the known liabilities/cost pressures. The table below shows what has been drawn down against the one-off gain and the remaining balance.

	Agreed Allocation	Transferred to Earmarked Reserves / 20-21 / 21-22 Budget	Transferred to Earmarked Reserves / 22-23 Budget	Balance Remaining
	£000	£000	£000	£000
Provision for the increasing principal repayments	7,649			7,649
Provision to Support Organisational Change	500	(500)		0
Estimated Cost of 2020-21 redundancies that are part of budget savings proposals	600	(600)		0
Future Redundancies Provision	1,500	(1,500)		0
Spend to Save Route Optimisation	100	(100)		0
Funding Gap in Capital Programme	2,619			2,619
Capital Programme Intolerable Red Risks	574	(574)		0
Campbeltown Flood Prevention Scheme	1,406		(1,406)	0
Significant Strategic Change Projects	5,013	(2,856)		2,157
2020-21 Revenue Budget Contribution	600	(600)		0
	<b>20,561</b>	<b>(6,730)</b>	<b>(1,406)</b>	<b>12,425</b>

### 3.6 Review and Risk Assessment

- 3.6.1 Assessing the adequacy of reserves should take account of the strategic, operational and financial risks facing the Council and should consider both internal and external factors. Appendix 2 to this report identifies the range of issues in terms of budget assumptions and financial standing and management that should be considered in assessing the level of reserves. It relates only to consideration of the contingency to be held in the General Fund balance. A separate financial risk analysis report has been prepared looking at the overall financial risks relating mainly to the revenue budget but notes a couple of risks in respect of the capital budget also.
- 3.6.2 There are 19 categories included in the risk analysis and 5 have been assessed as low, 3 low/medium, 7 medium and 4 medium/high. The medium/high risks are in respect of the potential impact of the UK exit from the EU, future funding, inflation rates and the general financial climate.
- 3.6.3 Based on the above and taking cognisance of the level of unallocated general fund balance that remains, it is recommended that the contingency for the General Fund balance should be retained at 2%.

## 4. CONCLUSION

- 4.1 The report outlines the overall reserves and balances for the Council covering the purpose and level of each reserve. It also provides detail as to expenditure against earmarked balances held within the General Fund. There is currently

an estimated surplus over contingency of £8.109m after adjusting for the forecast outturn for 2022-23 and the estimated impact of pay awards still to be settled.

## 5. IMPLICATIONS

5.1	Policy -	Earmarked funds and funds set aside for delivery of Single Outcome Agreement are available to support Council Policy.
5.2	Financial -	Outlines the balances held with the Council's usable and unusable reserves.
5.3	Legal -	None.
5.4	HR -	None.
5.5	Fairer Scotland Duty-	See Below
5.5.1	Equalities	None
5.5.2	Socio-Economic Duty	None
5.5.3	Islands Duty	None
5.6	Climate Change	None
5.7	Risk -	A contingency of £5.684m (equivalent to 2% of net expenditure) has been set aside as part of the general fund. This has been subject to a risk assessment.
5.8	Customer Service -	None.

**Kirsty Flanagan**  
**Executive Director/Section 95 Officer**  
**9 February 2023**

**Policy Lead for Finance and Commercial Services: Councillor Gary Mulvaney**

## APPENDICES

Appendix 1 – Earmarked Reserves breakdown of unspent budget as at 31 December 2022

Appendix 2 – Risk Assessment for Review of Reserves

For further information contact Anne Blue, Head of Financial Services  
 anne.blue@argyll-bute.gov.uk



APPENDIX 1

Earmarked Reserves - Unspent Budget  
As at 31 December 2022

Ref	Department	Service	Description	Opening Balance	Budget Drawdown	Released back to General Fund	New earmarking during 22-23	Remaining Balance	Still to be drawn down in 22-23	Planned to spend in future years	Plans for Use	Amount Planned to be Spent in 2022-23	Amount Planned to be Spent in 2023-24	Amount Planned to be Spent from 2023-24 onwards
001	Chief Executive's Unit	Community Planning	Communities and Partnership Team	8,855	0			8,855	8,855	0	The funds have originated from externally sourced income due to an employee being seconded to the Scottish Community Development Centre (SCDC). The funds will be used to support the team in relation to meeting its priorities of Building Back Better (Communities), Climate Change and the review of the Argyll and Bute Outcome Improvement Plan.	8,855	0	0
002	Chief Executive's Unit	Community Planning	Gaelic Development	8,235				8,235	8,235	0	To fund Gaelic specific work and project work of the Community Planning Partnership including the development of the new 10 year Outcome Improvement Plan	8,235	0	0
003	Chief Executive's Unit	Financial Services	Financial Systems	114,000	80,252			33,748	33,748	0	To fund the completion of the implementation of the Oracle Fusion Financial Management System, a software update for cash receipting to ensure card payments can still be taken and the procurement and implementation of a new system to manage the requirements of the IFRS16 Leases accounting standard.	114,000	0	0
004	Chief Executive's Unit	Financial Services	Accounting and Budgeting Team Resilience	95,000	64,336			30,664	0	30,664	To fund the implementation of a new staffing structure in 2022/23 as agreed at ELT on 12 April 2022. This will provide funding to cover the additional staffing costs in 2022/23 and the training costs over the period 2022/23 to 2026/27	64,336	16,664	14,000
005	Chief Executive's Unit	Financial Services	CIPFA	32,530	3,565			28,965	2,000	26,965	CIPFA Training - To fund the professional training costs for staff undertaking the CIPFA professional accountancy qualification.	5,565	6,000	20,965
006	Chief Executive's Unit	Financial Services	Scottish Government Funding - Welfare Reform/Discretionary Housing Payments (agreed at Council February 2014)	18,595				18,595	0	18,595	The Council was allocated additional funding of £550k from the Scottish Government late in 2013-14. This money was allocated to support the Community Learning and Development Team to provide courses to support Universal Credit claimants 2019/2020 to support the recruitment of casual tutors and the purchase and upgrade of laptops. The monies were not utilised however it will now be required to top up the Scottish Welfare Fund and DHP monies for 2023/24 earmarking ref 008 and 012 as it is likely that given the current cost of living crisis that more people will be in need of support through these funds	0	18,595	0
007	Executive Director (Douglas Hendry)	Across Services / Education	Digital Projects (Supply Staff Booking System)	35,000	9,900			25,100	0	25,100	To deliver a number of Digital Service Transformation Projects, specifically in Education and Customer Support Services, but also to reserve a further amount to support priority digital transformation projects identified in Departmental ICT programmes, that have not yet started due to resource constraints. The specific projects include: Supply Staff Booking System £0.035m, Skype for Business (for Education) £0.030m, Enhancing Curriculum Choice and Equity of Provision £0.080m, Digital Customer Engagement Developments £0.073m, Replacement of Learning Management System £0.030m, Increase in Schools Bandwidth £0.063m and a general provision still to be allocated £0.189m	9,900	9,900	15,200
008	Executive Director (Douglas Hendry)	Commercial Services	Rothesay Pavilion Charity	750,000				750,000	90,000	660,000	Agreed at Council meeting February 2020, £750k additional revenue support subject to conditions which seek to minimise the risk to the Council as far as is reasonably practicable including requirement for adequate business and financial management and regular reporting by RPC.	90,000	660,000	0
009	Executive Director (Douglas Hendry)	Commercial Services	Demolition of former Lochgilphead Primary and Rothesay Secondary School	320,000				320,000	105,000	215,000	To fund the demolition of the former Lochgilphead Primary School and former Rothesay Academy (subject to the removal of the listing).	105,000	215,000	0
010	Executive Director (Douglas Hendry)	Commercial Services	Rothesay Pavilion Essential repairs	306,400				306,400	0	306,400	Essential repairs to deal with potential health and safety risks and to avoid further deterioration. Budget provision was approved by the Policy and Resources Committee on 21 August 2014.	0	0	306,400
011	Executive Director (Douglas Hendry)	Commercial Services	Estates - NDR Revaluation Appeals	84,688				84,688	0	84,688	The Council agreed to make provision to meet the cost of appealing Non Domestic Rates (NDR) revaluations which were imposed from 1st April 2017. The remaining funds were carried forward to the 2023 revaluation cycle however a recent change in position by the Scottish Government may restrict the appeals which can be made. This is still under discussion and Gerald Eve Surveyors have been appointed as specialist advisers on this matter. In the event that appeals are limited there may be an opportunity to utilise Gerald Eve for more general valuation advice subject to Procurement approval.	0	84,688	0

Ref	Department	Service	Description	Opening Balance	Budget Drawdown	Released back to General Fund	New earmarking during 22-23	Remaining Balance	Still to be drawn down in 22-23	Planned to spend in future years	Plans for Use	Amount Planned to be Spent in 2022-23	Amount Planned to be Spent in 2023-24	Amount Planned to be Spent from 2023-24 onwards
012	Executive Director (Douglas Hendry)	Commercial Services	Site Investigation Works	21,013				21,013	21,013	0	For Site Investigation works in relation to Tweeddale Street Car Park and Oban Airport Business Park, exploring commercial opportunities to develop the sites and raise revenue income for Argyll and Bute Council. HUB North were instructed to procure contractors to undertake the site investigations these are now complete. The remainder of the budget is intended to be utilised for other site investigation and pre-development works to further develop commercial opportunities across the council area.	21,013	0	0
013	Executive Director (Douglas Hendry)	Commercial Services	Catering and Cleaning Restructure Costs	17,000	17,000			0	0	0	To support the catering and cleaning team restructure	17,000	0	0
014	Executive Director (Douglas Hendry)	Education	Education Transformation Fund	187,526	40,852			146,674	0	146,674	At the Council meeting on 27 February 2020, it was agreed to input £400k into Education Digital Learning. The additional funds have been spent in 20/21, 21/22 and 22/23 as part of the ongoing transformation work in the Education service, focussing on digital and virtual learning technology and the development of learning clusters. This will continue into 2023/24.	40,852	146,674	0
015	Executive Director (Douglas Hendry)	Education	Education Learning Estate Condition Surveys	77,440	46,853			30,587	30,587	0	To fund the delivery of School Core Facts (SCF) compliant Condition Surveys for prioritised School Buildings.	77,440	0	0
016	Executive Director (Douglas Hendry)	Education	Skype for Business for Education / Digital Projects (Skype for Business)	10,000				10,000	10,000	0	To fund the initial capital costs for the implementation of Skype for Business for Education. This will bring the Education service in line with other council departments and will improve staff collaboration and modernise school telephony to deliver the service more efficiently and cost effectively. A balance has been released back to the general fund because the rollout project is almost complete with only £0.01m expected spend in 22/23.	10,000	0	0
017	Executive Director (Douglas Hendry)	Legal and Regulatory Services	Education Purchasing Officers	210,000				210,000	0	210,000	The earmarked funds will be used to fund an education purchasing team within the Procurement Service for two years. The team will embed good procurement practice, train headteachers on current procurement process requirements, develop spend plans that evidence best value.	0	105,000	105,000
018	Executive Director (Douglas Hendry)	Legal and Regulatory Services	NDR - One off contribution to 22/23 Budget	200,000	200,000			0	0	0	To fund one off operational saving CS04 agreed for the 2022/23 budget.	200,000	0	0
019	Executive Director (Douglas Hendry)	Legal and Regulatory Services	NPDO Schools Contract	166,000	166,000			0	0	0	To fund one off operational saving LRS01 agreed for the 2022/23 budget	166,000	0	0
020	Executive Director (Douglas Hendry)	Legal and Regulatory Services	Transformation Agenda QIO	100,259	74,274			25,985	0	25,985	Ongoing funding for the QIO post to lead the implementation of the service transformation programme. The QIO will assist the Executive Director to deliver the Council's transformation agenda by developing, analysing and monitoring initiatives and projects which deliver the vision, values and strategic objectives of the Council.	74,274	25,985	0
021	Executive Director (Douglas Hendry)	Legal and Regulatory Services	Digital Projects: Hybrid Council meetings	55,000				55,000	30,000	25,000	Per paper agreed at SMT October 2021 - allocation from Digital Projects (General Provision to be allocated). To fund the costs of livestreaming of Council meetings.	30,000	25,000	0
022	Executive Director (Douglas Hendry)	Legal and Regulatory Services	Councillor IT Equipment	65,000				65,000	25,000	40,000	To meet the cost of provision of IT equipment for all new Elected Members as a result of the Local Government Election in May 2022.	25,000	25,000	15,000
023	Executive Director (Douglas Hendry)	Legal and Regulatory Services	Debt Counselling & Welfare Rights	27,025				27,025	5,573	21,452	To meet the cost of a Debt Counselling and Welfare Rights Management System.	5,573	5,965	15,487
024	Executive Director (Douglas Hendry)	Legal and Regulatory Services	Community Safety Partnership	16,000				16,000	0	16,000	To earmark the Community Safety Partnership funding received for 2021/22 to be used for Community Safety Partnership purposes. These monies will be spent on future Community Safety requirements – most likely to be additional CCTV spend as required - Likely to be amalgamated with 076 in future.	0	16,000	0
025	Executive Director (Kirsty Flanagan)	Customer Support Services	Microsoft 365	300,000				300,000	0	300,000	To be added to existing earmarked reserves to meet increasing MS365 licensing costs from 2022/23 onwards	0	0	300,000
026	Executive Director (Kirsty Flanagan)	Customer Support Services	Growing our Own and Modern Apprentices	109,150				109,150	95,790	13,360	Funding earmarked to support trainee development and modern apprenticeship opportunities based on priority workforce risk areas. These areas have been identified and proposals developed. £95,790 to be spent in 22/23 and £13,360 to be spent in 23/24 to fund a graduate trainee and 3 apprentices to deliver trainee development and modern apprenticeship opportunities	95,790	13,360	0

Ref	Department	Service	Description	Opening Balance	Budget Drawdown	Released back to General Fund	New earmarking during 22-23	Remaining Balance	Still to be drawn down in 22-23	Planned to spend in future years	Plans for Use	Amount Planned to be Spent in 2022-23	Amount Planned to be Spent in 2023-24	Amount Planned to be Spent from 2023-24 onwards
027	Executive Director (Kirsty Flanagan)	Customer Support Services	Security Operations Centre Subscription	76,455				76,455	0	76,455	There is a requirement to pay for a 3-year subscription at £60,000 per annum with a cost pressure being added to the ICT revenue budget to cover the costs from year 4 onwards. There is unallocated funding of £103,545 from the earmarking (172) created at 2020/21 year end for 'Digital Projects' combined with this earmarking to cover these costs for 3 years.		16,455	60,000
028	Executive Director (Kirsty Flanagan)	Customer Support Services	Learning and Development	36,508				36,508	36,508	0	In order to maximise the opportunities and efficiencies of digital learning, this funding will be used to support the extension of digital learning in order to deliver the Digital Learning Strategy, which was approved in FQ4 20/21.	36,508	0	0
029	Executive Director (Kirsty Flanagan)	Customer Support Services	Implementation of Gaelic Language Plan	30,000				30,000	0	30,000	Agreed at Council Meeting February 2021. Provision of funding for delivery and implementation of the council's Gaelic Language Plan in recognition of the contribution that Gaelic makes to economic growth and to the tourism sector, and to enable delivery of key activities within the plan which currently receive no revenue funding.	0	30,000	0
030	Executive Director (Kirsty Flanagan)	Customer Support Services	Establishing HR Service Centre	30,000				30,000	18,000	12,000	To facilitate the implementation of technical efficiency improvements and new processes	18,000	12,000	0
031	Executive Director (Kirsty Flanagan)	Customer Support Services	Business Development Training	27,601				27,601	1,000	26,601	This budget is funding ongoing leadership development, coaching, action learning sets and commissioned training including Priority Management.	1,000	26,601	0
032	Executive Director (Kirsty Flanagan)	Development and Economic Growth	Oban TIF (Tax Incremental Financing)	709,700				709,700	60,000	649,700	Will be used to fund the TIF Programme office for a further 3 years as well as the programme office for Rural Growth Deal beyond the funding that was agreed at Council for this in February 2021.	60,000	116,000	533,700
033	Executive Director (Kirsty Flanagan)	Development and Economic Growth	Strategic Events & Festivals	115,764				115,764	35,000	80,764	At the Council meeting on 25 February 21, a decision was taken to agree £90k funding for Events and Festivals for 22/23, in order that the application process can commence during 21/22 and that this agreed figure be augmented by any underspend remaining from the 20/21 financial year. At 24 February 22, decision made to agree £90k for 23/24, in order that the application process can commence during 22/23 and that this agreed figure be augmented by any underspend remaining from the 21/22 financial year	35,000	80,764	0
034	Executive Director (Kirsty Flanagan)	Development and Economic Growth	Island Post	50,461				50,461	0	50,461	To fund a temporary post at LGE11 to assist with the National Islands Plan Implementation Route Map 2020-2025.	0	50,461	0
035	Executive Director (Kirsty Flanagan)	Development and Economic Growth	Royal National Mod	40,000				40,000	20,000	20,000	One off funding allocation for the Royal National Mod agreed as part of the budget setting process for 2019/20. Grant contract issued. Proposed payment of £20k per annum starting 2020/21 (2023/24 final payment of £20k)	20,000	20,000	0
036	Executive Director (Kirsty Flanagan)	Roads & Infrastructure	Waste Variation Monies	1,492,997				1,492,997	0	1,492,997	This would be used to fund/part-fund various waste infrastructure projects that will support the council's compliance with the 2025 ban on the Landfill of Biodegradable Municipal Waste, including the development of landfill cell construction works at Gartbreck. £640k for Capital works on Gartbreck completed in 2022/23, reserve will be drawn down for this in 2023/24.	0	1,066,000	426,997
037	Executive Director (Kirsty Flanagan)	Roads & Infrastructure	Climate Change	500,000				500,000	500,000	0	At the Council meeting on 27 February 20, it was agreed to input £500k budget to mitigate the impacts of weather related damage and climate change with specific emphasis on gully cleaning and drainage improvements. Spend has been delayed due to COVID and the intention is to spend the funds on 2 Gully Motors plus staff over next 2 years. Vehicles have been received and budget will be drawn down to cover their cost. The remaining budget will be used towards running the vehicles.	500,000		0
038	Executive Director (Kirsty Flanagan)	Roads & Infrastructure	3G pitches / Tarbert Sports Pitches	427,286	44,660			382,626	5,340	377,286	In November 2018, the Council agreed to a maintenance funding package to be progressed for a number of 3G pitches including Tarbert. This funding will provide an estimated 6.5 years' worth of ongoing maintenance up to 2025-26. Final draw down for 22/23 will be done closer to year end once final costs are confirmed.	50,000	90,000	287,286
039	Executive Director (Kirsty Flanagan)	Roads & Infrastructure	Green Transport Initiatives	400,000				400,000	260,000	140,000	At the Council meeting on 27 February 20, it was agreed to input £400k in Green transport, investment in footway and cycle path maintenance supporting the healthy wellbeing and green agenda. Spend has been delayed due to COVID and this will be taken forward in 23/24. £260k Footways Reconstruction programme now spent and will be drawn down against capital programme during 23/24. £140k Ardishaig North Project will be spent in 22/23 and drawn down in 23/24.	260,000	140,000	0
040	Executive Director (Kirsty Flanagan)	Roads & Infrastructure	Waste Strategy	363,000	56,070			306,930	49,211	257,719	To fund/part-fund various waste projects that will support the council's compliance with the 2025 ban on the Landfill of Biodegradable Municipal Waste. Final draw down in 22/23 for Welfare Units at Waste Disposal sites on Mull and Tiree and Shed Improvements on Tiree once final invoices are received.	105,281	129,000	128,719
041	Executive Director (Kirsty Flanagan)	Roads & Infrastructure	Waste Management	256,753	10,040			246,713	19,960	226,753	Will be used towards long term waste management strategy/model, including but not limited to scoping work for the creating of a waste transfer station at Helensburgh. Consultancy fees and ground investigation works in 22/23 to be drawn down once final invoice is received.	30,000	135,000	91,753

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042	Executive Director (Kirsty Flanagan)	Roads & Infrastructure	Replacement Signage and Bins	135,366				135,366	135,366	0	Replacing key road signage. This will help to reduce future budget pressures for replacement of signs and would also help to enhance the streetscape and general appearance of the area. The bulk of Road signs have been delivered and installation is now in progress and will be completed during 2022/23.	135,366	0	0
043	Executive Director (Kirsty Flanagan)	Roads & Infrastructure	Kintyre Recycling Redundancy Costs	36,000	19,588	16,412		0	0	0	To fund redundancy costs associated with Kintyre Recycling.	19,588	0	0
044	Executive Director (Kirsty Flanagan)	Roads & Infrastructure	Amenity Services introduction of management information system	28,099				28,099	0	28,099	Delay with introduction of amenity time recording system due to increased costs. Discussions ongoing to find alternative cheaper solution.	0	28,099	0
045	Non Departmental	Non Departmental	Underwriting development of Rothesay Pavilion	1,000,000				1,000,000	0	1,000,000	Funding to meet additional costs identified as necessary for the refurbishment of Rothesay Pavilion.	0	0	1,000,000
046	Non Departmental	Non Departmental	Loans Fund	385,279				385,279	0	385,279	At the Council Budget meeting on 24 February 2022, Saving FS01, a Loans Fund Management/Operational saving for 22/23 budget of £0.500m was agreed with at least £0.200m to come from underspends in 21/22. The underspend position for 21/22 is £0.385m and this earmarking is being released as a saving to help bridge the 2023/24 budget gap.	0	385,279	0
047	Non Departmental	Non Departmental	Utilities	283,000				283,000	283,000	0	To contribute towards the expected adverse impact on the 2022/23 budget of utility costs inflation as per Budget Pack. Funding will be drawdown by the end of March 2023.	283,000	0	0
048	Non Departmental	Non Departmental	Digital Projects (General Provision to be allocated)	103,545				103,545	60,000	43,545	It has been agreed to use the balance of this earmarking towards the Security Operations Centre Subscription unspent budget request - per Appendix 2.1 This sum plus earmarked reserve (85) combine to £180k and will cover the subscription for 3 years 22/23 / 23/24 / 24-25	60,000	43,545	0
049	Non Departmental	Non Departmental	Community Resilience Fund	76,447				76,447	0	76,447	Fund established in 2012/13 to be spent over more than one year. Fund reduced at the Council meeting on 11 February 2016	0	0	76,447
050	Non Departmental / Chief Executive's Unit	Across Services / Chief Executive's Unit	Information Management (Balance of Funding)	209,844				209,844	0	209,844	To support a number of initiatives in respect of improving the Council's information management in line with the transformation agenda and increasing the pace of change as outlined in the BV Review. The planned initiatives include: Estates Survey work £122k, Digitalisation of Title Deeds £92k, document management and workflow system for Planning, Building Standards and Environmental Health £77k and a balance of funding to explore information management solutions in a strategic and coherent way £209k	0	0	209,844
051	Non Departmental / Executive Director (Douglas Hendry)	Across Services / Commercial Services	Information Management (Estates Survey Work)	12,697				12,697	0	12,697	To support a number of initiatives in respect of improving the Council's information management in line with the transformation agenda and increasing the pace of change as outlined in the BV Review. The planned initiatives include: Estates Survey work £122k, Digitalisation of Title Deeds £92k, document management and workflow system for Planning, Building Standards and Environmental Health £77k and a balance of funding to explore information management solutions in a strategic and coherent way £209k	0	12,697	0
052	Non Departmental / Executive Director (Douglas Hendry)	Across Services / Legal and Regulatory Services	Information Management (Digitalisation of Title Deeds)	92,000				92,000	0	92,000	To support a number of initiatives in respect of improving the Council's information management in line with the transformation agenda and increasing the pace of change as outlined in the BV Review. The planned initiatives include: Estates Survey work £122k, Digitalisation of Title Deeds £92k (delay on spending due to COVID-19), document management and workflow system for Planning, Building Standards and Environmental Health £77k and a balance of funding to explore information management solutions in a strategic and coherent way £209k	0	92,000	0
053	Non Departmental / Executive Director (Kirsty Flanagan)	Across Services / Customer Support Services	Digital Projects (Digital Customer Engagement Projects)	73,000				73,000	73,000	0	To deliver a number of Digital Service Transformation Projects, specifically Customer Engagement. These include £25.5k for an upgrade to contact centre systems (Converse), £9.7k for a voice chatbot pilot, £15k for Alexa smartspeaker services, £22.8k for Proactive Notification Service (Eloqua). All of these have been implemented in 2022/23 and will be drawn down in January.	73,000	0	0
054	Non Departmental / Executive Director (Kirsty Flanagan)	Across Services / Customer Support Services	Digital Projects (Increase in Schools Bandwidth)	63,455				63,455	0	63,455	To deliver a number of Digital Service Transformation Projects, specifically in Education and Customer Support Services, but also to reserve a further amount to support priority digital transformation projects identified in Departmental ICT programmes, that have not yet started due to resource constraints. The specific projects include: Supply Staff Booking System £0.035m, Skype for Business (for Education) £0.030m, Enhancing Curriculum Choice and Equity of Provision £0.080m, Digital Customer Engagement Developments £0.073m, Replacement of Learning Management System £0.030m, Increase in Schools Bandwidth £0.063m and a general provision still to be allocated £0.189m	0	63,455	0

Ref	Department	Service	Description	Opening Balance	Budget Drawdown	Released back to General Fund	New earmarking during 22-23	Remaining Balance	Still to be drawn down in 22-23	Planned to spend in future years	Plans for Use	Amount Planned to be Spent in 2022-23	Amount Planned to be Spent in 2023-24	Amount Planned to be Spent from 2023-24 onwards
055	Non Departmental / Executive Director (Kirsty Flanagan)	Across Services / Customer Support Services	Digital Projects (Replacement Learning Management System)	11,470				11,470	11,470	0	To deliver a number of Digital Service Transformation Projects, specifically in Education and Customer Support Services, but also to reserve a further amount to support priority digital transformation projects identified in Departmental ICT programmes, that have not yet started due to resource constraints. The specific projects include: Supply Staff Booking System £0.035m, Skype for Business (for Education) £0.030m, Enhancing Curriculum Choice and Equity of Provision £0.080m, Digital Customer Engagement Developments £0.073m, Replacement of Learning Management System £0.030m, Increase in Schools Bandwidth £0.063m and a general provision still to be allocated £0.189m	11,470	0	0
056	Non Departmental / Executive Director (Kirsty Flanagan)	Across Services / Development and Economic Growth	Information Management (Document Management and Workflow for Planning, Building Standards and Environmental Health)	57,491	36,314			21,177	0	21,177	To support a number of initiatives in respect of improving the Council's information management in line with the transformation agenda and increasing the pace of change as outlined in the BV Review. The planned initiatives include: Estates Survey work £122k, Digitalisation of Title Deeds £92k, document management and workflow system for Planning, Building Standards and Environmental Health £77k and a balance of funding to explore information management solutions in a strategic and coherent way £209k	36,314	21,177	0
				<b>10,458,934</b>	<b>869,704</b>	<b>16,412</b>	<b>0</b>	<b>9,572,818</b>	<b>2,033,656</b>	<b>7,539,162</b>		<b>2,903,360</b>	<b>3,932,364</b>	<b>3,606,798</b>

## APPENDIX 2

Risk Assessment for Review of Reserves		
Risk Category	Comment	Assessment
Cost and Demand Pressures	As part of maintaining the medium term budgetary outlook, cost and demand pressures for 2022-23 and beyond have been kept under review. The cost and demand pressures for 2023-24 amount to £4.428m for Council services which includes an additional pressure equivalent to 0.5% of the Council budget. A general allowance for unidentified cost and demand pressures has been built into the budget outlook for 2024-25 and future years: £0.250m per annum in the mid-range scenario and £0.500m per annum in the worst case scenario.	Medium (2022-23 Medium)
Service Income	Service income levels have been reviewed as part of constructing the budget. In addition fees and charges have been reviewed. The long term effects of the COVID-19 pandemic and the impact of high inflation on the cost of living for customers are likely to affect the uptake of some Council services and the amount of income generated.	Medium (2022-23 Medium)
Council Wide Cost Risks	<p>The financial risk analysis identified 6 council wide cost risks currently amounting to £5.621m as follows:</p> <ul style="list-style-type: none"> <li>The pay award exceeding 3.5% has been categorised as likely with an assessed financial impact of £2.200m based on the estimated cost of a 5% uplift being agreed with Trade Unions. This assessment is based on a combination of the ongoing high levels of inflation and the outcomes to date of the 2022/23 pay negotiations which have been settled for SJC staff but are ongoing in relation to the Teachers and Chief Officers pay settlements;</li> </ul>	Medium (2022-23 Medium)

Risk Assessment for Review of Reserves		
Risk Category	Comment	Assessment
	<ul style="list-style-type: none"> <li>Four risks covering utility costs, the IJB referring to Council for additional funding, Council Tax Income and a general inflationary risk have been categorised as possible with a combined assessed financial impact of £3.408m; and</li> <li>The risk of a shortfall in savings options being delivered fully has been categorised as unlikely with an assessed financial impact of £0.013m.</li> </ul>	
Funding Risks	<p>The Scottish Budget was announced on 15 December 2022 and the finance circular with the local authority allocations issued on 20 December 2022.</p> <p>The other element of funding is Council Tax. There is a proposed increase to Council Tax of 4.33%. Collection rates have been negatively impacted by the ongoing cost of living crisis affecting households with high levels of inflation caused by the long term effects on the UK economy of the COVID-19 pandemic, Brexit and the ongoing conflict in Ukraine.</p> <p>In May 2022 the Scottish Government published the Investing in Scotland's Future: Resource Spending Review which was intended to provide a guide to the Scottish Government's funding envelope over the period 2022/23 to 2026/27. For local Government, the review suggested that funding for local government would be on a flat cash basis until at least 2025/26. Given the ongoing significant impact of high inflation on local government costs, a flat cash position means a real terms reduction in the spending power of Councils and, subsequently, the Council is likely to continue to have make challenging decisions about service delivery in order to stay within its future budgets.</p>	Medium/High (2022-23 Medium/High)

<b>Risk Assessment for Review of Reserves</b>		
<b>Risk Category</b>	<b>Comment</b>	<b>Assessment</b>
	<p>The Scottish Government undertook a Capital Spending Review in 2020-21 which provided an outline five-year indicative allocation for general capital grant. It suggested that the settlement in 2021-22 would remain constant until 2025-26 therefore this was used as the basis for funding the Capital Programme over the next five years. However, there has been some variation in 2022/23 (less than the 2021/22 baseline by £0.027m) and 2023/24 (more than the 2021/22 baseline by £0.020m) which creates some uncertainty regarding future funding allocations, however these variations have been minimal.</p> <p>As a result of all issues noted above, this risk has been kept as Medium/High.</p>	
Savings Risks	<p>The Council agreed to a number of management/operational and policy savings as part of previous budgets that would deliver an additional £0.151m of savings in 2023-24. There are also further savings proposals amounting to £9.426m for 2023-24 which includes £4.831m arising from new service concession arrangements for NPDO schools, which is guaranteed to be delivered, leaving a balance of £4.595m to be delivered by services. The Council has a good track record on delivering savings options but due to the value of savings to be achieved, the risk is increased to Medium.</p>	Medium (2022-23 Low/Medium)
Inflation Rates	<p>Between November 2021 and November 2022, CPI inflation has increased by 10.7%. The volatile evolution of price pressures has occurred due to soaring energy prices, triggered in large part by the war in Ukraine, coupled with rising interest rates and global supply chain bottlenecks.</p> <p>The Bank of England Monetary Policy Committee reported in November 2022 that the Bank expects inflation (CPI) to reduce during 2023/24 to</p>	Medium/High (2022-23 High)



Risk Assessment for Review of Reserves		
Risk Category	Comment	Assessment
	<p>around 4% by the 1<sup>st</sup> quarter of 2024. However, the forecast suggests that the pace of the reduction is likely to be slow with the most significant reduction not forecast until late 2023.</p> <p>Given the volatility of inflation levels in the last year and the ongoing challenges facing the UK economy it would be prudent to consider a level of inflation over above and the unavoidable/ inescapable provision and a general 2% inflation has been included within the worst case scenario for 2023-24 onwards (of £800k per annum). For 2023-24, despite the overall rate of inflation being forecast to reduce over the year, officers expect that inflationary pressures on utility costs will continue to be a point of financial pressure throughout the year and Finance staff will work in conjunction with colleagues in Property Services to monitor the situation very closely.</p>	
Interest Rates	<p>The Council has a large proportion of its borrowing secured at fixed rates which reduces the risk to increases in interest rates. Borrowing is being managed to reduce where possible surplus cash available for investment subject to working capital/cash flow requirements.</p> <p>Surplus funds are invested and although investment returns have increased in 2022/23, the Council return is currently below the target SONIA rate but this is due to market fluidity and is not a regular occurrence. Current forecasts of interest rates are based on advice from our treasury advisors. Current investment rates are forecast to improve as interest rates increase – assuming no change in direction by the Bank of England – and the Council will continue to look for the best rates of return for new investments.</p>	Low (2022-23 Low)
Financial risks	The Council has managed surplus funds invested to reduce exposure to risks associated with money market deposits. It retains a working balance of	Low (2022-23 Low)

<b>Risk Assessment for Review of Reserves</b>		
<b>Risk Category</b>	<b>Comment</b>	<b>Assessment</b>
	£10m to meet cash flow needs. Investments are managed based on the credit worthiness of agreed counterparties based on credit scores of recognised agencies. This should avoid having to borrow in an unplanned way from the money markets.	
Strategic risks	The strategic risk register is subject to a formal review by SMT bi-annually, and these reviews have already taken place in April and October of 2022. SMT have agreed the current actions to address the risks.	Medium (2022-23 Medium)
Operational risks	Operational risks are reviewed formally each quarter by Departmental Management Teams. Any operational risks that are identified as high are reported to the Strategic Management Team as part of the bi-annual review of the Strategic Risk Register.	Medium (2022-23 Medium)
Impact of UK withdrawal from the EU	<p>On the 31st December 2020, with the Transition Period concluding, EU Law jurisdiction in the UK, and access to the EU Single Market ended. The UK-EU Trade Cooperation Agreement (TCA) agreed on 24th December 2020 and ratified by the UK Parliament on 30th December (European Union (Future Relationship) Act 2020) covered the most urgent matters.</p> <p>While it is not easy to disentangle the impact of EU Exit, COVID-19 and the situation in Ukraine, it is clear that the local Argyll and Bute economy has witnessed the anticipated impacts from the trade friction caused by replacing membership of the EU Single Market and Customs Union with a relatively narrowly drawn Free Trade Agreement.</p> <p>The UK Government has decided to further delay some elements of the new import controls into 2023. These delays have exacerbated uncertainty in terms of the future impact of import control measures on food supply chains</p>	Medium/High (2022-23 Medium/High)

<b>Risk Assessment for Review of Reserves</b>		
<b>Risk Category</b>	<b>Comment</b>	<b>Assessment</b>
	<p>and what that will mean for Argyll and Bute in terms of the ongoing recovery of agri-food sector.</p> <p>A major concern at present is the skills gaps and recruitment challenges faced by a number of sectors, such as hospitality, care and construction, which are of key importance to the Argyll and Bute economy and communities. This is further exacerbated by the cost of living crisis for many residents and communities, coupled with a cost of doing business crisis, due to the significant and spiralling inflationary cost pressures and availability of goods and labour, which has been a direct impact from EU Exit as well as the unrest in the external environment.</p> <p>On this basis, the overall risk assessment is still Medium/High.</p>	
General financial climate	<p>The finance settlement only covers 2023-24 and the Scottish Government is still to meet its commitment to provide a three year settlement. A prudent approach to estimating income from council tax has been taken. Risks arising from inflation, interest rates, cost pressures and demand led pressures have been outlined above.</p> <p>Due to ongoing uncertainties associated with the UK's withdrawal from the EU, the potential medium to longer term impact of COVID-19 and high inflation and interest levels on the economy it would be prudent to retain this risk to medium/high.</p>	Medium/High (2022-23 Medium/High)
Availability of contingency funds	The Council currently has sufficient contingency funds to meet its target.	Low (2022-23 Low)

<b>Risk Assessment for Review of Reserves</b>		
<b>Risk Category</b>	<b>Comment</b>	<b>Assessment</b>
Overall financial standing	The Council has managed to achieve its contingency target in previous years. Actual costs are normally contained within budget. Borrowing costs are largely fixed at the moment, as the Council's need to borrow is currently very low due to the high levels of funds it is holding, and improvements in the rates of return for the investments made by the Treasury team are generating better than budgeted returns with the surplus funds generated supporting the Council's overall financial position.. In addition to the contingency there are significant earmarked funds. Cost and demand pressures are identified and provided for if necessary and the impacts of inflationary changes are continually monitored and adjusted for in the Council's financial forecasts	Low/Medium (2022-23 Low/Medium)
Track record in budget management	The Council has a good track record of containing expenditure within budget. The Council is on track to contain costs within budget for 2022-23 however the Social Work element of the Health and Social Care Partnership is forecasting a modest overspend, however, this is expected to be managed within the Health and Social Care Partnership.	Low (2022-23 Low)
Financial information and reporting arrangements	Revenue and capital budgets are monitored on a monthly basis with budget allocated to responsible managers. A risk based approach is taken to budget monitoring and the budget monitoring process is continually being reviewed to identify ongoing improvements.	Low/Medium (2022-23 Low/Medium)
Insurance cover	The Council has adequate insurance cover.	Low (2022-23 Low)
Internal controls	The statement of internal controls identifies a generally adequate control framework although there are areas for improvement. An audit plan is approved and delivered each year to monitor internal controls. The Council's	Low/Medium (2022-23 Low/Medium)

<b>Risk Assessment for Review of Reserves</b>		
<b>Risk Category</b>	<b>Comment</b>	<b>Assessment</b>
	Audit and Scrutiny Committee continues to actively develop and adopt good practice.	
Health and Social Care Partnership Financial Position	It is prudent to have a factor in terms of the Health and Social Care Partnership financial position. If there is an overspend within Social Work, that cannot be funded by IJB reserves or by an underspend by the other partner body, then the Council will require to give an additional payment. Any additional payment would require to be paid back to the Council in the future. As part of the Council's risk analysis we have reported a risk of £1m to the Council in 2023-24. The risk factor remains at Medium at this stage.	Medium (2022-23 Medium)

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**ARGYLL AND BUTE COUNCIL****COUNCIL****FINANCIAL SERVICES****23 FEBRUARY 2023**

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**CAPITAL PLAN SUMMARY REPORT**

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**1. EXECUTIVE SUMMARY**

- 1.1 This report details the revisions proposed to the capital plan approved in February 2022 for the period 2023-24 to 2024-25 and extends the capital plan for a further year to 2025-26. The revisions are based on updated capital funding assumptions, phasing and cost changes.
- 1.2 The Council has experienced a reduction in the level of its General Capital Grant settlement over the last four years, falling from £12.262m in 2019-20 to £9.771m in 23-24 which has put significant pressure on the ability to deliver the capital programme. This pressure is amplified further by the impact of the COVID-19 pandemic along with the UK exit from the European Union, the Russian invasion of Ukraine and sanctions on Russian owned entities which have resulted in significant price increases as well as disruptions to the supply chain and longer lead in times. These all have an effect on the overall contract price and make it extremely challenging to manage expenditure and the availability of supply across the life of the programme.
- 1.3 In February 2022 the Council approved estimated capital grant settlements for 2023-24 and 2024-25 of £9.724m to reflect what was actually received in 2022-23. This estimation was based on the Capital Spending Review undertaken by Scottish Government which advised that the capital settlements were likely to stay constant over the next five years. During the budget planning process for 2023-24 this assumption was extended to 2025-26 and was the basis on which the Asset Management Plans were prepared.
- 1.4 The settlement received for 2023-24, excluding any ring-fenced funding, was £9.771m therefore £0.047m more than anticipated. This results in an increase across the already approved capital programme of £0.094m for 2023-24 and 2024-25 combined, plus a further increase of £0.047m in 2025-26 if the Service resource allocations are to remain constant. Therefore a total increase in General Capital Grant funding across the life of the capital programme of £0.141m.
- 1.5 In addition to the £9.771m general capital grant there is ring-fenced funding of £5.424m for Campbeltown Flood Protection Scheme, £0.376m for Walking Cycling & Safer Streets, £0.157m for Playparks and £2.127m for Free School Meals. These funding streams will also be built into the capital programme.
- 1.6 The amount of capital resources allocated to Private Sector Housing Grant (PSHG) is £1.033m per annum, similar to previous years.

- 1.7 Restricted capital funding of £6.501m is noted within Appendix 2. This relates to income which is restricted to specific projects and has been matched with expenditure against the project, thereby showing the gross cost of the project.
- 1.8 The capital plan as at December 2022, including the new block allocation for 2025-26, has been compared to the estimated funding and there is a gap up to 2025-26 of £0.278m. After adjusting for the anticipated shortfalls and cost pressures as detailed within section 3.5.1 of this report, the total gap within the capital programme is £0.725m.



**CAPITAL PLAN SUMMARY REPORT**

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**2. INTRODUCTION**

- 2.1 This report details the revisions proposed to the capital plan approved in February 2022 for the period 2023-24 to 2024-25 and extends the capital plan for a further year to 2025-26. The revisions are based on updated capital funding assumptions, phasing and cost changes.

**3. DETAIL****3.1 Estimated Capital Funding 2023-24 to 2025-26**

- 3.1.1 Funding for the capital plan comes from the Scottish Government (General Capital Grant and Specific Ring-Fenced Capital Grants), other capital grants, capital receipts from asset disposals, revenue contributions to capital, prudential borrowing and borrowing funded by the loan charges provision in the revenue budget.
- 3.1.2 The Local Government Finance Circular published on 20 December 2022 provides detail of the provisional total revenue and capital funding allocations for 2023-24. The provisional total funding allocations form the basis for the annual consultation between the Scottish Government and COSLA ahead of the Local Government Finance (Scotland) Order 2022 being presented to the Scottish Parliament in late February 2023.
- 3.1.3 The General Capital Grant allocation for 2023-24, excluding any ring-fenced funding amounts to £9.771m which includes a general capital grant flooding allocation of £0.155m.
- 3.1.4 The estimated General Capital Grant for 2025-26 was based on the 2022-23 settlement of £9.724m therefore comparing this to the settlement for 2023-24, and again taking into account the flooding allocation of £0.155m, this results in an increase of £0.047m in 2025-26. The Scottish Government had previously advised that the indicative General Capital Grant settlements up to 2025-26 would remain constant at the same level as the 2021-22 settlement.
- 3.1.5 The amount of capital resources allocated to Private Sector Housing Grant (PSHG) is £1.033m per annum. This amount has remained at the same level since 2016-17. The settlement from the Scottish Government includes an allocation of £0.941m for Private Sector Housing therefore £0.092m less each year than what is currently built in to the budget position. To reduce the allocation by £0.092m each year would result in a saving of £0.276m across the three years. Members may wish to review the amount allocated to PSHG.

- 3.1.6 As part of the revision to the funding assumptions for the capital plan, a detailed review of anticipated capital receipts has been undertaken by Commercial Services. During 2022-23 the level of capital receipts has fallen below what was estimated which has an impact on the funding of the capital programme. Despite adding on the anticipated capital receipts for 2025-26 there is still an estimated overall reduction in sales income across the capital programme of £0.037m. The estimated level of receipts will be kept under review as market conditions change, as will values following due diligence undertaken by prospective purchasers on the condition of asset. The assets to be disposed of are listed in Appendix 1.
- 3.1.7 The restricted capital funding of £6.501m is noted within Appendix 2. This relates to income which is restricted to specific projects and has been matched with expenditure against the project, thereby showing the gross cost of the project.
- 3.1.8 Included in the funding table below is prudential borrowing in relation to the Harbour Investment Programme. The Council is currently working to a ten year asset management plan for Piers and Harbours which is being funded through prudential borrowing utilising a fee increase over and above inflation to pay for the loan charges incurred.
- 3.1.9 There is also funding from the loans fund review, earmarked reserves, COVID-19 funding and previously agreed additional funding allocations made.
- 3.1.10 The estimated capital funding to 2025-26 is set out in the table below.

	2022-23 £m	2023-24 £m	2024-25 £m	2025-26 £m	Total £000
General Capital Grant	9.569	9.569	9.569	9.569	<b>38.276</b>
Change to General Capital Grant - Post Budget		0.047	0.047	0.047	<b>0.141</b>
Campbeltown Flood Scheme Allocation	2.472	5.424	0.304		<b>8.200</b>
General Capital Grant Flooding Allocation	0.155	0.155	0.155	0.155	<b>0.620</b>
Specific Scottish Government Grants	0.374	0.376			<b>0.750</b>
Additional Scottish Government Grants	5.643	2.284	0.235	0.391	<b>8.553</b>
Less Allocation to Private Sector Housing Grants	-1.033	-1.033	-1.033	-1.033	<b>-4.132</b>
Capital Receipts	0.500	1.195	0.350	0.400	<b>2.445</b>
Capital Receipts - HWD		1.000			<b>1.000</b>
Restricted Funding/Ring Fenced Capital Grant	5.141	0.360			<b>5.501</b>
Harbour Investment Programme	5.626	22.235	27.025	29.700	<b>84.586</b>
TIF - Borrowing paid from NDR	0.149	0.550			<b>0.699</b>
Prudential Borrowing/Borrowing supported by loans charges	0.711	20.168	0.027		<b>20.906</b>
Additional Funding from Revenue	0.012	0.025			<b>0.037</b>
Funded by Reserves	6.016	0.208	0.000		<b>6.224</b>
Loans Fund Review	2.769	0.000	1.331		<b>4.100</b>
COVID Funding	4.507	0.000	0.000		<b>4.507</b>
Unallocated General Fund	2.957	0.000	0.000		<b>2.957</b>
<b>Estimated Capital Funding</b>	<b>45.568</b>	<b>62.563</b>	<b>38.010</b>	<b>39.229</b>	<b>185.370</b>

### 3.2 Summary of Capital Plan reported as at 31 December 2022

3.2.1 The capital plan included in the December capital monitoring is summarised in the table below:

	2022-23 £m	2023-24 £m	2024-25 £m	2025-26 £m	Total £m
<b>Executive Director - Douglas Hendry:</b>					
Education	6.336	4.843	2.226	0.000	<b>13.405</b>
Facility Services - Shared Offices	2.249	2.492	0.428	0.000	<b>5.169</b>
Major Projects/CHORD	4.210	1.351	0.000	0.000	<b>5.561</b>
<b>Executive Director - Kirsty Flanagan:</b>					
ICT	1.289	1.258	0.771	0.000	<b>3.318</b>
Roads and Infrastructure	25.352	46.349	33.028	30.091	<b>134.820</b>
Development and Economic Growth	4.282	0.898	0.000	0.000	<b>5.180</b>
<b>Health and Social Care Partnership</b>	0.628	1.920	0.428	0.000	<b>2.976</b>
<b>Live Argyll</b>	0.560	1.106	0.428	0.000	<b>2.094</b>
<b>Total</b>	<b>44.906</b>	<b>60.217</b>	<b>37.309</b>	<b>30.091</b>	<b>172.523</b>

### 3.3 Proposed Revisions to Capital Plan

3.3.1 As part of the capital planning process, departments reviewed the approved capital plan in terms of the timing and cost of projects and updated the Service Asset Management Plans (SAMPs) or Group Asset Management Plan (GAMP) accordingly.

3.3.2 The main adjustments reflect the inclusion of additional funding for flood prevention totalling £0.233m, Cycling Walking Safer Streets funding totalling £0.376m, Place Demonstrator Funding of £0.664m for Our Modern Workspace and Free School Meals totalling £2.934m. This results in additional funding and additional expenditure so has no overall impact to the budget gap.

3.3.3 Other amendments include re-profiling of anticipated expenditure across the programme. The revisions are summarised in the table below.

	2022-23 £m	2023-24 £m	2024-25 £m	2025-26 £m	Total £m
<b>Executive Director - Douglas Hendry:</b>					
Education	0.807	2.127			<b>2.934</b>
Facility Services - Shared Offices	0.664				<b>0.664</b>
Major Projects/CHORD					<b>0.000</b>
<b>Executive Director - Kirsty Flanagan:</b>					
ICT					<b>0.000</b>
Roads and Infrastructure	0.078			0.155	<b>0.233</b>
Development and Economic Growth		0.376			<b>0.376</b>
<b>Health and Social Care Partnership</b>					<b>0.000</b>
<b>Live Argyll</b>					<b>0.000</b>
	<b>1.549</b>	<b>2.503</b>	<b>0.000</b>	<b>0.155</b>	<b>4.207</b>

### 3.4 Proposed Block Allocations 2025-26

3.4.1 The block allocation to Services for 2025-26 is based on the General Capital Grant award for 2022-23 of £9.724m less the flooding allocation of £0.155m and adjusted to remove the PSHG allocation of £1.033m leaving a block allocation available to spend on capital projects of £8.536m.

3.4.2 The block allocation is allocated to services based on a proportionate percentage basis. Services have each prepared SAMPs in which they outline the projects they would propose to spend their block allocation on.

### 3.5 Anticipated Shortfalls, Cost Pressures and Risks Identified

#### *Anticipated Shortfalls*

3.5.1 As part of the Service Asset Management plans, two anticipated shortfalls amounting to £0.447m have been identified that require additional funding over and above the block allocation. The first totalling £0.137m relates to the replacement of two ICT systems which are both approaching end of contract and replacement costs are higher. The second relates to cemeteries and totals £0.310m. There are six cemeteries that have an operational life of 5 years or less based on the number of lairs left therefore this would support their extension.

### **Further Cost Pressures and Risks**

- 3.5.2 As capital projects are based on cost estimates at a point in time, there is always a risk they will cost more than originally planned, particularly where there has been project delays. Where there are major change projects there is a high likelihood of the project requiring more budget than is currently in the capital programme which has been emphasised over the last two years with projects still catching up from the impact of COVID-19.
- 3.5.3 Although the direct impact of COVID on most local services has reduced or even ceased altogether over the last 12 months, COVID-19 in conjunction with the UK exit from the European Union and the Russian invasion of Ukraine, continues to affect worldwide supply chains. This has the impact of reducing the availability of supplies and materials resulting in cost increases through a combination of higher prices and longer materials delivery lead times.

In recent years additional funding of £8.803m has been allocated to the capital programme for this purpose which has mitigated the impact to date however, as detailed in the table below, only £0.703m remains unallocated to projects facing inflationary pressures.

<b>Funding for Capital Inflationary Pressures</b>	<b>£m</b>
COVID-19 Funding	0.257
February 2021 Budget Meeting - Capital Cost Pressures	4.646
February 2022 Budget Meeting - Capital Cost Pressures	3.900
<b>Total Additional Funding Allocated to Capital</b>	<b>8.803</b>
Allocated to Projects within Capital Programme	(5.779)
Committed for future years	(2.321)
<b>Balance Remaining</b>	<b>0.703</b>

- 3.5.4 Following the decision at the Policy and Resources Committee on 9<sup>th</sup> December 2021, the Rothesay Pavilion project is on pause due to a substantial increase in the project costs as a result of the main contractor going into administration in March 2020. The future of the project and its costs remain uncertain at this time whilst additional funding is sought to bring it to a conclusion.
- 3.5.5 In previous years, since the Capital Grant settlement has declined, additional funding has been allocated to the Roads Reconstruction Service to ensure Roads are maintained to an adequate standard. If no additional funding is allocated to future years during this budget setting process then there will be a significant drop off in funding for this Service which would result in the deterioration of the condition of roads. The Roads Service have done some analysis work around this which has demonstrated that an annual investment of £3m would lead to substantial deterioration of the overall roads condition, an annual investment of £5m would be a slower deterioration, an £8m annual investment would result in a steady state of roads condition and an £11m annual investment for the next 20 years would see a substantial improvement. The current allocation in 2023-24 is £3.4m.
- 3.5.6 As mentioned in paragraph 3.5.1, ICT face an immediate shortfall in 2023-24 relating to the replacement of two ICT systems which has been included within the budget gap figures reported. They also face pressures in future years and

current projections suggest there will be an unfunded shortfall in 2024-25 of £0.323m and in 2025-26 of £0.120m relating to PC Replacement, Telecomms Infrastructure and Server Sustainability.

- 3.5.7 There is also a pressure beyond 2023-24 in relation to the ban on biodegradable municipal waste being disposed of via landfill from 2025. A capital cost pressure of £3.5m is currently anticipated in addition to revenue pressures. A report outlining the options available was presented to the Environment, Development and Infrastructure Committee on 1 December 2022 and Members may wish to consider utilising some of the one-off gain from Service Concessions to fund this pressure.
- 3.5.8 The Council has submitted an application to the Scottish Government Learning Estate Investment Programme (LEIP). The initial financial case suggests the total construction cost for Mull School would be in the region of up to £35.5m. The Council would be responsible for the upfront cost of any infrastructure required and the Scottish Government will provide revenue funding through an annual payment over 25 years on the basis that certain outcomes have been achieved. The funding of the project will be a mixture of Scottish Government Funding, Council funding and borrowing. The more capital funding the Council can provide the less borrowing and revenue pressure.
- 3.5.9 The Capital Programme has been structured to address the majority of the Council's high risk assets. In 2023-24, service asset managers will develop business cases and plans to tackle the other high risk assets which are not addressed by projects within the Capital Programme for 2023-24 to 2025-26.

### **3.6 Funding Options Identified to reduce gap and address pressures**

- 3.6.1 A separate report is contained within the budget back regarding a Service Concession one-off gain totalling £35.9m. Members may wish to consider allocating some of this funding to the pressures and risks outlined in paragraphs 3.5.2 to 3.5.9.
- 3.6.2 Other sources of funding could be utilised such as the Recovery and Renewal fund of £1.360m. This provision was created for future recovery, regeneration and renewal, as well as any future pressures which may arise following the Covid-19 pandemic through a dedicated Recovery and Renewal Fund.
- 3.6.3 The PSHG allocation could be reduced to match actual funding received from the Scottish Government which would generate a saving of £0.276m across three years.
- 3.6.4 Historically capital receipts were allocated on the basis of 50% of proceeds to a central capital fund, 20% to the area in which the asset is sold and 10% to each of the other three areas. This has not happened since before 2017-18 when the Capital Grant settlement reduced and the receipts were required to balance the capital programme. The £1.5m sitting within the centre is included within the management/operational savings within the revenue budget report included in this pack, however there are also historical balances within control accounts for each of the areas which again have also not been utilised since pre 2017-18. It

is recommended that these balances are transferred to the current capital programme to fund the pressures faced. These total £0.071m as follows:

Area	Amount £m
Mid Argyll Kintyre & Islay	0.005
Oban Lorne & the Isles	0.050
Bute & Cowal	0.015
Helensburgh & Lomond	0.001
<b>Total</b>	<b>0.071</b>

- 3.6.5 Borrowing could be taken out to cover the gap in the programme however this creates a revenue cost. To use borrowing to fund the £0.725m gap currently identified would create an annual revenue pressure of £0.046m.

### 3.7 Comparison of Revised Plan to Estimated Capital Funding

- 3.7.1 The capital plan as at 31 December 2022, including the new block allocation for 2025-26, has been compared to the estimated funding (noted in section 3.1).

	2022-23 £m	2023-24 £m	2024-25 £m	2025-26 £m	Total £m
Capital Plan as at December 2022	44.906	60.217	37.309	30.091	<b>172.523</b>
Proposed revisions to capital plan	1.549	2.503	0.000	0.155	<b>4.207</b>
Estimated future years block allocation				8.536	<b>8.536</b>
Projected overspend as at December 2022	0.382	0.000	0.000		<b>0.382</b>
<b>Total Revised Plan</b>	<b>46.837</b>	<b>62.720</b>	<b>37.309</b>	<b>38.782</b>	<b>185.648</b>
Total Revised Funding	45.568	62.563	38.010	39.229	<b>185.370</b>
<b>Total Surplus / (Gap)</b>	<b>(1.269)</b>	<b>(0.157)</b>	<b>0.701</b>	<b>0.447</b>	<b>(0.278)</b>

- 3.7.2 The total gap currently within the capital programme to 2025-26 is £0.278m. Various elements contribute to this gap as summarised in the table below. After adjusting for the anticipated shortfalls and cost pressures identified within section 3.5.1 of this report, the total gap within the capital programme is £0.725m, see table below.

Summary	Detail	£m
Projected overspend as at 31 December 2022	The Capital monitoring report as at December reported an anticipated overspend of £0.727m over the life of the programme. This position has since been refined and funding drawn down from capital earmarked reserves where applicable resulting in a reduced overspend of £0.382m.	(0.382)

2023-24 Capital Grant	Capital grant was estimated at the same level as the 2022-23 reduced settlement however there has been a small increase in the 2023-24 settlement.	0.047
2024-25 Capital Grant	Capital grant was estimated at the same level as the 2022-23 reduced settlement however there has been a small increase in the 2023-24 settlement.	0.047
2025-26 Capital Grant	Capital grant was estimated at the same level as the 2022-23 reduced settlement however there has been a small increase in the 2023-24 settlement.	0.047
Capital Receipts Adjustments within existing programme	Capital receipts estimated last year over the 3 year programme have reduced by £0.037m.	(0.037)
<b>Total Surplus / (Gap) prior to Anticipated Shortfalls and Cost Pressures</b>		<b>(0.278)</b>
Anticipated Shortfalls	Anticipated Shortfalls as noted at 3.5.1 of this report.	(0.447)
<b>Total Surplus / (Gap) after Anticipated Shortfalls and Cost Pressures</b>		<b>(0.725)</b>

3.7.3 Council should give consideration as to how to fund the £0.725m gap within the capital programme. If the gap was funded through borrowing it would create a revenue cost pressure of £0.046m per annum which has not been built into the revenue budget overview report.

### 3.8 Updated Capital Plan

3.8.1 The table below shows a summary of the updated capital plan and further detail is contained within Appendix 3. This excludes the anticipated shortfalls and cost pressures identified as these are subject to Member approval.

	2022-23 £m	2023-24 £m	2024-25 £m	2025-26 £m	Total £m
<b>Executive Director - Douglas Hendry:</b>					
Education	7.155	6.970	2.226	2.219	<b>18.570</b>
Facility Services - Shared Offices	2.929	2.492	0.428	0.427	<b>6.276</b>
Major Projects/CHORD	4.558	1.351	0.000	0.000	<b>5.909</b>
<b>Executive Director - Kirsty Flanagan:</b>					
ICT	1.289	1.258	0.771	0.768	<b>4.086</b>
Roads and Infrastructure	25.436	46.349	33.028	34.514	<b>139.327</b>
Development and Economic Growth	4.282	1.274	0.000	0.000	<b>5.556</b>
<b>Health and Social Care Partnership</b>	0.628	1.920	0.428	0.427	<b>3.403</b>
<b>Live Argyll</b>	0.560	1.106	0.428	0.427	<b>2.521</b>
<b>Total</b>	<b>46.837</b>	<b>62.720</b>	<b>37.309</b>	<b>38.782</b>	<b>185.648</b>



#### **4. CONCLUSION**

- 4.1 The capital plan funding assumptions have been updated, the plan extended for a further year and block allocations allocated to services for the additional year. Taking into consideration the current capital programme, anticipated shortfalls and cost pressures there is a reported gap of £0.725m. If borrowing was taken out to fund this gap it would create a revenue cost pressure of £0.046m per annum.
- 4.2 The capital programme faces other significant pressures in the years beyond 2023-24 with the key areas highlighted within section 3.5 of this report. Consideration should also be given as to how these can be funded and the further pressures highlighted within the GAMP/SAMPs.
- 4.3 Estimated funding for the 2025-26 capital programme has been based on the General Capital Grant received in 2022-23. The Scottish Government has previously confirmed that the indicative General Capital Grant settlements up to 2025-26 will remain constant at the same level as the 2021-22 settlement therefore this was a prudent approach at that time.

#### **5. IMPLICATIONS**

- 5.1 Policy – Sets out the approach to capital planning.
- 5.2 Financial – Outlines the funding and commitments for the capital plan 2022-26.
- 5.3 Legal - The funding for new expenditure may not address all the Statutory and Regulatory requirements in relation to Health and safety.
- 5.4 HR - There are risks that the funding available will have an impact on the sustainability of the Property Design Team and the design team within Roads and Amenity Services.
- 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 Climate Change – The Council is committed to addressing climate change and reviews of how Services are delivered is ongoing within the available budget resources.
- 5.7 Risk - There are risks around level of capital receipts which could result in red risk assets not being addressed.
- 5.7 Customer Service – None.

**Kirsty Flanagan**  
**Executive Director/Section 95 Officer**  
**9 February 2023**

**Policy Lead for Finance and Commercial Services: Councillor Gary Mulvaney**

**APPENDICES:**

Appendix 1 - Proposed Asset Disposals

Appendix 2 - Restricted Funding

Appendix 3 - Proposed Capital Plan 2023-26

For further information please contact Anne Blue, Head of Financial Services  
[anne.blue@argyll-bute.gov.uk](mailto:anne.blue@argyll-bute.gov.uk)

**Appendix 1 - Proposed Asset Disposals**

<b>Property</b>
Land at Pilot Street
Land at Former Police Station, Garelochhead
Site of former Cowal Teacher's Centre, Sandbank
Ground at Baliscate Roads Depot
Bridge of Orchy School
Land at Shore Cottage, Glencreran Schoolhouse
Castle Toward (outstanding balance)
Blairvadach House, Shandon, Helensburgh (Phase 2)
Auchenlochan access
Shop, 3 Montague Street
Ashfield Primary School
Area of ground adjoining Pier House Fionnphort, Isle of Mull
Land at Broom Road, Ardchonnell Primary School
Former Girl Guide Hut, Dunclutha Lane
Former Erray Road Depot
Skipness Primary School
Dunclutha Children's Home
Former Lochgilphead High School (site 2)
Former Lochgilphead Primary School
Former Registrar Office, Witchburn Road
Witchburn Road site, former Finance Office
Ground at 125 Frederick Street

**Appendix 2 - Restricted Funding**

	2022-23 £m	2023-24 £m	2024-25 £m	2025-26 £m	Future Years £m	Total £m
<b>Education</b>						
CO2 Monitors	0.077					0.077
<b>Education Total</b>	<b>0.077</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.077</b>
<b>Shared Office Accommodation</b>						
Our Modern Workspace - Place Demonstrator Fund	0.664					0.664
<b>Shared Office Accommodation Total</b>	<b>0.664</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.664</b>
<b>Roads &amp; Infrastructure Services</b>						
STTS	0.958					0.958
Depot Rationalisation - Appin Depot Site	0.150					0.150
Electric Vehicle Chargers	0.097					0.097
Coastal Communities Funding (Crown Estate)	0.400					0.400
Transport Scotland	0.131					0.131
<b>Roads &amp; Infrastructure Services Total</b>	<b>1.736</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>1.736</b>
<b>Development &amp; Economic Growth</b>						
H&L Cycleways	0.240	0.150				0.390
SPT Cycleways	0.203					0.203
Island Infrastructure Fund	0.102					0.102
Coastal Communities Funding (Crown Estate)	0.562	0.210				0.772
HITRANS	0.050					0.050
<b>Development &amp; Economic Growth Total</b>	<b>1.157</b>	<b>0.360</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>1.517</b>
<b>Major Projects</b>						
Helensburgh Waterfront Development	0.378	1.000				1.378
Kilmory Business Park	1.129					1.129
<b>Major Projects Total</b>	<b>1.507</b>	<b>1.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>2.507</b>
<b>TOTAL FUNDING</b>	<b>5.141</b>	<b>1.360</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>6.501</b>

**CAPITAL PLAN 2022 - 2026**  
**Overall Summary**

**APPENDIX 3**

<b>Service</b>	<b>2022-23 £000s</b>	<b>2023-24 £000s</b>	<b>2024-25 £000s</b>	<b>2025-26 £000s</b>	<b>Total £000s</b>
Education	7,155	6,970	2,226	2,219	18,570
Shared Offices	2,929	2,492	428	427	6,276
CHORD	4,558	1,351	0	0	5,909
ICT	1,289	1,258	771	768	4,086
RIS	25,436	46,349	33,028	34,514	139,327
DEG	4,282	1,274	0	0	5,556
HSCP	628	1,920	428	427	3,403
Live Argyll	560	1,106	428	427	2,521
<b>Overall Total</b>	<b>46,837</b>	<b>62,720</b>	<b>37,309</b>	<b>38,782</b>	<b>185,648</b>

Category	Service	Project	2022-23 £000s	2023-24 £000s	2024-25 £000s	2025-26 £000s	Total £000s
<b>Asset Sustainability</b>	<b>Education</b>	Asbestos Control/Removal Works	7	0	0	0	7
		Block Allocation - Education	12	4,231	2,226	2,219	8,688
		Digital Inclusion 20-21	9	0	0	0	9
		Free School Meals	821	2,127	0	0	2,948
		Homeless Houses - Housing Quality Standard	1	0	0	0	1
		Internal Refurbishment Budget	7	0	0	0	7
		Lochgilphead Primary School Demolition	246	0	0	0	246
		Pre-5's/Nurseries	1	0	0	0	1
		Primary Schools	3,354	23	0	0	3,377
		School Houses - Housing Quality Standard	26	0	0	0	26
		Secondary Schools	843	0	0	0	843
<b>Asset Sustainability Total</b>			<b>5,327</b>	<b>6,381</b>	<b>2,226</b>	<b>2,219</b>	<b>16,153</b>
<b>Service Development</b>	<b>Education</b>	Bowmore Primary School - Gaelic Medium Grant	38	0	0	0	38
		Clyde Cottage - 600 hours provision	23	0	0	0	23
		CO2 Monitoring - Covid Mitigation in Schools	116	0	0	0	116
		Early Learning and Childcare - 1140 Hours	1,036	19	0	0	1,055
<b>Service Development Total</b>			<b>1,213</b>	<b>19</b>	<b>0</b>	<b>0</b>	<b>1,232</b>
<b>Strategic Change</b>	<b>Education</b>	Campbeltown Schools Redevelopment	76	0	0	0	76
		Dunoon Primary School	304	200	0	0	504
		Kilm Primary School	99	0	0	0	99
		Replacement of Oban High School	136	370	0	0	506
<b>Strategic Change Total</b>			<b>615</b>	<b>570</b>	<b>0</b>	<b>0</b>	<b>1,185</b>
<b>Overall Total</b>			<b>7,155</b>	<b>6,970</b>	<b>2,226</b>	<b>2,219</b>	<b>18,570</b>

Category	Service	Project	2022-23 £000s	2023-24 £000s	2024-25 £000s	2025-26 £000s	Total £000s
Asset Sustainability	Shared Offices	Argyll House, Dunoon	12	0	0	0	12
		Asbestos Capital Property Works	51	0	0	0	51
		Block Allocation	0	193	398	427	1,018
		Bowmore Area Office	0	76	0	0	76
		Burnett Building	0	110	0	0	110
		Capital Property Works	38	0	0	0	38
		Fire Risk Assessment Works	14	0	0	0	14
		Helensburgh and Lomond Civic Centre - Emergency Heating Pipework	43	0	0	0	43
		Hill Street Dunoon Rewire	33	0	0	0	33
		Kilmory Castle	2	1,409	0	0	1,411
		Legionella Control Works	215	0	0	0	215
		Manse Brae District Office	1	0	0	0	1
		Manse Brae Roads Office	2	0	0	0	2
Our Modern Workspace	774	526	30	0	1,330		
<b>Asset Sustainability Total</b>			<b>1,185</b>	<b>2,314</b>	<b>428</b>	<b>427</b>	<b>4,354</b>
Strategic Change	Shared Offices	Campbeltown Office Rationalisation	1	0	0	0	1
		Carbon Management - Group Heating Conversion Project (Prudential Borrowing)	10	0	0	0	10
		Carbon Management Business Cases (FPB)	60	0	0	0	60
		Carbon Management Capital Property Works 16/17	20	0	0	0	20
		Cleaner Energy	567	178	0	0	745
		Cleaner Energy 2022-23	500	0	0	0	500
		Helensburgh Office Rationalisation (FPB,REC)	310	0	0	0	310
		Non-NPDO Schools PV Panel Installations	88	0	0	0	88
		NPDO Schools Solar PV Panel Installations	183	0	0	0	183
Oil to Gas Heating Conversions (FPB)	5	0	0	0	5		
<b>Strategic Change Total</b>			<b>1,744</b>	<b>178</b>	<b>0</b>	<b>0</b>	<b>1,922</b>
<b>Overall Total</b>			<b>2,929</b>	<b>2,492</b>	<b>428</b>	<b>427</b>	<b>6,276</b>

**CAPITAL PLAN 2022 - 2026**  
**Major Projects**

**APPENDIX 3**

<b>Category</b>	<b>Service</b>	<b>Project</b>	<b>2022-23 £000s</b>	<b>2023-24 £000s</b>	<b>2024-25 £000s</b>	<b>2025-26 £000s</b>	<b>Total £000s</b>
<b>Strategic Change</b>	<b>CHORD</b>	CHORD - Dunoon	55	0	0	0	55
		CHORD - Helensburgh -Public Realm Imprv	28	0	0	0	28
		CHORD - Oban	651	0	0	0	651
		Helensburgh Waterfront Development	3,426	285	0	0	3,711
		HWD - FFE	344	0	0	0	344
		Kilmory Business Park Phase 2AA	54	1,066	0	0	1,120
<b>Strategic Change Total</b>			<b>4,558</b>	<b>1,351</b>	<b>0</b>	<b>0</b>	<b>5,909</b>
<b>Overall Total</b>			<b>4,558</b>	<b>1,351</b>	<b>0</b>	<b>0</b>	<b>5,909</b>



Category	Service	Project	2022-23 £000s	2023-24 £000s	2024-25 £000s	2025-26 £000s	Total £000s
Asset Sustainability	ICT	Block Allocation - ICT	0	919	771	768	2,458
		PC Replacement	522	0	0	0	522
		Server Sustainability	187	64	0	0	251
		Telecomms Network	78	20	0	0	98
<b>Asset Sustainability Total</b>		<b>787</b>	<b>1,003</b>	<b>771</b>	<b>768</b>	<b>3,329</b>	
Service Development	ICT	Applications Projects	502	255	0	0	757
<b>Service Development Total</b>			<b>502</b>	<b>255</b>	<b>0</b>	<b>0</b>	<b>757</b>
<b>Overall Total</b>			<b>1,289</b>	<b>1,258</b>	<b>771</b>	<b>768</b>	<b>4,086</b>

Category	Service	Project	2022-23 £000s	2023-24 £000s	2024-25 £000s	2025-26 £000s	Total £000s
Asset Sustainability	RIS	Bin Replacement Programme	100	0	0	0	100
		Block Allocation	0	0	0	4,268	4,268
		Bridge Strengthening	215	1,484	350	0	2,049
		Bute Sea Wall Repairs	148	602	0	0	750
		Coastal Change Adaptation	0	159	0	0	159
		Coastal Protection	15	85	100	0	200
		Environmental Projects	734	100	100	0	934
		EV Quick Chargers	93	0	0	0	93
		Flood Prevention	88	769	305	155	1,317
		Footway Improvements	269	0	0	0	269
		Glengorm - Capping	82	0	0	0	82
		Glengorm - Cell and Transfer Station (PB)	1,200	0	0	0	1,200
		Helensburgh CHORD - Signage etc	0	10	0	0	10
		Helensburgh Flood Mitigation	4	428	0	0	432
		Investment in Active Travel	370	130	0	0	500
		Lighting	140	750	150	0	1,040
		Local Bridge Maintenance Fund	475	4,972	0	0	5,447
		Play Park Renewal	0	312	235	391	938
		Public Convenience Upgrades	82	0	0	0	82
		Roads Reconstruction	8,679	4,203	3,412	0	16,294
Roads Reconstruction - Helensburgh CHORD	0	47	0	0	47		
Roads Reconstruction - Oban CHORD	3	0	0	0	3		
Tobermory Car Park	576	0	0	0	576		
<b>Asset Sustainability Total</b>			<b>13,273</b>	<b>14,051</b>	<b>4,652</b>	<b>4,814</b>	<b>36,790</b>
Service Development	RIS	Campbeltown Old Quay	43	0	0	0	43
		Fleet Management	499	0	0	0	499
		Fleet Management - Prudential Borrowing	1,187	1,000	0	0	2,187
		Lismore Ferry Replacement	19	15	20	0	54
		Lochgilphead Depot Rationalisation	8	0	0	0	8
		Oban Depot Development	17	0	0	0	17
		Preliminary design for Regional Transport projects (tif)	16	0	0	0	16
		Witchburn Road Demolition	-1	0	0	0	-1
<b>Service Development Total</b>			<b>1,788</b>	<b>1,015</b>	<b>20</b>	<b>0</b>	<b>2,823</b>
Strategic Change	RIS	Campbeltown Flood Scheme	3,958	9,048	1,331	0	14,337
		Harbour Investment Programme PB	5,626	22,235	27,025	29,700	84,586
		Street Lighting LED Replacement	791	0	0	0	791
<b>Strategic Change Total</b>			<b>10,375</b>	<b>31,283</b>	<b>28,356</b>	<b>29,700</b>	<b>99,714</b>
<b>Overall Total</b>			<b>25,436</b>	<b>46,349</b>	<b>33,028</b>	<b>34,514</b>	<b>139,327</b>

Category	Service	Project	2022-23 £000s	2023-24 £000s	2024-25 £000s	2025-26 £000s	Total £000s
Service Development	DEG	Ardrishaig North Active Travel	712	168	0	0	880
		Cycleways - H&L (FSPT)	240	150	0	0	390
		Dunoon Cycle Bothy	266	0	0	0	266
		Dunoon STEM Hub	603	0	0	0	603
		Gibraltar Street Public Realm Improvements	248	0	0	0	248
		Helensburgh Public Realm - Arts Strategy Fund	51	0	0	0	51
		Hermitage Park	69	0	0	0	69
		Nature Restoration Fund	346	0	0	0	346
		Safe Streets, Walking and Cycling (CWSS)	544	376	0	0	920
		Town Centre Funds	1,054	30	0	0	1,084
<b>Service Development Total</b>			<b>4,133</b>	<b>724</b>	<b>0</b>	<b>0</b>	<b>4,857</b>
Strategic Change	DEG	01 TIF - Lorn/Kirk Road	1	0	0	0	1
		09 TIF - Oban Airport Business Park	101	0	0	0	101
		TIF - Halfway House Roundabout	47	550	0	0	597
<b>Strategic Change Total</b>			<b>149</b>	<b>550</b>	<b>0</b>	<b>0</b>	<b>699</b>
<b>Overall Total</b>			<b>4,282</b>	<b>1,274</b>	<b>0</b>	<b>0</b>	<b>5,556</b>

Category	Service	Project	2022-23 £000s	2023-24 £000s	2024-25 £000s	2025-26 £000s	Total £000s
<b>Asset Sustainability</b>	<b>HSCP</b>	Ardfenaig	43	87	0	0	130
		Block Allocation	0	577	428	427	1,432
		Capital Property Works	0	96	0	0	96
		Digitalising telecare	0	100	0	0	100
		Dunoon Hostel	33	0	0	0	33
		Eadar Glinn	0	196	0	0	196
		East King Street Childrens Hospital	90	0	0	0	90
		Glencruitten Hostel	115	0	0	0	115
		Gortonvogie	0	80	0	0	80
		Greenwood/Woodlands	105	119	0	0	224
		Lochgilphead Resource Centre	0	16	0	0	16
		Lorn Resource Centre	1	0	0	0	1
		Shellach View	65	0	0	0	65
		Struan Lodge Boiler	42	222	0	0	264
Thomson Home Rothesay	0	125	0	0	125		
Tigh An Rudha HFE	80	302	0	0	382		
<b>Asset Sustainability Total</b>			<b>574</b>	<b>1,920</b>	<b>428</b>	<b>427</b>	<b>3,349</b>
<b>Service Development</b>	<b>HSCP</b>	Dunclutha Childrens Home	54	0	0	0	54
<b>Service Development Total</b>			<b>54</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>54</b>
<b>Overall Total</b>			<b>628</b>	<b>1,920</b>	<b>428</b>	<b>427</b>	<b>3,403</b>

Category	Service	Project	2022-23 £000s	2023-24 £000s	2024-25 £000s	2025-26 £000s	Total £000s
Asset Sustainability	Live Argyll	Aqualibrium	56	0	0	0	56
		Campbeltown Museum - Burnet Bldg	0	38	0	0	38
		Capital Property Works	0	976	428	427	1,831
		Corran Halls - Emergency Heating Works	3	0	0	0	3
		Corran Halls Gaelic Centre	160	0	0	0	160
		Helensburgh Swimming Pool - Roofing	2	0	0	0	2
		Inveraray CARS	21	0	0	0	21
		Kintyre Community Education Centre - Lift Shaft Refurbishment	30	0	0	0	30
		LA - Victoria Halls - Modular Stage	4	0	0	0	4
		Lochgilphead Library Relocation	52	0	0	0	52
		Queen's Hall - Partition Wall	1	0	0	0	1
		Riverside Leisure Centre - Cladding Upgrade	1	45	0	0	46
		Riverside Leisure Centre - Spa Pool Upgrade	80	0	0	0	80
		Rothesay Swimming Pool	0	27	0	0	27
		The Moat Centre - Gym Store	35	0	0	0	35
		The Moat Centre - Heating Upgrade	14	0	0	0	14
Victoria Halls, Helensburgh	80	20	0	0	100		
<b>Asset Sustainability Total</b>			<b>539</b>	<b>1,106</b>	<b>428</b>	<b>427</b>	<b>2,500</b>
Strategic Change	Live Argyll	Carbon Management	21	0	0	0	21
<b>Strategic Change Total</b>			<b>21</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>21</b>
<b>Overall Total</b>			<b>560</b>	<b>1,106</b>	<b>428</b>	<b>427</b>	<b>2,521</b>

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**ARGYLL AND BUTE COUNCIL****COUNCIL****STRATEGIC ASSET MANAGEMENT BOARD****23 FEBRUARY 2023**

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**CORPORATE ASSET MANAGEMENT STRATEGY & PLAN**

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**1. EXECUTIVE SUMMARY**

- 1.1 Asset management is a structured and systematic approach to managing fixed assets on an ongoing basis. The Council has a large and varied collection of assets including buildings, vehicles, transport infrastructure (roads / bridges / piers), ferries, parks, cemeteries to information technology hardware and software. Assets are essential to the operation of the Council and ensuring they evolve and remain fit for their intended purpose is key to the function of the organisation and service delivery. Successful asset management addresses all phases of an asset's life cycle, from pre-acquisition through to retirement. Effective asset management planning means knowing what you own, where it's located, what it costs you, what it will cost you in the future, whether it will support current and future service delivery and who is responsible for it.
- 1.2 The Council adopts a systematic approach to asset management and this paper sets out the principles, policies and summary priorities for 2023/24. The Strategy and Plan are consistent with the Prudential Code for asset management and the outcomes of the Best Value 2 review. This report in conjunction with appendices and wider Budget Pack forms our Corporate Asset Management Strategy and Plan. Asset Management is delivered by all departments and teams of the Council and overseen by the Asset Management Board. A review of the Asset Management Board and development of new Capital Investment Strategy 2023 – 2028 is underway and will be shared with Members early in 2023/24 financial year for implementation.

The underlying principles of the Council's Asset Management Strategy and Plan are:-

- The Council's has a commitment to sound asset management;
- All Council assets are required for operational, regeneration, economic and commercial development purposes;
- There are clear links between asset management, the Corporate Plan, the Argyll and Bute Outcome Improvement Plan (ABOIP), Live Argyll and the Argyll and Bute Health and Social Care Partnership (HSCP);
- Asset Management is linked to available resources and budgetary considerations;
- There are sound Governance arrangements for asset management; and
- Asset management requires to be forward looking to deliver the assets the Council requires for future service delivery.

**CORPORATE ASSET MANAGEMENT STRATEGY & PLAN**

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**2. INTRODUCTION**

2.1 The Corporate Asset Management Strategy & Plan establishes the Council's overall approach to management of its asset base. In particular it sets out:

- The Council's has a commitment to sound asset management;
- All Council assets are required for operational, regeneration, economic and commercial development purposes;
- There are clear links between asset management, the Corporate Plan, the Argyll and Bute Outcome Improvement Plan (ABOIP), Live Argyll and the Argyll and Bute Health and Social Care Partnership (HSCP);
- Asset Management is linked to available resources and budgetary considerations;
- There are sound Governance arrangements for asset management; and
- Asset management requires to be forward looking to deliver the assets the Council requires for future service delivery.

**3. DETAIL****Core Values of Asset Management**

3.1 Asset management is a structured and systematic approach to managing fixed assets on an ongoing basis. This approach addresses all phases of an asset's life cycle, from pre-acquisition through to retirement. Effective asset management planning means knowing what you own, where it's located, what it costs you, what it will cost you in the future, whether it will support current and future service delivery and who is responsible for it.

3.2 It is recognised that these general guiding principles can also be applied to the management of non-fixed, or less permanent, assets such as vehicles, plant and equipment.

3.3 The Council will ensure that the assets it provides are used in a fair, consistent, efficient and effective way, taking into account their social and environmental impact and the needs and aspirations of our people, communities, areas and organisation.

3.4 Asset management is the process of ensuring that the Council's Assets are:

- fit for purpose
- used efficiently
- maintained on a sustainable basis
- matched in investment terms to service needs.



### **Approach and Commitment to Sound Asset Management**

- 3.5 The Local Government in Scotland Act 2003 provides the legal framework for both the Prudential Code and the Best Value arrangements. Under the Prudential Code local authorities are authorised to make capital investments where it can be demonstrated that these investments are affordable, prudent and sustainable. A local authority, which secures Best Value, is one, which promotes continuous improvement in the performance of its functions.
- 3.6 Asset management is a key element of achieving Best Value. Councils have a statutory duty to deliver Best Value. This has significant implications for asset management as Councils must:
- ensure that management arrangements secure continuous improvement
  - balance quality and cost in relation to the procurement of assets
  - ensure asset management decisions contribute to sustainable development.
- 3.7 Asset management has potential to contribute to achievement of efficiency savings.
- 3.8 The Best Value 2 Asset Management templates published by Audit Scotland essentially set out the direction of travel for asset management within the Council. The desired outcomes of good practice contained within these templates have been fully adopted and are being actively promoted and progressed by the Strategic Asset Management Board.
- 3.9 In line with Best Value Guidance: “Sound Management of Resources” the Council will manage its assets to deliver the Council’s corporate and ABOIP objectives, by providing the basis for corporate challenge and a focus on the future asset requirements in respect of service delivery.

### **Current Governance Arrangements for Asset Management**

- 3.10 Council governance of asset management by elected members is on the basis of the Council directing the work of the Council through the Strategic Management Team.
- 3.11 Responsibility for Council assets is held by the two Departments:
- Executive Director Douglas Hendry
  - Executive Director Kirsty Flanagan
- 3.12 These Departments are headed by an executive director reporting to the Chief Executive and supported by heads of service who are responsible for day to day service provision and the effective and efficient use of assets. Assets owned by the Council but operated by the HSCP and Live Argyll continue to be the responsibility of the Council.
- 3.13 The Head of Commercial Services is the Chair of the Strategic Asset Management Board and is responsible for the development of the Corporate Asset Management

Strategy, production of the Corporate Asset Management Plan, and preparation of the Capital Plan – referred to as Service Asset Management Plans (SAMP) or Group Asset Management Plans (B). More information about the Strategic Asset Management Board can be found at **Appendix A**.

- 3.14 It is noteworthy that a review of the Asset Management Board and development of new Capital Investment Strategy 2023 – 2028 is underway and will be shared with Members early in 2023/24 financial year for subsequent implementation this calendar year.

### Council Current Asset Base

- 3.15 The table below summarises the asset base of the Council. The Council has an asset base at 31 March 2022 with a Net Book Value of £706.465m (2021 - £647.312m) that includes:

Description	Number	Description	Number
Shared Accommodation (Offices)	27	Roads (km)	2,286
Operational Depots	20	Public Road Bridges	901
Primary Schools (in use)	65	Car Parks	118
Secondary Schools	5	Marine Structures	41
2-18 Schools	4	Public Road Coastal Protection (km estimated)	200
Joint campuses	1	Public Road Retaining Wall (estimated)	1,000
Youth Centres	1	Public Conveniences	85
Adult Learning Centres	2	Waste Disposal facilities	12
Early Learning Centres	2	Ferries	6
School Houses	19	Airports	3
Learning Centre for pupils with complex additional support needs	1	Cemeteries	131
Homes for the Elderly	6	Children's Homes	5
Hostel	3	Resource Centres	3
Leisure Centres	5	Crematoria	1
Community Centres	4	Lighting Units	14,642
Halls	5	Vehicles and Plant	634
Libraries	11	IT Systems and Devices (estimated)	16,955

The table includes the majority of the Council's assets but is not exhaustive.

- 3.31 A range of policies in support of good asset management practice have been developed and are included in the appendices to this document. The asset management policies approved to date are outlined in **Appendix B**. In addition Services have been encouraged to develop policy statements in respect of each asset group.

### Corporate Asset Management Plan

- 3.32 Each year this Corporate Asset Management Plan is prepared on the basis of the underlying principles of the Corporate Asset Management Strategy referred to above. The aim of the Corporate Asset Management Plan is to ensure that capital and revenue expenditure is directed efficiently and effectively for the coming year to further:
- Strategic Change
  - Service Development
  - Asset Sustainability.
- 3.33 In preparing this Asset Management Plan services ensure that the opportunity cost of financial resources tied up in assets is minimised and that there is:
- an integrated corporate approach towards asset management, capital planning and budgeting process for both capital and revenue
  - a process for changing the Council's asset portfolio consistent with the Corporate Plan and ABOIP
  - a process for asset decision making which is consistent with services' requirements
  - an identification of opportunities for innovation, asset investment or disposal
  - provision of a context for capital project evaluation helping to prioritise decisions on spending.
- 3.34 Each executive director is responsible for the completion of their SAMP, GAMP summary templates. Service asset managers prepares the SAMP, GAMP, and Asset Group Summary templates, which, when approved by the Departmental Executive Director, will be submitted to the Strategic Asset Management Board. The Strategic Asset Management Board will evaluate each SAMP / GAMP (including Asset Management Plans prepared by the HSCP and Live Argyll).
- 3.35 In preparing SAMPs / GAMPS, service asset managers must consider the following guiding criteria:
- maximise the impact of all capital and revenue expenditure on assets
  - apply asset performance indicators and benchmarking (Condition, Suitability and Risk ) to ensure robust planning and decision making
  - maximise the utilisation of assets
  - reduce the unit costs of service delivery through smarter and more efficient asset management
  - dispose of underperforming, unsuitable assets and assets which are at risk and invest in "fit for purpose" assets
  - share assets with Community Partners and Third Sector to maximise public benefit.

#### **Asset Management Plan & Priorities for 2023/24**

- 3.36 This Corporate Asset Management Plan for 2023/24 reflects the Council's strategic objectives contained in the Argyll and Bute Outcome Improvement Plan (ABOIP) and Corporate Plan, capital investment priorities and Service Plans to support Strategic Change, Service Development and Asset Sustainability projects in 2023-24 and beyond. These projects have been developed taking account of

the future service delivery requirements of the Council, the Argyll and Bute Health and Social Care Partnership (HSCP) and Live Argyll.

- 3.37 On an ongoing basis all services assess the risk arising from the condition and suitability of the assets they have responsibility for. This enables the prioritisation of projects for inclusion within the capital plan. The continued reduction in available capital budgets and revenue maintenance budgets has had an impact on planned maintenance programmes. This in turn increases the rate of deterioration in asset condition across the Council leading to increasing demand for capital investment in the asset base to maintain service delivery.
- 3.38 The Service Asset Management Plans (SAMPS) & Group Asset Management Plans (GAMPS) that outline the proposed resource allocation, condition and prioritisation of capital expenditure are outlined at **Appendix C**.
- 3.39 It is clear from the SAMPS / GAMPS that the real terms reduction of available capital resources year to year plus recent unprecedented increases in inflation and global events is resulting on the majority of investment towards Asset Sustainability – ie ensuring our current assets remain fit for purpose. There is minimal service development, transformation or strategic change mainly due the higher value of such projects.

#### **High Risk Assets Not Addressed within Capital Plan Proposals for 2023-24**

- 3.40 The Capital Programme for 2023-24 has been structured to address the vast majority of the Council's high risk assets and priorities. However, in 2023-24 there are 2x specific assets and project areas that are currently unfunded that are deemed to be high risk.
- 3.41 The high risk assets not addressed within the SAMP / GAMPS for 2023-24 are:-

Asset Name	Description of Risk	Estimated Value (£000)	Comments
Key Business Applications 23/24	Replacement of Civica Document Management and Workflow and Revenues and Benefits System	137	There is insufficient funding to replace the Revenues and Benefits System or the Electronic Document Management & Workflow System which are both approaching end of contract. These have been categorised as a red risk.
Cemeteries	Diminishing capacity of burial lairs across asset base and network	310	Burial lairs across cemeteries are a finite resource. Due to age and physical size some cemetery sites are nearing capacity and business

			case / planning needs to be developed to consider expansion or new sites if current choice for burials is to be continued.
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#### 4. CONCLUSION

- 4.1 The aim of this Corporate Asset Management Strategy & Plan including summarised service / group asset management plans is to ensure that asset management takes place in a systematic and well governed manner taking cognisance of corporate policies, plans, systems and processes.

#### 5. IMPLICATIONS

- 5.1 Policy – The report sets out the Council's policy and prioritisation in respect of Asset Management.
- 5.2 Financial - This strategy and plan follows Prudential Code and the Best Value arrangements in terms of Asset Management. Financial implications significant in terms of the planned delivery of capital / revenue and systematic approach to asset management.
- 5.3 Legal - Systematic approach to asset management complies with various statutory and legal duties such as ensuring compliance with Disposal of Land (Scotland) Regulations and ensuring best value / expenditure of public funds.
- 5.4 HR - Strategy and Plan supports prioritised approach to assets that are required for workforce to undertake their duties now and in future.
- 5.5 Fairer Scotland Duty - The Strategy and Plan sets out significant investment in asset base to sustain and improve operational delivery of Council services for all.
- 5.5.1 Equalities - The Strategy and Plan sets out significant investment in asset base to sustain and improve operational delivery of Council services for all.
- 5.5.2 Socio-Economic Duty - These policy and proposal sets a prioritised and systematic plan to invest in Argyll and Bute region stimulating or sustaining economic attractiveness of our area. Many local businesses also contracted in implementation of SAMP / GAMPS.

- 5.5.3 Islands Duty - Island investment is prioritised throughout strategy and plan including several projects to improve connections and transport. Notably some of biggest potential investments is on Mull with LEIP bid and Pier Upgrades proposed.
- 5.6 Climate Change Asset Management Strategy & Plan plus all SAMPS/ GAMPS prioritise Climate Change at service level. Fleet move to more EVs, Building Design / Efficiency and waste all included as examples.
- 5.7 Risk - This strategy and plan follows Prudential Code and the Best Value arrangements in terms of Asset Management. Financial implications significant in terms of the planned delivery of capital / revenue and systematic approach to asset management.
- 5.8 Customer Service - Customers will be impacted by individual projects and investment to sustain or improve assets. Notable drop in real terms capital budget over 3-5 year period likely to lead to reduced customer satisfaction ie service cessation, remodelling or reduction such as less building, not as many roads improved.

**Douglas Hendry, Executive Director**

**Kirsty Flanagan, Executive Director/Section 95 Officer**

**Policy Lead for Finance and Commercial Services: Councillor Gary Mulvaney**

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9 February 2023

**APPENDICES:-**

**Appendix A – Detail of current arrangements of Asset Management Board**

**Appendix B – Asset Management Policies**

**Appendix C – Service Asset Management Plans (SAMPS) / Group Asset Management Plans (GAMPS)**

## **Appendix A – Details of current Asset Management Board**

The Strategic Asset Management Board is responsible for the development of asset management policy, planning and specification. In addition, the Board is responsible for the development and delivery of the asset management improvement programme and to support the production of the Corporate Asset Management Plan, Capital Plan and for providing corporate challenge within the asset management process.

The corporate requirements of asset management will be driven forward by the Strategic Asset Management Board; which is the link between senior officers and elected members and the Council's service operations in respect of matters of policy related to asset management. In this way a corporate view will be applied to major proposals relating to assets.

The Strategic Asset Management Board responsibilities are:

1. To oversee asset management within the Council by applying a corporate challenge which ensures that all assets held by the Council are required for operational and regeneration/economic development purposes linked to corporate, service and ABOIP objectives and the requirements of Live Argyll and the HSCP.
2. To develop, introduce and fully establish asset management performance, planning and governance systems.
3. To plan for economic, efficient and effective use of assets, ensuring compliance with statutory regulations.
4. To prepare the Council's Corporate Asset Management Strategy and Corporate Asset Management Plan.
5. To manage the approval process for Service and Group Asset Management Plans.
6. To provide objective appraisal of Initial Business Cases, Outline Business Cases and Full Business Cases.
7. To provide objective appraisal of Service Asset Management Plans (SAMPs) and Group Asset Management Plans (GAMPs).
8. To provide objective appraisal of Asset Group Summary templates in relation to the Capital Plan.
9. To work with stakeholders, both internal and external, in managing its assets including community planning partners.
10. To review delivery of the Capital Programme.
11. To review the resourcing of the delivery of the Capital Programme.
12. To ensure the capital works undertaken are of a high standard the Board should ensure that feedback of projects is sought by the users of the building / school / IT system etc. The board should review this feedback and pick up on any lessons learnt.

13. To resolve issues in respect of project risks for individual projects that have impacted (reached a level above tolerance).
14. To ensure life cycle costs in terms of building, maintain and decommissioning are considered in procurement and prior to committing to the project.
15. To oversee the standardisation and future development of asset specification and procurement.
16. To undertake a full review of Asset Management IT systems held by the Council and the development of a strategic approach towards future system integration.
17. Seek to ensure that adequate provision is made for planned programme maintenance.

**It is noteworthy that a review of the Asset Management Board and development of new Capital Investment Strategy 2023 – 2028 is underway and will be shared with Members early in 2023/24 financial year for implementation.**



**APPENDIX B – ASSET MANAGEMENT POLICIES**

1.0 INTRODUCTION

2.0 OPERATIONAL PROPERTY ASSET POLICY STATEMENT

3.0 NON-OPERATIONAL PROPERTY ASSET POLICY STATEMENT

4.0 ASSET DISPOSALS POLICY STATEMENT

5.0 ASSET ACQUISITIONS POLICY STATEMENT

6.0 FLEET ASSET POLICY STATEMENT

7.0 INFRASTRUCTURE ASSET POLICY STATEMENT

8.0 ICT ASSET POLICY STATEMENT

9.0 BUILDING ELEMENT RISK CATEGORY POLICY STATEMENT

## 1.0 INTRODUCTION

Argyll and Bute Council holds each of its assets as a resource to be used in the delivery of services and to support and contribute to its corporate objectives.

This is the fundamental premise that underpins all the Council's actions in managing its assets. From the acquisition of new assets, their operation throughout their lifetime, right the way through to their eventual disposal, the overall way in which the Council deploys and accounts for its assets can be tested against the contribution they make to the overall corporate vision. It is recognised that all assets can make particular contributions in terms of:-

- Optimising asset portfolios to meet changing service needs.
- Reaping financial benefits from savings in running costs and enhancing capital receipts.
- Implementing corporate plans and strategies in areas such as carbon reduction and sustainability.
- Acting as a catalyst for partnership working with other public service providers.
- Supporting the development and role of the Third Sector to provide key services within communities under the Community Empowerment Act.

Improved service delivery through effective asset management will be achieved when key assets are in the right location, suitable and fit for purpose and in good condition. In particular all property assets will also need to be accessible and energy efficient. In terms of de-carbonisation, all assets should be used in a sustainable manner and contribute to a low carbon economy.

The current financial climate has created particular problems for many public bodies. For example property assets cannot be so readily acquired, sold and, in some cases altered. The challenge for the Strategic Asset Management Board and the Council will be to consider the changes taking place in the external environment, such as new workplace practices, the increasing influence of information and communications technology and the growing importance of sustainability issues and to respond to these changes by implementing more innovative, aggressive and robust asset management policies.

The purpose of this document is to set out a high level Asset Policy framework for Argyll and Bute Council. These Policies will, in turn, support the Council's Asset Management Strategy and Corporate Asset Management Plan. The Policies set out in this document are in respect of:-

- Operational Property
- Non-Operational Property
- Disposals
- Acquisitions
- Fleet
- Infrastructure
- ICT
- Building Element Risk

These Policies are a dynamic statement of how Argyll and Bute Council expects to better use and manage its assets. The Policies will be reviewed annually and updated, where appropriate, to reflect emerging best practice, altered priorities and any new statutory obligations.

## 2.0 OPERATIONAL PROPERTY ASSET POLICY STATEMENT

The Strategic Asset Management Board will oversee the management of all operational property assets to ensure that these resources are operated in an effective and efficient manner and contribute to an improved provision of services to the community.

To do this the Board will:-

- Ensure property is regarded and managed as a corporate resource as part of the 'One Council' property approach.
- Ensure best value and best practice in the delivery of property and asset management services.
- Review and challenge the need for retaining properties with services.
- Ensure our property portfolio is suitable for its current use, and supports effective service delivery, and where practical, provides flexibility for easy adaptation to meet emerging and future service requirements. Ensure properties are compliant with relevant legislation.
- Ensure properties are in an appropriate condition and maintained effectively.
- Ensure office space is used efficiently.
- Regularly measure and report the sufficiency of the school estate.
- Review options for rationalising or consolidating property assets.
- Regularly monitor and report on the performance of property and put in place measures for securing continuous improvement.
- Ensure property running costs, environmental credentials and the consumption of resources are minimised.
- Consider the needs of stakeholders.
- Ensure that comprehensive asset management information to support decision making is collected, maintained and stored efficiently.
- Key properties are held for economic development purposes and are managed by the Estates and Property Development team within Commercial Services to support local employment, regeneration and business growth.

## 3.0 NON-OPERATIONAL PROPERTY ASSET POLICY STATEMENT

The Strategic Asset Management Board will review and challenge the non-operational property assets held by Services. It will ensure that:-

- The investment portfolio is managed effectively to maximise income.
- Rental voids are kept to a minimum.
- Regular reviews of investment portfolio are carried out to assess purpose of retention and alternative development options.
- Underperforming assets are declared surplus to requirements and sold, leased or transferred to community partners.
- The cost of managing the non-operational portfolio remains competitive through review.

## 4.0 ASSET DISPOSALS POLICY STATEMENT

The Council has a statutory responsibility under the Local Government (Scotland) Act 1973, not to dispose of land at less than the best consideration. In order to comply with this obligation it will, in the majority of instances, seek to obtain “market value” for all surplus assets by:-

- Enhancing value wherever practicable and appropriate.
- Advertising on the open market to encourage competition from likely purchasers.
- Setting a closing date for offers.
- Supporting the transfer of certain assets, where appropriate, to the Third Sector in return for wider community benefits.
- Generally recommending acceptance of the highest offer submitted in accordance with the above.
- Reporting disposals to the Departmental Management Team or appropriate Committee of the Council seeking approval to proceed in line with Council Constitution.

Audit Scotland recommend that consideration should be given to using “legislation which allows councils to sell assets at below market value if it is for public benefit, where this is consistent with a published policy objective, and would achieve Best Value for the public sector overall”. Therefore in advance of any move to dispose of an asset, the Council will consider benefits from retaining an asset which may accrue to the public sector overall.

The Strategic Asset Management Board, as part of the ‘One Council’ property approach, will challenge service departments to review their future property requirements and this will ultimately lead to a net reduction of property assets. The Board will ensure arrangements are in place to:-

- Eliminate as far as possible the number of properties that are poorly used, unfit for purpose and in poor condition.
- Pursue disposal options that will maximise the return to the Council where possible.
- Become more commercial. For example to examine the possibility of setting up joint venture Special Purpose Vehicles (SPV’s), where appropriate, with the private sector to unlock the latent value of our assets.
- Fast-track disposal options where possible where unique or significant beneficial opportunities may exist, or can be created.
- Deliver capital receipts and revenue savings to the Council through the prompt and successful disposal of property.
- Ensure the cost of managing the disposal process portfolio remains competitive through benchmarking, market testing and regular review.

In addition to the foregoing, Part 5 of the Community Empowerment (Scotland) Act 2015 has introduced a right for community bodies to make asset transfer requests to specified public bodies for the transfer of an interest in land or buildings for a specified purpose. The act requires public bodies to assess requests against a list of criteria and to agree the request unless there are reasonable grounds for refusal.

The Council has developed a set of enhanced procedures to provide a clear and transparent asset transfer request process to ensure compliance with the act. Web pages have also been developed to provide an interactive tool with advice and guidance, a list of the Council’s assets, contact details, the relevant forms and documents required to make a request, an “expression of interest form” (to facilitate

early informal discussions between organisations and officers). A single point of contact for enquiries is also provided.

## 5.0 ASSET ACQUISITIONS POLICY STATEMENT

The Strategic Asset Management Board's objective is to ensure that the necessary professional and technical services are in place to deliver the Council's capital and revenue programmes of new build, refurbishment and maintenance works in respect of developing, consolidating and protecting property assets.

The Board will ensure that the Property, Design, Estates, Major Projects Client Management and Asset Management Teams will provide the Council with construction, procurement, valuation and consultancy services including project management, project monitoring and budget management. On this basis the Board will be in a position to review and determine whether due process has revealed that acquisition is the only or most favourable option available.

In the event that the acquisition of an asset is the optimum solution the Strategic Asset Management Board will ensure efficient procurement of assets and construction projects by:-

- Reviewing the integrated and multi-disciplined approach within Commercial Services.
- Requiring services to follow the methodical and efficient processes contained within the Council's approved Capital Planning and Management Guide.
- Overseeing and reviewing the Business Case Development Process.
  - Undertaking a rigorous options appraisal process, including consideration of procurement options available through the Council's membership of the Northern Territory hub Co and other frameworks.
  - Requiring the demonstration of comprehensive value for money approach.
- Participating and leading, where appropriate, post project reviews.

## 6.0 FLEET ASSET POLICY STATEMENT

The Council operates a wide range of fleet and plant to support the delivery of services.

The Strategic Asset Management Board requires the services to provide an efficient and effective Fleet management and vehicle maintenance service.

Fleet Management ensure that services have:-

- Appropriate vehicles in place to carry out their responsibilities and duties.
- Vehicles which are maintained to DVSA (Driver and Vehicle Standards Agency) standard.
- Appropriate data available to measure performance and use of fleet and plant and to enable targets to be established.
- Proportionate information to enable optimum use to be made of the fleet.
- An appropriate training programme in place to support relevant staff and operators.
- Robust business cases developed to underpin vehicle retention and best value procurement solutions.
- Plans in place where appropriate to develop a "Green Fleet" policy, including

- infrastructure for public charging.
- Plans are developed to manage a single council fleet with vehicle brokerage to ensure best value through vehicle utilisation and whole life costing.

## 7.0 INFRASTRUCTURE ASSET POLICY STATEMENT

The infrastructure portfolio is a complicated collection of diverse asset groups such as roads, bridges, piers, airports, amenity (e.g. cemeteries, memorials and parks), street lighting, landfill sites and flood prevention schemes. The overarching aim of the Strategic Asset Management Board is to ensure that the service with responsibility for these asset groups strives for a good quality, well maintained and sustainable infrastructure network that is not only safe but also contributes to the needs of the community together with the everyday requirements of the businesses operating within Argyll and Bute. The Annual Status and Options Report has been developed for the road, lighting and bridge/structures assets. This document includes deterioration modelling and investment scenarios that model likely future conditions.

The aim of the Strategic Asset Management Board is to make sure that:-

- The infrastructure assets perform well in terms of suitability and condition.
- Appropriate asset management information is gathered, maintained and used to underpin decision making.
- Infrastructure meets the needs of users' requirements and compliance with relevant legislation and regulations is achieved.
- Data continues to be gathered and held on appropriate systems.
- Benchmarking activities continue to inform business improvement actions.
- All of the above within the confines of the available budgets.
- All assets maximise income generation through the charging regime, where applicable, and that all fees are collected efficiently and expeditiously

## 8.0 ICT ASSET POLICY STATEMENT

It is the aim of the Strategic Asset Management Board to ensure that the Council's ICT assets are utilised in the most effective, efficient and economical manner in support of the Council's plans, strategies and service delivery.

The following approach will be undertaken to achieve this:-

- Business, corporate and strategic requirements will be identified.
- Procurement options will be tailored and developed to suit continuing needs, taking into account ongoing maintenance and sustainability issues throughout the whole life of the asset.
- Regular reviews will be conducted to assess fitness for purpose and performance of the asset in question.
- Full compliance with legislative and operational requirements during the withdrawal and subsequent disposal of ICT assets.
- Comprehensive ICT and asset management information in support of all of the above will be collected, maintained, stored efficiently and be readily available.

## 9.0 BUILDING ELEMENT RISK CATEGORY POLICY STATEMENT

The risk category for building elements is used as part of the condition surveys undertaken by Property Services. The classification for fabric related elements and building services are as follows:

**Fabric** – The condition of an element is based on a combination of factors including site visual appearance, manufacturer's guidance on the lifecycle of the element and frequency of repeated maintenance based on historical knowledge and recorded data. In taking cognisance of all factors an assessment is made and a score (out of ten) is applied resulting in a condition percentage being allocated to the element. A score of less than 40% is classified as **bad** and categorised as a red risk. A score between 40% and 60% is classified as **poor** and categorised as an amber risk. A score between 60% and 85% is classified as **satisfactory** and categorised as a yellow risk. A score greater than 85% is classified as **good** and categorised as a green risk.

In addition to overall condition and therefore the risk associated with elements, the Property Officers also identify "Hot Spots". These are generally small areas of an element whose condition is such that they do not significantly influence the overall score but require attention as their failure is likely to result in a significant disruption to the building functioning as intended. An example of this would be a bad condition flat roof over a boiler house where the failure of the roof element would potentially result in the heating failing.

As a result, a capital programme is established that deals with high risk elements including "Hot Spots". It is also prudent to include a Health and Safety budget to deal with any emergent issues throughout the financial year.

**Services - Mechanical & Electrical** – this assessment is based on the elemental lifecycle of the specific mechanical or electrical element or sub element. The assessment is coupled with the support of statutory cyclical service reports and industry standard recommendations. In taking cognisance of all factors an assessment is made and a score (out of ten) is applied resulting in a condition percentage being allocated to the element. A score of less than 40% is classified as **bad** and categorised as a red risk. A score between 40% and 60% is classified as **poor** and categorised as an amber risk. A score between 60% and 85% is classified as **satisfactory** and categorised as a yellow risk. A score greater than 85% is classified as **good** and categorised as a green risk.

In addition to the overall elemental condition and therefore the risk associated with elements, the Property Maintenance and Technical Officers also identify "Hot Spots". These are generally parts of an element where condition is such that they do not significantly influence the overall score but require attention as their failure is likely to result in a significant disruption to the building functioning as intended.

As a result, a capital programme is established that deals with high risk elements including "Hot Spots". It is also prudent to include a Health and Safety budget to deal with any emergent issues throughout the financial year.

**Appendix C –**

**Service Asset Management Plans (SAMPS) / Group Asset Management Plans (GAMPS)**



## STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

NOTE: Highlighted text require a further update which can be provided in due course

Asset Group	Education	3 <sup>rd</sup> Tier Manager	Morag Brown / Wendy Brownlie								
Description of Asset Group and Condition Assessment	Asset Group		No and/or value.	Condition				Suitability			
				A	B	C	D	A	B	C	D
	Primary Schools (in use)	65	15	50	0	0	15	50	1	0	
	2-18 schools	4	2	2	0	0	1	2	1	0	
	Joint Campus	1	1		0	0	1		0	0	
	Secondary Schools	5	4	1	0	0	4	1	0	0	
	Complex addition needs schools	1		1	0	0	1		0	0	
	Adult learning centres, and a Youth Centre	2		1	1	0		1	1	0	
	Early Learning and Childcare Centres	2			0	0			0	0	
	School Houses	19			0	0			0	0	
ABC Learning Estates Strategy – Learning Environments in all schools should have a suitability grading A or B A=good; B=satisfactory; C=poor; D=bad											
Investment (current and planned)	Funding source		Current Year		Anticipated Investment (£m)						
			2022-23 (£m)		2023-24	2024-25	2025-26				
	Block Allocation	Scottish Government	2.770		2.243	2.226		2.232			
	Block Allocation Carried Forward*	Scottish Government	1.515		2.011						
	1140 Hours	Scottish Government	1.036		0.019						
	CO2 Grant	Scottish Government	0.116								
	Gaelic Grant	Scottish Government	0.038								
	New Schools	Scottish Government	0.615		0.570						
	Revenue	Council	0.246								
			<b>6.336</b>		<b>4.843</b>	<b>2.226</b>		<b>2.232</b>			
* Previous years commitments / carry forward due to combination of COVID19, labour / contractor shortages / holiday period has contributed to carry forward to future years. May be future carried forward to future years											
2022-23 Overview											
<b>Investment Strategy</b>											
<ul style="list-style-type: none"> <li>The current strategy is to focus on high and medium Asset Sustainability priority projects - no funding is allocated to 'service development' or 'strategic change projects'</li> <li>The aim is to maintain the current condition scores and improve suitability scores</li> <li>£1.036M reserved for 1140 hours ELC expansion</li> <li>£2.92M reserved for Asset Sustainability along with £1.515M carry forward was used to undertake major maintenance and keeping assets that we have wind, watertight &amp; safe) ensuring schools remain in a minimum B category and avoid slippage into C</li> <li>Within the block allocation a contingency budget was allocated to address emerging issues.</li> </ul>											

- Projects identified via Condition + Suitability Assessment and Learning Estate Strategy

### Risks

#### Asset sustainability

- Significant backlog of maintenance work includes roof repairs, rewiring, damp repairs, heating upgrades and suitability works. Failure to invest in planned capital maintenance in a timely manner will see a reduction in the scores and could result in component failure and building closure.
- Diminishing level of investment coupled with increased costs (inflation and construction costs) mean many buildings and building elements are deteriorating at a rate which may not be able to be addressed and revenue (maintenance / reactive) expenditure. This is beginning to impact on the use of buildings, capacity of the school, flexibility to deliver the curriculum, support for pupils with complex needs and our inspection ratings. This will continue unless the number of properties are reduced or the capital and revenue budget is increased

#### Summary of Planned 2023-24 investment

#### Investment Strategy at funding levels indicated above

- At current funding levels the focus will remain focused on high and medium Asset Sustainability priority projects - no funding is allocated to 'service development' or 'strategic change projects'
- The aim is to maintain the current condition scores and improve suitability scores
- £2.243M reserved for Asset Sustainability will be used to undertake major maintenance and keeping assets that we have wind, watertight & safe) ensuring schools remain in a minimum B category and avoid slippage into C
- Within the block allocation a contingency budget was allocated to address emerging issues.

#### Top three service/asset group priorities

Service Priority	Cost (£)	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
1. Progress LEIP Bid for new Campus on Mull	~£35m over 5 years (Council pay up front but 50% recouped over 25 years)	Calculated	Political and financial backing given at Council Sept 2022	Strategic Change
2. Deliver Learning Estate Strategy Aims – condition B or better plus outdoor enhancements	Block	Indicative	NA	Service Development
3. Asset Sustainability	Block	Indicative	NA	Asset Sustainability

#### Match funding Opportunities/External Funding

	Achieved 2022-23	Opportunities 2023-24
Asset Sustainability	Nil	Climate Change - See below Gaelic Medium
Service Development	Climate Change - See below	Climate Change - See below

Strategic Change	Bid for Learning Estate Investment Programme (LEIP) Funding	Climate Change - See below
<p>Major opportunity to access Government flagship investment programme Learning Estate Investment Programme (LEIP) for new campus on Mull.</p> <p>In relation to climate change, opportunities for external funding will continue to be explored to allow delivery of projects similar to the Non-Domestic Energy Efficiency Framework (NDEEF). These opportunities could offer low carbon solutions throughout the wider Argyll and Bute area, which would not only assist the Council in its journey to Net Zero Carbon (NZC) but would also result in financial benefit through revenue savings or additional income. The delivery of these types of project which fall into a spend-to-save category will also consider Prudential Borrowing as a funding source i.e. where simple payback breaks even in relatively short timeframes.</p>		
<p><b>Links to relevant strategies</b></p> <p>Corporate Asset Management Strategy</p> <p>Learning Estates Strategy</p> <p>CO6: We have an infrastructure that supports sustainable growth</p>		

## STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

Asset Group	Shared Accommodation	3rd Tier Manager	Craig Houston							
Description of Asset Group and Condition Assessment	The condition/suitability information for the assets in the group has been extracted from the Council's Property Management System (Concerto) and have been assessed using the Scottish Government Core Facts methodology.									
	Asset Group	No and/or value.	Condition				Suitability			
			A	B	C	D	A	B	C	D
	Shared Offices (Owned)	26	2	24	0	0	8	14	4	0
Shared Offices (Leased)	1	0	1	0	0	0	1	0	0	
Investment (current and planned)	Funding	Funding source	Current Year (£m)		Anticipated Investment (£m)					
			2022-23	2023-24	2024-25	2025-26				
	Block Allocation in Year Allocation	Scottish Government	0.561	0.431	0.428	0.429				
	Block Allocation carried forward	Scottish Government	1.688	2.061						
	Place Demonstrator Fund	Scottish Government	0.664							
<b>TOTAL</b>		<b>2.913</b>	<b>2.492</b>	<b>0.428</b>	<b>0.429</b>					
2022-23 Overview										
<b>Investment Strategy</b>										
<ul style="list-style-type: none"> <li>The investment strategy for Shared Office Accommodation in 2022-23 was to focus on improving building elements throughout the asset group, whose condition was assessed as being either poor (C rating), bad (D rating) or is becoming life-expired, by delivering Asset Sustainability projects on a prioritised basis - no funding was allocated to 'Service Development' or 'Strategic Change' projects.</li> <li>The aim was primarily to maintain buildings such that their condition is assessed as being satisfactory (B rating) or good (A rating). On a secondary basis the investment strategy looks to improve the suitability of buildings to function more efficiently and effectively as offices.</li> <li>During 2022-23 the Our Modern Workspace programme commenced to rationalise the council's office estate and support agile working. Existing budgets were reviewed for affected buildings and circa £660k was reallocated for use by the project. Match funding of £664k was obtained from the Place Demonstrator Fund (part of the Scottish Government's Place Investment Fund)</li> </ul>										
<b>Risks</b>										
<ol style="list-style-type: none"> <li>Significant backlog of maintenance work includes roof repairs, rewiring, heating upgrades and suitability works. Failure to invest in planned capital maintenance in a timely manner will see a reduction in the condition scores and could result in component failure and building closure.</li> <li>Diminishing level of investment coupled with increasing works costs (inflation, material/labour costs) mean many buildings and building elements are deteriorating at a rate which may mean that their improvement is not be able to be addressed. This will continue unless the capital allocation and/or revenue budget is increased</li> <li>Under investment increases the risk of both reputational damage to the Council from poor appearance of buildings and third party insurance claims from building users (both staff and visitors)</li> </ol>										
Summary of Planned 2023-24 investment										
<b>Investment Strategy at funding levels indicated above</b>										
<ul style="list-style-type: none"> <li>At proposed funding levels, the investment strategy for Shared Office Accommodation will continue to focus on improving building elements throughout the asset group whose condition is assessed as being poor, bad or is becoming life-expired by delivering Asset Sustainability projects on a prioritised basis. Funding including match funding is also allocated to Our Modern Workspace which is considered to be a 'Strategic Change' project of low cost. No funding was allocated to 'Service Development'</li> </ul>										

- The ongoing aim is primarily to maintain buildings such that their condition is assessed as being satisfactory (B rating) or good (A rating). On a secondary basis the strategy looks to improve the suitability of buildings to function more efficiently and effectively as offices.
- The proposed block allocation will be used to deliver asset sustainability projects on a prioritised/value for money basis to upgrade: roofs; windows; office related car parks, electrical installations (re-wires), heating plant etc. to ensure ongoing compliance with health and safety legislation.
- During 2023-24, the proposed funding will continue to be used, in conjunction with match funding, to deliver the Our Modern Workspace programme to rationalise the office estate and support the Council's move to agile working.

#### Top three service/asset group priorities

Service Priority	Cost (£)	Are costs indicative or calculated	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
1. Conclude OMW Programme	£1.2m	indicative	£0	Strategic Change
2. Property Upgrade of Municipal Buildings, Oban	£260k	indicative	£0	Asset Sustainability
3. Re-Wire Kilmory aligned to OMW Programme	£1.4m	indicative	£0	Asset Sustainability

The Council has already made a significant reduction to its carbon footprint and is arranging to achieve net zero by 2045. This will require an appropriate carbon related audit of the Shared Accommodation properties, to allow a Strategy to be developed that results in the production of an Action Plan. Following on from that the Council will need to set aside funding to allow projects, from the Action Plan, to be delivered. The extent of the funding requirements is currently unknown.

#### Match funding Opportunities/External Funding

	Achieved 2022-23	Opportunities 2023-24
Asset Sustainability	Nil	No external/match funded opportunities
Service Development	No Service Development projects	No Service Development projects planned
Strategic Change	No Strategic Change projects	Climate Change - See below

In relation to climate change, opportunities for external funding will continue to be explored to allow delivery of projects similar to the Non-Domestic Energy Efficiency Framework (NDEEF). These opportunities could offer low carbon solutions throughout the wider Argyll and Bute area, which would not only assist the Council in its journey to Net Zero Carbon (NZC) but would also result in financial benefit through revenue savings or additional income. The delivery of these types of project which fall into a spend-to-save category will also consider Prudential Borrowing as a funding source i.e. where simple payback breaks even in relatively short timeframes.

#### Links to relevant strategies

Corporate Asset Management Strategy

Decarbonisation Plan 2021

CO6: We have an infrastructure that supports sustainable growth

## STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

Asset Group	HSCP	3 <sup>rd</sup> Tier Manager	James Gow							
Description of Asset Group and Condition Assessment	The HSCP operates services from 31 Council owned properties, many of which have significant backlog maintenance and health safety related maintenance and improvement requirements.									
	A project is on-going to purchase the Kintyre Care Home (Campbeltown) which will expand the portfolio in 2023.									
	A review of customer needs and future demographic demands is underway which will inform a routemap for new CareHomes and supported living throughout our region. This will inform future investment in our estate.									
	<u>Example 1</u>									
	Asset Group	No.	Condition				Suitability			
			A	B	C	D	A	B	C	D
	Elderly Persons Homes	6		6				5		1
	Children's Homes	5	3	2			3	2		
	Hostels	3		3				3		
	Resource Centres	3		3			1	1	1	
Offices	8	3	5			1	6	1		
Other	6		6			2	3	1		
In addition to the above, an independent report on the condition and suitability of the 6 care homes was commissioned by the HSCP which identified a large number of backlog maintenance issues. A project group has been established to prioritise remedial works within the resources available and taking into account that it is likely that some of the estate will not be operational in the longer term. Health & Safety risks have also been identified in respect of sprinkler systems and emergency power generators. Given the review and delivery of the new care home replacement project (which is at early stages) some of these health and safety or priority works may be required to maintain facilities in safe and operational condition.										
Investment (current and planned)	Funding	Funding source	Current Year		Anticipated Investment (£m)					
			2022-23 (£m)		2023-24	2024-25	2025-26			
	Block Allocation	Scottish Government	0.550		0.442	0.428	0.429			
	Block Allocation Carried Forward	Scottish Government	0.078		1.478					
			<b>0.628</b>		<b>1.920</b>	<b>0.428</b>	<b>0.429</b>			
2022-23 Overview										
<b>Investment Strategy</b>										
Backlog maintenance and suitability requirements are being prioritised within the budget available which is not sufficient to bring all of the properties operated by the HSCP up to a good standard. Investment is being targeted at essential maintenance, weather proofing and health and safety related priorities. The care home estate in particular requires internal redecoration. The work plan also takes into account priorities highlighted by the care inspectorate.										
It is anticipated that a strategic transformational project to consider new care models and care home replacement will be taken forward in 2022/23 and 2023/24. The first phase will be business case development and will be progressed in partnership between the HSCP and A&B Council. The HSCP has also recognised that it does not have sufficient management capacity at present and is in the process of appointing a new senior manager with Estates and Facilities management expertise.										
<b>Risks</b>										
1. Reputational damage as living conditions for residents is not always of a high standard or reflective of fees charged										
2. Poor quality property contributing to difficulties in staff recruitment										
3. Health and safety risks have been identified										

Mostly these relate to the care home Estate. Addressing these is being quantified at present.

There is a requirement to address issues in care homes which are unlikely to be in use in the longer term and further consideration of this balance between short term essential maintenance and longer term transformation is required.

#### Summary of Planned 2023-24 investment

Total investment available will contribute to:

- Addressing severe backlog maintenance issues within the Care Home Estate
- Address Fire Safety priorities arising from recent review
- Minor redecoration and improvement of Children's Home Estate

The works will include: essential roof/partial roof replacement and upgrades to manage water ingress; works to address deficiencies with building services (e.g. re-wires/boiler plant upgrades); works to assist with compliance with current care home standards and safe access/egress (e.g. lift upgrade). As a result of the investment, the condition of individual elements will improve but the impact on the overall condition of the assets is anticipated to remain static, or decline, given that the condition of other building elements is deteriorating.

An independent detailed review of the care home estate has been completed and identified a significant investment need which far exceeds available resources.

#### Top three service/asset group priorities

Service Priority	Cost (£)	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
1. Care Home refurbishments and Health & Safety improvements (sprinklers, back up generators etc)	3.7m plus fees	Indicative per Hypostyle report	2.2m	Asset sustainability
2. Maintenance of Children's Homes	100k	Indicative	-	Asset Sustainability
3. Strategic Business Case	100k 2023/24	Indicative		Transformation

#### Match funding Opportunities/External Funding

	Achieved 2022-23	Opportunities 2023-24
Asset Sustainability		Pre-Capital support funding from Scottish Government
Service Development	£50k from HSCP resources to fund Hypostyle review of Care Homes.	
Strategic Change	£40k invested in staffing to support older adult review work. £340k allocated by the HSCP to fund direct cost to progress the purchase of KCC during 2022/23	£40k approx. support from Scottish Government / Shelter applied for to support key worker accommodation project. Will be funded by the HSCP and Scottish Government and supported by A&B Council. HSCP match funding will be circa £40k over 2 years.

		Joint project to develop a business case for transforming older adult care services to be developed with A&B Council
<p><b>Links to relevant strategies</b></p> <p>Older Adults / Care Home and Housing Strategy work underway</p> <p>HSCP Strategic Workforce Plan</p>		



## STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

Asset Group	liveArgyll	3 <sup>rd</sup> Tier Manager	Marius Huysamer								
Description of Asset Group and Condition Assessment	Building condition and suitability is measured in accordance with the Local Government Benchmarking Framework (LGBF). The condition rating of buildings is measured through an assessment of the main elements of the building (roof, walls, windows, doors, services etc.) via a weighted scoring matrix. Suitability is measured in a similar manner but instead of building elements, assesses themes including: location; accessibility; building facilities; the working environment; and ICT infrastructure etc. These assessment methodologies have recently changed and in moving forward will require more input/assessment for each property. All information is recorded within the Council's property management system, Concerto, and LGBF returns are made on an annual basis.										
	Asset Group		No.	Condition		Suitability					
				A	B	C	D	A	B	C	D
	Community Centres		4	0	2	2	0	0	3	1	0
	Leisure Centres		4	1	3	0	0	0	3	1	0
	Halls		5	1	4	0	0	1	3	1	0
	Libraries		11	4	7	0	0	2	7	2	0
	Museums		1	0	0	0	0	0	1	0	0
	Archives		1	0	1	0	0	0	1	0	0
	Sandbank HQ		1	0	1	0	0	0	1	0	0
	Sport Centre		1	1	0	0	0	0	1	0	0
	Campbeltown Pavilion		1	1	0	0	0	0	1	0	0
	Overall condition/suitability category										
	More than 85%			A: Compliant (Good)							
	Between 60% and <85%			B: Requires Improvement (Satisfactory)							
Between 40% and <60%			C: Considerable Improvement Required (Poor)								
Less than 40%			D: Not Compliant (Bad)								
Investment (current and planned)			Current Year		Anticipated Investment (£m)						
	Funding	Funding source	2022-23 (£m)	2023-24	2024-25	2025-26					
	Block allocation	A&B Council	0.561	0.431	0.428	0.429					
	Block allocation	Carried forward	-0.001	*0.675							
	<b>Totals</b>		<b>0.560</b>	<b>1.106</b>	<b>0.428</b>	<b>0.429</b>					
<i>*Previous years' commitments/carry forward due to a combination of COVID19, contractor/labour shortages and Brexit, has contributed to carry forward to future years.</i>											
2022-23 Overview											
<b>Investment Strategy</b>											
<b>Asset Sustainability</b>											
Property condition and suitability assessments are reviewed annually along with input from Property Officers on burdensome maintenance issues to inform elements of buildings that need attention/investment.											
<b>Business Development</b>											
The asset group managed by liveArgyll is ageing and requires more capital investment to ensure it remains in an operable state. Year-on-year the Capital Investment is becoming less which in turns places greater strain on an already insufficient central repairs budgets. Underinvestment of Capital funds will lead to facilities that will further deteriorate in condition and suitability and inevitably reach a stage where they are deemed not fit for purpose.											

Failure to maintain assets and ensure they are fit for purpose will adversely impact on liveArgyll's ability to deliver agreed service specification requirements and fulfil charitable objectives.

### Strategic Change

From a business strategy perspective the failure or long term unavailability of an asset, particularly a leisure centre or venue may have a significant impact the Company's ability to generate income, thus reducing the likelihood of the Company achieving a primary objective of becoming less reliant on management fee funding. There is great potential to increase recurring income streams and generate new streams however amongst other things, this requires the Asset base to be fit for purpose and of a suitable standard and quality which ensure customers choose to use and pay for services. The council is contractually bound through the licence agreement with liveArgyll Leisure Trust to invest in and maintain assets.

### Risks

Risks are generic to buildings of age and character in this sector but can include:-

1. The block funding allocation is insufficient to address identified work (particularly in context of current rising prices).
2. Planning/Building Control Issues.
3. Technical Challenges as further work is done to detail the necessary improvements at each location.
4. Known presence of asbestos in certain buildings

### Summary of Planned 2023-24 investment

#### Investment Strategy at funding levels indicated above

##### Asset Sustainability

All proposed work is to sustain the current asset portfolio occupied and managed by liveArgyll Leisure Trust. Work is required to maintain the facilities in a wind and water tight condition and to ensure compliance to legislative and regulatory requirements. Significant project slippage have occurred over the past two year so projects have been carried over to future years. Work will include, roof refurbishment, boiler replacement, re-wire of aging buildings, window replacement, re-tiling of swimming pool, remedial work to stem water ingress, remedial work to DHW systems and pool plant, refurbishment of health suites, replacement of a heating system and replacing a spa pool.

##### Strategic change

Further investment will be required to assist with the council's Asset Rationalisation programme. Works identified will address issues under the Equalities Act 2010 and Health and Safety regulations.

### Top three service/asset group priorities

Service Priority	Cost (£m)	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
Implementation and planning of a range of facility development projects aimed at increasing capacity, improving services and offering, as well as adapting to changing customer behaviour.	0.35	Indicative	0.35	Service Development
In support of liveArgyll's business contingency planning, liveArgyll need to replace and refurbish	0.87	Indicative	0.87	Asset sustainability

assets that are deemed not fit for purpose.				
Launching our new Leisure Management System and customer booking app.	0.2	Indicative	0.2	Service Development/Strategic change
<b>Match funding Opportunities/External Funding</b>				
	<b>Achieved 2022-23</b>		<b>Opportunities 2023-24</b>	
Asset Sustainability	Although not directly linked to the council's asset management plan, LiveArgyll was successful to secure match funding from East Kintyre Windfarm Trust. These funds will be used to procure new gym equipment for the Aqualibrium.		A match fund application will be made to the Loch Fyne Windfarms via Foundation Scotland. This self-fund project is for the repurposing of the squash court at MASC	
Service Development			liveArgyll continues to explore external / match funding opportunities. Discussions are on-going in respect of specific projects.	
Strategic Change			The Council has agreed to look at any licence revisions required to secure funding on a case by case basis	
<b>Links to relevant strategies</b>				

## STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

Asset Group	ICT	3 <sup>rd</sup> Tier Manager	Gerry Wilson							
Description of Asset Group and Condition Assessment	<b>Asset Group</b>	<b>No and/or value.</b>	<b>Condition</b>				<b>Suitability</b>			
			<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>
	Server Infrastructure Overall	1,850k	182k	8k	1,308k	352k	182k	8k	1,308k	352k
	PC, Laptops and Tablet Devices - Corporate	£829k	207k	174k	253k	195k	207k	174k	253k	195k
	PC, Laptops and Tablet Devices - Education	2,150k	858k	442k	515k	335k	858k	442k	515k	335k
	Communications Equipment incl network devices and Broadband	2,157k	1,740k	55k	106k	256k	1,740k	55k	106k	256k
Supported Business Software Applications(N umber)	80	59	11	8	2	59	12	9	0	
Investment (current and planned)	<b>Funding</b>	<b>Funding source</b>	<b>Current Year</b>		<b>Anticipated Investment (£m)</b>					
			<b>2022-23 (£m)</b>		<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>			
	Block Allocation	Scottish Government	1.011		0.777	0.771	0.768			
	Block Allocation Carried Forward	Scottish Government	0.232		0.481					
	External Income	NHS	0.046							
<b>Total</b>		<b>1.289</b>		<b>1.258</b>	<b>0.771</b>	<b>0.768</b>				
*Previous years commitments/ carry forward due to combination of covid, contractor/labour shortages and Brexit, has contributed to any carry forward to future years										
2022-23 Overview										
<b>Investment Strategy</b>										
<p><b>Asset Sustainability</b> – All of the Council’s ICT assets are replaced on a rolling cycle. PCs and Laptops are replaced on a 4 year (corporate) or 5 year (education) cycle. Major infrastructure assets such as servers, firewalls, and network routers and switches are replaced every 6 years. This is an industry standard approach to the maintenance of critical infrastructure designed to minimise the risk of service failure which would otherwise result in poor system reliability, the unavailability of major systems, and a consequential failure to deliver front line services. The expected lifespan of ICT infrastructure assets is determined by manufacturer support availability, age, or fitness for purpose.</p> <p>The ICT Service normally apports part of the ICT Block Allocation each year to cover the annual PC Replacement and network infrastructure asset costs. Every six years we also have to prioritise our spend on our two data centres (the heart of the ICT environment) which normally means we have to allocate the majority or all of the block allocation for that year to servers and network equipment. The data centres continue to host several hundred council applications as</p>										

the true cost of migrating to the cloud remains unaffordable for many systems. The data centres are due for major upgrades from 23/24 onwards.

We face enormous inflationary pressures on the ICT Capital Programme as the post pandemic global supply crisis impacts on technology equipment pricing. 2023/24 and 2024/25 are two years where the need to prioritise investment in critical server and network assets for the data centres means there would be little or no funding available for PC replacement or other service development projects without additional drawdowns from the Capital Contract Increases Earmarking fund to cover some of the inflationary and exceptional cost increases. Our strategy is therefore based on the proposed drawdowns from that fund being approved and allocated to the affected asset replacement projects before the block allocation is then distributed across the remaining sustainability projects – IT Network and Server infrastructure and PC Replacement.

**Service Development and Strategic Change** - The ICT Development framework establishes a consistent and transparent method for the evaluation of ICT business case based proposals being presented to the Strategic Asset Management Board. The framework allows competing demands for Council resources to be compared like for like with the purpose of establishing an ICT Development Plan that includes a mix of small and significant ICT developments that are both affordable and deliverable. The ICT Development Plan determines the ICT Asset service development priorities and the levels of funding required to meet them. This year two business cases have been approved at the Asset Management Board for the replacement of the Civica Document Management and Workflow System, and of the Revenues and Benefits System. Both have been included in the capital work programme for 2023/24.

#### Risks

1. All ICT Assets - Failure of key infrastructure supporting technology components that are critical for day to day service delivery across all services of the Council. The severity and the reach of the impact will very much depend on which components fail and consequences for individual services but could also be cross Council affecting. As technology components age and move out of support, the Council risks non-compliance with PSN, Cybersecurity and PCI DSS obligations.
2. PCs and laptops are currently replaced on a 4 year Corporate and 5 year Education cycle with no warranty or maintenance on PCs after the first 3 years. This has consequences for the reliability of desktop equipment. On warranty expiry, the Council is required to effectively self-insure against failure.
3. Service Development - In addition to impacting our ability to comply with our security obligations, the risk of underinvestment for key business application systems will result in missed opportunities for greater efficiencies and service improvements across council services.

#### Summary of Planned 2023-24 investment

#### Investment Strategy at funding levels indicated above

##### Server Sustainability

Replacement of Server equipment in Kilmory and GWITC so that our infrastructure is robust, supported and fit for purpose for at least 6 years. This includes replacing our critical firewalls at Kilmory and GWITC datacentres, as well as the replacement of end of life Windows Security Update Servers at every school and main offices. Further major investment on the data centre servers will be required in 2024/25 and then the servers will require minimum investment over the following 5 years. The funding requirement for servers has been met from a combination of the block allocation and drawdown from the Capital Contract Increases Earmarking fund.

##### PC Replacement

- Replacement of Corporate PCs due to become red risk assets (> 4 years old) in 2023/24, with 3 years of warranty.
- Replacement of Education PCs that either are already red risk assets or due to become red risk assets (> 5 years old) in 2023/24, with 3 years of warranty.

Note – the PC replacement programme is based on a continuous cycle of investment. One quarter of all corporate PCs were expected to be replaced each year alongside one fifth of Education PCs each year. The funding requirement for PCs has been met from the ICT block allocation.

**IT Network**

Replacement of IT Network Infrastructure technologies which are either due to become or are already end of life assets in 2022/23, resulting in fitness for purpose for potentially 6 years. This includes replacing end of life network switches at our Kilmory and GWITC datacentres, as well as replacement of network routers at our schools. The funding requirement for IT network equipment for 2023/24 has been met from a combination of the block allocation and drawdown from the Capital Contract Increases Earmarking fund.

**Key Business Applications**

Replacement of Civica Document Management and Workflow System, and replacement of Revenues and Benefits System. This funding requirement has been partially met from the ICT Block Allocation, but a shortfall remains of £137k

**Top three service / asset group**

The ICT Management team follows an industry best practice approach for the replacement of key technology assets based around the age and condition of each asset type. This is required as part of our *statutory* membership of the PSN where we are obligated by the Cabinet Office to maintain our network of servers and devices at current supported levels. The PSN in turn allows us access to their private network to collaborate and share data with other public sector partners such as the National Registrars for Scotland, HMRC, and DWP in a safe, secure, and trusted manner. Our investment priorities are therefore based on sustaining our complex network of circuits, routers, servers, pcs, and applications and this is reflected in our three priorities for 2023/24. Funding from the block allocation, coupled with contributions from the Capital Contract Increases Earmarking fund will allow us to replace red risk critical IT network and server infrastructure assets (£608k) and red risk PCs and laptops (£531k) for 2023/24. It should be noted that a further and greater pressure will apply to both areas in 2024/25.

Our block allocation will also contribute £173k towards the cost of the two big Service Development application replacements scheduled for 23/24 (Revenues and Benefits and EDMS) but a shortfall in funding remains of £137k.

This is illustrated in the following table for 2023/24:

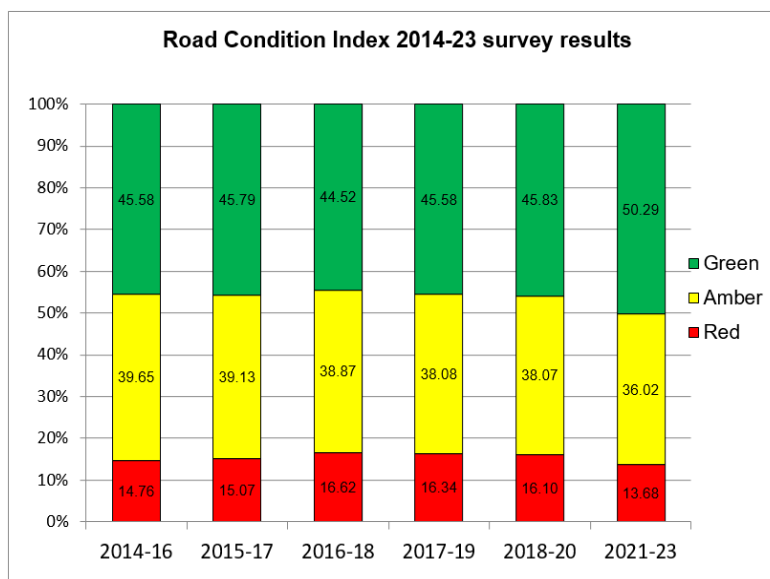
Service Priority	Cost	Budget available	Capital Contract Increases Earmarkings	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
1. IT Network and server infrastructure	608k	277k	331k (95k from 22/23 and 236k from 23/24)	calculated	0	Asset Sustainability
2. PC replacement programme	531k	531k	0	calculated	0	Asset Sustainability
3. Business Application Systems (service dev)	310k	173k	0	estimated	137k	Service Development

Match funding Opportunities/External Funding		
	Achieved 2022-23	Opportunities 2024-25(should this be 2023-24?)
Asset Sustainability		
Service Development	49	
Strategic Change		
<b>Links to relevant strategies</b> <a href="#">ICT and Digital Strategy 2021 -24</a>		

## STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

Asset Group	Road Infrastructure (Carriageways and Footways)	3 <sup>rd</sup> tier Manager	Hugh O'Neill (RIS Network and Standards Manager)			
Description of Asset Group and Condition Assessment	Asset Group	No and or/Value*	CONDITION (percentages based on total asset value)			
			Green/ Purple	Yellow	Amber	Red
	Roads *See below comments	£2.09Billio n	50.24%	N/A	36%	13.76%
	Footways	£78.3Milli on	*	*	*	*
This can be further broken down to <b>road classification</b> as per below table:						
<b>Overall Road Condition % by Class</b>				<b>Road Condition Index (Red% + Amber%)</b>		
<b>Road Class</b>	<b>% RED</b>	<b>% AMBER</b>	<b>% GREEN</b>			
A	7.46	29.9	62.64	37.4		
B	15.77	40.7	43.53	56.5		
C	13.86	38.59	47.55	52.5		
U	16.37	34.75	48.88	51.1		
Urban	3.92	27.66	68.42	31.6		
Rural	16.15	38.03	45.82	54.2		
<b>All</b>	<b>13.76</b>	<b>36</b>	<b>50.24</b>	<b>49.8</b>		
*Footway Asset condition surveys are not currently undertaken due to limited resources and cost implications. Generally footways are considered safe and fit for purpose with maintenance works undertaken in response to identified defects or public complaints as investment and resources permit.						
The below graph highlights the latest road condition survey results which show a marked improvement in condition from the last normal survey 54.4% to current 49.8%. This is directly attributed to the sustained investment from Council recognising the significance of our road network, which has allowed over 50% of our Network to be in the 'Green' condition for the first time over the last 8 years of reporting.						





Investment (current and planned)	Funding	Funding source	Current Year	Anticipated Investment (£m)		
			2022-23 (£m)	2023-24	2024-25	2025-26
Block Allocation		Scottish Government	4.378	3.449	3.412	4.292
Block Allocation Carried Forward		Scottish Government	0.959	0.754		
Additional Council Allocation		Scottish Government	3.023	0.130		
Chord Budget		Scottish Government	0.003	0.057		
Electric Vehicle Charges		Scottish Government	0.093			
STTS		Scottish Government	0.958			
			<b>9.414</b>	<b>4.390</b>	<b>3.412</b>	<b>4.292</b>

## 2022-23 Overview

### Investment Strategy

#### Prioritisation of Asset Sustainability:

Road condition is measured by the Scottish Road Maintenance Condition Survey (SRMCS) which assesses parameters such as surface texture and cracking, smoothness and rutting. This provides an indication of the residual life of the road structure.

As previously highlighted, Footway Asset Condition Surveys are not currently undertaken due to limited resources and cost implications. Generally footways are considered safe and fit for purpose with

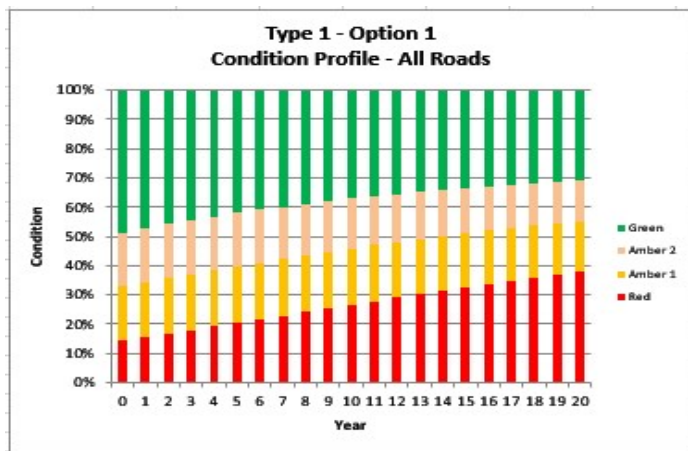
maintenance works undertaken in response to identified defects or public complaints as investment and resources permit.

**CAPITAL RESURFACING INVESTMENT OPTIONS**

The below lists 4 options where direct comparison can be made with investment against a 20 year profile for road condition.

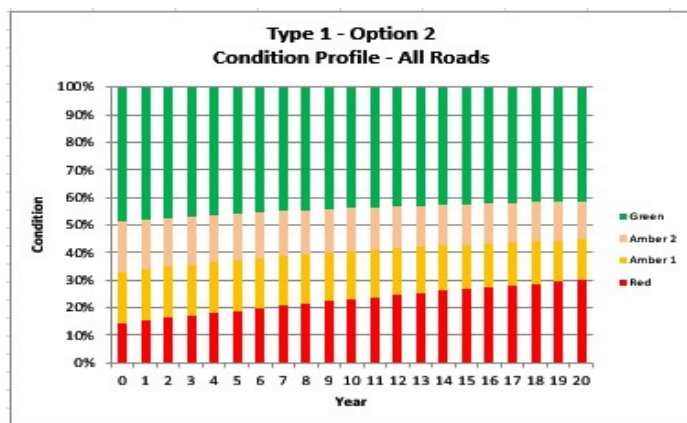
**OPTION 1— £3M**

An annual investment of £3m would lead to a substantial deterioration on overall RCI with 69% of our roads requiring attention after 20 years including 38% of roads considered in the red category, this would significantly increase risk to road users safety. The volume of reactive temporary repairs would steadily rise, year on year as would public liability claims. Customer satisfaction levels can be expected to steadily decrease.



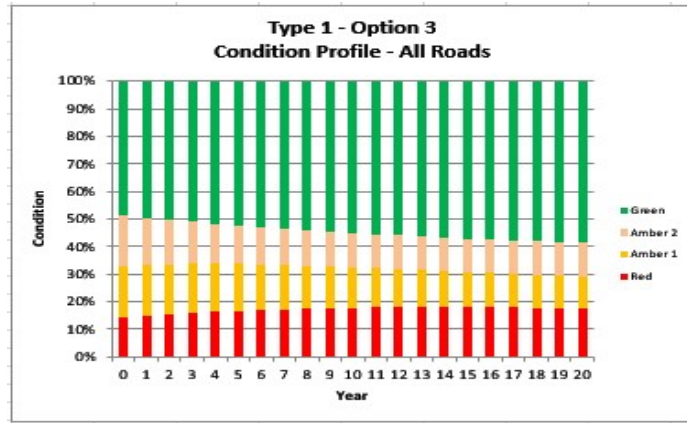
**OPTION 2— £5M**

An annual investment of £5m would lead to a slower deterioration on overall RCI with 59% of our roads requiring attention after 20 years including 30% of roads considered as red category. This is almost double the latest result (16.34%) for red category roads. The volume of reactive temporary repairs would steadily rise, year on year as would public liability claims. Customer satisfaction levels can be expected to steadily decrease.



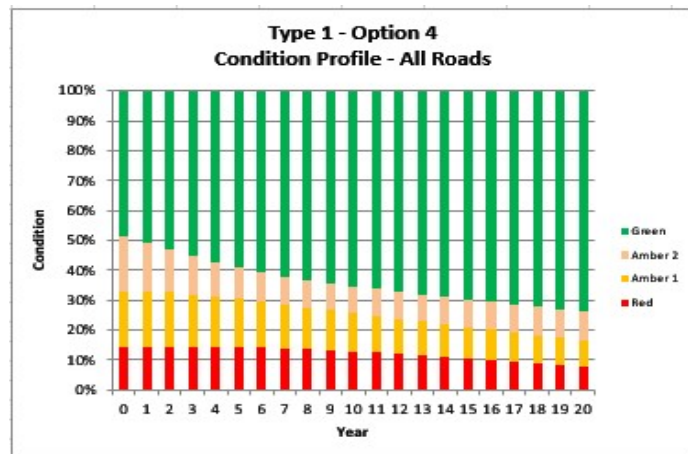
**OPTION 3 — £8M**

An annual investment of £8m would lead to steady state in overall RCI with 41% of our roads requiring attention after 20 years including 18% of roads considered as red category which is on par with current red condition (16.34%). The volume of reactive temporary repairs would likely remain similar to current levels over initial period and would be expected to remain similar over time as road condition remains constant. Public liability claims would also be expected to remain similar. Customer satisfaction levels would also remain in steady state.



**OPTION 4 — £11M**

An annual investment of £11m for the next 20 years should lead to a substantial improvement in overall RCI with only 27% of roads requiring attention including only 8% of roads in red category, half the current red condition (16.34%). This differs slightly from the projected value from the SCOTS Backlog and Steady State model, due to a different method of predicting future carriageway condition. This would potentially make Argyll and Bute council the leading Scottish authority in terms of RCI. A substantial reduction in reactive repairs and public liability claims can be expected. Demands on limited resources would be lessened and customer satisfaction levels will also be greatly improved through this investment.



**Prioritisation of Service Development:**

The annual Capital Reconstruction Programme aims to deliver investment on a range of surfacing projects targeted at improving network condition across Argyll. The bulk of investment (77%) is attributed to Surface Dressing (SD) and thin surfacing works to maximise network coverage. The aim being to seal and extend surface life with a SD treatment and tackle as much deteriorated surface as possible with thin surfacing works so as to help reduce demand for costly reactive treatment works

### Prioritisation of Strategic Change:

The value of undertaking adequate preventative maintenance works cannot be over stated. It is the most vital and fundamental function required to extend infrastructure service life, strengthen network resilience and minimise demand for capital investment. To maintain a steady state road condition, **investment of at least £8M is required annually.**

As has been demonstrated in the below table, over the last 10 years, where we have seen average investment of at least £8 Million on Roads Reconstruction, RIS have been able to improve our road condition which in turn improves visitor numbers/local businesses as well as supporting our communities daily commute. This year for the first time since we have been recording road conditions we have been able to improve our roads to have over 50% in the good condition category. This is purely down to investment and the support provided by members allowing RIS officers to manage the network effectively.

To ensure we sustain this level of improvement over the next five years and do not regress in our road condition which is reported through Scottish Government, a minimum budget of £8 million per annum is required. To improve on this condition then further **investment in excess** of £8M is required.

Year	Capital & Revenue	Survey year	RCI
2013-14	£9,826,466	2013-15	55.6
2014-15	£8,896,996	2014-16	54.4
2015-16	£6,799,499	2015-17	55.3
2016-17	£5,821,104	2016-18	55.5
2017-18	£5,233,219	2017-19	54.4
2018-19	£11,502,343	2018-20	54.17
2019-20	£9,472,398	2019-21	N/A (covid)
2020-21	£8,426,346	2020-22	49.8
Average Spend	£8,247,296	Average	54.2

### Risks

1. Increase in third party insurance claims. This would be due to an increase in pot holes and road defects as funding was not sufficient to treat roads properly.

2. Restricted traffic and the possibility of some roads having to be closed on safety grounds. Failure to maintain roads is a duty for Roads Authorities and a lack of funding will require prioritisation of routes which may well restrict vehicular sizes on certain roads to prevent further decline/damage. This would include consideration of weight, width and length limits on our roads as well as restricted speed limits and ultimately road closures if roads were to become unsafe due to damage. The practicality to deliver on road closures or restrictions also imposes a cost on the council funds to provide traffic management and Temporary Traffic Regulation Orders.

3. Detriment to business and tourism should the road network deteriorate to a point that its condition is not convenient for the travelling public.

Summary of Planned 2023-24 investment

**Investment Strategy at funding levels indicated above**

**Asset Sustainability:**

Carry out a drastically reduced mix of surface dressing, edge strengthening, resurfacing works. The surfacing works will include proportionate drainage works. Works will be identified from condition surveys, collision data, and known development activity and reports from the public. Final programmes may be adjusted to take account of any winter deterioration.

**Service Development:**

£3.449M capital budget with the current level of revenue funding would not be sufficient to enable officers to keep the network from deteriorating, dependent on the severity of winter weather which could further deteriorate the network.

**Strategic Change:**

An annual investment of just over £3m would lead to a substantial deterioration on overall RCI with 69% of our roads requiring attention after 20 years including 38% of roads considered in the red category, this would significantly increase risk to road users safety. The volume of reactive temporary repairs would steadily rise, year on year as would public liability claims. Customer satisfaction levels can be expected to steadily decrease

**Top three service/asset group priorities**

<b>Service Priority</b>	<b>Cost (£)</b>	<b>Are costs indicative or calculated)</b>	<b>Estimated funding shortfall</b>	<b>Asset category (asset sustainability, service development, strategic change)</b>
1. Road Maintenance	Minimum of £8M	Calculated as per agreed methods	£4.5M to £5M	Asset Sustainability
2. Footway Maintenance	£950k	Estimation of condition calculated as three percent of gross replacement cost of the asset.	£450k	Asset Sustainability
3. Street Furniture	£3M	Estimated	£3M	Asset Sustainability No funding is allocated to this asset as such it is incorporated in the Road Maintenance Budget.

**Match funding Opportunities/External Funding**

	Achieved 2022-23	Opportunities 2023-24
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Asset Sustainability	<ul style="list-style-type: none"> <li>• STTS £1.025M</li> <li>• Active Travel Funding £500k for footways</li> </ul>	<ul style="list-style-type: none"> <li>• STTS</li> <li>• Coastal Community Funding</li> <li>• RTIF</li> </ul>
Service Development	<ul style="list-style-type: none"> <li>• Coastal Community Funding of £400k for Tobermory Car Park (now being asked to be moved to Tobermory Cemetery)</li> </ul>	<ul style="list-style-type: none"> <li>• Levelling Up Funding – potential rebid</li> </ul>
Strategic Change		

### Links to relevant strategies

Local priorities based on output from machine surveys, SCRIM, STATS 19, engineering judgement, service demands. Roads assessed as amber and those with the greatest impact on the economy.

Maintaining Scotland's Roads – Audit Scotland, February 2011

*“Transport Scotland and Councils should review their road maintenance strategies and plans to confirm that adequate prioritisation is given to those routes which are likely to contribute greatest to economic growth and improved quality of life.”*

The road infrastructure is also covered by the Roads Asset Management Plan (RAMP) which has been carried out as part of a national project steered by SCOTS. This means that the roads asset infrastructure's condition can be compared not only across Argyll and Bute, but across the whole of Scotland.

## STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

NOTE: Some sections require more information to be inputted which will be provided in due course

Asset Group	Street lighting	3 <sup>rd</sup> Tier Manager	Tom Murphy								
Description of Asset Group and Condition Assessment	Gross street lighting stock replacement cost (new replacement) from the current Asset Register is £47m We have 13,616 Lighting Columns (9920 Galvanised Steel, 2266 Un-galvanised Steel, 1278 Aluminium Columns, 42 Concrete Columns, 110 Lights on Wooden Poles) It is estimated that 35-45% of these columns have exceeded their expected service life of 25-30 years, with some in the region of 70 years.										
	Asset Group		No and/or value.	Condition				Suitability			
				A	B	C	D	A	B	C	D
	Street Lights (Luminaires)		14,642								
	Illuminated Signs		434								
	Traffic Lights/signals		27								
We do not have an accurate conditions index for Street Lights and illuminated signs, however they were inspected in our LED replacement programme which is still ongoing. Service Standards: To ensure that our asset is maintained properly, electrical certification / testing is required every 6 years with column condition and ranking carried out every 4 years as part of scheduled planned maintenance. This has not been done properly since 2015.											
Investment (current and planned)	Funding		Funding source	Current Year		Anticipated Investment (£m)					
				2022-23 (£m)		2023-24	2024-25	2025-26			
	Block Allocation		Scottish Government	0.250		0.150	0.150				
	Block Allocation Carried Forward		Scottish Government	-0.110		0.300					
	Additional Council Allocation		Council			0.300					
	Prudential Borrowing		Council	0.791							
			<b>0.931</b>		<b>0.750</b>	<b>0.150</b>	<b>0.000</b>				
2022-23 Overview											
<b>Investment Strategy</b>											
£740k budget is made up of £250k annual allocation + £190k unspent from 2021/22 due to COVID and £300k from the Feb 2022 Budget Motion: Allocates £300k to deliver a programme of street lighting column replacement and improvement across Argyll and Bute, prioritised based on condition, with funding for at least 260 lighting columns.											
The current financial years funding will allow the LED upgrade replacement programme to be finalised. This will use the remaining prudential borrowing of £3.9m to replace sox and son fittings with LED energy efficient cost saving luminaires to be complete prior to April 2023.											
<b>Risks</b>											
1. Failure to properly invest in lighting will see an increase in third party insurance claims											
2. Health and safety consideration if columns are old and rusted with the potential to fall down in adverse weather.											

3. Detriment to business and tourism should the network deteriorate to a point that its condition is not convenient or safe for the travelling public / pedestrians and motorists.

#### Summary of Planned 2023-24 investment

#### Investment Strategy at funding levels indicated above

With limited investment of £150k. We will only be able to react to a very minor portion of street lighting issues. We prioritise funding through a study of planned maintenance findings, analysis of fault records and reliability, Light level meter checks for inadequacies, column condition scores – All will be considered to compile and prioritise programs of work.

#### Top three service/asset group priorities

Service Priority	Cost (£)	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
1. Completion of LED installation programme	LED Business Case	Calculated	0	
2. Column replacement and cabling works	£700k	Calculated	0	
3. Continue asset sustainability works	tbc	Indicative – value tbc	tbc	

#### Match funding Opportunities/External Funding

	Achieved 2022-23	Opportunities 2023-24
Asset Sustainability		Underground cabling to be replaced in key locations to reduce ongoing outages
Service Development	Completion of LED rollout anticipated	Roll out of column replacement
Strategic Change		

#### Links to relevant strategies



## STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

NOTE: Some sections require more information to be inputted which will be provided in due course

Asset Group	Amenity	3 <sup>rd</sup> Tier Manager	Hugh O'Neill and Tom Murphy with input from Mark Calder re toilets.							
Description of Asset Group and Condition Assessment										
	Asset Group	No and/or value.	Condition				Suitability			
			A	B	C	D	A	B	C	D
	Cemetery	131	44	8	8	5	0	0	0	66
	Parks and Open Spaces	30 Play Parks	6	4	18	2				
	Parks and Open Spaces	Sports Fields	5	6	14	0				
	Parks and Open Spaces	Stadium	3	0	1	0				
Toilet facilities						0	0	0		
<p>Argyll and Bute Council has 131 Cemeteries with 66 Closed for the sale of lairs. They are however still being opened for interments as well as the Council being responsible for the upkeep of the Cemetery. They have been listed as Suitability D in the above Table.</p> <p>65 Cemeteries are open for the sale of lairs, however they have been broken down in the condition table to whether they have 0-5 years capacity Condition D/5-10 years Condition C/10-20 years Condition B and 20+ years Condition A.</p> <p>Argyll and Bute Council have 30 Play parks which are listed as A in urgent need of repair, B in need of repair, C minor repairs needed and D in good order.</p> <ul style="list-style-type: none"> <li>- <b>Sports Fields</b> - We have 26 Sport Fields which cater for a mix of football/shinty and rugby. We have listed them as A=Good condition/B=Reasonable Condition/C=Poor Condition. Most require drainage work as well as work to improve the playing surfaces of the pitches and update/replace fencing.</li> <li>- <b>Stadiums</b> – We have 3 stadiums which are listed as 2 in good condition and 1 in poor condition</li> <li>- <b>Toilets</b> – 16 high footfall public conveniences will shortly have charging infrastructure installed through a £300,000 scheme [£100,000 Council capital; £200,000 Coastal Communities]. Income received can be used to meet previously unachieved income targets.</li> </ul>										
Investment (current and planned)	Funding	Funding source	Current Year		Anticipated Investment (£m)					
			2022-23 (£m)		2023-24	2024-25	2025-26			
	Block Allocation	Scottish Government	0.000		0.100	0.100	0.000			
	Block Allocation Carried Forward	Scottish Government	0.816							
	Capital Grant	Scottish Government	0.000		0.312	0.235	0.391			
	Council Additional Allocation	Council	0.100							
			<b>0.916</b>	<b>0.412</b>	<b>0.335</b>	<b>0.391</b>				
2022-23 Overview										
<b>Investment Strategy</b>										
<b>Cemeteries</b>										
Officers are reviewing the capacity of cemeteries, those with less than 5 years capacity are prioritised in line with budget availability. Cemeteries are either extended or when this is not possible then nearby land is identified where possible within Council ownership and if not then land owners are approached to purchase land. To support										

cemeteries with less than 5-10 years capacity, officers have suggested a change in policy in regards to lair availability, whereby the pre-sale of lairs is stopped when capacity is less than 5-10 years. This has still to be presented to the relevant committee for a change in policy.

**Play Parks**

Play Parks have been reviewed by trained officers to identify defective equipment and surfaces. Previously no funding has been available and defective equipment has either been removed or fenced off. On occasion funding sources have been identified to locally refurbish equipment and play parks such as Atlantis in Oban. The details of the review have now been collated to identify an overview document highlighting the priority play parks in need of refurbishment with the Scottish Govt Funding. Play park funding will be covered by the Scottish Govt budget for another three years. There are no further plans to develop play parks further than this.

**Pitches**

Most pitches are in need of drainage work as well as work to improve the playing surfaces of the pitches and update/replace fencing. Several pitches have previously had drainage works carried out and now at least 6 need urgent drainage works to enable sports to be played on the pitches.

In regards to Rothesay Stadium, this requires extensive drainage works as well as building works to ensure health and safety is not compromised. Work is also required to continue to improve the mobile stand.

**Public Conveniences**

Various public conveniences are undergoing turnstile improvements and general upgrades. At the P&R Committee meeting on 13/10/22 additional funding was approved subject to SG confirming the anticipated level of Coastal Communities funding being received.

R&IS will work with property colleagues with a view to putting in place an asset management system for Public Conveniences which helps to identify long term programmes of works removing the more reactive approach to none statutory property maintenance for the R&IS property estate.

**Risks**

1. Failure to provide sufficient funding for Cemetery expansion and development will Risk the Council as a Burial Authority being in breach of Legislation in not being able to bury the dead. Further this will damage the council's reputation should mere cemeteries close and cause negative feedback from deceased relatives etc.
2. Sports pitches would become unfit for purpose which would be detrimental to the council's objective of a healthy community. This would also see clubs using all weather facilities at the council's High schools, this has recently been raised as an issue with clubs being unable to book the pitches due to over subscription. Officers have also experienced sports clubs taking their bookings to neighbouring authorities.
3. Breach of Health and Safety legislation if toilets are not maintained in a good condition

Summary of Planned 2023-24 investment

**Investment Strategy at funding levels indicated above**

1. Challenges in being able to carry out the statutory duty of where people want to be buried without investment and cemetery extensions/new sites.
2. Lack of sports areas will cause issues for youths and children as well as fail to deliver on our Improvement Plan Outcomes 4 and 5. Plus now evidence of sports clubs moving outwith the area to train and play sports.
3. Reputational damage, less likely to attract new families into our area and sports clubs having to use facilities in neighbouring Councils.
4. Underinvestment may lead to the closure of our facilities which cause reputational damage.
5. Currently ongoing partnership discussions with sports clubs in Oban around attracting local investment to improve Mossfield Stadium and other sports fields in the Oban and Lorn area.

**Top three service/asset group priorities**

Service Priority	Cost (£)	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
1. Burials/Cemetery Expansion and or Development	£310k	Indicative	£310k	Asset sustainability
2. Play Parks/Sports areas	£938k	Indicative		Asset Sustainability
3. Toilets – turnstiles	£300k	Calculated		Asset Sustainability

The highest priority for R&IS is Cemeteries at this time, the below table highlights 5 locations where there is less than 5 years available capacity for lair space as well as high level indicative costs for each location amounting to £310k. Experience of previous expansion and land purchase timescales highlights that at least 5 years are required in some cases to identify, source, purchase and prepare the land for use as a cemetery.

Cemeteries ACTIVE Expectancy - YEARS REMAINING CAPACITY - RE-EVALUATION OF PREVIOUS SITES - OCTOBER 2022							
AREA / DISTRICT	CEMETERY	LAIRS SOLD SEPTEMBER 2021 TO SEPTEMBER 2022	NUMBER OF NEW LAIRS REMAINING FOR SALE OCT22	ESTIMATED REMAINING OPERATIONAL YEARS	UPDATED COMMENTS – NOVEMBER 2022 – INCLUDING ASSESSMENT OF CONSTRUCTION POTENTIAL AND ESTIMATED COST	ESTIMATED VALUE OF DEVELOPMENT INCLUDING ANY LAND PURCHASE	DISTANCE TO NEXT NEAREST OR "MAIN" DISTRICT CEMETERY . Name Miles
Cowal	Strachur	3	6	2.00	12 New spaces FOUND 2022 in existing area On prog 2022-23 NEW SITE - Succoth Road tbc - land enquiries and Planning applications 2023.	£ 150,000.00	Sandbank 10miles
Isle of Mull	Calgary	1	2	2.00	Development of extension 2021-22 (~160 single depth lairs ) Works completed in Lieu of land sale – to prepare area for use / access – Planning application for change of use – early 2023	£ 20,000.00	Beadoun (Tobermory) 15miles
Cowal	Cowal High Road	24	50	2.08	On development programme 2022 (# NEW ADJACENT SITE SANDBANK #) Major development of main cemetery for Dunoon and South Cowal - land enquiries and Planning applications 2023 for development in stages . Site clearance Feb 23	£ 100,000.00	n/a
Cowal	Kilmun	12	28	2.33	33 ADDITIONAL LAIRS IN EXTENDED AREA 2022 however 12 already sold – 28 LAIRS remain available 2023 – NO PRESALE TO PRESERVE SPACE. On completion of all Lair Sales – provision to be incorporated in Sandbank development	None - No land	Sandbank 5miles
Isle of ISLAY	Keills, Islay	3	15	5.00	Potential for extension of existing to be considered , brought into programme due to increased sales – CONSIDER NO PRE-SALE TO PRESERVE SPACE	£ 40,000.00	Bowmore 8miles
5 year programme Budget						£ 310,000.00	

#### Match funding Opportunities/External Funding

	Achieved 2022-23	Opportunities 2023-24
Asset Sustainability	£157k from Scottish Govt Play Park Fund	£235k from Scottish Govt Play Park Fund
Service Development		Currently ongoing partnership discussions with sports clubs in Oban around attracting local investment to improve Mossfield Stadium and other sports fields in the Oban and Lorn area.
Strategic Change		

#### Links to relevant strategies:

Play Park and Cemeteries: [December EDI](#) (Items 5 and 7).

## STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

Asset Group	Depots	Manager	Tom Murphy/John Blake		
Description of Asset Group and Condition Assessment	In terms of a description of the asset group, apart from the two new single depots in Helensburgh and Oban the remainder are increasingly unsuitable. A table with comments and future uses in terms of the proposed programme should capital funding be available is provided below. There is an ongoing review of the proposed programme and how it is resourced and funded:				
Area	Site	Retain and Repurpose	Dispose	Retain	Comments
Mid Argyll	Bishopton Rd		x		Compelling operational need/risk due to condition of fleet workshop
	Moneydrain		x		
	Kilmory	x			Site clearance and enablement progressing. Two phase project – full design; construct Fleet workshop Ph1; remainder Ph2
Islay	Bowmore Roads Depot		x		Housing
	Bowmore Amenity Depot		x		Housing
	Springbank salt yard		x		Leased from Luss Estates
Dunoon	Hamilton St	x			Suitable for single depot site, limited groundworks required unlike Kilmory and JQ
	Victoria Rd		X		Punitive lease arrangement and ongoing maintenance costs are v high
	Broxwood		X		Storage area in Sandbank
	Millhouse			X	Important for winter service
Kintyre	Roading Garage	x			The two Roothing sites are nearby, with the Renewi site inbetween. The former KRL building is to the rear of the Garage. There could be possibilities for a single depot on or around parts of these sites
	Roothing amenity depot	x			As above
	MACC roads depot		x		Leased

Oban	Jackson Quarry	x			This is complete
	Mill Park		x		
	Appin		x		
	Dalmally			x	Important for winter gritting – adjacent to A819 which is the most turned out route in AB

Investment (current and planned)			Current Year	Anticipated Investment (£m)		
	Funding	Funding source	2022-23 (£m)	2023-24	2024-25	2025-26
	External Income	Revenue	0.024	0.000	0.000	0.000
			<b>0.024</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>

#### 2021-22 and 2022-23 Overview

#### Investment Strategy

Asset sustainability in terms of general day to day maintenance is undertaken by Property colleagues through the Central Repairs Account within revenue.

There is no identified funding for investment in service development/strategic change projects, however; were funding to be identified we would look to develop a programme considering such factors as operational need, asset condition, ongoing maintenance cost avoidance and commercial opportunities for sites to be vacated. Ultimately the programme should be driven by operational need as opposed to possible savings.

A scheme in Lochgilphead would be the first priority due to the condition of the Bishopton Road fleet workshop; followed by Islay due to housing demand then Dunoon due to high lease and maintenance costs

#### Risks

Apart from the new depots in Oban and Helensburgh the condition of the remainder of the asset group is increasingly unsuitable. Capital investment is required both to provide fit for purpose facilities for the workforce as well as to reduce the over number of assets, releasing sites for other economic opportunities.

#### Summary of Planned 2023-24 investment

#### Investment Strategy at funding levels indicated above

There is no identified capital funding.

**Top three service priorities** (please list the top three service priorities and whether or not funding is currently available or potential sources of funding, as well as timelines. This provides Elected Members with an insight into what will or could be funded to maintain/improve service delivery. This section will help to inform thinking on future priorities, lobbying activity and external funding bids and to develop a pipeline of projects)

Service Priority	Cost (£)	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
1. Lochgilphead depot rationalisation	£3million	Indicative based on cost of Jackson's Quarry depot Oban, completed 2021	£3million [note some of these costs could be offset by borrowing against income derived from vacated sites. At the last valuations this could raise c. £1million borrowed over 30yrs]	Service development
2. Islay depot rationalisation	£1million	Indicative	£1million	Strategic change [enabling new housing opportunities]
3. Dunoon	£1-2million	Indicative	£1-2million	Service development

#### Match funding Opportunities/External Funding

	Achieved 2022-23	Opportunities 2024-35
Asset Sustainability		Capital receipts / revenue generated from surplus depots
Service Development	£68,000 for EV chargers at Jackson's Quarry from Switched on Fleets	Expected to be at least at 22/23 levels
Strategic Change		

#### Links to relevant strategies

## STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

Asset Group	Parking	3 <sup>rd</sup> Tier Manager	Hugh O'Neill									
Description of Asset Group and Condition Assessment	Argyll and Bute have 118 off street car parks ranging from formally laid out urban car parks to less formal more rural car parks.											
	There is no fixed scoring mechanism for our car parks, although safety inspections are carried out to a standard similar to those carried out on the road network. Wardens and local roads inspectors report issues as and when necessary. We recently updated our car park inventory on our Asset Management System and facilitate regular condition inspections in all ABC car parks to ensure best value.											
	Asset Group		No.		Condition				Suitability			
					A	B	C	D	A	B	C	D
	Car Parks		118		42	53	21	1	N/A	N/A	N/A	N/A
Argyll and Bute Council has 29 Pay and display car parks. We have no details in regards to suitability, therefore have gauged the asset on Condition alone as per above.												
There is no capital funding for car parks – car park maintenance budget money is funded from the generated revenue money raised from fees and charges.												
Initially funding bids were created for Tobermory car park which resulted in:												
<ul style="list-style-type: none"> <li>• £375k from Rural Tourism Infrastructure Funding</li> <li>• £400k Coastal Community Funding.</li> </ul>												
Investment (current and planned)	Funding		Funding source		Current Year		Anticipated Investment (£m)					
					2022-23 (£m)		2023-24	2024-25	2025-26			
	Coastal Communities Fund		Scottish Government		0.400		0.000	0.000	0.000			
	COVID funding		Scottish Government		0.176		0.000	0.000	0.000			
	TOTAL				<b>0.576</b>		<b>0.000</b>	<b>0.000</b>	<b>0.000</b>			
Tobermory has been experiencing traffic management issues with parking in and around the Ledaig area of Tobermory Mull. To alleviate this it was proposed that a car and coach park would be situated just outside of Tobermory next to the current cemetery which was nearing capacity. Currently parking is at a premium and local residents and businesses are being affected by inappropriate and at times dangerous parking in and around Ledaig. To facilitate economies of scale it was agreed to build an extension to the cemetery at the same time as the car park. The car park was being partly funded by a grant of £400k from the Coastal Community Fund. The funding was agreed for the 2021/22 period, however due to COVID this was delayed into financial year 2022/23. It has now also become apparent that the cost for the Cemetery Extension will be well in excess of what was envisaged. Two tender quotes of £896k and £760k were received for work to extend the Cemetery. Therefore the building of the car park has been held in abeyance and officers are looking to now vire the Coastal Community Funding Grant for the car park to fund Tobermory Cemetery. It is proposed that this will go to Members for approval in a report to P&R in February.												
2022-23 Overview												

**Investment Strategy**

£270k Revenue Funding for Improvements to lining, car park surfaces and associated maintenance of grounds and parking machines. Improve current condition of sites with the most deterioration in line with finances available.

**Risks**

1. Failure to invest in proper surfaces will incur liability claims with an increase in 3<sup>rd</sup> party insurance claims
2. Loss of revenue if parking meters are not fixed timeously
3. Failure to future proof car parks with Traffic Regulation Orders to allow proper management and enforcement may make Argyll and Bute less popular as a tourist destination and reduce tourist numbers affecting the local economy/tourism and businesses.
4. Improving current site conditions will improve tourist numbers and better manage traffic around towns and villages as well as possibly allow event space.

**Summary of Planned 2023-24 investment****Investment Strategy at funding levels indicated above**

A further Funding bid for Glen Loin 2 Car Park was successful for £30k towards Designing a new car park area. This is expected to allow future funding bids to re-design the car park and possibly install toilets, EV Charging bays and camper van bays. Predictions on funding will be no sooner than 2024/25 and will not be evaluated until next year (2023).

**Top three service/asset group priorities**

Service Priority	Cost (£)	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
1. Glen Loin 2	Unknown			Asset Sustainability
2. Tobermory Car Park	Approx £1M	Previously calculated	£1M (no funding identified at this time)	Service Development
3. Revenue Improvements	£270k	Calculated	£0	Asset Sustainability

During Covid Loch Lomond experienced large volumes of staycation visitors. A partnership group including The National Park, Forestry & Land Scotland, Transport Scotland, Police Scotland, Luss Estates and Argyll and Bute Council worked together to support local communities in and around Luss, Arrochar and Duck Bay areas. Part of this included a Traffic Management plan which sought to improve and increase the car park at Glen Loin 2. Funding was successfully bid to redesign the car park with support from Rural Tourism Scotland; the plan to re-design the car park is fully supported by the other partners. The finalised re-design has not yet been fully costed.

The Tobermory Car Park is currently held in abeyance due to the increase in costs experienced for the joint Cemetery and Car Park project. The island community of Mull are keen to improve the parking infrastructure particularly around Ledaig, Tobermory and further discussions have taken place to look at other potential nearby sites. Consideration will be given to a bid from the Island Infrastructure Fund to support building the car park.

**Match funding Opportunities/External Funding**

	Achieved 2022-23	Opportunities 2023-24
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Asset Sustainability	RTIF Funding of £30k for Re-Design of Glen Loin 2 Car park	RTIF Funding for improvement to Glen Loin 2 car park
Service Development		Possible Islands Infrastructure Fund
Strategic Change		
<b>Links to relevant strategies:</b> N/A at this time as Design is still being carried out for Glen loin 2 in Arrochar.		

## STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

Asset Group	Bridges & Retaining Walls	3 <sup>rd</sup> Tier Manager	Elsa Simoes	
Description of Asset Group and Condition Assessment		Number	Condition Indicator*	
	Bridges (over 1.5m span)**	902 (increase from March 2021 due to new structures identified not previously listed on the asset register)	BCi 89.01***	
	Recorded retaining walls (over 1m retained height) – estimated that 80% of total number are recorded**	677		
<p>* Very good &gt;=90 &amp; &lt;=100; Good &gt;=80 &amp; &lt;=90; Fair &gt;=65 &amp; &lt;=80; Poor &gt;=40 &amp; &lt;=65; Very Poor &gt;=0 &amp; &lt;=40</p> <p>**Culverts under 1.5m span are managed by Operations and are excluded from the above – however, if a culvert is replaced and its span is increased above 1.5m due to flood risk mitigation, it would be reclassified as a bridge.</p> <p>**Retaining walls under 1m retained height are managed by Operations</p> <p>*** This demonstrates a continued deterioration from 89.06 in 2020/21, 89.27 in 2019/20 and 90.72 in 2012/13. It should be noted that structural assets deteriorate slowly. In future, it is expected the weight average BCi will be recorded. Currently it is 89.33 – a deterioration compared to 89.47 in 2020/21 and 89.92 in 2019/20.</p> <p>Bridge Condition is calculated through Structural Inspections carried out by in-house Bridge Inspectors through the Asset Management Software used by a number of Councils.</p> <p>Structural condition is measured through the in-house inspection of assets which considers each element of a structure. National guidance documents are utilised as well as a standardised Asset Management system.</p> <p>There is a backlog of maintenance due to a number of structures that have been identified below (currently) totalling £24.4m.</p>				
		<b>Bridge No. &amp; Name</b>	<b>Area</b>	<b>Restriction (MGW)</b>
		A846-239 LAGGAN OLD (Weak Bridge)	Islay	10T
		B8025-020 ISLAND ADD (Weak Bridge)	Mid Argyll	3T
		B866-020 GLACHAVOIL (Weak Bridge)	Cowal	7.5T
		C012-050 MILINDRY SCHOOL (Weak Bridge)	Islay	13T
		C038-010 BRIDGEND (Weak Bridge)	Mid Argyll	18T
		C038-050 BARMOLLOCH (Weak Bridge)	Mid Argyll	18T
		C057-010 OLD BALLIEBEG (Weak Bridge)	Cowal	18T
		U010-090 LEACAINN (BRENACHOILLE) (Weak Bridge)	Mid Argyll	7.5T
		U010-100 BRANDON STREET (Weak Bridge)	Cowal	7.5T
		U021-020 IRON (Weak Bridge)	Islay	3T
		U022-050 GLENDARUEL (Weak Bridge)	Cowal	7.5T
		U027-010 MILLHOUSE (Weak Bridge)	Cowal	18T
		U031-010 NEWTON BURN (Weak Bridge)	Cowal	10T
		U042-100 AIRDS HOTEL (Weak Bridge)	Lorn	10T
		U046-010 KILBRIDE (Weak Bridge)	Cowal	10T

Investment (current and planned)	Funding	Funding source	Current Year	Anticipated Investment (£m)		
			2022-23 (£m)	2023-24	2024-25	2025-26
	Block Allocation	Scottish Government	0.500	0.450	0.450	
	Block Allocation Carried Forward	Scottish Government	-0.270	1.119		
	Additional Council Allocation	Council	0.148	0.602		
	Coastal Change Adaptation	Scottish Government		0.159		
	Local Bridge Maintenance Fund	Scottish Government	0.475	4.972		
			<b>0.853</b>	<b>7.302</b>	<b>0.45</b>	<b>0.000</b>

## 2022-23 Overview

**Investment Strategy**

Bridge Inspections are carried every 24 months in accordance with DMRB Standards.

Principal Inspections / Structural Reviews / Bridge Assessments are undertaken to determine priority of strengthening/improvement works.

Capital Bridge Strengthening and Replacement Programme is prioritised using an in-house risk-based methodology which considers overall condition and risk of structure, extent and severity of defects, usage of structure and engineering judgement. This methodology has been modified in recent years to take account of new SCOTS guidance.

Revenue Structural Maintenance is currently prioritised using an in-house risk-based methodology which considers overall condition of structure, extent and severity of defects, usage of structure and engineering judgement.

Bridge Parapets (including vehicular barriers associated with bridge structures) have been ranked using an in-house system of factors.

Structures:

*Capital Bridge Strengthening and Replacement Programme (including LBMF)*- *Strengthening & Replacement of Bridges & Retaining Walls**Bridges in need of additional funding:*

- *Auchengaich Bridge, A817 Haul Road*
  - *£200k for strengthening works following work identified in Principal Inspection*
- *Clachan (Atlantic) Bridge, Lorn*
  - *£100k for strengthening works following work identified in Principal Inspection*
- *Finlas Water Bridge, A817 Haul Road*
  - *£200k for strengthening works following work identified in Principal Inspection*
- *Middle Brae Retaining Wall, Tobermory, Mull*
  - *£250k for reconstruction works following structural failure*
- *Whistlefield South Bridge, Lomond*

- £50k to install restrictions for road and rail safety on Council owned bridge over Network Rail line
- Lindowan Culvert, Kilcreggan
  - £1.2m for bridge strengthening or replacement scheme
- Eachaig Footbridge, Cothouse, Dunoon – historic iron footbridge.
  - £300k estimated budget required to allow structure to be retained as footbridge and to be renovated (rather than be demolished)
- Victoria Footbridge, Dunoon - historic iron footbridge.
  - £350k estimated budget required to allow structure to be retained as footbridge and to be renovated (rather than be demolished)

*Revenue Structural Maintenance*

- Bridge & Wall Inspections
- Bridge & Wall Maintenance Repairs
- Management of Abnormal Load Notifications
- Technical Approval
- Asset Management

*Revenue Structural Assessment*

- Assessment of Bridges and Retaining Walls

The current level of total capital & revenue funding is expected to result in an increase in the number of restricted bridges in the longer term as well as a reduction in the overall Bridge Condition indicator (BCi).

*Coastal:*

*Capital Coastal Protection*

- Coastal Protection Strengthening Repairs

*Revenue Coastal Protection:*

- Coastal Protection Inspections
- Coastal Protection Maintenance Repairs

*Asset Management*

**Risks**

1. Increase in risk of bridge/road weight restrictions or closures.
2. Communities being left isolated should any single access areas have closures or restrictions imposed. For example Seil, Easdale and Luing communities will be severely affected if Kilninver bridge had to have a restriction.
3. Inspections, assessments and works are prioritised to best manage the risks versus available funding and the Council's responsibilities for its assets.

Summary of Planned 2023-24 investment

**Investment Strategy at funding levels indicated above**

Top three service/asset group priorities				
Service Priority	Cost (£)	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
1. Bridge Strengthening and Replacement Programme	£5.45m	Calculated	£0	Asset sustainability
Match funding Opportunities/External Funding				
	Achieved 2022-23	Opportunities 2023-24		
Asset Sustainability	Scottish Government's Local Bridge Maintenance Fund - £5.45m Coastal Change Adaptation - £160k	Dynamic Coast Project funding (coastal change)		
Service Development	None.			
Strategic Change	None.			
Links to relevant strategies				
<ul style="list-style-type: none"> <li>• Maintain safe network of structures in accordance with <a href="#">Roads (Scotland) Act 1984</a></li> <li>• <a href="#">Argyll and Bute Council - Roads Asset Management Plan (RAMP) - June 2017</a></li> <li>• <a href="#">Argyll and Bute Council - Coast Protection Policy and Strategy - March 2015</a></li> <li>• Ensure value for money for Council (through provision of cost efficient in-house design team). Maintain stock of Qualified Engineers.</li> </ul>				

## STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

Asset Group	Flood Protection Infrastructure	3 <sup>rd</sup> Tier Manager	Elsa Simoes																																						
Description of Asset Group and Condition Assessment	<p>Designed flood protection schemes in Rothesay (coastal), Dunoon (two no. fluvial alleviation schemes; Milton Burn and Kilbride Road). No formal condition rating. Concerns about Rothesay FPS are known. Investigations and studies are ongoing to determine future maintenance requirements.</p> <p>Kilcreggan SWMP identified Tigh Dearg Road and foul drainage issues – design ongoing in conjunction with Scottish Water. Helensburgh surface water drainage has also been identified and designs are ongoing.</p> <p>Other informal structures which provide flood protection to population centres would require to be documented in order to quantify the asset, owner, and condition. This is in part the purpose of the Local Flood Risk Management Plan 2022-2028, to assess risk in those areas affected by flooding.</p> <p>Watercourse assessments to be carried out and a schedule of clearance and repair works to be programmed.</p> <p>A Surface Water Management Plan has been incorporated into the Campbeltown Flood Protection Scheme and the Council aims to prioritise other areas respectively.</p> <p>Shoreline Management Plans are a requirement from the Flood Risk Management Plans. Whilst there is no allocated budget, the Council is preparing a specimen along the Bute shoreline.</p> <p>The current focus of delivery are the two Local Flood Risk Management Plans which relate to Argyll and Bute as described in this document (Highland and Argyll, Clyde and Loch Lomond).</p> <p>The maintenance backlog on designed flood protection assets is minimal currently (Rothesay and Dunoon) as these assets are relatively new. Current flood alleviation assets are maintained under a combination of flood, coastal, and roads budgets depending upon the context.</p> <p>On a wider scale there are under and un-designed flood protection assets throughout Argyll and Bute which are not formally recognised as such and may not be owned by the Council but serve this purpose e.g. the banks of the Black Lynn through Oban. There is an unknown backlog on such assets but would certainly run to tens of millions of pounds of investment to bring to an ideal condition.</p>																																								
Investment (current and planned)	<table border="1"> <thead> <tr> <th data-bbox="410 1610 628 1688">Funding <i>(eg block grant, Crown Estates, Sustrans etc)</i></th> <th data-bbox="628 1610 836 1688">Funding source <i>(eg Council, Scot Govt etc)</i></th> <th data-bbox="836 1610 1043 1644">Current Year</th> <th colspan="3" data-bbox="1043 1610 1481 1644">Anticipated Investment (£m)</th> </tr> <tr> <td></td> <td></td> <th data-bbox="836 1644 1043 1688">2022-23 (£m)</th> <th data-bbox="1043 1644 1198 1688">2023-24</th> <th data-bbox="1198 1644 1353 1688">2024-25</th> <th data-bbox="1353 1644 1481 1688">2025-26</th> </tr> </thead> <tbody> <tr> <td data-bbox="410 1688 628 1783">Block Allocation</td> <td data-bbox="628 1688 836 1783">Scottish Government</td> <td data-bbox="836 1688 1043 1783">0.155</td> <td data-bbox="1043 1688 1198 1783">0.305</td> <td data-bbox="1198 1688 1353 1783">0.305</td> <td data-bbox="1353 1688 1481 1783"></td> </tr> <tr> <td data-bbox="410 1783 628 1877">Block Allocation Carried Forward</td> <td data-bbox="628 1783 836 1877">Scottish Government</td> <td data-bbox="836 1783 1043 1877">-0.086</td> <td data-bbox="1043 1783 1198 1877">0.464</td> <td data-bbox="1198 1783 1353 1877"></td> <td data-bbox="1353 1783 1481 1877"></td> </tr> <tr> <td data-bbox="410 1877 628 1951">Chord Budget</td> <td data-bbox="628 1877 836 1951">Council</td> <td data-bbox="836 1877 1043 1951">0.004</td> <td data-bbox="1043 1877 1198 1951">0.128</td> <td data-bbox="1198 1877 1353 1951"></td> <td data-bbox="1353 1877 1481 1951"></td> </tr> <tr> <td data-bbox="410 1951 628 2078">Coastal Communities Fund</td> <td data-bbox="628 1951 836 2078">Crown Estate</td> <td data-bbox="836 1951 1043 2078"></td> <td data-bbox="1043 1951 1198 2078">0.300</td> <td data-bbox="1198 1951 1353 2078"></td> <td data-bbox="1353 1951 1481 2078"></td> </tr> </tbody> </table>					Funding <i>(eg block grant, Crown Estates, Sustrans etc)</i>	Funding source <i>(eg Council, Scot Govt etc)</i>	Current Year	Anticipated Investment (£m)					2022-23 (£m)	2023-24	2024-25	2025-26	Block Allocation	Scottish Government	0.155	0.305	0.305		Block Allocation Carried Forward	Scottish Government	-0.086	0.464			Chord Budget	Council	0.004	0.128			Coastal Communities Fund	Crown Estate		0.300		
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	Council - Campbeltown Flood	Council	-0.647	3.248	0.266	
	Scottish Government - Campbeltown Flood	Scottish Government	4.605	5.800	1.065	
			<b>4.031</b>	<b>10.245</b>	<b>1.636</b>	<b>0.000</b>

## 2022-23 Overview

**Investment Strategy**

On a strategic scale this is through the Local Flood Risk Management Plan(s) and the SEPA led National Flood Risk Assessment process to consider local history and impact of flooding as well as national flood risk based on climate change predictions – all in accordance with Flood Risk Management (Scotland) Act 2009.

The cost of implementing flood protection schemes has to be less than the damages avoided i.e. a benefit cost ratio of greater than one. Non-economic benefits are also being considered by SEPA. However, the weighting this has on its prioritisation is being considered by the Scottish Government and COSLA.

**Risks**

1. A key risk is loss of investment from Scottish Government. There is a defined process currently for assessing flood risk and prioritising investment across Scotland. If ABC do not participate in this process then the potential for 80% funding of flood schemes is lost.
2. Road closures and loss of assets – Several population centres in Argyll and Bute will be at significant risk of more frequent flooding in the future with climate change. Communities living along lifeline roads may be cut off temporarily. This will lead to considerable financial impact to properties and businesses. **Ultimately, significant flooding events can lead to loss of life.**

## Summary of Planned 2023-24 investment

**Investment Strategy at funding levels indicated above****Top three service/asset group priorities**

Service Priority	Cost (£)	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
1. Completion of Campbeltown Flood Protection Scheme	15.215m	Calculated	0	Strategic Change
2. Carrying out works as identified under section 18 scheduled of clearance and repair.	TBC	TBC	TBC.	Asset Sustainability
3. Carry out emergency and urgent reactive works punctually	Unknown	N/A	Unknown	Asset Sustainability

Delivery of identified Cycle 2 schemes as per the Local Flood Risk Management Plan cycle one flood studies are considered as possible future schemes should Scottish Government Funding be identified and made available. Scottish Government funding would be expected to cover 80% of each scheme.

## Match funding Opportunities/External Funding

	Achieved 2022-23	Opportunities 2023-24
Asset Sustainability	None	Not Yet Known
Service Development	None	Not Yet Known
Strategic Change	80% contribution for Campbeltown Flood Protection Scheme from Scottish Government.	Possible Scottish Government identification of funding for 80% contribution to Cycle 2 Schemes identified from Cycle 1 Studies.

**Links to relevant strategies**

- [Argyll and Bute Council - Flood Risk Management Policy – March 2015](#)
- Flood Risk Management Plans (Cycle 2):
  - [Highland and Argyll - Local Flood Risk Management Plan \(2022-2028\)](#)
  - [Clyde and Loch Lomond - Local Flood Risk Management Plan \(2022-2028\)](#)
- [Campbeltown Flood Protection Scheme \(argyll-bute.gov.uk\)](http://argyll-bute.gov.uk)



## STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

Asset Group	Fleet Services	3 <sup>rd</sup> Tier Manager	John Blake																														
Description of Asset Group and Condition Assessment	Fleet Services		No.	Condition				Suitability																									
				A	B	C	D	A	B	C	D																						
	Fleet vehicles & plant equipment		504																														
	TOTAL		504																														
<p>Condition information relating to fleet lifecycle will be forthcoming due to time required to extract this information from systems and work currently underway.</p> <p>Vehicles and plant equipment will be maintained in line with current legislation.</p>																																	
<table border="1"> <thead> <tr> <th rowspan="2">Asset Group</th> <th rowspan="2">No and or/Value*</th> <th colspan="4">CONDITION (percentages based on total asset value)</th> </tr> <tr> <th>Green / Purple</th> <th>Yellow</th> <th>Amber</th> <th>Red</th> </tr> </thead> <tbody> <tr> <td>Changes to legislation which will come into force in 2025 requiring smaller vehicles to move away from petrol and diesel fuelled types</td> <td>Capital £9,558,369  Revenue £1,533,232 per annum</td> <td>0%</td> <td>0%</td> <td>0%</td> <td>100.00%</td> </tr> <tr> <td>Fleet replacement (remainder of the Fleet)</td> <td>Capital £1.5m</td> <td>0%</td> <td>0%</td> <td>0%</td> <td>100.00%</td> </tr> </tbody> </table>												Asset Group	No and or/Value*	CONDITION (percentages based on total asset value)				Green / Purple	Yellow	Amber	Red	Changes to legislation which will come into force in 2025 requiring smaller vehicles to move away from petrol and diesel fuelled types	Capital £9,558,369  Revenue £1,533,232 per annum	0%	0%	0%	100.00%	Fleet replacement (remainder of the Fleet)	Capital £1.5m	0%	0%	0%	100.00%
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Investment (current and planned)	Funding	Funding source	Current Year 2022-23 (£m)	Anticipated Investment (£m)																													
				2023-24	2024-25	2025-26																											
	A&B Council	Prudential Borrowing	1.187	1.000	0.000	0.000																											
	A&B Council	Earmarked Reserves	0.499	0.000	0.000	0.000																											
	Total		<b>1.686</b>	<b>1.000</b>	<b>0.000</b>	<b>0.000</b>																											
2022-23 Overview																																	
<p><b>Investment Strategy</b></p> <p>There are insufficient funds to have a full vehicle replacement cycle in 2025 due to Programme for Government Commitment to phase out Public Sector operating or leasing of petrol and diesel cars and vans by this year. There is currently no legislation or clarification of an exact implementation date as discussions ongoing with sector.</p> <p>The authority operates 504 Fleet vehicles. Vehicles are replaced dependant on funding and the focus replaces vehicles which cost a significant amount of revenue to maintain. The number of vehicles replaced within financial year 2022/23 is 7, orders remain outstanding due to a delay in build.</p> <p>The Scottish Government are making changes to the legislation that relates to vehicle use in the public sector – which could be enforceable at earliest on 1<sup>st</sup> January 2025. All cars and small vans under 3.5 tonnes in weight are required to be replaced to battery electric vehicles. The number of vehicles required to be replaced within A&amp;BC Fleet is 124. Investment is required now to ensure a programme is implemented for changing the current petrol and diesel vehicles to battery electric vehicles. Capital costs for replacing all vehicles under 3.5 tonnes (small cars &amp; vans) is £9,558,369 capital, revenue costs for leasing the replacement vehicles are £1,533,232 per annum, the lease term is 3 years and includes maintenance. Charging infrastructure is required to support the transition to comply with the Scottish Government requirements on public sector bodies to move to electric vehicles. The infrastructure requirements will be a challenge to the authority due to the power supply required and the geographical area of</p>																																	

Argyll and Bute inclusive of island settings. A&BC must invest in charging infrastructure throughout Argyll & Bute to support compliance. Currently A&BC are not on course to achieve compliance with replacing smaller vehicles or having suitable infrastructure in place due to lack of funding.

The current underspend/ slippage is due to the build time for replacement vehicles. Timeframes vary from 6 months to 24 months to procure suitable vehicles and plant equipment. Capital funds with an element of prudential borrowing has allowed for essential vehicles to be replaced through capital purchase. It is noteworthy that all replacements are essential and purchases have been made on the basis of increased maintenance costs with particular vehicle types. High maintenance costs remain prevalent, this is due to the absence of sufficient funding to replace the Fleet on a cyclical basis.

### Risks

1. The inability to provide reliable, safe fleet vehicles and plant to service users to fulfil statutory requirements relating to work plans. There is a significant risk with the current ageing Fleet and having insufficient funds, the only option to mitigate against this risk is to invest in a full fleet replacement cycle. Capital funding has been made available with an element of prudential borrowing to purchase essential vehicles. This balance is difficult as all vehicles are essential.
2. Increased revenue expenditure for repairs and maintenance as well as service disruption due to vehicles being off the road, this risk can be related to current maintenance costs which are attributable due to the older vehicles that the authority continues to operate.
3. Currently the council isn't on course to achieve compliance with changes in legislation in 2025 for smaller vehicles to move away from petrol and diesel fuelled types. There is a risk of legal non-compliance once this comes into force, the scale of the risk is significant if capital or revenue funds are not made available. In addition, EV infrastructure requires investment to allow the introduction of the vehicles into the service should funding be made available.

To comply with legislative changes the capital costs for replacements would be:

Table 1. Purchase - Best value

Vehicle Class	Vehicle Class 2	Purchase Price - Best Value
02	Car Derived Van/P-up	224,900
03	Cars/Estates	998,712
04	Panel Van < = 3000Kg	574,000
06	Car 4x4	61,800
07	Electric Vehicles	524,960
08	Hybrid - PHEV - Car	512,160
09	Hybrid - PHEV - Van Van4x4/Dual	346,000
10	Purpose	157,500
20	Accessible Car	471,000
21	MPV	848,250
22	Bus 12-17 Seater	4,312,000
35	Tipper 300>3500Kg	527,087
<b>Grand Total</b>		<b>9,558,369</b>

There are no PHEV or EV 4X4 available

Table 2. Leasing – Best value per annum

Vehicle Class	Vehicle Class 2	Lease Price - Best Value
02	Car Derived Van/P-up	50,297

03	Cars/Estates	196,989
04	Panel Van < = 3000Kg	119,434
06	Car 4x4	14,790
07	Electric Vehicles	91,760
08	Hybrid - PHEV - Car	104,620
09	Hybrid - PHEV - Van Van4x4/Dual	77,380
10	Purpose	26,406
20	Accessable Car	97,920
21	MPV	162,400
22	Bus 12-17 Seater	473,536
35	Tipper 300>3500Kg	117,700
<b>Grand Total</b>		<b>1,533,232</b>

**Lease costs above are per annum**

There are no leases available on PHEV or EV 4X4 or Mini buses available

Summary of Planned 2023-24 investment

**Investment Strategy at funding levels indicated above**

Asset sustainability - The Council has a duty to ensure vehicles are fit for purpose and comply with current legislation. Due to increasing repair and maintenance costs, a replacement programme is underway. Capital and revenue savings have been identified in the procurement of new vehicles. With smaller vehicles having to be replaced with electric vehicles by 2025, there is an anticipated increase in replacement costs associated with vehicle replacements. The cost of complying with legislative changes requires either £9,558,369 capital expenditure or revenue expenditure of £1,533,232 per annum over a 3 year period.

Vehicle replacement will be programmed ensuring that suitable, reliable fleet vehicles and plant equipment are available for service users, and with limited capital investment this will possibly be achieved through prudential borrowing.

This will also contribute to climate change with more modern vehicles purchased and reduced CO2 emissions contributing to the wider council net zero ambitions.

A&BC require additional funds to be allocated to enable the purchase of 4 essential larger vehicles to enter service within the Fleet. Funding is required for 3 x 26 tonne Refuse Carrying Vehicles (£600K) and 1 x 18 tonne Refuse Carrying Vehicle (£180K). The total cost for the 4 essential replacements is £780k. The purchase of these vehicles will reduce maintenance costs and remove older RCV's from the Fleet offering reliability and continuity of service. These funds are required as soon as possible as procuring vehicles can take between 6 and 24 months dependant on availability of parts to enable the build.

A full replacement cycle would be at a cost of £18m. Purchases have already been made with a significant level of capital funding spent on roads vehicles.

**Top three service/asset group priorities**

Service Priority	Cost (£)	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
1. Changes to legislation which will come into force in 2025 requiring smaller vehicles to move away from petrol and diesel fuelled types	Indicative costs are being refreshed and will be available in January	(Calculated) Capital  Revenue	£9,558,369  £1,533,232* per annum	Asset sustainability (like for like service will be the outcome)

			(over 3 years)	
2. Replacement (remainder of the Fleet)	£1.5m	Indicative	£1.5m	Fleet vehicles and plant
3. Essential replacements, investment is required	£780k (this figure is included within the £1.5m investment noted above in point 2)	Calculated	£780k	Essential vehicles and plant 3 x 26 tonne RCV's 1 x 18 tonne RCV's
<b>Match funding Opportunities/External Funding</b>				
	Achieved 2022-23		Opportunities 2023-24	
Asset Sustainability	None identified		None identified	
Service Development	None identified		Funding sources relating to roll out of petrol / diesel phase out by 2025	
Strategic Change	None identified		None identified	
<b>Links to relevant strategies</b>				

## STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

Asset Group	Waste Services	3 <sup>rd</sup> Tier Manager	John Blake																			
Description of Asset Group and Condition Assessment	<p>SEPA condition surveys and site monitoring to ensure compliance with environmental legislation. The sites are permitted by SEPA to operate the sites. Renewi through a Waste PPP contract manage sites on behalf of the Council. The sites include civic amenity and landfill sites at the one locus, mixed waste, recycling etc. is managed on site. Renewi manage Moleigh, Dalinlongart, Lingerton, Westlands and Bogleha. The Council manage sites on Islay, Mull, Tiree and small civic amenity site on Coll and Colonsay. Officers monitor the requirements for each site. Renewi have the responsibility for infrastructure within the Waste PPP sites.</p> <p>Investment is required in Helensburgh for a Waste Transfer Station (£3.0m) and infrastructure changes to the current MBT plants in Moleigh, Dalinlongart and Lingerton would require conversion to Waste Transfer Stations, the cost would be £500k to comply with the BMW ban. The introduction of a Waste Transfer Station will create opportunities for waste disposal through Energy from Waste (EfW) in the central belt and has the potential for joint procurement with other neighbouring authorities creating economies of scale through combined tonnage to EfW. Furthermore, the risk to the authority would be reduced and the authority would not continue to be reliant upon local private sector contractors for material treatment/ disposal within the Helensburgh and Lomond area and Waste PPP area.</p>																					
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	Asset Group	No and or/Value*	CONDITION (percentages based on total asset value)																			
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Waste Transfer Station build in Helensburgh and conversion of existing MBT plants at Moleigh, Dalinlongart and Lingerton.	£3.5million	0%	0%	0%	100.00%																	
Ref: EDI report, December 2022.																						
Investment (current and planned)	Funding	Funding source	Current Year	Anticipated Investment (£m)																		
			2022-23 (£m)	2023-24	2024-25	2025-26																
	Block Allocation Carried Forward	Council	0.082	0.000	0.000	0.000																
	Prudential Borrowing	Council	1.200	0.000	0.000	0.000																
			<b>1.282</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>																
2022-23 Overview																						
<b>Investment Strategy</b>																						
<p>Assessment and review is conducted by officers. Property have the responsibility for assessing any requirements or maintenance to the sites. Asset Sustainability the primary driver for investment, however, there is a lack of investment made at sites.</p>																						
<b>Risks</b>																						

1. £3.5m required to achieve Biodegradable Municipal Waste (BMW) compatible infrastructure on 4 sites. Funding to achieve compliance has not been identified.
2. None compliance with statutory requirement and likely prosecution via SEPA if compliance is not met.

#### Summary of Planned 2023-24 investment

#### Investment Strategy at funding levels indicated above

The SG BMW ban will require investment for WTS of approximately £3.5M [indicative funding is currently zero. Should funding become available, £3.5m will be required to invest in WTS to comply the SG BMW ban.

The authority had submitted an application to Zero Waste Scotland (ZWS) for grant funding through the Recycling Infrastructure Fund (RIF) which was released by the Scottish Government and administered by ZWS for infrastructure improvements/ changes to the council operated waste sites to improve recycling figures. The RIF application was unsuccessful, however, Officers are engaging with ZWS to refresh the application with a view to resubmission in April 2023. The RIF funding totalled £610k for site improvements.

#### Top three service/asset group priorities

Service Priority	Cost (£)	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
1. Waste Transfer Stations	£3.5m	Indicative	£3.5m	Asset sustainability, service development, strategic change
2.				
3.				

#### Match funding Opportunities/External Funding

	Achieved 2022-23	Opportunities 2023-24
Asset Sustainability	Prudential Borrowing (Glengorm Capping) £1.200m Block Allocation (Glengorm Capping)£0.082m	
Service Development	Compliance with SEPA requirements and site management	Recycling Infrastructure Fund (RIF) Bid – Island + Helenburgh – approx. £500k
Strategic Change	N/A	

#### Links to relevant strategies

## STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

Asset Group	Piers & Harbours	3 <sup>rd</sup> Tier Manager	Scott Reid				
Description of Asset Group and Condition Assessment	Asset Group		No and or/Value*	CONDITION (percentages based on total asset value)			
				Green/ Purple	Yellow	Amber	Red
Marine Asset Management Plan: 39 piers and harbours 10 year rolling Capital investment. Support of infrastructure upgrades generally for CFL ferry service upgrades. Also includes Argyll & Bute Council ferry infrastructure upgrades and required modifications.		£6,176,000	50%	0%	50%	0%**	
Investment (current and planned)	Funding	Funding source	Current Year	Anticipated Investment (£m)			
			2022-23 (£m)	2023-24	2024-25	2025-26	
	Prudential Borrowing	Council	5.626	22.235	27.025	29.700	
There may be some opportunities for support from CMAL on joint projects. Will be assessed on each aspect of the works involving CMAL upgrades for CFL services							
2022-23 Overview							
<p><b>Investment Strategy</b></p> <p>Detailed technical condition surveys and user demand determine the priorities. Regular reports are made to the Council's Harbour Board.</p> <p>Priority is given for lifeline ferry services and required modifications or upgrades to support new vessels deployments.</p> <p>Inspections and repair / defect reports from Argyll &amp; Bute Council staff and customers.</p> <p><b>Risks</b></p> <ol style="list-style-type: none"> <li>1. Impact to Island Community Connectivity.</li> <li>2. Potential increase in claims for vessel damage and reputational risk to the Council.</li> <li>3. Potential increase in funds required to repair infrastructures following underinvestment.</li> </ol>							
Summary of Planned 2023-24 investment							
<p><b>Investment Strategy at funding levels indicated above</b></p> <p>Progress on the 10 year Capital rolling asset management plan</p>							
<b>Top three service priorities</b>							

<b>Service Priority</b>	<b>Cost (£)</b>	<b>Are costs indicative or calculated)</b>	<b>Estimated funding shortfall</b>	<b>Asset category (asset sustainability, service development, strategic change)</b>
<b>1. Capital Investment Projects.</b>  (Estimates for next 5 years)	<b>22-23</b> £15,550K <b>23-24</b> £23,025K <b>24-25</b> £28,200K <b>25-26</b> £17,811K <b>26-27</b> £182K	<b>Indicative</b>	<b>Nil</b>  <b>Fees and charges repay Prudential Borrowing</b>	<b>Asset sustainability and development of service upgrades</b>
<b>2. Electrical charging power and Cat 5 supply for Hybrid / all-electric vessels</b>	<b>Included in above</b>	<b>Indicative</b>	<b>Nil</b>	<b>Asset sustainability and development of service upgrades</b>
<b>3. Infrastructure for Argyll &amp; Bute Council ferry services</b>	<b>Included in above</b>	<b>Indicative</b>	<b>Nil</b>	<b>Asset sustainability and development of service upgrades</b>

#### Match funding Opportunities/External Funding

	<b>Achieved 2022-23</b>	<b>Opportunities 2023-24</b>
Asset Sustainability	N/A	Shared costs to be negotiated with CMAL on joint upgrade projects. TBC.
Service Development		
Strategic Change		

#### Links to relevant strategies



## STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

Asset Group	Ferries	3 <sup>rd</sup> Tier Manager	Scott Reid				
Description of Asset Group and Condition Assessment	Asset Group		No and or/Value*	CONDITION (percentages based on total asset value)			
				Green/ Purple	Yellow	Amber	Red
	Completion of transaction for Lismore ferry replacement		£0.015	50%	0%	50%	0%
Investment (current and planned)	Funding source		Current Year	Anticipated Investment (£m)			
	Funding		2022-23 (£m)	2023-24	2024-25	2025-26	
	Block Allocation	Scottish Government	0.000	0.015	0.020	0.000	
	Lismore Ferry Replacement	Transport Scotland	0.013	0.00	0.000	0.000	
	Total		<b>0.013</b>	<b>0.015</b>	<b>0.020</b>	<b>0.000</b>	
2022-23 Overview							
<b>Investment Strategy</b>							
<p>Completion of transaction for Lismore ferry replacement.</p> <p>MV Eilean Dhiura: 22 years old</p> <p>Capacity issues results in c.30% ~ 40% extra sailings required to meet demand.</p> <p>Due to the capacity and age combination and that it may also potentially replace the Cuan Ferry for some years to come, this vessel has been prioritised for replacement first.</p> <p>Cuan Service</p> <p>MV Belnahua: 50 years old</p> <p>Carries cars and passengers, operating from Cuan to Luig. Continued regulatory restrictions on the vessel. Highlighted for replacement for 20+ years. Restricted load carrying capability impacts refuse collection on Luig.</p> <p>Long term plan to replace MV Belnahua with larger carrying capacity roro vessel. Option to move MV Eilean Dhiura to Cuan once Jura ferry replacement is in place. Infrastructure changes (slips) would be required to accommodate roro type vessel. Proposed replacement slip plans are available or consider other fixed link alternative.</p> <p>Overnight berthing facility for MV Belnahua to remove the risk of crew transit (especially during hours of darkness) on work boat ML Torsa to swinging mooring located approx. 1km from Cuan slip.</p> <p>Due to uncertainty of time frame for replacement vessel for MV Belnahua consideration must be given to life extension by replacing engines. Current engines are now 14 years old and have recently been overhauled however issues are now appearing requiring replacement parts (for example fuel pumps) which are no longer available 'off the shelf' and, if unavailable, parts have long lead times – certain critical parts now being quoted up to 12 months. This is a potential exposure to reliability of the service and similar to that experienced on MV Eilean Dhiura prior to new engine replacement.</p> <p>ML Fladda: 20+ years old</p> <p>ML Torsa: 20+ years old</p> <p>Torsa: Passenger only service (winter) and daily crew transfer to and from vessel (Belnahua) swinging mooring.</p> <p>Easdale Service</p> <p>Easdale: 20+ years old</p>							

Operates from Ellenabeich to Easdale Island. Passenger only work boat operating out with Equalities Act access for passengers.

#### Priority for renewal

The largest of our vessels is the Eilean Dhiura which was built in 1998 and operates a daily service of 15 return sailings per day Monday to Saturday and 7 return sailings per day on Sundays between Islay and Jura. The vessel has an 'LSA capacity' for a total 50 passengers (this represents the amount of Life Saving Apparatus required to be on board and therefore a maximum number of persons – both crew and passengers) and approximately 6 cars (depending on size and type). Due to significant increased demand, the crew facilitate extra sailings between the timetabled departures in order to clear any queues and currently this equates to c.30% ~ 40% more runs per working day.

#### Summary of Planned 2023-24 investment

#### Investment Strategy at funding levels indicated above

Completion of transaction for Lismore ferry replacement. Vessel age and discontinuation of grandfather rights.

#### Top three service/asset group priorities

Service Priority	Cost (£)	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
1. Completion of transaction for Lismore ferry replacement	0.020m	Calculated	Nil – This represents Transport Scotland funding for original shortfall	Service development
2. New Jura Ferry	£8,871,600	Estimate of total cost.	£8,871,660	Service development funded through LUF rejected. Funding to be explored.
3.				

#### Match funding Opportunities/External Funding

	Achieved 2022-23	Opportunities 2023-24
Asset Sustainability	N/A	Recovery of shortfall in Transport Scotland funding for Lismore replacement. LUF rejected for Jura replacement so opportunities to be explored
Service Development		Possible rebid to LUF
Strategic Change		

#### Links to relevant strategies

## STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

Asset Group	Airports	3 <sup>rd</sup> Tier Manager	Moya Ingram			
Description of Asset Group and Condition Assessment	Oban, Coll and Colonsay airports – Oban runway length 1200m, Coll and Colonsay runway lengths 500m. Both Coll and Colonsay have a small terminal facility comprising of office/waiting area/integral garage. Oban airport has a larger terminal building comprising of office/crew commander room/meeting room/waiting area/drying area/integral double garage. Oban airport also has a tower from which a Flight Information Service is offered. The current overall condition of the asset group is good, however note that the facilities and runways are now circa 15 years old.					
	Asset Group		No and or/Value*	CONDITION (percentages based on total asset value)		
			Green/Purple	Yellow	Amber	Red
Airports		3	75%	10%	10%	5%
Investment (current and planned)	Funding	Funding source	Current Year 2022-23 (£m)	Anticipated Investment (£m)		
				2023-24	2024-25	2025-26
2022-23 Overview						
<b>Investment Strategy</b>						
Runway Inspections are held daily with any defects noted. Annually the Civil Aviation Authority will undertake aerodrome audits at all three airports.						
<b>Risks</b>						
<ol style="list-style-type: none"> <li>1. Risk for unknown maintenance failure due to inclement weather eg fence damage/sign damage/flooding</li> <li>2. CAA audit inspections findings are unknown and will require to be addressed Argyll and Bute Council operate three licensed aerodromes at Oban, Coll and Colonsay. These aerodromes are licensed by the Civil Aviation Authority as required by law to allow scheduled passenger flight services (for use by paying members of the public) to land and take off. The licence stipulates the required safety standards and fire cover required for each aircraft movement. Operations at the licensed aerodromes are audited on a regular basis by the CAA and require the appropriate level of resource.</li> </ol>						

## Summary of Planned 2023-24 investment

## Investment Strategy at funding levels indicated above

**Top three service priorities** (please list the top three service priorities and whether or not funding is currently available or potential sources of funding, as well as timelines. This provides Elected Members with an insight into what will or could be funded to maintain/improve service delivery. This section will help to inform thinking on future priorities, lobbying activity and external funding bids and to develop a pipeline of projects)

Service Priority	Cost (£)	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
1. Application of fuel resistant coating on Aprons and Helipad 1 and 2	£20k	Indicative	£20k	
2. Acquisition of Paint Sprayer for Island Airfield markings	£20k	Indicative	£20k	
3. Acquisition of Shipping Containers for Island airports to house equipment.	£30k	Indicative	£30k	

## Match funding Opportunities/External Funding

	Achieved 2022-23	Opportunities 2024-25
Asset Sustainability		
Service Development		
Strategic Change		UK Levelling Up Fund

## Links to relevant strategies

Islands Connectivity Plan