

Argyll and Bute Council
Comhairle Earra Ghaidheal agus Bhoid

Customer Services
Executive Director: Douglas Hendry



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12 April 2012

NOTICE OF MEETING

A meeting of the **EXECUTIVE** will be held in the **COUNCIL CHAMBER, KILMORY, LOCHGILPHEAD** on **THURSDAY, 19 APRIL 2012** at **10:00 AM**, which you are requested to attend.

Douglas Hendry
Executive Director - Customer Services

BUSINESS

1. **APOLOGIES FOR ABSENCE**
2. **DECLARATIONS OF INTEREST (IF ANY)**
3. **MINUTES**
 - (a) Executive - 8 March 2012 (Pages 1 - 10)
 - (b) Education Joint Negotiating Committee - 20 March 2012 (Pages 11 - 16)
4. **LEADER'S REPORT**
Report by Leader of the Council (Pages 17 - 30)
5. **ENVIRONMENT**
Report by Spokesperson (Pages 31 - 34)
6. **EUROPEAN AFFAIRS**
Report by Spokesperson (Pages 35 - 36)
7. **SOCIAL AFFAIRS**
Report by Spokesperson (Pages 37 - 38)
- # 8. **EDUCATION CAPITAL PROGRAMME 2012/13 TO 2014/15**
Report by Executive Director – Community Services (Pages 39 - 48)

- # 9. **SCOTTISH GOVERNMENT - FUNDING OF SCHOOLS FOR THE FUTURE PROJECTS; PROPOSED NEW SCHOOL FACILITIES FOR DUNOON AND CAMPBELTOWN; GOVERNANCE AND OTHER MATTERS**
Joint report by Executive Director – Community Services and Executive Director – Customer Services (Pages 49 - 72)
- # 10. **NPDO SCHOOLS PROJECT PROGRESS REPORT**
Report by Executive Director – Customer Services (Pages 73 - 76)
- 11. **EARMARKING OF THE GENERAL FUND RESERVE**
Report by Head of Strategic Finance (Pages 77 - 126)
- * 12. **MAXIMISING ATTENDANCE POLICY AND PROCEDURES**
Report by Chief Executive (Pages 127 - 190)
- 13. **SCOTTISH GOVERNMENT CONSULTATION IN THE EUROPEAN COMMISSIONS' PROPOSALS FOR THE FUTURE COMMON AGRICULTURAL POLICY 2014 - 2020**
Report by Executive Director – Development and Infrastructure Services (to follow)
- 14. **COUNCIL RESPONSE TO THE SCOTTISH GOVERNMENT DRAFT FERRIES PLAN**
Report by Executive Director – Development and Infrastructure Services (Pages 191 - 230)
- 15. **HOUSE OF COMMONS SCOTTISH AFFAIRS COMMITTEE - THE CROWN ESTATE IN SCOTLAND**
Report by Executive Director – Development and Infrastructure Services (Pages 231 - 234)
- 16. **PUBLIC TRANSPORT - DISCRETIONARY FUNDING**
Extract from Mid Argyll, Kintyre and the Islands Local Area Community Planning Group and Report by Executive Director – Customer Services (Pages 235 - 242)
- 17. **PROPOSALS FOR DISBURSEMENT OF INCREASED FUNDING FOR COMMUNITY COUNCILS**
Report by Executive Director – Customer Services (Pages 243 - 246)
- 18. **COASTAL COMMUNITIES FUND**
Report by Executive Director – Development and Infrastructure Services (to follow)
- * 19. **ARGYLL AND BUTE LANDSCAPE WIND ENERGY CAPACITY STUDY**
Report by Executive Director – Development and Infrastructure Services (Pages 247 - 264)
- 20. **CHIEF SOCIAL WORK OFFICER**
Report by Executive Director – Community Services (Pages 265 - 266)
- 21. **EXTERNAL INSPECTION / AUDIT REPORTING: JULY TO DECEMBER 2011**
Report by Chief Executive (Pages 267 - 276)
- 22. **CARBON MANAGEMENT PLAN (2009 - 2014) - 2011 UPDATE**
Report by Executive Director – Customer Services (Pages 277 - 358)

23. SCOTLAND'S CLIMATE CHANGE DECLARATION

Report by Executive Director – Customer Services (Pages 359 - 378)

24. STRATEGIC HOUSING INVESTMENT PLAN (SHIP) 2012 - 15

Report by Executive Director – Community Services (Pages 379 - 416)

25. NOTICE OF MOTION UNDER STANDING ORDER 13

Proposed by Councillor James Robb, seconded by Councillor Louise Glen-Lee

“To achieve better community support for the Helensburgh CHORD Project as a whole the Council agrees to a review of the proposed design of Colquhoun Square before going to re-tender for the construction contract. There is demonstrable public support to remove the road bend, to increase the proportion of green space and to re-locate the bus stops.

Council officers are instructed to bring forward for informal consultation at least three alternatives: the current proposed design and at least two other alternatives incorporating the three issues above. After incorporating suggestions from the consultation into the alternatives the most acceptable design will be chosen by an informal referendum at a central location in Helensburgh at the earliest possible date. The Alternative Vote system will be used and voting shall be open to those on the electoral register for Wards 9, 10 and 11 at that time.

The detail procedures for the informal referendum are delegated to the Returning Officer. The arrangements to ensure a decision is reached in a reasonable timeframe within the constraints of reasonable notice are delegated to the Director of Development and Infrastructure Services.”

E1 26. STRATEGIC HOUSING FUND LOAN APPLICATION

Report by Executive Director – Community Services (Pages 417 - 422)

E2 27. DUNOON CHORD WATERFRONT PROJECT - BUSINESS CASE

Extract from Minutes of CHORD Programme Management Board held on 4 April 2012 and report by Executive Director – Development and Infrastructure Services (Pages 423 - 502)

E3 28. ACTUAL REALITY - OCCUPATION OF ARDENTINNY - CASTLE TOWARD

Joint report by Executive Director – Community Services and Executive Director – Customer Services (Pages 503 - 508)

E4 29. WASTE PPP - CURRENT POSITION WITH SHANKS - VARIATIONS IN PRACTICAL EFFECT

Joint report by Executive Director – Development and Infrastructure Services and Executive Director – Customer Services (Pages 509 - 514)

Items marked with # denote matters to be considered as part of the Council's function as Education Authority.

Items marked with an “asterisk” are items, on the basis of information available at the time this Agenda is published, on which the Committee may not have delegated powers to act, and which may therefore require to be referred to the Council or another Committee, and that referral may depend on the decision reached at the meeting.

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

The appropriate paragraphs are:-

- E1** **Paragraph 6** Information relating to the financial or business affairs of any particular person (other than the authority).
- E2** **Paragraph 8** The amount of any expenditure proposed to be incurred by the authority under any particular contract for the acquisition of property or the supply of goods or services.
- Paragraph 9** Any terms proposed or to be proposed by or to the authority in the course of negotiations for a contract for the acquisition or disposal of property or the supply of goods or services.
- E3 & E4** **Paragraph 9** Any terms proposed or to be proposed by or to the authority in the course of negotiations for a contract for the acquisition or disposal of property or the supply of goods or services.

EXECUTIVE

Maureen Arthur	Councillor Rory Colville
William Crossan	Councillor Robin Currie
Councillor Vivien Dance	Councillor Louise Glen-Lee
Councillor Alison Hay	Councillor Robert Macintyre
Councillor Duncan MacIntyre	Councillor Neil Mackay
Councillor Donald MacMillan	Councillor Bruce Marshall
William Marshall	David McEwan
Councillor Ellen Morton	Councillor Gary Mulvaney
Councillor Andrew Nisbet	Alison Palmer
Councillor Elaine Robertson	Councillor Len Scoullar
Councillor Dick Walsh	

Contact: Hazel MacInnes Tel: 01546 604269

**MINUTES of MEETING of EXECUTIVE held in the COUNCIL CHAMBER, KILMORY,
LOCHGILPHEAD
on THURSDAY, 8 MARCH 2012**

Present: Councillor Dick Walsh (Chair)

Councillor Rory Colville	Councillor Gary Mulvaney
Councillor Robin Currie	Councillor Andrew Nisbet
Councillor Vivien Dance	Councillor Elaine Robertson
Councillor Alison Hay	Councillor Len Scoullar
Councillor Duncan MacIntyre	William Crossan
Councillor Robert Macintyre	David McEwan
Councillor Neil Mackay	
Councillor Donald MacMillan	
Councillor Bruce Marshall	
Councillor Ellen Morton	

Also Present: Councillor Anne Horn Councillor William Petrie
Councillor Alister MacAlister Councillor John Semple
Councillor James McQueen

Attending: Sally Loudon, Chief Executive
Douglas Hendry, Executive Director – Customer Services
Cleland Sneddon, Executive Director – Community Services
Sandy Mactaggart, Executive Director – Development and Infrastructure Services
Bruce West, Head of Strategic Finance
Judy Orr, Head of Customer and Support Services
Donald MacVicar, Head of Community and Culture
Mark Lines, Operations Manager – Community Services
Pat Tyrell, NHS
Fergus Murray, Development Policy Manager
Mark Steward, Marine and Coastal Development Manager
Mary Louise Rooney, Senior Development Officer

The Chair welcomed Mr William Crossan, the new Church of Scotland representative, to the Executive.

The Chair advised that it was with regret that Members had learned of the sudden death of Councillor Al Reay, who had been widely respected by his colleagues and the residents of Helensburgh; and would be sadly missed.

The Chair ruled and the Committee agreed that the business dealt with at item 21 of this Minute be taken as a matter of urgency by reason of the need to make a recommendation to the Council meeting to be held on 15 March 2012.

The Chair ruled and the Committee agreed that the business dealt with at item 22 of this Minute be taken as a matter of urgency by reason of the need to make a decision regarding a technical issue which had arisen from a loan agreement approved by the Executive at their meeting on 24 November 2012.

The Chair ruled and the Committee agreed that the business dealt with at item 23 of this minute be taken as a matter of urgency by reason of the need to inform Members of the up to date position with regard to the tendering exercise for the Helensburgh CHORD Project.

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Maureen Arthur and William Marshall.

2. DECLARATIONS OF INTEREST

There were no declarations of interest.

3. MINUTES

(a) EXECUTIVE - 2 FEBRUARY 2012

The Minutes of the meeting of the Executive held on 2 February 2012 were approved as a correct record.

(b) EMPLOYEE JOINT CONSULTATIVE COMMITTEE - 3 FEBRUARY 2012

The Minutes of the meeting of the Employee Joint Consultative Committee held on 3 February 2012 were noted.

4. LEADER'S REPORT

The Leader of the Council submitted a report which highlighted issues he had recently been involved with including:-

Councillor Andrew Nisbet's attendance, on his behalf, at the COSLA Leader's meeting on 27 January 2012; his attendance at the Employee Joint Consultative Committee held on 3 February 2012; a meeting with Alex Neil MSP on 14 February 2012; the Council budget meeting on 16 February 2012.

In addition, the Leader also gave updates on local tax collection, benefits, Procurement and Commissioning, Customer Services and IT.

Decision

Noted the report.

(Reference: Report by Leader of the Council dated March 2012, submitted.

5. EUROPEAN ISSUES

The Spokesperson for European issues had submitted a report updating Members on the following:-

The final declaration from the 39th General Assembly of the Conference of Peripheral Maritime Regions; Argyll and the Islands LEADER Programme 2007 – 2013; Argyll and Bute and South Ayrshire Fisheries Local Action Group; and

the EU Offshore Wind and Marine Energy Seminar.

Decision

Noted the report.

(Reference: Report by Spokesperson for European Issues dated March 2012, submitted)

6. RURAL AND ISLAND AFFAIRS, HOUSING AND GAELIC

The Spokesperson for Rural and Island Affairs, Housing and Gaelic submitted a report updating Members on Gaelic Activity within Argyll and Bute.

Decision

Noted the report.

(Reference: Report by Spokesperson for Rural and Island Affairs, Housing and Gaelic dated March 2012, submitted)

Councillor Anne Horn left the meeting during consideration of the following item of business.

7. SOCIAL AFFAIRS

The Spokesperson for Social Affairs submitted a report updating Members on the Learning Disability and Older Peoples Project Board that he had chaired on 23 February 2012; Mull and Iona Progressive Care Centre; Helensburgh and Lomond Young Carers Group. He also expressed thanks to Council officers for their hard work during the severe weather conditions on 3 January 2012.

Decision

Noted the report.

(Reference: Report by Spokesperson for Social Affairs dated March 2012, submitted)

Councillor Elaine Robertson left the meeting before consideration of the following item of business.

David McEwan left the meeting during consideration of the following item of business.

8. PERFORMANCE MANAGEMENT REPORTING - FINANCIAL QUARTER 3 2011/12

The Chief Executive and Executive Directors presented the Council Scorecard and Departmental Scorecards to the Executive using the Council's Performance Management System, Pyramid. The presentation focused on performance during financial quarter three, October to December 2011, including a review of successes, key challenges and an outline of improvement actions for the coming period.

Decision

Noted the performance management report for financial quarter three 2011/12.

(Reference: Report by Chief Executive, submitted; presentation by Chief Executive and Executive Directors on Council and Departmental Scorecards for FQ3 2011/12)

9. REVENUE BUDGET MONITORING - DECEMBER 2011

A report summarising the revenue budget position of the Council as at 31 December 2011 was considered. The report forecast the overall outturn variance to be an under spend of £63K based on the December budget monitoring exercise.

Decision

Noted the revenue budget monitoring report as at December 2011.

(Reference: Report by Head of Strategic Finance dated March 2012, submitted)

10. CAPITAL PLAN MONITORING - DECEMBER 2011

A report which summarised the position for all departments on the Capital Plan as at 31 December 2011 was considered. The report compared actual and budget expenditure for the period 1 April 2011 to 31 December 2011, forecast and budget expenditure for the whole of 2011/12 and the total project forecast and budget expenditure.

Decision

Noted the Capital Plan monitoring report as at 31 December 2011.

(Reference: Report by Head of Strategic Finance dated March 2012, submitted)

11. TREASURY MANAGEMENT MONITORING - DECEMBER 2011

A report summarising the Councils overall borrowing position, borrowing activity, investment activity, economic forecast and prudential indicators as at 31 December 2011 was considered.

Decision

Noted the treasury management monitoring report.

(Reference: Report by Head of Strategic Finance dated 24 January 2012, submitted)

William Crossan left the meeting during consideration of the following item of business.

12. TRANSFORMATION PROGRAMME MONITORING - DECEMBER 2011

A report providing Members with an update on the progress of the transformation programme was considered.

Decision

Noted the content of the report.

(Reference: Report by Head of Strategic Finance dated 29 February 2012, submitted)

13. MULTI-AGENCY CHILD PROTECTION BUSINESS AND IMPROVEMENT PLAN

As a result of a multi agency inspection of child protection in Argyll and Bute, areas of weakness and areas for improvement had been highlighted. An improvement plan was developed by a specially convened Child Protection Improvement Group to address these areas. A report presenting the Multi-agency Child Protection Business and Improvement Plan was considered.

Decision

1. Noted the content of the Multi Agency Child Protection Business and Improvement Plan.
2. Requested that progress reports be brought to the Executive in September 2012 and at 6 monthly intervals thereafter.

(Reference: Report by Executive Director – Community Services dated 14 February 2012, submitted)

The Committee adjourned for lunch at 1.10pm and reconvened at 1.40pm.

Councillor Len Scoullar and Alison Palmer left the meeting and did not return after lunch.

Councillor James McQueen left the meeting during consideration of the following item of business.

14. RESHAPING CARE FOR OLDER PEOPLE - CHANGE FUND

The principal policy goal of the Reshaping Care for Older People Programme is to optimise independence and wellbeing for older people at home or in a homely setting. Consideration was given to a report which detailed the proposed utilisation of the Scottish Government Change Fund for older peoples services in accordance with this goal.

Decision

1. Noted the report.
2. Noted the progress in implementing the Change Fund.

3. Agreed the proposals contained within the report.

(Reference: Report by Executive Director – Community Services dated 6 February 2012, submitted)

15. RURAL HOUSING DEVELOPMENT FUND BIDS

At their meeting on 24 November 2011, Argyll and Bute Council agreed to establish a Rural Housing Development Fund of £750,000. A report was considered providing information on the outcome of the bidding process to the Rural Housing Development Fund and recommending awards of grant funding.

Motion

1. Approved an additional £203,532 from the Strategic Housing Fund for Rural Housing Development Grants.
2. Awarded Rural Housing Development Funding grants to –
 - Fyne Homes Ardfern development - £293,667
 - Iona Housing Partnership - £180,000
 - ACHA Port Ellen Development - £479,865

Moved Councillor Walsh, seconded Councillor Currie.

Amendment

To support the recommendation and to instruct officers to bring forward a sensitivity analysis on those projects rejected with a view to approving further transfers from the Strategic Housing Fund for marginal projects.

Moved Councillor Glen-Lee, seconded Councillor R Macintyre.

Decision

The Motion was carried by 12 votes to 2 and the Executive resolved accordingly.

(Reference: Report by Executive Director – Community Services dated 17 February 2012, submitted)

16. CURRENT AND FUTURE EUROPEAN FUNDING PROGRAMMES

A report providing and outline of Argyll and Bute Council's success in drawing down funds during the current 2007-2013 European programming period and recent developments in Europe which will have an impact on the funding available in the 2014-2020 programming period was considered.

Decision

Endorsed the proposal that the European Team, in close liaison with Strategic

Finance and other relevant teams across the Council, prepares and develops a discrete Work Programme, aligned to the European Team's overall Action Plan, in order to maximise the drawdown of European funds post 2013.

(Reference: Report by Executive Director – Development and Infrastructure Services dated March 2012, submitted)

17. DRAFT FERRIES PLAN - PROCESS FOR RESPONSE

The Scottish Government published the Scottish Draft Ferries Plan which set out the Scottish Government's proposals for the provision and support of Scotland's ferry services to 2022. A report summarising the key issues arising from the Scottish Draft Ferries Plan and the proposed approach to forming the Council's response to meet the consultation deadline of 30 March 2012 was considered.

Decision

1. Approved the proposed approach to forming the Council's response.
2. Agreed that the final response is delegated for approval to the Executive Director – Development and Infrastructure Services in consultation with the Roads and Transportation Working Group.
3. Noted that the next meeting of the Roads and Transportation Working Group would be held on 20 March 2012 and that an invitation would be extended to all Members to attend.

(Reference: Report by Executive Director – Development and Infrastructure Services dated March 2012, submitted)

Councillor Robert Macintyre left the meeting before consideration of the following item of business.

18. PROPOSED DEVELOPMENT PLAN SCHEME REVISION

As a requirement of the Planning Etc (Scotland) Act 2006 the Council had produced a Development Plan Scheme and associated Participation Statement. A report providing detail of the third annual update to this Plan was considered.

Decision

Approved the Development Plan Scheme, as detailed in Appendix A to the report, for publication and submission to the Scottish Government.

(Reference: Report by executive Director – Development and Infrastructure Services dated March 2012, submitted)

19. PROPOSED RESPONSE TO SCOTTISH GOVERNMENT CONSULTATION ON AN AQUACULTURE AND FISHERIES BILL

A report outlining a proposed response to the Scottish Government Consultation on a proposed Aquaculture and Fisheries Bill was considered. The proposed Bill included a number of proposals aiming to improve the sustainability of

aquaculture production; and salmon and fresh water fisheries

Decision

Agreed the proposed response as detailed in Annex 1 to the report as the Council's formal response to the Scottish Government's proposals for an Aquaculture and Fisheries Bill.

(Reference: Report by Executive Director – Development and Infrastructure Services dated March 2012, submitted)

20. CRAIGNISH COMMUNITY PLAN

A report containing the finalised Craignish Community Plan and which sought approval for its use as a material consideration in the determination of future planning applications in the Craignish area was considered.

Decision

1. Approved the finalised Craignish Community Plan, as contained at Appendix A to the report, for use as non-statutory planning guidance.
2. Noted that the finalised Craignish Community Plan will be used to further inform the content of the emerging Local Development Plan for the Craignish area.

(Reference: Report by Executive Director – Development and Infrastructure Services dated March 2012, submitted)

21. INDEPENDENT REPRESENTATIVES: AUDIT COMMITTEE

In order to provide continuity on the Audit Committee post election and to allow a period of time for the new Council, when considering the Independent Representatives political management arrangements, to decide whether to retain the Audit Committee's existing role and remit; the Executive considered a report which sought authorisation from the Council to extend the term of office for the current Chair for a 6 month period.

Decision

To recommend to the Council to further extend the term of office of the current chair of the Audit Committee to 30 September 2012.

(Reference: Report by Executive Director – Customer Services dated 8 March 2012, tabled)

The Committee resolved in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973 to exclude the public for the following 2 items of business on the grounds that it was likely to involve the disclosure of exempt information as defined in Paragraph 6; and Paragraphs 8, 9 and 12; respectively of Part 1 of Schedule 7A to the Local Government (Scotland) Act 1973.

22. STRATEGIC HOUSING FUND LOAN APPLICATION - FYNE INITIATIVES LTD

The Executive considered a report in respect of a technical issue with a loan agreement from the Strategic Housing Fund that had been approved by the Executive, at their meeting, on 24 November 2012.

Decision

Agreed the recommendations as contained within the report.

(Reference: Report by Executive Director – Community Services dated 8 March 2012, tabled)

23. HELENSBURGH CHORD PROCUREMENT

A report advising members of the position in relation to the tendering exercise recently conducted in relation to the works to be carried out under the Helensburgh CHORD project was considered.

Decision

Noted the report.

(Reference: Report by Executive Director – Development and Infrastructure Services dated 8 March 2012, tabled)

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**MINUTES of MEETING of EDUCATION JOINT NEGOTIATING COMMITTEE held in the
COMMITTEE ROOM 1, KILMORY, LOCHGILPHEAD
on TUESDAY, 20 MARCH 2012**

Present: Councillor Ellen Morton (Chair)

Cleland Sneddon, Executive Director – Community Services
Carol Walker, Head of Education
Lynn Finlay, HR Manager
William Marshall, EIS
Alison Palmer, EIS

Attending: Alison Younger, Central Governance Manager

1. APOLOGIES FOR ABSENCE

Apologies for absence were intimated from Councillor Vivien Dance, Councillor Andrew Nisbet, Peter Bain, Wendy Brownlie, Frank Healey, Dan Semple and Jane Fowler.

It was noted that Alasdair Allan would replace Douglas Mackie, Nan Johnstone would replace Maggie Anderson and Louise Long would replace Sue Ross on the Committee.

Following these recent changes to membership of the Committee it was noted that the current membership was as follows:-

Management Side

Councillor Ellen Morton (Chair)
Councillor Vivien Dance
Councillor Andrew Nisbet
Cleland Sneddon, Executive Director – Community Services
Carol Evans, Head of Education
Louise Long, Head of Children and Families
Peter Bain, Head Teacher, Oban High School
Wendy Brownlie, Head Teacher, Rothesay Joint Campus (AHTS)
Charles Reppke, Head of Governance and Law
Jane Fowler, Head of Improvement and Strategic HR
Lynn Finlay, HR Manager

Teachers' Side

John McGinnes, SSTA
Alison Palmer, EIS
Frank Healey, EIS
Dan Semple, EIS
William Marshall, EIS
Nan Johnstone, EIS
Alasdair Allan, EIS

2. DECLARATIONS OF INTEREST

None declared.

3. MINUTES

The Minutes of the Education Joint Negotiating Committee of 24 June 2011 were approved as a correct record.

4. ASN - REVIEW

Carol Evans provided an update on the ASN Psychological Services Review which is currently taking place and is centred around making sure the service is efficient in meeting the needs of all learners on the GIRFEC agenda.

She advised that the Options Appraisal was expected to be complete within the next week for consideration by the Review Group prior to presentation to the Transformation Board. She confirmed that a Project Initiation Document and Baseline report had been produced which looked at all aspects of the service and Carol took the opportunity of thanking staff within Finance for all their help in pulling these documents together.

As a result of the review the Council will have a much more coherent service which has been taken forward in conjunction with support from all staff involved with the service. In respect of out of authority placements Carol confirmed that these were down to 29 from a total of 46 last year which has resulted in huge savings in the budget. She acknowledged that it was important that staff were properly supported and confirmed that parents were on board with the service provided for their children. She advised there had been one or two issues where parents assumed their child would automatically move outwith the area at a certain time. She confirmed that there was an increase in usage of Parklands School and Alison Palmer confirmed that an autistic child at her school had access to Parklands 2 mornings per week which had been great.

Cleland Sneddon spoke about early intervention, the development of the early intervention strategy and that the ASN Review sat within the context of this.

The Chair advised that there was a need to make sure enough money was retained within the budget to finance any support required and that it was important that part of the budget was protected as decisions would always require to be taken based on the best interests of the individual child.

Decision

Noted the update on the ASN Psychological Services Review.

5. TEACHER WORKLOAD GROUP

Consideration was given to a report from the Workload Group which met on 30 January 2012 and highlighted a number of workload difficulties and identified a number of areas where solutions might lie.

Decision

1. Agreed that the Workload Group should meet again at the earliest opportunity to go through the list of workload difficulties/issues identified to see if some of these have been resolved since the Group last met;
2. Agreed that Wendy Brownlie and Peter Bain should be invited to attend the next meeting of the Group with Carol Evans, Cleland Sneddon, Lynn Finlay provided information as required;
3. Agreed that at this meeting the Group should draw up and implement an Action Plan to address workload difficulties/issues identified taking into consideration the following:-
 - (a) Use of the ACAS module to deliver training on the Health and Safety Executive Management Standards for Work Related Stress which would cost £15 per delegate per half day course, and
 - (b) Instead of developing a new Induction Pack for Schools across the Authority add information on the Education Service and Schools to the Council's Corporate Induction Pack
4. Agreed that a report on progress with the Action Plan should be brought to the next meeting of this Committee.

(Reference: Report from Workload Group meeting dated 30 January 2012, submitted)

6. CURRICULUM FOR EXCELLENCE - ANNUAL REPORT 2011

Consideration was given to the Curriculum for Excellence Annual Report for 2011.

Decision

1. Noted the contents of the Curriculum for Excellence Annual Report which is supported by the Council's own Quality and Standards report;
2. Noted that the Council has been asked to carry out a Deep Audit to ascertain the readiness of secondary schools to take forward Curriculum for Excellence including the introduction of the new examination system;
3. Noted that each Head Teacher has been asked to identify any support they require; and

4. Agreed that it was important that if help is required it should be asked for and that teachers should be confident about asking for help.

(Reference: Curriculum for Excellence Annual Report 2011, submitted)

7. **AGREEMENT AND HOMOLOGATION OF LNCT PAPERS**

The Committee noted and agreed to homologate the following circulars and letters agreed at SNCT since the Committee's last meeting on 24 June 2011:-

SNCT Circulars

- SNCT/11/21 - Allowances for Teachers in Remote Schools
- SNCT/11/22 - Distant Islands Allowance
- SNCT/11/23 - Default Retirement Age
- SNCT/11/24 - Agreements on Pay and Conditions of Service
- SNCT/11/25 - National Teacher Induction Scheme
- SNCT/11/26 - SNCT Pay and Conditions Agreement 2011, Changes to the SNCT Handbook
- SNCT/11/27 - SNCT Class Size Maxima
- SNCT/12/28 - Allowances for Teachers in Remote Schools
- SNCT/12/29 - SNCT Handbook - Appendix 2.9, Annex A, Part 2
- SNCT/12/30 - Health Professions Council
- SNCT/12/31 - Distant Islands Allowance

SNCT Joint Secretaries' Letters

- JS/11/23 - SNCT Job Sizing Training
- JS/11/23 - Paternity Leave
- JS/11/24 - Chartered Teachers - SNCT Temporary Suspension of Salary Increments
- JS/11/25 - Teacher Induction Scheme
- JS/11/25 - GTCS letter to Directors of Education - SNCT Teachers' Deal relating to the Teacher Induction Scheme
- JS/11/26 - Advice on Mechanisms to Minimise Costs in Relation to Conservation
- JS/11/27 - Teachers and Music Instructors, Maternity and Adoption Leave - Accrued Annual Leave - Transitional Arrangements
- JS/11/28 - Prolonged Sickness and Annual Leave
- JS/11/29 - Chartered Teachers - SNCT Temporary Suspension of Salary Increments - Update July 2011
- JS/11/30 - Leave Arrangements
- JS/11/31 - The Hours of Work and Pay of Teachers who are engaged in providing supply
- JS/11/32 - Chartered Teachers who return on a Temporary Basis
- JS/11/33 - Maternity Leave and Pay

The Committee noted comments and concerns raised regarding use of probationers as supply teachers and agreed to establish a working group to look at issues relating to Chartered Teachers.

The Committee noted that HR would provide advice and guidance regarding the information contained within the Joint Secretaries letter JS/11/31 – The Hours of Work and Pay of Teachers who are engaged in providing supply.

8. AMENDMENT TO NAME OF COMMITTEE

It was noted that as part of the Governance arrangements for the new Council the Education Joint Negotiating Committee would be known as the Local Negotiating Committee for Teachers to ensure consistency with other authorities.

9. DATE OF NEXT MEETING

Tuesday 12 June 2012 at 12 noon with pre meetings for the Management and Teachers' side at 11.00 am in Kilmory, Lochgilphead.

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LEADER'S REPORT: 27th February to 2nd April 2012

ARGYLL AND BUTE COUNCIL EXECUTIVE MEETING: 19th April 2012**1.0 2nd March, Argyll and Bute Renewables Alliance (ABRA) Meeting**

I was delighted to chair and provide the welcome to all partners who attended the ABRA meeting which was held at The Scottish Marine Institute, Dunstaffnage, at the beginning of March. This meeting was a significant milestone, marking the first anniversary of the formation of the alliance. I spoke about how encouraged I feel about the significant progress made by ABRA in the last year and took the opportunity to thank our partners for their ongoing support and effort which is leading to significant progress.

The agenda for the meeting was mainly concerned with the following :-

- Review of the Action Points from the 28th October 2011 Meeting
- Review of the Argyll and Bute Renewable Energy Action Plan, presented by *Argyll and Bute Council*
- 'Tiree Onshore Scenario Mapping' Study, presented by *Julian Farrar, Ironside Farrar*
- Skills Development, presented by *Robert Orr, Skills Development Scotland*
- Community Policy – Progress Report, presented by *Argyll and Bute Council*
- Encouraging Business Growth Opportunities, presentation by *Highlands and Islands Enterprise*.

Further details of this meeting are available in the Leaders Report Pack. The Seminar below was held after lunch.

2.0 2nd March, EU Wind and Marine Energy Seminar, held at the Scottish Marine Institute at Dunstaffnage.

I was delighted to welcome all the guests to the Scottish Marine Institute at Dunstaffnage for our EU Offshore Wind and Marine Energy Seminar. Guests included; Fergus Ewing, the Minister for Energy, Enterprise and Tourism, Jean-Didier Hache (Executive Secretary), of the Conference of Peripheral Maritime Regions (CPMR), Andrew Jamieson, Markets and Regulations Director of Scottish Power Renewables and chair of Renewables UK, Calum Davidson, Director of Energy for Highlands and Islands Enterprise, Karen Fraser, EU Funding Executive of Scotland Europa, Shane Rankin, Head of Structural Funds within the Scottish Government, and Tim Hurst (Marine Renewables Manager), from the Scottish European Green Energy Centre

I felt that it was extremely gratifying that the work that has been carried out, by our Council, on Marine and Renewable Energy is being recognised and, for this

reason, is being supported by such high profile Individuals as those above. The event was also well timed, as the Scottish Government recently set out what are currently the most ambitious targets in Europe, looking towards 2020 for the development of renewable energy in Scotland and it is imperative that we are in a position to capitalize on appropriate opportunities, connected to the Scottish Government's vision, as they arise.

3.0 7th March, COSLA Resources and Capacity Executive

I attended the above meeting in Verity House Edinburgh. The agenda was as follows:-

Items taken in Private Session

- Water Direct
- Affordable Housing Supply Programme

Items taken in Public Session

- Welfare Reform
- Capital and Infrastructure Investment Update
- Increase In Distribution Use of System (DUoS) Charges for unmetered Electrical Street Furniture
- EU public procurement and state aid reviews

Although I am unable to report on the items that were taken in "private session", I have summarised the "public session" items for you below. Further details of the meeting are available in the Leaders Report Pack.

3.1 Welfare Reform

The purpose of this report was to update the Executive Group on the most recent work in relation to the Welfare Reform Bill and to seek political direction in developing the work.

Within the recommendations of the paper, the Executive Group was asked to note the update on Welfare Reform and specifically to note that:

- i. Discussions were continuing both at ministerial and officer level with the Scottish Government on a replacement for Council Tax Benefit from April 2013;
- ii. Discussions were due to take place with Ministers on closer joint working on Welfare Reform more generally; and
- iii. The Spokesperson would be fully involved in these discussions.

The Executive agreed to accept the recommendations.

3.2 Capital and Infrastructure Investment

The purpose of this report was to provide an update on the work of the Strategic Infrastructure Group, as requested at the last Executive Group meeting.

The recommendations within the paper invited the Executive Group to:

- i. note that a workplan to support the remit was being developed and would be included as part of the next Executive Group update; and
- ii. note that officers would write to councils asking for details of capital plans to help map out areas for inclusion in the workplan.

The Executive agreed to accept the recommendations.

3.3 Increase In Distribution Use of System (DUoS) Charges for Unmetered Electrical Street Furniture

The purpose of this paper was to advise the Resources & Capacity and Regeneration and Sustainable Development Executive Groups of the recently proposed increase in pass through charges involved in the Distribution Use of System (DUoS) charges for unmetered electrical street furniture and to consider any actions members would consider appropriate to lobby the power companies involved; OFGEM and the relevant Ministers in the UK and Scottish Government.

The recommendations of the paper requested that the Executive Group:

- Note the significant increases in the proposed pass through charges for 2012/13 which show substantial rises in DUoS charges for all councils across Scotland; and
- Mandate the Resources and Capacity and the Regeneration and Sustainable Development Spokespersons to write to the chairs of Scottish Power, SSE and the regulator OFGEM to seek an explanation of the significant increases in DUoS charges for 2012/13.

The Executive Group agreed to accept the recommendations..

3.4 EU Public Procurement and State Aid review

The purpose of this report was to provide an update on COSLA's ongoing work on a range of important EU dossiers concerning this Executive Group. At the previous meeting, Members had agreed a set of broad priorities on EU public service rules. Since then, the European Commission has tabled a large package of measures on Public Procurement, Shared Services, Public Services, Concessions and the review of the State Aid Guidelines. It was reported that COSLA was working with Councils and the Government on these issues and were engaging with their opposite numbers within CEMR and that this had been proving essential to influence most of these negotiations at EU level.

In the recommendations of the paper, the Executive Group was invited to:

- i. Note the recent proposals on the review of EU public procurement, shared services and state aid; and
- ii. Note the COSLA activities on the ongoing negotiations.

The Executive Group agreed to note the above information.

4.0 12th March, Gourock Dunoon Ferry Service Steering Group Meeting, with Alex Neil.

I attended the above meeting which was held at Scottish Government Offices, Atlantic Quay, Glasgow.

The agenda included items as follow:-

1. Draft Project Plan – Scottish Government
2. Argyll Ferries Limited – Improvement Plan and Performance Monitoring
3. Shore side Infrastructure – Scottish Government
4. Possible replacement of the MV AliCat
5. Financial case for a future non-subsidised vehicle service
6. Risks
7. Next steps

The meeting was very encouraging and demonstrated that progress had been made with the partners around the table. Documentation in connection with the agenda items above provided further evidence that all of the issues that have been raised in previous meetings are now being given proper consideration, through the previously reported Three Point Plan, and we look forward to further meetings to continue the progress made so far. There was acknowledgement from Argyll Ferries Ltd that they were going to have to work hard to restore customer confidence even as work had begun with the Scottish Government to seek alternative vessels and arrangements for the route. Papers and briefings for the meeting are available in the Leaders Report Pack.

5.0 14th March, Duke of Edinburgh Argyll and Bute Award Group

I chaired the above meeting which took place at Dunoon Grammar School.

The main topic for discussion was about preparing for the Royal Visit by the Earl of Wessex which will mark and celebrate the 21st anniversary of the Duke of Edinburgh Award in Argyll and Bute. It is very much hoped that the event would also be an opportunity to recognise the involvement of volunteers as well as achievement of young people over the twenty one years of the scheme in Argyll and Bute. I hope to be able to report further on the plans for the day and subsequently on the day itself. The full agenda for the day is available in the Leaders Report Pack.

6.0 15th March, Customer Management Project Members Event.

I was delighted to welcome all colleagues to the above event during which Council Officers provided members with an up-date on the progress of the Customer Management Project, taking stock of the Customer Service Improvement Journey which began before 2010 and which continues up until the present.

There were two main strands to the event:-

- the Workforce Deployment project and
- Customer Management Project.

The event explained how an earlier consultation process had identified four key areas for improvement which had resulted in specific work streams being carried out:-

- Managing Customer enquiries and service requests
- Encouraging customers to use low cost access channels, such as web self service
- Customer Service Points
- Customer Service Standards and Training

Presentations on the day took each of these four areas in turn to explain what work has been carried out to date through the project and what this means for us here in the Council, and of course, as members working on behalf of our constituents. In addition to the improvements in customer experiences which have been brought about, the project has brought about financial savings for our council.

Probably the most important message of the event was that customer service is the responsibility of all of us in the council, not any one project or group in particular. The Customer Management Project simply provides structure and focus for our Corporate approach.

Full details of the event, including information on the improvements made and the savings achieved are available in the Leaders Report Pack.

7.0 Highlands and Islands Conveners Meeting, Edinburgh, Friday 29th March

I attended the above meeting which was held at the Apex International Hotel at the Grassmarket in Edinburgh. I have included the agenda, with some detail from the meeting below:-

1. The Convention of the Highlands and Islands

Members were reminded that the next meeting of the Convention of the Highlands and Islands will take place in Stornoway on Monday, 25 June 2012. John Swinney, Cabinet Secretary for Finance and Sustainable Growth had spoken at the previous Convention, making the point that there needed to be real progress

between Conventions with a greater focus on action and outcomes; this was agreed by members. Ministers are keen that the agenda for the next Convention focuses on the economy and sustainable growth, in particular three issues of key importance/challenge to the Highlands and Islands economy, which are:

- Digital Connectivity
- Renewable Energy
- Employment and Skills

Given that economic focus, HIE and a number of Chief Executives have been tasked with developing detailed proposition papers to inform action.

2. The Crown Estate in Scotland

Members received a verbal update on the latest developments in relation to the Crown Estate in Scotland. The implications for Highlands and Islands Communities and the Councils which serve them of the outcome from the Inquiry were discussed between members and they agreed to note the current position.

**Please note that Argyll and Bute Council, Development and Infrastructure services have produced, for this Council's Executive meeting, a paper which provides an up-date for members on the outcomes from the Inquiry into the Crown Estate in Scotland*.*

3. Coastal Communities Fund – Big Lottery Fund

The Leader of Highland Council introduced the previously circulated correspondence between him and the Big Lottery Fund in relation to the operation of the Coastal Communities Fund. Also circulated was a note of a telephone conversation which took place on 20 March, 2012 between the Leader and Jackie Killeen, Scotland Director of Big Lottery Fund which set out the concerns raised by the Highland Council's Leader.

Members took the opportunity to discuss the issues highlighted in the quoted correspondence.

4. Emergency Towing Vessels

Members discussed the latest developments in relation to the campaign to retain the Emergency Towing Vessels in the Highlands and Islands.

5. University of the Highlands and Islands

Members discussed a report submitted by Highland Council which examined recent developments in relation to the University of the Highlands and Islands.

6. Highlands and Islands European Partnership Board

Members were reminded that a meeting of the Highlands and Islands European Partnership Board was taking place on Monday 2 April, 2012 at the Highland Council Headquarters, Inverness to discuss EU Cohesion Policy.

In connection with this, a report was circulated by the Highland Council to outline

the purpose of this meeting; to focus on the identification of regional investment priorities for future socio-economic development via European funding during the 2014-20 programming period.

Further detail of all the above papers are available in the Leaders Report Pack.

8.0 COSLA Convention, Edinburgh, Friday 30th March 2012.

I attended the above Convention which was held at COSLA's Verity House. The Agenda was as follows:-

Items to be taken in Private Session

1. Review of Community Planning and Single Outcome Agreements
2. Health and Social Care Integration
3. Consequentials
4. Council Tax Benefit Replacement
5. Affordable Housing
6. National Secure Care Contract
7. National Care Home Contract Settlement
8. Self-Directed Support Bill
9. Devolved School Management (DSM) Guidelines
10. Funding for the Scottish Child Protection Hub
11. Consumer Protection Landscape
12. European Union (EU) Funds

Items to be taken in Public Session

13. myjobscotland.gov.uk – Re-procurement of Service
14. COSLA Budget 2012/13
15. Changes to the COSLA Constitution

Due to the first twelve items having been taken in private session, I am, unfortunately unable to report on them although details of all items are available for viewing in the Leaders Report Pack.

Items 13 – 15 were, however, taken in public session and I have reported on these below:-

8.1 Re-procurement of Service for “myjobscotland.gov.uk”

The Convention was advised at its December 2011 meeting that the re-procurement of the myjobscotland recruitment portal was at an advanced stage and would be completed in early 2012. The Convention agreed to support the principle of continued funding and to confirm this decision at a future meeting once the outcome of the re-procurement was known and the precise costs to councils established. This report provided that detail and invited confirmation of future funding.

It was recommended that the Convention:

- (i) approve the reprocurement exercise that has been carried out;
- (ii) agree to award the contract to Lumesse Ltd as the myjobscotland service provider for the period April 2012 to March 2016; and
- (iii) agree to meet the cost of delivering the myjobscotland service as per the individual allocation of costs to councils set out in the paper

Members agreed to the recommendations of the paper

8.2 COSLA Budget 2012/13

The purpose of this report was to provide the Convention with the detail of COSLA's Budget for 2012/13 and to seek Convention's approval.

The Convention agreed to approve the proposed budget for 2012/13 which had already been considered by Leaders and had been recommended for approval.

8.3 Changes to the COSLA Constitution

The purpose of this report was to inform and seek agreement from Convention of proposed changes to COSLA's Constitution.

The Convention noted and endorsed the suggested changes to the detailed wording of COSLA's Constitution which had arisen from changes to COSLA's political structures as already agreed by Leaders.

9.0 European Partnership Board Meeting, Inverness, 02 April 2012

I attended the above meeting on the 2nd April with Robert Pollock, Head of Economic Development and Strategic Transportation and Mary Louise Rooney, Senior Development Officer.

The agenda items for the day included; a VC presentation by Christian Saublens of EURADA on EU2020, a VC presentation by Kat Feldinger from the Scottish Government on Scottish Priorities, a facilitated session on Regional Background, and a presentation on Fund Integration.

Following these items, the main priority for the day was a workshop concerning the Identification of Regional Priorities. The main aim of this workshop was to identify regional priorities for investment via the EU funding programmes for the 2014-20 period, the outcomes for which will be used as the basis for lobbying at European, UK and Scottish levels over the next twelve months, as crucial decisions are taken, and to inform the development of the Single Scottish Plan for EU funding.

The main outcome from the workshop was that HIEP have committed to being an

active partner with the Scottish Government in developing the new European programmes. They will provide the Scottish Government with a Highlands and Islands plan, based on information received back from a circulated questionnaire and the points made during the workshop discussions.

The plan will comprise 4 key elements:

- Why? – what are the key socio-economic conditions that set the context for the plan
- What? – what investment and development activity should the Highland and Islands programme focus on
- How? – options for how the new plan can be delivered
- Outcomes? – what will be achieved

Officers will now commence work on this and plan to circulate an early draft during the week commencing 16th April, along with a note of the workshop discussions.

Further information on this event is available in the Leaders Report Pack.

10.0 Up-dates

10.1 Local Tax collection

Collections of Council Tax to 31 March 2012 are 95.84%, up by 0.23% on last year's at this time. Part of this increase (0.14%) is due to higher levels of overpaid accounts and this will be reversed out in the final figures. The remainder of the increase is due to better collections by our sheriff officers over the last few months. Collections of Council Tax for 2010/11 year are 97.06%, which is down by 0.02% on the previous year's at this time.

Collections of non-domestic rates to 31 March 2012 are 97.75%, up 1.79% on last year. You will recall that last year's were affected by late running roll entries from the Assessor, which artificially depressed collections. Collections for 2010/11 are 98.66%, down 0.24% on the previous year's.

It should be noted that the figures quoted above are cash figures as at 31 March and the year end outturn figures will differ as these will be adjusted for accruals and any cash in transit at the year end.

The Council has now formally received notice from the Oban BID project of its intention to go to ballot within the next 12 months.

10.2 Proposed changes to Council Tax and Non-Domestic Rates

On 26 March 2012 the Local Government Finance (Unoccupied Premises etc) (Scotland) Bill was introduced into the Scottish Parliament and has been referred to the Local Government and Regeneration Committee. A call for written evidence has been received from this committee and submissions are due by 9th May. The Bill would allow regulations to be laid to alter the level of empty property relief from April 2013 for certain empty commercial properties under non-domestic rates. The proposal is that empty relief is restricted to 10% after 3 months exemption, reduced from 50%, with an expected resultant saving to the Scottish Government of £18m p.a.

It would also allow for regulations to allow local authorities to increase Council Tax charges on long-term empty homes from the same date. The current 10% discount would reduce to 0% and charges could be increased by a maximum of 100% (i.e. paying double Council Tax). There would be provisions for exemptions in certain circumstances and local authorities would also have some discretion. This aims to incentivise owners to bring these properties back into use. There was an earlier consultation on this proposal between October 2011 and January 2012 which this council responded to. This change is expected to raise c £12m - £15m p.a. for local authorities, but it should be noted there is considerable uncertainty over this estimate.

The additional monies raised for Non-Domestic Rates would be used to help counter part of the shortfall in block grant, and the additional monies raised for Council Tax would go to local authorities to help meet the shortfall in funding for a replacement Council Tax Benefit Scheme from April 2013.

10.3 Benefits update

The Scottish Government has now offered £23m to assist in bridging the £40m shortfall in funding for the replacement Council Tax benefit scheme for the first year from April 2013. The intention is to create a scheme that, in the short term, largely mirrors the existing system. It is now appreciated that once there is a move to Universal Credit with a single payment including housing costs, that it will be very difficult to continue to calculate Council Tax support based on Universal Credit in a similar way to what we have been used to in calculating weekly entitlement to Housing and Council Tax benefit. The basis of the scheme will probably need more radical reform and completely new systems developed to support it.

Further clarification has now been received about the proposed cap on benefits under Universal Credit of c £350 per week for single adults with no children and c £500 per week for couples or single parents. This only applies to households of

working age where no-one is in work, and also does not apply if someone in the household is in receipt of War Widows or Widowers Pension, Disability Living Allowance (Personal Independence Payments from April 2013), Attendance Allowance, Constant Attendance Allowance or the Support Component of Employment Support Allowance. In the first instance the cap will be applied by local authorities making deductions from Housing Benefit from April 2013. In the longer term it will form part of Universal Credit. We are expecting to receive a list from the end of April of potential claimants affected.

The Welfare Reform (Further Provision) (Scotland) Bill was introduced to the Scottish Parliament on 22 March 2014. This is an enabling bill conferring powers on Scottish Ministers to make provisions via regulations in consequence of changes to the new Universal Credit and Personal Independence Payments being created under the Welfare Reform Act 2012. The main aim is to maintain the legislative basis that underpins devolved passported benefits in Scotland such as free school meals and blue badge permits. The Department for Work and Pensions (DWP) has recently published its response to the report by the Social Security Advisory Committee (SSAC) on its review of passported benefits. This states that the Scottish Government will bring the SSAC report to its newly created Welfare Reform Committee, and accepts that a gradual approach to revising arrangements for passported benefits is likely to be appropriate and that any options for greater integration with Universal Credit is a matter for long term consideration. The Finance Committee of the Scottish Parliament has issued a request on 28th March for comments about the financial implications of this bill by 11th April. This will be responded to only in very broad terms, which reflects the fact this is an enabling bill with no specific regulations as yet.

A survey of landlords whose tenants receive Housing Benefit is underway. The results will be used to inform proposals to design a new Landlords Portal to answer their commonest queries.

10.4 Customer Services

Just under 78% of enquiries were dealt with at first point of contact through the Customer Service Centre (CSC) in March, which is very similar to the level I reported for January. Excluding social work and planning, 91.7% of calls were dealt with at first point of contact. For social work, the figure was 63.4% and for planning the figure was 40.5%.

The percentage of abandoned calls was 5.3% which is a further small improvement on the January figures reported of 5.8%. This has been assisted by employing a temporary part-time member of staff, and a request is being made to continue this additional resource during 2012/13 whilst the service review is being

carried out (and funded from underspend in 2011/12).

The “Tell Us Once” service went live on 13th March. This allows customers, if they choose, to notify multiple agencies on the occasion of a birth or a death at the same time as doing the registration for these life events.

The new 24 hour payment line went live on 26 March and in the first week, 17 Council Tax payments were made in this way. Initially, it is just available for Council Tax payments. Close scrutiny is being paid to any reasons for customers hanging up or bailing out to an operator, in order to fine tune and improve the service.

Testing of the self service switchboard is well underway, both by our own staff internally and by members of the citizens panel. This is helping us fine tune this service before launching it to the public.

The new Customer Service toolkit for staff has been loaded onto the Hub. This brings together all customer service improvement resources into place, making it much easier for staff to find.

A survey is underway through the Citizens Panel to review customer satisfaction with the various channels offered, and this will be used to inform the Service Review which is just starting for Customer Services and Registration.

10.5 IT

There is a separate report to the Executive on developments with the HIE BDUK project and the implications for Pathfinder North re-procurement.

Microsoft has now published its case study based on our implementation of Lync which was supported by them under the Lighthouse Programme. This has been widely reported in the computing press.

The strategy for desktop virtualisation has been agreed and a decision made to deploy VMWare View and VMWare ThinApp to support the Workforce Deployment Project's requirements. This will allow people to use designated desktops in an office readily; they will be able to access the full range of applications which they need without these having to be configured specifically for each individual. Also it will enable certain applications to be deployed much more easily, without having to physically upgrade each device used to run that application.

IT has made significant progress with the Server Replacement Project to upgrade

the now ageing consolidated servers in Campbeltown and Kilmory, much of which was procured in 2005. The aim is to provide a more modern infrastructure that will meet predicted 20% p.a. growth requirements, both in servers and storage for the next 5 years and provide much enhanced resilience such that each site will have the capacity to run the critical applications for the other site in the event of a disaster. The Campbeltown site will be de-commissioned, with the new infrastructure being split between Helensburgh and Kilmory. The project should be completed by the end of 2012. Tenders have been issued and awarded for replacement Unix equipment for the Campbeltown site, to be deployed at Kilmory.

A separate tender has been issued to replace the Windows equipment with responses due on 25th April. These tenders followed an evaluation of Cloud Computing which concluded that Cloud was not yet a viable strategy for providing the range of IT infrastructure services required by the Council.

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Environmental Issues
Report by Spokesperson

Carbon Management Programme

The Council has produced an updated 2011 Carbon Management Plan with the support of the Carbon Trust and sets out the detail of the ongoing work to achieve a three year target of 9.7% reduction in emissions.

To date the Carbon Management Projects delivered has created annual revenue savings to the Council of £25.5k and 3,890 CO2 tonnes

Projects planned for delivery in this financial year are

Eight Oil to Gas conversions with total annual revenue savings of	£91,953
Three Biomass Conversions with total annual revenue savings of	£142,607
One Solar PV project with total annual revenue savings of	£13,506
Three small scale wind turbines with total annual revenue savings	£12,600
Seven energy efficient projects with total annual revenue savings	£40,500
Total annual revenue savings	£301,170
Total annual CO2 savings	1342 tonnes

Planning

Members are aware that Argyll and Bute recently won the RTPI Planning award for its Forest and Woodland Strategy. This was a tremendous accolade for Argyll & Bute Council and I wish to particularly commend Sybil Johnson and Fergus Murray for their work in the production of the strategy, the document is now gaining good publicity and is being cited as best practice in the National Planning Framework monitoring plan. The strategy has now been entered for the Scottish Government Planning awards that is held every two years in the Development Plans category. The Craignish Community Plan has also been entered under the community involvement category with Craignish Community Council as a joint applicant.

The Craignish Community Plan has been approved by the Council's Executive in March. Work continues to help implement the plan and the local priorities it contains. The document will also be used to inform the content of the emerging Local Development Plan. It is intended to hold meetings with local residents and key agencies such as Scottish Water in the summer to see how local priorities can be taken forward. In addition the plan is now helping other local communities take forward their own community land use plans with senior planning officers visiting Ulva in Mull to hear local concerns in March. It is hoped that this approach to forward planning can be rolled out to other communities as and when required.

The Council's Executive approved the Development Plan Scheme in March which details progress on the new LDP. It is now intended to present the proposed Local Development Plan in September following area committee and council approval. The consultation will be for 3 months to allow people to make their views clear prior to

submission to the Scottish Government and consideration of any outstanding objections by the Reporters unit.

Nominations for the Council's Sustainable Design Awards have now closed (31 March). A significant number of entries have been received and these will now be carefully considered by the Judges who include Gareth Hoskins, Helensburgh resident and winner of Scotland's building of the year and Mick Steward a representative of Heads of Planning Scotland. Shortlisted entries will be announced shortly.

Consultation is now underway for the possible establishment of the Argyll and the Isles Coast and Countryside Trust. Argyll and Bute Council have formed a partnership with Scottish Natural Heritage, Forestry Commission Scotland, Argyll and Bute Social Enterprise Network (ABSEN) and Argyll and Bute Local Services Initiative to look at the possibility of setting up a new independent trust.

The proposed aim of the trust would be to:

"work together to sustainably maintain, enhance and promote the coast and countryside of Argyll and the Isles for the benefit of communities, business and visitors"

The remit of the trust would include outdoor access, marine and coastal, built environment and biodiversity projects. For more information about the background and aims of the proposed trust, have a look at our information leaflet, and our news release from 13th March 2012.

People can get involved by attending workshops that will be held across the area during April and May to determine public support

Date	Meeting Type	Venue	Time
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19 April 2012	Public/Community	An Roth - Craignure Mull	12.30- 16.00
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25 April 2012	Public/Community	Templar's Hall -Tarbert	12.30- 16.00
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26 April 2012	Public/Community	Oban - Corran Halls	12.30- 16.00
30 April 2012	Public/Community	The Burgh Hall, Dunoon	12.30- 16.00

1 May 2012	Public/Community	Centre 81, Garelochhead	12.30- 16.00
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15 May 2012	Strategic Stakeholders and Agency consultation event	Lochgilphead Community Centre	12.30 - 16.00
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The meeting in Mull will be accessible by web and island representatives are encouraged to take part at a number of video conference facilities on other islands including Islay and Bute.

A survey to gather views on the trust is also being held. You can take part in the consultation here on the website- either online or by downloading the questionnaire

Work is progressing on the finalisation of the Helensburgh Pierhead Masterplan. It is intended now to published the finalised document following the elections in May for a 28 day period. The consultation will be advertised on line and in local newspapers.

Members will be aware of the continued demand to site wind energy projects of various scales in Argyll and Bute. To assist the consenting process work has now been completed on a wind energy landscape capacity study for Argyll and Bute, excluding the National Park. This study has been undertaken by professional landscape consultants also contains a design guide for the siting of smaller scale turbines. Jointly commissioned by the council (£5k) and SNH (60k) the study will be used to inform the policy of the emerging LDP that will be subject to extensive public consultation. A workshop on how to use the study is planned to be held on the 20th of April in Inveraray. A wide range of stakeholders have been invited including renewable energy industry representatives, landowners and community representatives.

Waste Management

I am pleased to confirm that after lengthy negotiations with Shanks Argyll & Bute plc, that Executive Director of Development & Infrastructure's Waste Management team supported by the Special Projects Team from Customer Services has successfully reached agreement with Shanks Argyll & Bute with regard to outstanding contract variations matters relating to the Council's Waste Management PPP contract. These contract variations had been outstanding for many years and achieving this agreement between the Council and Shanks will now allow the Council to take forward the business case for the introduction of co-mingled collections within the areas of Argyll & Bute covered by the Shanks contract. As importantly, this agreement will see the Council recover substantial sums over the duration of the Contract and has fostered an improved and business focussed working relationship between the Council and Shanks Argyll & Bute . This is an excellent outcome which has required considerable determination and commitment by the Director and officers and which I have been pleased to support throughout the negotiation process over the last 12 months.

Streetscene

Communications regarding the findings of the Streetscene review and the proposed future structure have taken place with all staff within the service. Formal consultation meetings with the Unions have taken place on four occasions, 15th November 2011, 13th December 2011, 7th February 2012 and 15th March 2012. Additional meetings with the trade unions have taken place out with the formal consultation calendar to ensure full detailed engagement in all aspects of the Streetscene Service Review have taken place. At the most recent meeting with the trade unions, final drafts of the proposed work schedules were presented for discussion. This allowed for the discussions to take place on the annualised hours patterns of work. It was agreed that during the month of April that these proposals are discussed with each of the workforces across the region and how the proposals affect each of the teams. The proposals for changes to working patterns include annualised

hours systems of work. These vary between the areas, as the operation of each area determines.

Cowal

Ground maintenance 44 hour summer period, 24 hour winter period.

Street sweeping remains on a 37 hour week.

LETS teams 39 hour summer season, 35 hour winter season

Bute

Ground maintenance and LETS teams 39 hour summer season, 35 hour winter season

Street sweeping remains on a 37 hour week.

Helensburgh and Lomond

Ground maintenance 44 hour summer period, 24 hour winter period.

Street sweeping remains on a 37 hour week.

LETS teams 39 hour summer season, 35 hour winter season

Oban and Mull

Ground maintenance and LETS teams 44 hour summer period, 24 hour winter period.

Street sweeping remains on a 37 hour week.

Mid-Argyll and Kintyre

Ground maintenance and LETS teams 44 hour summer period, 24 hour winter period.

Street sweeping remains on a 37 hour week.

Job evaluation process has now been completed and performance managers have been appointed for the North and South domains.

Allan MacDonald will be the Performance Manager for Bute, Cowal, Mid-Argyll, Kintyre and Islay.

Stuart McCracken will be the Performance Manager for Oban, Lorn, the Isles and Helensburgh and Lomond.

One Area Streetscene Manager is now on the re-deployment list.

Three of the four technical officers have been appointed. The areas that have been firmed up are Bute & Cowal, Oban, Lorne & the Isles and Helensburgh and Lomond.

Supervisor position on the Island of Bute has been clarified, with one supervisor now on the re-deployment list.

The post of working foreman in the Cowal area has had an appointment made and one working foreman is now on the re-deployment list.

A joint future structure and operations, with reference to joint Amenity and Roads working on the islands of Bute, Islay and Mull and also the Kintyre peninsula and Lochgilphead operations.

Community involvement in Streetscene operations is being explored; to date the most advanced is the Strachur Community Council.

Different types of grass cutting machinery are currently being assessed, not with a view to changing the entire operation. More with a view to complimenting the current operation, particularly during periods of extreme wet conditions.

ARGYLL AND BUTE COUNCIL
EXECUTIVE COMMITTEE**SPOKESPERSON REPORT****19 APRIL 2012**
COUNCILLOR LEN SCOULLAR, DEPUTE PROVOST AND SPOKESPERSON FOR EUROPEAN ISSUES
1.INTRODUCTION

This Spokesperson's Report provides a brief update on the following matters:

- The EU Offshore Wind and Marine Energy Seminar, and;
- The West of Scotland European Forum.

A brief update on these matters will be provided in turn.

2.THE EU OFFSHORE WIND AND MARINE ENERGY SEMINAR

Argyll and Bute Council hosted an important seminar on EU offshore wind and marine energy on Friday, 2 March at the Scottish Marine Institute, Dunstaffnage which is home to the Scottish Association for Marine Science. The purpose of the seminar was to discuss how European policy and funding can be used to help develop the renewables potential of the west coast of the Highlands and Islands to encourage sustainable economic growth in the area.

Top ten messages of the afternoon were:

1. Collaboration is vital to both optimise the sustainable economic development benefits and the requisite investment streams ("Team Scotland" was a recurring theme of the event). Collaboration is both –
 - Vertical - local, national and EU
 - Horizontal – private, public and communities
2. There is scope for better strategic planning in regard to infrastructure on the West Coast (emphasis on collaboration and not competition) and funding of infrastructure
3. Collaboration will minimise the uncertainties and risks in relation to the development of infrastructure, labour supply / skills and supply chain
4. European funding will be vital for i) stimulating private sector investment and ii) unlocking the sustainable economic benefits for communities
5. There is scope for funding innovation in relation to European Funds (e.g. alignment of European Regional Development Fund, European Social Fund, European Marine and Fisheries Fund) and alignment with private sector investment plans and other funding sources (e.g. European Investment Bank)
6. The new Structural Fund regime commencing in 2014 provides an opportunity to progress this agenda
7. European funding options need to be mapped for each stage of a project's development (research; development and validation; demonstration; deployment) with the links with private and national funding
8. Systemic interaction between public and private sectors will facilitate the matching of demand and supply and optimise leverage of public funding (EU and national)
9. Articulating and securing the benefits for our communities is a vital component of collaboration and accessing EU funding and influencing EU policy
10. It is incumbent on us all to collaborate in order that this opportunity is realised and that the European Commission is responsive to the scale of this opportunity for securing its longer term strategic goals, such as Europe 2020.

The presentation slides and workshop summaries are available on the Renewable Energy pages of the Argyll and Bute Council Website at the following link: <http://www.argyll-bute.gov.uk/planning-and-environment/renewable-energy>.

3. West of Scotland European Forum – Represents the interests of the Helensburgh and Lomond area of Argyll and Bute.

A meeting of the West of Scotland European Forum took place in Irvine on Monday 19 March 2012. The meeting addressed a number of European Policy areas and related issues relevant to the council. In summary these are as follows:

- WOSEF will be responding to various European Commission consultations which are expected to be launched over the coming months.
- The Assisted Area map, which is the State Aid mechanism used to determine how and where national regional aid can be awarded, is under review. It is this mechanism which has enabled Scottish Government monies to be awarded for the renewable energy activities in Machrihanish. The current Commission proposals, covering the period 2014-2020, would mean such investments to large companies would not be possible. WOSEF will be submitting a response to this consultation arguing for as much assisted area coverage as possible for Scotland, as well as the ability to enable awards to assist investments by large companies. This is a complex area of policy and WOSEF officers will keep all member authorities up to date on developments.
- Through WOSEF, Argyll and Bute Council are members of the UK wide Industrial Communities Alliance (ICA) network. The ICA represents the needs of Britain's industrial areas, aiming to attract resources to assist in their economic, social and environmental regeneration. In September, the ICA plan to hold their AGM in Glasgow and have asked WOSEF to support this event. In return for some of event costs being met by WOSEF, the event will be joint branded. This will be met by the existing WOSEF budget and there will be no extra cost to partner members.

The next WOSEF meeting is scheduled to take place in September 2012, prior to the ICA AGM. The next meeting will seek to establish relevant activity for the Forum looking towards the 2014-2020 European programming period.

For further information contact: Councillor Len Scoullar Depute Provost and Spokesperson for European Issues.

**COMMUNITY SERVICES
SPOKESPERSON'S REPORT – SOCIAL AFFAIRS**

**LEARNING DISABILITY SERVICE USERS CONFERENCE
Three Villages Hall, Arrochar**

On Thursday 29th March, I attended this Service User Conference held in Arrochar. Service Users and staff from all the Locality Forums across Argyll and Bute attended the event which was a great success.

The event had its beginnings in a visit to Helensburgh during the consultation period for the Learning Disability Service Review. Those who attended that had suggested it would be useful to repeat the process but this time to have a structured programme to aid the sharing of ideas and experiences.

Around ninety delegates from all over Argyll and Bute participated to make an interesting and enjoyable day. The conference, aptly titled “Realising Our Potential Together” followed the themes of Successful Lives and Employment Support. Presenters shared stories of achievements in their own lives, successes in employment and involvement in their local communities, whilst staff shared updates on current developments within the Learning Disability Service.

The Learning Disability Adult Protection campaign was launched by Adult Protection Area Manager Ronnie McIlquham and Speech and Language Therapist Carole-Anne Burnett, to highlight to people what they can do to “Stay Safe”. The campaign prompts people to “Stay Safe, Say No and Tell Someone” and will roll out across Argyll and Bute with training events in each area.

Volunteer service users came forward who are keen to help deliver the Adult Protection training programme and on being “Secret Shoppers” to feedback on Council services.

There were lots of opportunities to participate by either presenting to the conference, speaking in the open mic session or in the “Big Brother” style diary room. Topics covered ranged from voluntary working, paid employment to support to learn work skills and support to live ordinary lives in extraordinary circumstances. The whole day was recorded on video, photographs and graphics and a DVD will be produced and issued to each locality for those who were unable to attend.

All in all this was a really inspirational day with services users sharing their experiences and feeding back what they would like the Council to do to help them make a success of their lives. There was a lot of positivity, summed up by one contributor – “We can do it”

Yes we can and we should certainly look to make this an annual event.

**Councillor Andrew Nisbet
Spokesperson for Social Affairs
April 2012**

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ARGYLL AND BUTE COUNCIL**EXECUTIVE****COMMUNITY SERVICES****19th April 2012**

EDUCATION CAPITAL PROGRAMME 2012/13 TO 2014/15

1. SUMMARY

- 1.1 At its budget setting meeting on 16th February 2012, the Council approved the capital budget for the period 2012/13 to 2014/15. The approved budget included an additional allocation of £2.126m to be invested in the education estate to improve the sustainability of the assets and to support service development projects. In total this allocation increased the Council's investment in the education estate over the 3 year period to £17m.
- 1.2 This reports provides proposals for the investment of the additional capital allocation for consideration by the Executive.

2. RECOMMENDATIONS

- 2.1 The Executive is asked to approve the proposed projects detailed in appendix 2 to this report to invest of the additional capital allocation of £2.126m in asset sustainability and service development.

3. DETAIL**3.1 Background.**

At its budget setting meeting on 16th February 2012, the Council approved the capital budget for the period 2012/13 to 2014/15. The approved budget included an additional allocation of £2.126m to be invested in the education estate to improve the sustainability of the assets and to support service development projects. In total this allocation increased the Council's investment in the education estate over the 3 year period to £17m.

- 3.2 The increased investment in the education capital plan over the 3years to £17m will support the corporate outcome of our young people having the skills, attitudes and achievements to succeed throughout their lives by improving the quality of the school estate and raising the condition of school buildings.
- 3.3 As detailed in the Corporate Asset Management Plan approved by Council in February, the main focus of the Education capital programme is to ensure that buildings are safe and wind and water tight, with particular emphasis being given to upgrading life expired electrical, alarm systems and heating installations. Expenditure has been prioritised on properties based on the risk profile associated with property attributes. Improvements to school buildings are targeted at properties in the poorest condition, and

building elements which are currently rated as Bad or Poor. For schools where the significant building fabric issues have now been addressed, consideration is now being given to works to improve suitability. The asset sustainability activity is supplemented with investment on service development projects such as the new Campbeltown Grammar School and the Shared Primary and Pre 5 Campus in the Dunoon area.

- 3.4 The Community Services Asset Management Plan links directly to the Council's 2011-2012 Corporate Plan, and in particular the Corporate Objectives of;

(2) Working together to improve the potential of our Communities, and
(3) Working together to improve the potential of our area.

In addition the key themes of the Councils Improvement Plan Risk Management and Asset Management are addressed. The Community Services Departmental Service Plan requires the delivery of improvements to the Department's building assets, and the delivery of safe, efficient, fit for purpose public buildings which enhance service.

The requirements of the Council's Corporate Asset Management Strategy are also adhered to with many of the Asset Sustainability projects which are being put forward under the 2012-13 and 2013-14 capital plan supporting the Council's Carbon Management Plan, through the upgrading of insulation as part of re roofing contracts, replacing single glazed windows with double glazed units, and through the specification of low energy light fittings as part of rewiring contracts.

The new proposals set out within this paper are fully consistent with the Education Service Plan, the overall education capital programme and its contribution to and alignment with the above strategic planning documents.

3.5 Phasing of the Additional Allocation

The additional allocation to the Education capital plan of £2.126m has been phased as £730,000 (2012-13); £1,056,000 (2013-14) and £340,000 (2014-15).

3.6 Adjustments to the Approved Programme

Initial design work has already been completed for many of the projects in year two of the three year programme. Given the preferred and most practical time for major property works falls during the summer recess, the majority of the additional spend in 2012/13 will be met by accelerating projects already contained in the capital programme in year 2. This follows the strategy of dealing with capital maintenance needs on a prioritised basis.

Appendix 1 to this report outlines the original capital programme presented to Council in February 2012. Appendix 2 provides and outline of

the proposed programme incorporating the additional £2.126m additional investment.

This requires acceleration of projects already approved into 2012/13 at:

- Arrochar PS (external area upgrade)
- Bowmore PS (window/ external area refurbishment)
- Drumlemble PS (Rewiring and door replacement)
- Keills PS (Car park upgrade)
- Kilchattan PS (Internal and external area refurbishment)
- Lochdonhead PS (Kitchen upgrade)
- Small Isles PS (Kitchen upgrade)
- Strone PS (Re-roofing and windows)
- Tighnabruaich PS (Window replacement)
- Tiree School (All weather pitch replacement)
- Islay HS (Upgrade domestic science area)

3.7 New Project Proposals

A number of new projects are proposed for inclusion in the education capital programme and these may be subdivided into two categories:

Asset Sustainability

The Council assesses the main building elements for each asset and prioritises capital expenditure on the condition and lifecycle renewal of these critical elements. Approximately £0.700m of asset sustainability works already approved for year 2 of the programme and for which initial design work has been undertaken is proposed to be drawn forward into 2012/13 through this paper. Commensurately, an equivalent value of asset sustainability projects originally scheduled for year 3 of the programme will be pulled forward into year 2.

Once preparations are fully underway to accommodate the accelerated programme for 2012/13, the Council's Facilities Service will review and prioritise additional asset sustainability projects for year 3 addressing key building elements highlighted in the property condition reports collated annually.

Service Development

A number of service development projects have been identified and will go through the Council's business case process and then into design stage. A block allocation is shown for these projects until the project costings can be defined.

(1)

Video

Conferencing Equipment Upgrade

Upgrading of video equipment in the secondary schools to enable access to the UHI "IT Bridge" to facilitate partnership based expansion of the senior phase curriculum. This development will be undertaken with support from partners in higher and further education. Additionally in year

2, VC upgrades are planned for education offices to improve connectivity and reduce staff travel.

(2) Parenting Facilities

Development of facilities within a small number of existing schools to support early intervention work to support improvements in parenting skills. This investment will complement the investment of the revenue based early years change funds. Community Services are currently developing an early intervention strategy and action plan to support the implementation of these funds and to ensure preventative and early intervention work is coordinated across a range of council and partner agency services. A fuller report on this work will be presented to the Executive once complete and the detail of the Scottish Government's Change Fund is known. This proposed capital investment outlined in appendix 2 is integral to this strategy.

(3) Pre 5 Facilities

The development of pre 5 facilities are proposed at Strachur PS (potentially from refurbishment of existing accommodation; Lochnell PS (classroom extension); Ardrishaig PS (Classroom extension to replace inaccessible classroom) and St Josephs (from existing accommodation and in conjunction with the development of parenting facilities noted above). It is anticipated that the development of the parenting/ pre 5 facilities at St Josephs may be brought forward in 2012/3 due to the scale of works involved.

(4) Early Level

Classes

Early level class developments can be delivered at Tayvallich PS (Classroom extension as replacement for obsolete temporary accommodation); Inverary PS (Classroom alteration). The early level of education encompasses ages from 3 years to 6. The council has taken forward an innovative way of ensuring continuity and progression at this very important stage in a child's learning through the creation of early level classes that span these age groups.

4.0 CONCLUSION

4.1 The additional capital allocation agreed by the Council has enabled a significant investment to be made into the education estate to address condition and suitability issues in key assets. The investment has also enabled a number of key service development initiatives to be proposed which support the Council's strategy in relation to the senior phase of the curriculum, early years and early intervention and which ensure Education Services is well placed to meet the Council's aspirations for children and young people as defined in the Corporate Strategy.

5.0 IMPLICATIONS

5.1 *Policy:* The proposals contained within this report are consistent with previously agreed policy in relation to asset management, education services plan and the corporate plan.

- 5.2 *Financial:* This report recommends proposals for the investment of the additional capital allocation of £2.126m agreed by the Council at its February 2012 meeting.
- 5.3 *Legal:* None
- 5.4 *Personnel:* None
- 5.5 *Equal Opportunities:* These proposals address issues of physical access and access to learning opportunities where required.

Cleland Sneddon
Executive Director, Community Services
19th March 2011

For further information: Carol Evans, Head of Education Tel. 01369 708522

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APPENDIX 1: ORIGINAL EDUCATION CAPITAL PROGRAMME (ALL CATEGORIES)

Primary Schools	2012-13	2013-14	2014-15	Total
ArdishaigPrimary School	175			175
ArdchattanPrimary School		10		10
ArinagourPrimary School	3			3
ArrocharPrimary School		20		20
AshfieldPrimary School	50			50
BarcaldinePrimary School	1	55		56
BowmorePrimary School	4	210		214
BunessanPrimary School	15			15
CardrossPrimary School	138	50		188
CarradalePrimary School	1			1
CastlehillPrimary School	69			69
ColgrainPrimary School	525	25		550
DalintoberPrimary School	182			182
DalmallyPrimary School	50			50
DervaigPrimary School		25		25
DrumlemblyPrimary School	1	90		91
DunbegPrimary School	6	25		31
DunoonPrimary School	36	35		71
EasdalePrimary School	1			1
FurnacePrimary School	65			65
GarelochheadPrimary School	83			83
GlenbarrPrimary School		45		45
HermitagePrimary School	83	50		133
InnellanPrimary School	2			2
InverarayPrimary School	2	295		297
John Logie BairdPrimary School	90			90
KeillsPrimary School	45	25		70
KilchattanPrimary School	13	75		88
KilmodanPrimary School	15	10		25
KilninverPrimary School		60		60
KirnPrimary School	21	20		41
LismorePrimary School	1			1
LochdonheadPrimary School		35		35
LochgoilheadPrimary School	30	15		45
LuingPrimary School	61	20		81
LussPrimary School		75		75
Park Primary School	5			5
Port CharlottePrimary School		15		15
Port EllenPrimary School	165	25		190
RhuPrimary School	30			30
RosneathPrimary School	280	35		315
SandbankPrimary School	252	190		442
Small IslesPrimary School	3	35		38
St Andrew'sPrimary School	125	200		325
St Joseph'sPrimary School	20	220		240
St Mun'sPrimary School	11	10		21
StrachurPrimary School	55	15		70
Strath of AppinPrimary School	175	140		315
StronePrimary School		175		175
TaynuiltPrimary School	26			26
TayvallichPrimary School	85			85
TighnabruaichPrimary School		50		50
TireePrimary School	160	75		235
TowardPrimary School		90		90
Other				
Parklands School	25			25
Capital Property Works	250	244		494
Secondary Schools				
Campbeltown Grammar	51	50	25	126
Islay High School	452	250		702
Oban High School	72	150		222
Tarbert Academy	1			1
Tiree High School	75	175		250
Tobermory High School	4	200		204
Block Allocation			5620	5620
Capital Property Works	13			13
	4103	3614	5645	13362
Service Development Projects				
Taynuilt Primary School Addtnl Classroom	25			25
Park Primary Extension	150	15		165
Park Primary Pre Fives Unit	175	15		190
Hermitage Primary Annexe Replacement	35	700	15	750
	385	730	15	1130
Strategic Change Projects				
Dunoon Primary Joint Campus	207			207
Campbeltown Grammar Redevelopment	75	100		175
	282	100	0	382
TOTAL	4770	4444	5660	14874

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	A	B	C	D	E	F	G
1	APPENDIX 2 - PROPOSED ADJUSTMENTS TO PROGRAMME						
2							
3	Primary Schools	2012-13	2013-14	2014-15	Total	Comments	
4							
5	ArdishaigPrimary School	175			175		
6	ArdchattanPrimary School		10		10		
7	ArinagourPrimary School	3			3		
8	ArrocharPrimary School	20	0		20	Accelerate E20k upgrade to external areas in 2012	
9	AshfieldPrimary School	50			50		
10	BarcaldinePrimary School	1	55		56		
11	BowmorePrimary School	40	170		210	Accelerate E40k windows/ external refurbishment programmes in 2012	
12	BunessanPrimary School	15			15		
13	CardrossPrimary School	138	50		188		
14	CarradalePrimary School	1			1		
15	CastlehillsPrimary School	69			69		
16	ColgrainPrimary School	525	25		550		
17	DalintoberPrimary School	182			182		
18	DalminallyPrimary School	50			50		
19	DervaigPrimary School		25		25		
20	DrumlemblePrimary School	25	66		91	Accelerate E90k rewiring and door replacement programmes	
21	DunbegPrimary School	6	25		31		
22	DunoonPrimary School	36	35		71		
23	EasdalePrimary School	1			1		
24	FurnacePrimary School	65			65		
25	GarelochheadPrimary School	83			83		
26	GlenbarrPrimary School		45		45		
27	HermitagePrimary School	83	50		133		
28	InnellanPrimary School	2			2		
29	InverarayPrimary School	2	295		297		
30	John Logie BairdPrimary School	90			90		
31	KellsPrimary School	70			70	Accelerate E25k for car park upgrade in 2012	
32	KilchattanPrimary School	75			75	Accelerate E75k for external area upgrade and internal refurbishments in 2012	
33	KilmodanPrimary School	15	10		25		
34	KilninverPrimary School		60		60		
35	KirnPrimary School	21	20		41		
36	LismorePrimary School	1			1		
37	LochdonheadPrimary School	35			35	Accelerate E35k for kitchen upgrade in 2012	
38	LochgoilheadPrimary School	30	15		45		
39	LuingPrimary School	61	20		81		
40	LussPrimary School		75		75		
41	Park Primary School	5			5		
42	Port CharlottePrimary School		15		15		
43	Port EllenPrimary School	165	25		190		
44	RhuPrimary School	30			30		
45	RosneathPrimary School	280	35		315		
46	SandbankPrimary School	252	190		442		
47	Small IslesPrimary School	35			35	Accelerate E35k for kitchen refurbishment in 2012	
48	St Andrew'sPrimary School	125	200		325		
49	St Joseph'sPrimary School	20	220		240		
50	St Mun'sPrimary School	11	10		21		
51	StrachurPrimary School	55	15		70		
52	Strath of AppinPrimary School	175	140		315		
53	StronePrimary School	150	25		175	Accelerate E150k of the re-roofing and window programmes in 2012	
54	TaynuiltPrimary School	26			26		
55	TayvallichPrimary School	85			85		
56	Tighnabruich Primary School	50			50	Accelerate E50k window replacement programme in 2012	
57	Tiree School	235			235	Accelerate remedial works on all weather pitch in 2012	
58	TowardPrimary School		90		90		
59	Other						
60	Parklands School	25			25		
61	Capital Property Works	250	244		494		
62	Secondary Schools						
63	Campbeltown Grammar	51	50	25	126	Accelerate E75k for refurbishment of domestic science area in 2012	
64	Islay High School	527	175		702		
65	Oban High School	72	150		222		
66	Tarbert Academy	1			1		
67	Tiree High School	75	175		250		
68	Tobermory High School	4	200		204		
69	Block Allocation			5620	5620	Projects to be defined by Facility Services related to priorities in the property conditions surveys	
70	Capital Property Works	13			13		
71		4687	3010	5645	13342		
72							
73	New Asset Sustainability - Facilities Services to define		670	340	1010		
74							
75							
76	Service Development Projects						
77	Taynuilt Primary School Addtnl Classroom	25			25		
78	Park Primary Extension	150	15		165		
79	Park Primary Pre Fives Unit	175	15		190		
80	Hermitage Primary Annexe Replacement	35	700	15	750		
81			954		954	Allocation of E0.954m - values to be confirmed by project following business case development and confirmed costings by Facilities Services	
82	Video Conferencing Upgrades	60	36		96	Upgrade of VC equipment to enable access to the UHI bridge for partnership based expansion of senior curriculum and VC facilities at Education offices	
83	Parenting Facilities - Various Areas within existing school premises					To be met from E0.954m allocation above	
84	Parenting Facilities/ Pre 5 Facilities - St Josephs PS	86			86	Works may be progressed in 2012/13	
85	Pre 5 Facilities - Strachur PS					To be met from E0.954m allocation above	
86	Pre 5 Facilities - Lochnell					To be met from E0.954m allocation above	
87	Pre 5 Facilities/ Accessible Classroom - Ardishaig PS					To be met from E0.954m allocation above	
88	Early Level Classroom - Inveraray PS					To be met from E0.954m allocation above	
89	Early Level Classroom - Tayvallich PS					To be met from E0.954m allocation above	
90	Dunoon Area Pre 5 Enabling Works					To be met from E0.954m allocation above	
91		531	1720	15	2266		
92							
93	Strategic Change Projects						
94	Dunoon Area Primary Shared Campus	207			207		
95	Campbeltown Grammar Redevelopment	75	100		175		
96		282	100	0	382		
97	TOTAL	5500	5500	6000	17000		
98							
99							
100							
101							
102	Original Cash Flow	4770	4444	5660	14874		
103	Additional Capital Allocation	730	1056	340	2126		
104	Revised Cash Flow	5500	5500	6000	17000		

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ARGYLL AND BUTE COUNCIL**EXECUTIVE****COMMUNITY SERVICES
CUSTOMER SERVICES****19 April 2012**

**Scottish Government – Funding of Schools for the Future Projects
Proposed new School Facilities for Dunoon and Campbeltown
Governance and other matters**

1. SUMMARY

1.1 This report advises the Executive on:

- The Scottish Government requirement for revenue funded projects, such as the proposed new school facilities for Campbeltown Grammar and Dunoon Area Primary Shared Campus to be procured through the hub and in consultation with the Scottish Futures Trust;
- Recommended governance arrangements to progress the business case process to procurement of such improved school facilities;

2. RECOMMENDATION

2.1 The Executive is asked to note this report and;

2.1.1 Agree the Governance arrangements as contained in paragraph 4.2 and Appendix 1 of this report;

2.1.2 Agree the New Project Request (NPR) as requested in paragraph 5.1 hereof and contained in Appendix 2 of this report and instruct the Executive Director – Customer Services to lodge this with SFT and hubco;

2.1.3 Note the affordability position as outlined in paragraph 6.3 and detailed at Appendix 3 hereof;

2.1.4 Agree to the earmarking of the funds and for the purpose as contained in paragraph 6.2 hereof;

2.1.5 Note the position in regard to the consideration of shared working at paragraph 7.1 hereof.

3. BACKGROUND

3.1 Argyll and Bute Council is an authority with a clear focus on education as a key priority. Providing a high quality environment conducive to learning and teaching is a key goal for the Council that needs to be achieved in a financial environment that demonstrates Best Value, Continuous Improvement and Value For Money, with projects that are affordable to the Council. This fully supports the Council's overall vision for the Education Service. The Council has previously approved outline

business cases for the establishment of a new Campbeltown Grammar and Dunoon Area Primary Shared Campus (to replace the existing buildings housing each of St Mun's Primary, Kirn Primary and Dunoon Primary schools).

3.2 Revenue Funded Project

The Scottish Government has advised the Council that funding awarded from the "Scotland's Schools for the Future" project (SSF) for the proposed new school facilities at Campbeltown Grammar and Dunoon Area Primary Shared Campus is to be provided on a revenue basis. The Scottish Government have set out the key conditions and guidance for procuring bodies receiving revenue finance and the conditions and guidance have been accepted by the Council .

The Council has agreed, as part of its 2012/13 budget, to make funding available for a project to build new education facilities in Dunoon and Campbeltown. The proposed capital plan will support the corporate outcome of our young people having the skills, attitudes and achievements to succeed throughout their lives by improving the quality of the school estate and raising the condition of school buildings.

The Council has further agreed that this project will be delivered in accordance with the Scottish Government's requirements through the *Scotland's Schools for the Future* programme. As described above, the Scottish Government requires that the Council should have in place a Project Team with the relevant skills in order to deliver a revenue funded project of this nature.

The Council has met with the Scottish Futures Trust (SFT) who have confirmed that the projects for the proposed improved school facilities will be procured through the hub Design, Build, Finance and Maintain (DBFM) model. The SFT are managing the Scotland's Schools for the Future Programme on behalf of the Government and are intended to provide a centre of expertise and advice on the development, funding, structuring, procurement and management of these projects.

The Council will continue to work closely with SFT throughout the ongoing development of the project. SFT's approval will be required at specific points in order for the project to proceed to delivery. The final decision on the provision and level of unitary charge support for the project will be made by Scottish Ministers, subject to confirmation from both the procuring body and the Scottish Government that the project concerned is affordable and offers value for money.

3.3 The Hub Model

There are five hub territories across Scotland. The operation of each Territory is governed by a 'Territory Partnering Board' (TPB). The TPB comprises representatives from each of the public sector participants who have signed up to engage with the initiative.

The Council has signed up as a participant in hub North which covers all of the local authorities, NHS boards, fire and police services across Grampian, the Highlands and Islands and Argyll and Bute.

Hub projects will be delivered through a joint venture company (hubco) formed between the public sector bodies and a private sector development partner, which in the North Territory will be Alba Community Partnerships. The hub initiative brings Scotland's public sector bodies together to deliver a wide range of joint services to achieve better value for money and continuous improvement.

Alba Community Partnerships (comprising of Cyril Sweett Investments Ltd and Miller Corporate Holdings, part of The Miller Group) has been selected as the preferred bidder for the hub North Territory.

The Council is engaged with hubco and the SFT to determine the process of procuring the contract to design, build, finance and maintain the improved school facilities. The engagement with hub will help to determine how the Council can develop its current project plan to the key requirements and guidance from the Scottish Government, the availability and timing of revenue funding and the capacity of hub to deliver the procurement of the contract within a defined timescale.

Future Management of Projects

- 3.4 The Council is now being encouraged by the Scottish Futures trust to consider the two schools (Dunoon Area and Campbeltown) as one project and the Council is following this preferred approach.
- 3.5 The arrangements, proposed in this paper, to take forward the business case meet the requirements of the SFT. It should however be stressed that both potential projects are at a relatively early stage in the project life cycle and both have considerable approval and consultation stages still to be met before either progress to site. In relation to the shared campus in the Dunoon area, following the completion of the PAC process, an outline planning application will be submitted and a full business case will be developed for approval. A design brief for the facility is being developed with the involvement of stakeholders and initial design work will commence shortly. A full planning application will then be submitted, by hubco, which in turn would require a formal planning consultation. Additionally the proposal would be the subject of separate and parallel statutory consultation under the Schools (Consultation) (Scotland) Act 2010 or successor legislation.

A similar process will be undertaken for the replacement of Campbeltown Grammar School although this proposal is even earlier in the process.

4 Governance

4.1 Key Requirements and Guidance – Governance

The Council is currently progressing through a business case process for the proposed Dunoon Area Primary Shared campus and new Campbeltown Grammar. This process will be carried out in accordance with the key principles and guidance for revenue funded projects issued by the Scottish Government.

There requires to be identified capacity and governance structures in place in order to deliver the project effectively. The Scottish Government requirements are that;

- The procuring body is required to have in place a dedicated, qualified and sufficiently resourced project team to lead delivery of the project;
- The procuring body is required to have in place an SRO and also Project Director with recognised experience in project management and delivering revenue financed projects;
- The procuring body is required to put in place a project governance structure, clearly linked to the governance arrangements of the organisation, which will ensure effective oversight and scrutiny – at a senior level – of the work of the project team and the development of the project;

- The project will be required to go through Key Stage Review and Post Project Evaluation, as directed by the Scottish Government, through the development phase until Financial Close is reached. The review process should be undertaken in full from the earliest applicable milestone. Successful completion of each Key Stage Review is required in order for the project to proceed to the next stage of delivery.

All the above requirements are addressed in this report.

4.2 Proposals for Governance Structure

To meet the key governance arrangements outlined in the key requirements and guidance it is proposed that the Council constitute a special committee with membership, delegated powers and remit as detailed in Appendix 1 hereof.

The Special Committee would receive reports and recommendations from a Project Board with the membership and remit as detailed in Appendix 1 hereof. This would replace the existing governance arrangements for the procurement of the two schools projects.

In turn the Project Board would receive reports and recommendations from the Project team with membership and remit as detailed in Appendix 1 hereof.

This is a similar governance structure to that utilised in the Council's NPDO Project, a revenue funded project, and has been utilised in other Council Projects and is compliant with the key requirements and guidance.

5 New Project Request

- 5.1 In order to initiate a formal project commencement with hubco, the SFT and hubco require the Council to lodge a New Project Request (NPR). The NPR proposed for submission to the SFT is contained in Appendix 2 hereof.

This details the project scope, confirms certain technical matters and confirms "the maximum unitary charge that can be committed". This "affordability cap" as it is termed by the SFT is a requirement of the SFT and is more fully explained at Appendix 3 hereto. It is requested that the Executive approve the general content of the NPR for submission to SFT and hubco. It should be noted that the content of the NPR may alter prior to its submission depending on circumstances. The submission of the NPR to the SFT and hubco will not commit the Council to procure the new schools through this route. As set out in Appendix 1, a Final Business Case for the project will be brought to the Executive for its approval to commit to a procurement of the new schools through the hub DBFM route.

6. Funding

6.1 Project Financing

Revenue support will be provided to the Council from the Scottish Government up to a set level based on the project scope which has been agreed to be funded through Scotland's Schools for the Future Programme (SSF).

The Scottish Government has provided an indication of funding levels by way of a contribution calculated on a sum per square metre. This may be subject to market conditions and in particular benchmarking costs carried out by the SFT and costings

submitted by hub. Once determined, this funding level is expected to be provided to the Council by way of an annual revenue payment received over the life of the project. The life of this project is likely to be approximately 25 years.

The funding level will be crystallised during the course of the procurement process through hub. This will allow the Council to determine its required level of contribution and assess the long term affordability of the project.

The SFT has confirmed that the intention of the funding through the SSF is to put Council's in no better or worse a financial position than if the project were a traditional capital procurement.

6.2 Financing of the Council's Project Team

The terms and conditions set out in the Scottish Government letter require the Council to fund, in conjunction with the Scottish Government, the preparatory and development costs of the project including the procurement of legal, financial, technical and insurance advice where necessary.

It is considered that much of the expertise and advice required can be met from existing resources. However, it is intended that a sum of £750,000 should be earmarked from the Council's general fund reserve at 31 March 2012, on a one off basis, for the development of this project to be spent over the next three financial years. The sum would be used to fund various aspects of project development including additional internal staffing costs, public consultation, procurement of external specialist advisers and obtaining specialist reports. This would enable the Council to ensure that it has sufficient internal, and external, capacity and expertise to deliver a complex project of this type to the standards and timescales expected by the Scottish Government. Appendix 4 sets out further detail in respect of the proposed earmarking of the general fund for the purposes set out above.

The utilisation of these funds would be monitored and managed through the Project Team and reported to the Project Board on a regular basis. Any requirement to procure external advisory services would take advantage of the *SFT Frameworks for the Provision of Advisory Services* in order to demonstrate value for money from the procurement of such services.

While the Scottish Government have made provision in their funding arrangements to meet part of the Council's project development costs, as represented by the £750,000 identified above, this is in regard to the appointment of advisors only and up to a capped level of currently £200k in total. This sum would not be paid to the Council up front but on an annual instalment basis over the life of the project.

It is anticipated that the earmarked sum would be utilised over the next three financial years as required by the project plan and in furtherance of the project team remit set out in Appendix 1 of this paper. The Project Team will monitor and report on budget requirements as the project progresses.

6.3 Project Affordability

The Council requires to report on two aspects of the affordability of the project. Firstly, the SFT requires that the Council estimate its proposed project 'Affordability Cap' in the New Project Request which is included at Appendix 2. The Affordability Cap is an estimate of the maximum cost that the Council can afford for its contribution to the construction, maintenance and lifecycle costs of the new facilities.

Further detail of how this has been calculated is shown at Appendix 3.

Secondly, the Council will need to consider the impact of the Affordability Cap, and other costs resulting from the project, on its annual budgets. This 'affordability' analysis will compare the estimated cost of the project to the Council's existing school property budgets in order to identify if there is sufficient funding available to meet these costs over a period of time. The detail of how the current estimate of project affordability has been calculated is shown at Appendix 3. The estimated gap at this stage is some £700,000 per annum from 2015/16 and this would be likely to increase on an annual basis due to inflation being applied to the maintenance and lifecycle elements of the Unitary Charge over the contract term. This is largely due to the fact that presently the Council spends less on the maintenance of its buildings than the industry standards would suggest. The Council has around two years in order to identify the sums required in order to address this gap and the Project Team will liaise with Strategic Finance in order to ascertain how these sums may be identified with regular reporting to the Project Board.

7. Consideration of Shared Working

- 7.1 The CHP is currently developing a project for construction of a new mental health hospital in Lochgilphead. Both projects being undertaken by each of the Council and the CHP are currently being procured through the hub North and in liaison with the Scottish Futures Trust (SFT).

SFT have discussed the project management resourcing requirements with CHP. It appears that CHP are of the opinion that they have minimal or no internal capacity or capability to manage the project for a DBFM contract for the provision of a new Mental Health hospital in Lochgilphead. SFT contacted the Council and asked officers to meet with the CHP to consider ways in which they could collaborate and share cost and arrangements of project management of the mental health hospital with the arrangements the Council is putting in place in respect to the Schools project.

The Council's current view is that it has the capability and capacity to resource the project management of its schools project from within existing staff and resources. The SFT appears content with the Council's capability and capacity to do so.

Officers met with the CHP to explore areas of shared working. It is important to consider shared working with other public Authorities wherever possible and practicable and there is advice from the SFT that such arrangements should be considered. The current consideration of shared project management arrangements with the CHP is not one that appears to instantly lend itself to joint working arrangements.

The situation is one where the CHP wish to undertake a project to construct an asset in which the Council will have no interest. Separately, the Council is undertaking a project to construct 2 assets in different geographical locations in which the CHP will have no interest.

Consequently, this is clearly not a situation where there are "shared services" being undertaken but rather separate and distinct time limited construction projects where the parties have separate and distinct interests and obligations.

It is not clear what benefit would accrue to the Council in batching the projects together or joining in procurement of project management with CHP. The SFT and hubco have advised that they would broadly concur with this view based on their experience of other hubNorth projects.

Having regard to that officers will continue to engage with the CHP to:

- Consider whether joint procurement of legal, financial and technical advisers would achieve improved value for both bodies compared to individual procurement;
- Engage with the CHP on an informal, but regular basis, to discuss ongoing experience of the procurement of the respective projects; and

Liaise with the CHP on a regular basis to assess the timescale of each party in reaching financial close to assess whether bundling of the projects is feasible and would derive any financial benefit.

The development of opportunities for successful shared working between public sector partners is considered most likely to be successful where all those involved are community resources to a shared working project.

8. Next Steps

8.1 The Council is now in a position to progress with the procurement process in regard to the proposed improved school facilities at Campbeltown Grammar and Dunoon Area Primary Shared Campus through Hub. It now requires to take steps to ensure that it has governance arrangements that meet the key requirements and guidance from the Scottish Government for procuring bodies receiving revenue finance from the Scottish Government's "Scotland's Schools for the Future" project. The acceptance of the governance arrangements recommended herein will achieve that and will provide assurance to the Council that the procurement process will be progressed on a business case basis demonstrating clear affordability of the project or otherwise with clarity on responsibilities in relation to delegated authority and reporting obligations.

8.2 It should also be noted that the two new school developments will fall within the scope of the Schools Consultation (Scotland) Act 2010. Proposals for discharging the Council's duties under the act will be brought forward as the project progresses.

8.3 It is likely that the Scottish Government will shortly give consideration to releasing additional funds to the Council for further school construction and the governance structure above would be able to accommodate such additional development if required.

9. CONCLUSION

9.1 Subject to approval of the Governance arrangements, NPR and funding matters referred to herein, the Council is now in a position to progress the procurement process in regard to the proposed improved school facilities at Campbeltown Grammar and Dunoon Area Primary Shared Campus through SFT and hubco.

10. IMPLICATIONS

Policy:

Meets the aspirations for the Council for renewing and improving the education estate provision in Dunoon and Campbeltown in compliance with the Council's School Estate Asset Management

Plan (SEAMP).

Finance: The projects may achieve affordable options for renewing and improving the education estate provision in Dunoon and Campbeltown and take advantage of significant Scottish Government revenue based grant assistance.

Legal: The governance arrangements contained herein comply with the Scottish Government's Key requirements and Guidance.

Equal Opportunities None at present

Douglas Hendry – Executive Director – Customer Services
For further information contact – 01546 604244

Cleland Sneddon – Executive Director – Community Services
For Further information contact - 01546 604112

APPENDIX 1**Project Sponsor – Senior Reporting Officer (SRO)**

Executive Director – Community Services.

A - SPECIAL COMMITTEE**DELEGATED AUTHORITY AND REMIT**

The Special Committee is authorised to progress the project to make recommendation to the Council's Executive on procurement of improved school facilities in respect of Campbeltown Grammar and a new Dunoon Area Primary Shared Campus (incorporating Kirn, Dunoon and St Mun's primary Schools and Clyde Cottage Nursery). The recommendation is to be based on a final business case to address, amongst others the following matters;

- Educational Benefit of the proposed improved School facilities;
- Demonstration of value for money and long term affordability;
- Feasibility and deliverability of the project;
- Educational and technical brief and the evaluation thereof;

In carrying out the remit in terms of this delegated Authority, the Special Committee will report to the Council's Executive at key stages of the project, as it considers appropriate, and with its final recommendation on procurement of the project to enable the Executive to make the final decision thereon.

MEMBERSHIP¹

Council Leader	Chair
Spokesperson for Education and Lifelong Learning	Vice Chair
	Councillor
	Councillor
	Councillor
	Councillor
	Councillor
	Councillor
	Councillor
	Councillor

B – PROJECT BOARD**REMIT**

The Project Board is authorised to progress the project to make recommendation to the Council's Special Committee on procurement of improved school facilities in respect of Campbeltown Grammar and a new Dunoon Area Primary Shared Campus (incorporating Kirn, Dunoon and St Mun's primary Schools and Clyde Cottage Nursery). The recommendation is to be based on a final business case to address, amongst others the following matters;

- Educational Benefit of the proposed improved School facilities;
- Demonstration of value for money and long term affordability;

¹ Number of Councillors to be agreed. Ratio of administration to opposition members likely to be 3:2.

- Feasibility and deliverability of the project;
- Educational and technical brief and the evaluation thereof;

In carrying out the remit in terms of this delegated authority, the Project Board will; Report to the Special Committee at key stages of the project and against the approved Project plan, as it considers appropriate, and with its final recommendation on procurement of the project to enable the Special Committee to make recommendation to the Executive to make the final decision thereon;

Task the Project Team to develop a project plan to progress assessment of the procurement of the project on a final business case basis. This will address;

- The key objectives of the project;
- The proposed timescale to produce a final business case with the key requirements and reporting stages within that process;
- The matters that require to be addressed in the final business case.

MEMBERSHIP²

Council Leader	Chair
Spokesperson for Education and Lifelong Learning	Vice Chair
	Councillor
	Councillor
	Councillor
	Councillor
	Councillor
	Councillor
	Councillor
	Councillor
Executive Director of Customer Services	Douglas Hendry
Executive Director of Community Services	Cleland Sneddon
Head of Strategic Finance	Bruce West
Head of Education	Carol Evans
Head Children and Families	Louise Long
Head of Facility Services	Malcolm MacFadyen
	LNCT Union Representative
	EJCC Union Representative
Roman Catholic Representative	Maureen Arthur
Church of Scotland Representative	William Crossan
Scottish Episcopal Representative	David McEwan
Advisers to the Project Board	
Education Representative	Head Teacher, St Muns PS
Education Representative	Head Teacher, Dunoon PS
Education Representative	Head Teacher, Kirn PS
Education Representative	Head Teacher, Campbeltown Grammar School

² Number of Councillors to be agreed. Ratio of administration to opposition members likely to be 3:2.

C – PROJECT TEAM**REMIT**

The Project Team is authorised to progress the project to make recommendation to the Council's Project Board on procurement of improved school facilities in respect of Campbeltown Grammar and a new Dunoon Area Primary Shared Campus (incorporating Kirn, Dunoon and St Mun's primary Schools). The recommendation is to be based on a final business case to address, amongst others the following matters;

- Educational Benefit of the proposed improved School facilities;
- Demonstration of value for money and long term affordability;
- Feasibility and deliverability of the project;
- Educational and technical brief and the evaluation thereof;

In carrying out the remit the Project Team will;

Report to the Project Board at key stages of the project, in accordance with the project plan approved by the Project Board and as it considers appropriate, and with its final recommendation on procurement of the project to enable the Project Board to make recommendation to the Special Committee to make the final decision on procurement of the Project.

The Project Team are tasked to develop a project plan, for approval of the Project Board to progress assessment of the procurement of the project on a final business case basis. This will address;

The key objectives of the project;

The proposed timescale to produce a final business case with the key requirements and reporting stages within that process;

The matters that require to be addressed in the final business case.

The Project Team are tasked to work to the approved plan and report to the Project Board against this plan as required by the Project Board from time to time.

MEMBERSHIP

	Project Director
	Education Project Manager
	Children and Families
	Special Projects Team
	Facility Services
	Facility Services
	Facility Services
	Governance and Law
	Strategic Finance
	Planning

APPENDIX 2**NEW PROJECT REQUEST – Campbeltown Grammar and Dunoon Area Primary Shared Campus
DRAFT for discussion**

This New Project Request is issued under the terms of the Territory Partnering Agreement (TPA) entered into by hub North Scotland Ltd and the Relevant Participant dated 28 January, 3, 4, 8, 9, 10, 11, 15, 22, 24 February and 17 March 2011.

Section	Requirement
1. Relevant Participant:	Argyll and Bute Council
2. Project name:	Campbeltown Grammar School and Dunoon Area Primary Shared Campus
3. The maximum Unitary Charge which can be committed to the New Project (the 'Affordability Cap'):	<p>SFT have advised that the Council will be liable for the project costs relating to its contribution to the construction cost of the facilities and their ongoing lifecycle and maintenance. All other project costs, included in the Unitary Charge, will be met by the Scottish Government.</p> <p>The Council has based its affordability cap on the costs for which it is expected to be liable and as set out below:</p> <ul style="list-style-type: none"> • Council construction contribution – The Council have based this upon the calculation of construction cost as provided by the SFT (see breakdown attached). The total construction cost is currently estimated at £22.2m with the Council contribution being £9.4m. • Lifecycle Costs and Facilities Management – A benchmark has been provided for a current hubNorth project covering both lifecycle and maintenance. This totals £40 m2/per annum for combined lifecycle and FM. <p>At this stage the Council intends to base its affordability calculations on the above figures as they are based on commonly accepted benchmarks and calculation methodologies. It is acknowledged that these figures are likely to change over the course of the procurement process and the submission of the NPR does not commit the Council to funding the costs as set out above.</p>
4. A project brief is provided	<p>The Council originally considered the proposed renewal of these schools on a capital funded basis with support from the Scottish Government. The Scottish Government has recently advised the Council that revenue support funding is likely to be made available to support the Council in the provision of these new schools through the Scotland's Schools for the Future project (SSF).</p> <p>This Council's current proposal envisages a new Shared primary campus school in Dunoon incorporating pre 5s provision, of a size appropriate to projected rolls, to be built on the site of the existing Kirn Primary with additional adjacent council owned</p>

	<p>land being utilised as required. An educational and technical brief (Project Brief) for the project has been prepared and the Pre Application Consultation (PAC) process is now complete.</p> <p>The project for Campbeltown is intended to be a replacement of the existing Grammar to a size and specification appropriate for projected rolls and modern teaching requirements. This project is at an earlier stage of development than Dunoon with a requirement to select a site for the new school along with the development of an educational and technical design brief (Project Brief). The Project Brief, including site option appraisal, is being drawn up and it is intended that this will be considered with hubco during the Stage 1 process.</p> <p>FM Service Specification: It is envisaged at this stage that hubco will provide the services detailed in the Standard Form Services Specification.</p> <p>All other services for the facility are expected to be provided by the Council.</p> <p>This project forms part of the Scottish Government's Scotland's Schools for the Future programme. Hubco is to comply with requirements of the Scottish Government in respect of this programme. The requirements are set out in the Scottish Futures Trust letter to the Council dated 22 March 2011, a copy of which will be attached to the NPR. It should be noted that the SFT correspondence advises that the financial support to be offered may be adjusted during procurement based on market conditions at that time.</p>
5. Programme or other requirements comprise:	<p>The council has developed a draft outline timescale for the procurement and build process which is based on the timings envisaged by the SFT as part of its Key Stage Review process. All stages of this process will be subject to approval by the Council's internal governance procedures. This will be developed and clarified over the course of the procurement.</p> <p>April / May 2012: Submit NPR October / November 2012: Stage 1 submission and approval April / May 2013: Stage 2 submission and approval August / September 2013: Financial Close July 2015: Service Availability</p>
6. Preparatory work already undertaken comprises:	See section 4 above.

	<p>Detailed investigations to date are available should hubco wish to view them.</p> <p>Site information, including flood risk, is being obtained for the potential sites for the new Campbeltown Grammar. This information is expected to be available by May 2012.</p>
7. Details of any designers/advisors currently retained:	The Council do not currently retain any designers or advisors.
8. Are any current designers/advisors able to be novated to hubco:	There are no current designers / advisors to be novated to hubco from the Council.
A Stage 1 Submission shall be prepared and include in respect of Clause 4.2 of Schedule Part 5 of the TPA the following:	
9. A detailed option appraisal (4.2.1)	Site selection and Initial Business Case completed for Dunoon Area Campus (will be provided). Campbeltown site option appraisal process ongoing.
10. A value for money assessment (4.2.2)	A Value for Money Assessment is required in accordance with the requirements of the TPA (4.2.2) and supporting Method Statements. Will be completed in accordance with SFT guidance issued in December 2011.
11. A description and outline design to RIBA stage C (4.2.3)	Not anticipated to be complete until the end of Stage 1 in accordance with SFT guidance.
12. A desktop geotechnical/environmental study and where applicable (4.2.4):	
a. Topographical survey	It is anticipated that Hubco shall review the available site investigation work previously undertaken by the Council (as per 5 above) as part of stage 1. It is anticipated that this information will not be warranted by the Council to Hubco and Hubco will undertake any further investigations that they deem necessary as part of their Stage 1 design development.
b. Site investigation Studies	See a. above.
c. Geotechnical report	See a. above.
d. Asbestos report	See a. above.
e. Condition report	See a. above.
f. Traffic study	See a. above.
g. Environmental impact report	See a. above.
13. The transfer of properties by Participant(s) to Hubco or to Project Service Providers (details required) (4.2.5)	It is not anticipated, at this stage, that any property will be required to be transferred to Hubco as a result of this process.
14. a schedule of material amendments/benefits required to the standard terms of the relevant Template Project Agreement (4.2.6)	Based on the process and timescales envisaged by the SFT in its KSR guidance, any changes or derogations

	to the standard Project Agreement would be agreed over the course of the process to Financial Close.
15. Names of the Participant(s) and/or other parties who will become Project Agreement Counterparties. Also tenants (4.2.7)	Not required
16. How the New Project fits into the service delivery strategy as set out in the TDP and evidence of how the New Project meets the Relevant Participant(s)' requirements including the Specific Requirements (4.2.8)	The design brief sets out the Council's Education vision, and aims, and describes how it is expected these will be met from the new schools.
17. The effect on any employees of the Relevant Participant(s) or relevant third party service providers, including any potential transfer of any such employees (TUPE) (4.2.9)	Not required.
18. An equipment strategy and risk transfer assumptions (4.2.10)	Risk transfer envisaged at this stage to be in line with the Standard Form Services Specification. This will be reviewed over the course of the procurement process along with the development of a related equipment strategy.
19. What land (including Participant land) is required and where appropriate, an indicative value of that land (4.2.11)	It is anticipated no land procurement will be required as part of this project but will be subject to the results of the Campbeltown site options appraisal.
20. The appropriate contractual route to deliver the New Project (4.2.12)	DBFM It is anticipated that the project will be revenue funded adopting the Standard Form DBFM Project Agreement issued by Scottish Futures Trust in June 2011 and as amended. The Council intends to provide funding for its share of the capital cost of the project in line with the Scottish Government requirements.
21. Evidence of planning permission in principle (outline) including a report on any conditions attached setting out Hubco's recommended strategy (4.2.13)	PAC process complete for Dunoon Campus. The Council is in the process of drawing up an outline planning application for this facility within the next two months. The timescale for completion of this planning process will be dependent on a related planning application for additional pitch provision in the area which will compensate for a pitch which will be removed as part of the campus development. The planning process for Campbeltown has not yet commenced. It is intended that the full planning process for Campbeltown would be undertaken by Hubco and the Council during the Stage 1 process.
22. A maximum time period for submission of a Stage 2 Submission on the assumption that the New Project achieves Stage 1 Approval (and indicating alternative time periods to accommodate market testing if required) (4.2.14)	The target date for the Stage 2 approval is as per the programme above (ie. April / May 2013) and is based upon timescales included in the SFT Key Stage Review guidance previously issued.

<p>23. The proposed Project Development Fee referred to in paragraph 1.2 of schedule Part 4 (Partnering Services Costs) (4.2.15)</p>	<p>This will be a matter for discussion with Hubco, Hub Territory and SFT as it is understood this will be met by Scottish Government.</p>
<p>24. A Site Waste Management Plan (incorporating design stage waste reduction actions). (4.2.16)</p>	<p>Anticipated this will be developed as part of the Stage 1 and 2 design process.</p>
<p>25. Most recent Hubco Performance Report and confirmation whether or not the Track Record Test has been passed at the date of submission of the Stage 1 submission. (Not referenced)</p>	<p>Anticipated this will be covered as part of the Stage 1 process.</p>

APPENDIX 3

Dunoon and Campbeltown Schools – Affordability1. Introduction

1.1 The new schools project will be delivered through a special purpose vehicle, hubco, under the Scotland's Schools for the Future programme. The project will be revenue funded through a Design, Build, Finance and Maintenance (DBFM) contract with support being provided from both the Scottish Government and Council resources. The capacity of the Council to meet the costs of the project from its budgets, and additional Scottish Government support, will determine the 'affordability' of the project.

1.2 There are four cost streams that the Council will require to meet when determining the affordability of the project:

Unitary Charge	The Council will pay an annual fee to hubco (the 'Unitary Charge') once the buildings have become operational and this fee will cover the costs of design, construction, financing and the ongoing maintenance and lifecycle renewal of the buildings for the 25 year contract life. The Scottish Government will meet some of the cost elements of the Unitary Charge (UC) while the Council will meet others.
Up front capital contribution	The Council will be required to make an up front payment to hubco to contribute to the capital costs of constructing the new facilities. This will amount to 33% of the cost of Campbeltown Grammar and 50% of the cost of the new Dunoon Area Campus.
Wider Costs / Receipts of Project	The Council will be required to fund any abnormal costs associated with the builds or any further works required as a consequence of the construction.
School Property Costs	The UC will only include the ongoing maintenance and lifecycle of the new facilities. The school property costs (including cleaning, janitorial services, security, utilities, Non Domestic Rates, etc) will remain the responsibility of the Council and budget will require to be identified for such sums.

1.3 The New Project Request (NPR) form issued by hub requires that the Council confirm how much it can afford to spend on the up front payment for construction of the facilities and the maintenance and lifecycle elements of the UC. This is known as the project 'Affordability Cap' and the Council's partnership agreement with the hub requires that hubco should aim to deliver the project within this cap.

1.4 However, for the Council to determine how affordable the project is, it will require to consider both the costs of the project itself (the Affordability Cap) and the additional costs to the Council resulting from implementation of the project. It should also be noted that the Affordability Cap is based on an early estimate of construction, maintenance and lifecycle costs and it is entirely possible that, as the project develops, these costs will increase and the original Cap may be exceeded by hubco. The Council will require to continue to monitor the affordability during the procurement process and consider the implications of any increase in the project costs.

2. Summary Affordability Position

2.1 The sections below set out the detail of the current view on the Affordability Cap and the current estimate of the affordability of the project on an annual basis. The main costs to the Council of the project are the payment of the Council's upfront capital contribution and meeting hubco's costs of long term lifecycle and maintenance expenditure. At this stage there is a range of benchmarked costs relating to lifecycle and maintenance. The affordability position of the project is therefore shown as a range with an explanation of each element shown in the body of the Appendix.

2.2 Each of the headings is described in detail in section 3 below and comment on the status of the 'affordability gap' is included in section 4 below.

<u>Project Costs</u>	Report Section	Annual Affordability Low Benchmark £000	Annual Affordability High Benchmark £000
<i>hubco Costs</i>			
Lifecycle / Maintenance (Council Funded)		474	699
Up front Council investment (Council Funded)		9,397	9,397
<i>Affordability Cap</i>		9,872	10,096
Remaining Unitary Charge (SG Funded)		1,453	1,453
<i>Total hubco Costs</i>		11,325	11,549
Wider Costs / Receipts of Project		Note 1	Note 1
School Property Costs		913	913
Total Project Costs (A)		12,238	12,462
<u>Budgets Available</u>			
Existing School Property Budgets		846	846
Contribution from Council CRA maintenance			
Scottish Government Support		1,461	1,461
Council Up Front Capital Contribution		9,397	9,397
Total Budgets Available (B)		11,705	11,705
Affordability Gap (B-A)		-533	-757

Note 1 – The wider costs / receipts from the project represent one-off sums that are likely to be incurred by the Council as a consequence of implementing the project. The current estimate of this figure is a net cost of around £100,000. As such sums are unlikely to be incurred on an annual, recurring basis and have not been included in the figures above but a full description of what is likely to be included is shown in section 3.9.

2.2 The table above shows that, based on current assumptions, there is likely to be an affordability gap of between about £533k to £757k per annum from the project. This is largely due to the fact that presently the Council has budget for the maintenance of its buildings that is lower than the industry standards would recommend. The maintenance figures are based on benchmarks provided by hubco and the Scottish Futures Trust and the detail is set out in section 3.6 below.

3. Project Affordability

Affordability Cap

3.1 As described above the Council will require to ascertain the maximum contribution it can make to the elements of hubco's costs that will not be met by the Scottish Government. The Affordability Cap will be made up of two parts:

Capital contribution

3.2 This is the upfront payment to be made by the Council towards the construction costs of the new schools. By paying these sums up front it reduces the amount of funding that hubco will require to borrow in order to fund the construction of the schools and, as a result, reduces the UC cost to the Council.

3.3 The capital contribution paid by the Council will be a proportion of the total capital cost of the construction of the new facilities. The Scottish Government have provided a formula which sets out how they will estimate the cost of constructing a new secondary school or primary school. At this early stage of the project, and in the absence of a detailed design, the potential capital cost of the new facilities has been based upon the Scottish Government formula. This approach has been reviewed by the SFT and hubco and is considered appropriate for this stage of the project.

The calculation of the capital costs at this stage is as follows and uses inputs provided by the SFT:

	Dunoon Area Campus (inc pre 5 unit)	Campbeltown Grammar	Combined
Forecast Capacity (Note 1)	785	448	
Gross area per pupil (m2)	6.5	12	
Gross Internal Floor Area (GIFA, m2)	5,103	5,376	
Benchmarked construction cost per m2	£2,350	£1,900	
Estimated Capital Cost of School	£11,992,050	£10,214,400	£22,206,450
% for Council capital contribution	50%	33.3%	
Estimated Council Capital Contribution	£5,996,025	£3,401,395	£9,397,420

Note 1 – This figure is based upon the likely future rolls of the schools, as projected by Education, plus an uplift of 15% to these figures, to allow for flexibility in the delivery of the curriculum, in order to arrive at the design capacity for the school.

3.4 It is intended at this stage that the sum above should be used as the Affordability Cap in respect of the NPR as it is based on the Scottish Government's funding formula. However, it is likely that this sum will vary significantly from the current estimate as the school designs are developed. The eventual capital cost will be the sum agreed between hubco's building contractor, hubco and the Council and will be benchmarked against market rates. As part of its

2012/13 budget setting process the Council has set aside £12.5m to meet the Council's required up front contribution and this position will continue to be monitored.

Unitary Charge

3.5 This is the annual payment for the delivery of services delivered by hubco including design, build, financing and the maintenance and lifecycle of the properties. The annual UC will cover all of the costs that will be incurred by hubco and will 'smooth' them out into a single cash flow, which will inflate each year.

3.6 The SFT have advised the Council that, of the total UC, the Council will be expected to meet the ongoing costs of maintenance and lifecycle. All other components of the UC will be funded by the Scottish Government. At this early stage of the project, and for the calculation of the Affordability Cap to be included in the NPR, it is intended that the maintenance and lifecycle figures will be used for each school based upon benchmarks provided by hubco. The figures included in the summary cost table above are based on the following calculation:

	Low Benchmark		High Benchmark		Dunoon and Campbeltown Combined	
	Dunoon	Campbeltown	Dunoon	Campbeltown	Low Benchmark	High Benchmark
Cost per m2 / per annum	£40.00	£40.00	£35.88	£80.81		
GIFA (m2)	5,103	5,376	5,160	5,376		
Likely Annual Cost	£204,120	£215,040	£185,141	£434,435	£410,520	£649,475
Inflated to 2016 at 2.5% pa (first year of operations)					£464,298	£699,000

¹The lifecycle element of the benchmarked expenditure is likely to be incurred on an irregular basis over the course of the contract period. To obtain the annual cost above the total figure across the contract period has been converted to equal annual sums in order to reflect the likely calculation methodology that will be used by the SFT.

3.7 It is intended at this stage that the lower of the sums above should be used as the Affordability Cap in respect of maintenance and lifecycle costs shown in the NPR as they are based on the most up to date benchmarks for similar projects. This approach is supported by the SFT and hubco for this early stage of the project. However, it is likely that this sum may vary significantly from the current estimate as the school designs are developed. The eventual maintenance and lifecycle costs will be the sum agreed between hubco's facilities management sub contractor, hubco and the Council and will be benchmarked against market rates.

3.8 The Council's spend on revenue maintenance works for the four schools included in this project averaged around £100,000 per annum for the last three years with only a small capital provision made for these schools in the Council's capital plan. This sum is clearly considerably lower than the annual sum which is likely to be required as part of the project and this difference forms the majority of the affordability gap between the likely project cost and existing budgets. Section 4 below sets out the status of the affordability gap and how this may be monitored going forward.

Wider Costs / Receipts of the Project

3.9 As well as the core costs of constructing and maintaining the new facilities the project is likely to result in additional costs, and possibly, receipts that will require to be addressed by the Council. At this early stage of the project it is not possible to anticipate all such costs and receipts that may be incurred. However, at present the following likely costs and receipts have

been identified along with a current estimate of the value. These figures will be likely to change as the design and development of the project progresses:

a) *Dunoon Area Campus*

Heading	Estimated cost / (Receipt)
Compensatory pitch works for lost rugby pitch adjacent to the site of the existing Kirn Primary School	c. £300,000
Potential capital receipt for existing St Mun's Primary School building	c. (£200,000)

Depending on the design solution and the build programme it is possible that there will be other costs related to temporary decant of pupils during the construction of the new Campus. Such costs will continue to be monitored as the project progresses.

b) *Campbeltown Grammar School*

At present a site has yet to be chosen for the location of the new Grammar School and no value can be placed on any wider costs associated with this part of the project. It is possible that, depending on the site selected, there will be site abnormal costs (eg. Ground remediation, flood prevention, etc) that may not be funded by the Scottish Government. It is also possible that a capital receipt could be generated from the sale of the existing school site if another location is chosen. These, and other matters, will be monitored closely in the light of the results of the site selection process.

School Property Costs

3.10 It is likely that the majority of property costs associated with the new project facilities, apart from maintenance and lifecycle, will continue to be met by the Council. Each of the schools currently has a budget in place to meet the costs that are incurred at present and it is assumed that these budgets will be available to fund the same property costs in the new facilities.

3.11 It is likely, however, that the new schools will have a different cost profile than the existing buildings. Relevant Council services have been consulted to obtain their early views as to how the current budgets may alter as a result of moving to the new facilities and the following table sets out the results of that review:

	2012/13 Budget inflated to first full year of operations at 2.5% (£000)	2012/13 Budget inflated to first full year of operations at 2.5% (£000)	Rationale
Non Domestic Rates (NDR)	182	248	Increase due to lost reliefs for age and underuse of existing buildings
Utilities	240	240	No change anticipated at present. Possible decrease due to combined facility may be offset by increased community use.
Janitorial	117	117	Possible saving due to combined facility. Will be reviewed in light of design.
Cleaning	223	223	Possible saving due to combined facility. Will be reviewed in light of design.
Grounds Maintenance	47	47	Will be based on the size of actual external areas. Will be reviewed in light of design.

	2012/13 Budget inflated to first full year of operations at 2.5% (£000)	2012/13 Budget inflated to first full year of operations at 2.5% (£000)	Rationale
Refuse Collection	15	15	Estimate received from Waste team was materially unchanged from current budget.
Insurance	23	23	Will require to be reviewed in light of contractual requirements.
Total	846	913	

3.12 It is currently estimated that the NDR associated with the new schools will be greater than the current budgets and this will increase the affordability gap of the project as a whole. It is intended that the impact of the design of the new schools on the ongoing school property costs will continue to be monitored as the project develops and reported appropriately.

4. Managing the Affordability Gap

4.1 Based upon the estimates of the figures above there is likely to be a significant affordability gap between the costs of the project and the current Council budgets. The most significant cause of the gap is likely to be the difference between the Council's current expenditure on building maintenance and the sum that will be required to be devoted to such maintenance in the contract.

4.2 The Council will not commence paying Unitary Charge until the buildings become operational. Based on the current timetable this would be likely to be during the 2015/16 financial year although this may change as the project develops. The estimated gap at this stage is between £533,000 to £757,000 per annum from 2015/16 and this would be likely to increase due to inflation being applied to the maintenance and lifecycle elements of the UC over the contract term.

4.3 The Council has around two years in order to identify the sums required in order to address this gap and the Project Team will liaise with Strategic Finance in order to ascertain how these sums may be identified with regular reporting to the Project Board. Any suggested changes to existing budgetary arrangements in order to fund the project would be brought to the Project Board and Executive at key stages of the project. The Council can only progress to financial close for the project by clarifying that the project delivers value for money and is affordable. The Council will, therefore, if it is to approve the final business case confirm that it has identified revenue budget to meet the total and ongoing cost of the project at financial close.

4.4 It should be noted that the NPR document requires that the Council set out a figure that hubco should work to in respect of the construction, maintenance and lifecycle costs as they develop the project. However, the NPR does not commit the Council at this stage to funding the project and also does not guarantee the cost of the project. The final project cost, and impact on affordability, will be developed as the design process moves forward and will be reported to the Project Board and Executive at key stages. The final decision to proceed with the project would be taken when the Final Business Case is drawn up just prior to signing the contracts with hubco.

**DUNOON AND CAMPBELTOWN SCHOOLS PROJECT - PROPOSAL TO EARMARK
FUNDS FROM GENERAL FUND RESERVE**

1. INTRODUCTION

- 1.1 The purpose of this report is to request support in earmarking unspent budget for a specific purpose, in line with the Policy on End of Year Flexibility. In particular, it is intended to earmark unspent budget from the 2011/12 financial year in support of the delivery of the new Dunoon Area Pre 5 and Primary Joint Campus and the new Campbeltown Grammar School through the Scottish Government's *Scotland's Schools for the Future* programme.

2. RECOMMENDATIONS

- 2.1 That the SMT to agree to submit to the Executive a recommendation in support of the proposed earmarking, and expected expenditure profile, set out in paragraphs 3.1 to 3.3 below.

3. DETAIL**3.1 Initiative/Proposal**

- 3.1.1 At its meeting on 2 June 2011 the Council agreed to develop proposals for the Design, Build, Maintenance and Financing (DBFM) of a new Dunoon Area Pre 5 and Primary Joint Campus and a replacement of the existing Campbeltown Grammar School in accordance with the grant terms and conditions set out in the letter from the Scottish Government of 22 March 2011. The Council also agreed, as part of its 2012/13 capital budget, to set aside funds to support the implementation of this project.
- 3.1.2 The terms and conditions set out in the Scottish Government letter require that procuring authorities have in place a Project Director and Project Team with the knowledge and experience of revenue financed procurement to be able to provide a challenge function to advisers and the private sector partner. The Council is also expected to fund, in conjunction with the Scottish Government, preparatory and development costs of the project including the procurement of legal, financial, technical and insurance advice where necessary.
- 3.1.3 It is considered that much of the expertise and advice required can be met from existing resources. However, it is intended that a sum of £750,000 should be earmarked from the Council's general fund reserve as at 31 March 2012, on a one off basis, for the development of this project to be spent over the next three financial

years (see para 3.3 below). The sum would be used to fund various aspects of project development including additional internal staffing costs, public consultation, procurement of external specialist advisers and obtaining specialist reports. The Scottish Government will provide a contribution to the Council's project development costs up to the value of £200,000. However, the Council will be expected to meet such costs up front with the Scottish Government support being paid to the Council over the 25 year life of the project.

3.2 Business Case

- 3.2.1 The Council has agreed, as part of its 2012/13 budget, to make funding available for a project to build new education facilities in Dunoon and Campbeltown. The proposed capital plan will support the corporate outcome of our young people having the skills, attitudes and achievements to succeed throughout their lives by improving the quality of the school estate and raising the condition of school buildings.
- 3.2.2 The Council has further agreed that this project will be delivered in accordance with the Scottish Government's requirements through the *Scotland's Schools for the Future* programme. As described above, the Scottish Government requires that the Council should have in place a Project Team with the relevant skills in order to deliver a revenue funded project of this nature.
- 3.2.3 It is intended that reports will be brought to the Executive Committee in April 2012 that will set out the proposed governance structure for the project, including the suggested composition of the Project Team. The earmarking of the sum of £750,000 described above, to be spent over the next three financial years, would enable the Council to ensure that it has sufficient internal, and external, capacity and expertise to deliver a complex project of this type to the standards and timescales expected by the Scottish Government.
- 3.2.4 The utilisation of these funds would be monitored and managed through the Project Team and reported to the Project Board on a regular basis. Any requirement to procure external advisory services would take advantage of the *SFT Frameworks for the Provision of Advisory Services* in order to demonstrate value for money from the procurement of such services.

3.3 Expenditure Profile

- 3.3.1 The Council will require to submit a 'New Project Request' (NPR) to its potential private sector partner (hubNorth) setting out the proposed scope and timescale for the project and this document will be considered by the Executive at its meeting in April. At present the draft NPR envisages a procurement period of around two years covering part of three financial years 2012/13, 2013/14 and 2014/15 and it is anticipated that the earmarked sum would be expended over this period.

Cleland Sneddon
Executive Director of Community Services
Douglas Hendry
Executive Director of Customer Services

ARGYLL AND BUTE COUNCIL**EXECUTIVE****CUSTOMER SERVICES****19 APRIL 2012**

NPDO SCHOOLS PROJECT PROGRESS REPORT

1. SUMMARY

- 1.1 This report summarises progress in relation to the Council's NPDO project to end of March 2012 and, in particular, provides an update on the current financial position of the Project.

2. RECOMMENDATION

- 2.1 The Executive is asked to note the contents of this report.

3. DETAIL

- 3.1 All five School sites within the NPDO project have now been handed over, including all external works and phases, and are operational.
- 3.2 The Special Projects Team (SPT) continues to attend the regular Board meetings of ABC Schools Ltd and meet regularly with School representatives and representatives from the Council's partners, ABC Schools Ltd and Mitie PFI, to monitor progress. The SPT continues to utilise the system of liaison meetings and inspections along with assistance from Facility Services to assist in identifying service provision and building fabric issues within the facilities.

4 BUDGET POSITION

- 4.1 At the Executive meeting in August 2008, the SPT was requested, annually, to provide the Executive with confirmation of the ongoing financial status of the NPDO project based on the assumptions prevalent at the time of reporting.
- 4.2 In April 2011 it was reported that, based on assumptions prevalent at the time, the project was affordable in each contract year. For 2011/12 further efficiencies have been identified within the NPDO project relating to performance and availability deductions and savings in insurance costs. These efficiencies have reduced budgetary impact of the NPDO on the Council as a whole.
- 4.3 As part of the 2012/13 budget setting process the Council agreed to remove the NPDO smoothing fund and apply the sums earmarked therein for other purposes. The Council also agreed to fully fund the NPDO budget for the next three years (2012/13, 2013/14 and 2014/15) prior to

the removal of the NPDO smoothing fund. It is anticipated that, based on current assumptions, the NPDO will be able to be operate for the next three years within the budget allocation set by the Council in February 2012. The budgetary position of the NPDO over the next three years will continue to be reviewed and reported as part of the Council's budget monitoring process.

Future Pressures

- 4.4 Notwithstanding the above, there continue to be potential cost pressures on the NPDO which will continue for the life of the project and affect its long term budgetary position. These will include fluctuations in the general Retail Price Index (RPI), utility tariff rates and Non Domestic Rates (NDR) where the Council takes the risk on changes to these. The current forecast assumes that these factors will increase in line with overall Council estimates. Despite the removal of the smoothing fund, the SPT intend to maintain a long term forecast of likely NPDO expenditure so that any adverse impacts resulting from these cost pressures can be anticipated, managed and reported as necessary.

5 EFFICIENCIES IDENTIFIED

- 5.1 The SPT are continuing to monitor ongoing availability and performance deductions. Since April 2011, ABC Schools have required to make payment to the Council of approximately £216,000 by way of deductions. The SPT are currently withholding a further sum of about £115,000 by way of disputed deductions and are in discussion with ABC Schools to resolve that matter. The SPT continue to dispute unitary charge invoices, as appropriate, following the contract provision, to enable discussions to negotiate settlement of outstanding deductions due to the Authority.
- 5.2 The SPT have applied the provisions contained in the NPDO contract which enable the Council to share in the savings made by ABC Schools in the procurement of insurance for the project facilities. The saving achieved by the SPT and paid by ABC Schools during 2011/12 (relating to the 2010 and 2011 calendar years) totalled around £258,000. The SPT will continue to liaise with ABC Schools to identify future efficiencies in this area where it is likely they can become available. The SPT will continue to seek and apply efficiencies from within the NPDO contract to ensure the correct level of service delivery and to manage any adverse budgetary impact on the NPDO budget. The SPT will apply any efficiencies, in the first place, to the short and longer term mitigation of any cost or budget pressures.

6 CLAIMS

- 6.1 Currently, there are no outstanding matters subject to formal dispute resolution in terms of the Project Agreement between the Council and ABC Schools Ltd or in terms of the construction sub contracts between ABC Schools and their construction sub contractors. ABC Schools have

recently settled the majority of construction related matters outstanding between them and their construction sub contractors. These matters have been resolved at no financial cost to the Council. The SPT consider there is the possibility of further claims from construction sub contractors against ABC Schools Ltd and continue to monitor matters.

7. CHARITABLE SURPLUS

- 7.1 The financial model for the project does not envisage surpluses being available until very late in the life of the project. To date no charitable surpluses have become available. The Council is continuing to monitor the position with ABC Schools and will report should this profile change.

8. CONCLUSION

- 8.1 The project that was signed in July 2006 was affordable and achieved Value for Money. Changes to the general economic environment since that date, particularly utilities and higher than modelled RPI, due to inflation, and higher than anticipated NDR have previously had an adverse effect on the affordability position. Efficiencies identified by the SPT through the NPDO contract to date have improved the position previously reported to the Executive. It is anticipated that, in the short term and based on current assumptions, the NPDO will be able to operate within the scope of the budget agreed in February 2012. Long term budgetary pressures will continue to be monitored closely by the SPT and any material changes to the current position will be reported.
- 8.2 The Special Projects Team will continue to work with all partners and stakeholders to address any budgetary and contract issues as they arise.

9. IMPLICATIONS

<i>Policy:</i>	None at present
<i>Finance:</i>	Budgetary position of the project continues to be closely monitored.
<i>Personnel:</i>	None at present
<i>Legal:</i>	The possibility of claims continues to be kept under review.
<i>Equal Opportunities:</i>	None at present

Douglas Hendry
Executive Director - Customer Services
Argyll and Bute Council

For further information please contact:
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**PROPOSALS TO EARMARK FUNDS FROM GENERAL FUND RESERVE – UNSPENT
BUDGET PROPOSALS**

1. INTRODUCTION

- 1.1 This report outlines proposals to carry forward and earmark balances in the General Fund Reserve as at 31 March 2012. The report covers all earmarked reserves which have arisen as a result of unspent budget proposals. There is no set timetable for the earmarking of unspent budget, although routinely these are submitted in June with the overall report on reserves as part of the annual accounts process. It is intended to submit the unspent budget proposals sooner to give more time for consideration and also in order that services are advised earlier in the financial year if proposals are agreed which enables plans to be put into place to commit the monies.

2. RECOMMENDATION

- 2.1 Members to approve the proposed earmarking of unspent budget.

3. DETAIL

- 3.1 The Council's External Auditors previously made recommendations on the arrangements for the carry forward of funds at the year end.

SMT considered how best to apply the agreed criteria in a way that seeks to ensure expenditure is focused on the Council's priorities and recognises the challenging financial outlook. Arising from this a procedure note on end of year flexibility was agreed by SMT in March 2010 and this procedure has been followed since. This procedure has been updated to reflect the decisions made as part of the 2011-12 and 2012-13 budget processes. The revised policy is attached as Appendix 1 to this report.

- 3.2 There are six situations where automatic carry forward of budget will be permitted, these are:

1. Unspent Grants
2. Unspent Third Party Contributions
3. Unspent budget within the Devolved Management of Resources (DMR) Scheme of Delegation for schools
4. CHORD Funding
5. Previous Council or Executive decision
6. Existing Legal Commitments

- 3.3 Outwith the six situations noted above there will be no automatic carry forward of unspent budget. The earmarking of funds which fall under the above criteria will be reported to SMT and Council together with the financial statements in June.
- 3.4 There were 3 instances during 2011-12 where the Executive agreed to allocate monies from the general fund reserve for specific purposes, these include funding of £230k for Events and Festivals, £186k for Kinship Care and £130k for Homeless Support Services. Reports have not been submitted for these funds to continue to be earmarked as it has been assumed that these will automatically be carried forward as these have already been approved by the Executive. In addition it was agreed by Council as part of the 2012-13 revenue budget setting process through a review of cost and demand pressures that the additional demand pressure to cover the growth in Homecare of £400k would be funded via the carry-forward of an underspend from 2011-12, therefore no report has been submitted for this proposal as the Council has already agreed this through the budget setting process.
- 3.5 There are exceptional circumstances where a proposal to earmark unspent budget may be considered. Any such proposal must be supported by a business case which should include the purpose of the earmarking linked to the objectives in the corporate and service plans. The business cases in support of these earmarkings have already been considered by and are supported by SMT. In considering these proposals members should take account of the level of the general fund reserve and the Councils future financial outlook.
- 3.6 Appendix 2 provides a list of the unspent budget earmarking proposals and is followed by individual business cases from services for each proposal. The total amount proposed to be earmarked is £3.783m, this represents 1.5% of budgeted net expenditure for 2012-13. The Council previously set a target of 1% for the maximum amount of carry forward of unspent budget, setting a target level is recommended as good practice. The proposals attached exceed this target by 0.5% or £1.187m.
- 3.7 Given the tightening financial situation it is essential that the Council gives proper scrutiny to any proposal to carry forward funds. In particular the Council should seek to ensure funding that is carry forward is directed to and supports Council priorities in terms of corporate and service plans.

Bruce West
Head of Strategic Finance
4 April 2012

**STRATEGIC FINANCE
POLICY ON END OF YEAR FLEXIBILITY**



**Agreed by SMT on 23 March 2010
Updated April 2012**

1. INTRODUCTION

- 1.1 Given the tightening financial situation it is essential that the Council gives proper scrutiny to any proposal to earmark balances or carry forward funds. In particular the Council should seek to ensure funding that is carried forward is directed to and supports Council priorities in terms of corporate and service plans.
- 1.2 This note outlines the policy adopted by the Council for the earmarking and carry forward of surplus funds to future years.

2. POLICY

- 2.1 SMT agreed the six situations where earmarking of the general fund reserve is permitted.
- 2.2 SMT agreed the protocol for use of reserves.

3. DETAIL

- 3.1 The Council hold a general fund reserve. It comprises the following elements:
- A contingency for any unforeseen events or emergencies. The contingency is reviewed each year as part of the budget process.
 - The Strategic Housing Fund.
 - Balances held to support the following years budget.
 - Earmarked funds as noted below.
- 3.2 At the end of each financial year any surplus for the year is added to the general fund reserve. At this time the Council have the opportunity to consider earmarking surplus funds.
- 3.3 There are six situations where earmarking of the general fund reserve is permitted.
- Unspent grant. On some occasions a grant is received in one financial year and will not be spent/fully spent until the following financial year. If the grant is not spent on the purpose intended the Council would have to return the unspent grant, therefore, the unspent grant is required to be held in the general fund and earmarked for that purpose next year.

**STRATEGIC FINANCE
POLICY ON END OF YEAR FLEXIBILITY**



**Agreed by SMT on 23 March 2010
Updated April 2012**

- Unspent third party contribution. The council may receive a contribution from third parties towards a project/work stream but the project spans more than one financial year. As with grant payments the contribution would have to be repaid if not spent on the purpose it was intended for. In this instance, the unspent contribution is required to be held in the general fund and earmarked for that purpose next year.
- Unspent budget within the Devolved Management of Resources (DMR) Scheme of Delegation for schools. This allows for the carry forward of unspent budget within schools, partly to give flexibility over the school year as opposed to the Council's financial year. Unspent budget is required to be held in the general fund and earmarked for the school next year. This carry forward operates within the agreed scheme of delegation for school budgets.
- CHORD funding. Any budget allocated to the CHORD programme will be ring fenced and any unspent balance at the year end will be carried forward to support the overall CHORD programme.
- Previous Council or Executive decision. Where Members have previously agreed to earmark an element of the General Fund balance for a specific purpose, this could be as part of the revenue budget setting process or at any point during the financial year as funding is agreed.
- Existing Legal Commitments.

3.4 Outwith these six situations noted above there will be no automatic carry forward of unspent budget. Any surplus arising from unspent budget within departments/services will be pooled and transferred into the general fund reserve.

4. PROTOCOL FOR USE OF RESERVES

4.1 There are exceptional circumstances where a proposal to earmark unspent budget may be considered. There is no set timetable for this.

- The Council's level of general reserve contingency must be fully met.
- The purpose for the earmarking must be linked to the objectives, priorities and targets as set out in the Council's Corporate Plan, Area Plans and Service Plans.

**STRATEGIC FINANCE
POLICY ON END OF YEAR FLEXIBILITY**



Agreed by SMT on 23 March 2010

Updated April 2012

- There needs to be a business case that justifies the required expenditure.
- Consideration of the business case must take account of the future budgetary and financial outlook in order not to place undue financial pressure on the Council in the future.

4.2 Any requests to earmark unspent budget based on the criteria above must be submitted to the SMT in the first instance. SMT would assess the proposal and if it considers the proposal worthy of support would submit it to the Executive with a recommendation. Proposals not supported by SMT will proceed no further.

**Bruce West
Head of Strategic Finance
28 March 2012**

EARMARKED RESERVES - UNSPENT BUDGET PROPOSALS AT 31 MARCH 2012

Ref	Department	Service	Description	Amount
ER001	Community Services	Education	Use of additional monies from Scottish Government to maintain teacher numbers	1,289,600
ER002	Chief Executive's Unit	Improvement and HR	Resourcelink Review - to fund remaining costs of project	25,443
ER003	Chief Executive's Unit	Improvement and HR	HR - Document Management System	93,234
ER004	Chief Executive's Unit	Improvement and HR	Training - funding for Argyll and Bute Manager training programme	95,000
ER005	Chief Executive's Unit	Strategic Finance	Service Developments - Financial Systems	100,856
ER006	Community Services	Children and Families	Children Affected by Disability - support for adaptations for care at home	30,000
ER007	Community Services	Community and Culture	Housing IT System	80,000
ER008	Development and Infrastructure	Roads and Amenity Services	Flood Risk Management	130,000
ER009	Community Services	Adult Care	Residential Care Home Placements - change in accounting treatment for charging order income	600,000
ER010	Customer Services	Facility Services	School Estate Strategy	24,775
ER011	Customer Services	Facility Services	Asbestos Management	513,000
ER012	Customer Services	Customer & Support Services	Corporate Purchasing Cards for Catering	31,000
ER013	Customer Services	Governance & Law	Taxi Survey	20,000
ER014	Community Services	Education	Campbeltown and Dunoon School Proposals (refer to separate report submitted)	750,000

Total of Unspent Budget Proposals 3,782,908

ARGYLL AND BUTE COUNCIL**STRATEGIC MANAGEMENT TEAM****REPORT BY EXECUTIVE
DIRECTOR OF COMMUNITY
SERVICES****2 APRIL 2012**

PROPOSAL TO EARMARK FUNDS FROM GENERAL FUND RESERVE

1. INTRODUCTION

- 1.1 The purpose of this report is to request support in earmarking budget for a specific purpose, in line with the Policy on End of Year Flexibility.

2. RECOMMENDATIONS

- 2.1 SMT to assess the proposal and if in agreement submit to the Executive with a recommendation in support of the proposed earmarking.

3. DETAIL**3.1 Initiative/Proposal**

- 3.1.1 The Education Service received funding from the Scottish Government in respect of national negotiated agreements between COSLA and Teaching Unions. These monies which were allocated specifically for Education purposes were held subject to confirmation that Argyll and Bute's share of national teacher numbers were maintained and no financial penalty would be applied. The financial penalty could have been considerable at approximately £42,000 per teaching post. Confirmation that national teacher number targets had been achieved was received late December 2011. Education Services have a number of planned initiatives to utilise these monies (£1.290m) however the expenditure profile spans over academic years and therefore spans three financial years.

3.2 Business Case

- 3.2.1 A number of initiatives are planned which all contribute to Education Service priorities and outcomes. These initiatives range from supporting learning and teaching, targeting looked after and accommodated children, initiating a leadership programme for newly appointed head teachers and long standing head teachers.

This planned expenditure supports service outcomes within the Education Services and supports schools in the implementation of Curriculum for Excellence.

Detail of individual proposals are shown in Appendix A.

Expenditure Profile

4. These funds will be utilised from 2012 through to 2015 with the estimated profile:

4.1	2012/13	£528,200
	2013/14	£443,200
	2014/15	£318,200

**Cleland Sneddon
Executive Director
Community Services
March 2012**

Subject	Detail	Amount	Expenditure Profile	Service Outcomes
Learning Coordinators	Learning coordinators would be appointed in 6 geographic areas of the Council to work with their partnership QIOs to take forward identified learning and teaching developments. Each coordinator would be a serving head teacher who would be given an amount of time over a school session to take forward these developments for the benefit of all schools in their local area. The funding is to cover backfill staffing to facilitate their release. The activity would share good practice and support the implementation of Curriculum for Excellence. The priority area identified for session 2012/2013 is assessment.	£201,000	2012/2015	ED01 ED02
Enterprise Agreement with Microsoft	<p>The Enterprise Agreement (EA) is designed to be the best licensing vehicle for organisations that want to standardise IT yet retain the flexibility to purchase software and services for different types of users.</p> <p>The EA allows software to be deployed to all desktops/laptops (MAC and PC) including those used by pupils.</p> <p>The inclusion of the Enterprise level client access licences also allows the benefit of introducing Lync to support multi party Instant messaging, file transfer, computer audio and video; conference presenter, application sharing and view/write white board sessions.</p> <p>Schools are aware that this cost would be met from school budgets from financial year 2013/2014 to allow continuing purchase of this agreement.</p>	£65,000	2012/2013	ED03
Improvement Budget	This budget is to support schools after a school review and or Education Scotland (HMI inspection) to address key areas of improvement. It is important that the service has this flexibility to allow immediate application	£75,000	2012/2015	ED06

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	of resource after a review or inspection and will also be used to support schools' self evaluation.			
Interrupted Learners Support	<p>It is proposed to deploy the equivalent of 2 FTE teachers. This teaching support would be targeting primarily at looked after children currently looked after away from home in Argyll and Bute children's units or, where necessary, foster or kinship placements. The aim would be</p> <ul style="list-style-type: none"> To provide young people with a continuity of contact within education To provide home tuition for short periods when necessary, for example following a change of placement To support schools with their corporate parenting responsibilities with vulnerable and disengaged young people To work alongside schools to support young people moving in to their area as a result of a change of care placement This work will be undertaken in partnership with Health and Social Work using the GIRFEC process. 	£300,000	2012/2015	ED04
Leadership programme	<p>It is proposed to put in place a programme of support for newly appointed head teachers with an identified mentor and also support our established head teachers. The Council has experienced a very significant turn over of head teacher and senior staff over a relatively short period. An initial induction programme will take place lasting two days and individual support plans for at least twenty newly appointed head teachers will be drawn up.</p> <p>It is proposed to offer our young people the opportunity to study HNC or degree level courses with UHI. The education service will provide a period of induction which will run from August to early September to prepare those young people participating. The courses or modules will be delivered by UHI. A personal</p>	£100,000	2012 / 2014	ED06
S6 Developments	<p>It is proposed to offer our young people the opportunity to study HNC or degree level courses with UHI. The education service will provide a period of induction which will run from August to early September to prepare those young people participating. The courses or modules will be delivered by UHI. A personal</p>	£20,000	2012/2013	ED05

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	academic tutor will be provided for the group by the education service. This person will liaise with the students and their parents and will be the point of contact for UHI re the progress of the young people.			
Secondary Promoted Post Developments	The current system of allocating promoted post points to the secondary schools is by using a formula which is roll related and subject to mid-year adjustments. This presents issues in relation to inflexibility and permanency of management structures. It is proposed that a revised formula is developed whereby the promoted post element is fixed thus allowing Head Teachers a degree of certainty when agreeing structures. It is proposed to set up a working group of all the secondary Head Teachers to agree a revised methodology. It is anticipated that any on-going cost pressure at the end of the three year period will be mitigated by the natural fall in payroll costs within Education as a result of declining school rolls. This will be reviewed as necessary using projected roll information from the primary sector. This will assist with the development of Curriculum for Excellence.	£300,000	2012/2015	ED02
Performance Management Support Officer	This post is required to provide quality support to all educational establishments and the Education Management Team. The effect will be to release senior education staff time from largely administrative duties to concentrate on the delivery of the education service. This post holder will be required to carry out the following duties: <ul style="list-style-type: none"> • Collate and update the Council's performance management information on a monthly/quarterly/annual basis as required. • Source and gather necessary information for management reports as required • Monitor and collate management information surrounding complaints, statutory reports to 	£78,600	2012/2015	ED03

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	<p>Scottish Government and Education Scotland, PRDs and ensure returns are up-to-date. Will also be required to assess returns regarding training/development requirements and action accordingly</p> <ul style="list-style-type: none"> • Be responsible for dissemination of information included in returns from schools on a monthly/annual basis • Ensure all operating procedures and management circulars are reviewed and updated. • Risk management assessments. 				
Additional Support Needs Legislation	<p>A 23 month secondment opportunity to work with teaching and support staff and also staff from partnership agencies to engage in a range of training and development activities. This would include developing induction materials for support staff, facilitating an increased number of people to undertake the PDA award, working with early career teachers, etc. The focus of this post would be building capacity in terms of meeting the ASL legislation and ensuring the full implementation of GIFREC.</p>	£150,000	2012/2014	ED04	
		£1,289,600			

ARGYLL AND BUTE COUNCIL**STRATEGIC MANAGEMENT TEAM****REPORT BY HEAD OF
IMPROVEMENT AND HR****2 APRIL 2012**

PROPOSAL TO EARMARK FUNDS FROM GENERAL FUND RESERVE

1. INTRODUCTION

- 1.1 The purpose of this report is to request support in earmarking unspent budget for a specific purpose, in line with the Policy on End of Year Flexibility.

2. RECOMMENDATIONS

- 2.1 SMT to assess the proposal and if in agreement submit to the Executive with a recommendation in support of the proposed earmarking.

3. DETAIL**3.1 Initiative/Proposal**

- 3.1.1 The Resourcelink project was initiated in 2009 to review and update the HR/payroll system. A health check was carried out in early 2010 and PID prepared for a project to improve the functionality of the system to provide accurate and timely information for analysis and management of employee records. A range of actions have been identified in the project, but the first phase was a cleansing and updating of the system.

- 3.1.2 Phase 1 of the project was reviewed in July 2011. Phase 2 actions were agreed and a new PID and project plan were prepared. This phase of the project included the implementation of the self service applications including online payslips and travel and subsistence claims. A request was made to the Executive in August 2011 for earmarked reserves to support phase 2 of the project.

- 3.1.3 The carryover of previous earmarking of £25,443 will deliver the remaining planned implementation actions from phase 2.

3.2 Business Case

- 3.2.1 The Resourcelink project is a key enabler to deliver the savings proposed by both the Support Services Review and the Admin Review.

- 3.2.2 The Resourcelink system is a key tool for enabling managers to access accurate and timely information about employees. Improved Resourcelink functionality will be essential to the successful integration of the HR and payroll teams.

- 3.2.3 The self service functionality, My View, enables employees to view their employment

details and payslips online and directly input change of circumstances. Travel and subsistence claims will also be made on line. Printed payslips can be withdrawn once all employees have successfully accessed the new system.

3.2.4 The Resourcelink system will be integrated with the new HR and Payroll electronic document management system and the Pyramid performance management system to enable seamless transfer of information and improve processes. The development of these systems will provide robust and accurate management information for frontline services, thus improving efficiency and future workforce planning.

3.2.5 The risks to successful project delivery being addressed by this proposal are:

- Through not providing the dedicated resource to develop the Resourcelink project the system will not enable the adoption of new ways of working identified through the admin review and support service review and therefore prevent the 20% savings target being achieved.
- Through not providing the financial resource to upgrade the system improvements and efficiencies in HR reporting, management information, and the implementation of flexible working are not delivered.

3.3 Project Plan

3.3.1 The Resourcelink project is split into 3 workstreams. Phase 1 of the project ran from Jan 2010 to July 2011, Phase 2 commenced in August 2011 and will be completed June 2012

3.3.2 System integrity and management

Completion of the data cleansing within the system which began in 2010 but was delayed due to the priorities of the council's modernisation programme. This exercise is nearing completion.

3.3.3 Reporting and business support

The upgrade of the Cognos Impromptu Reporting Tool was completed during phase 1. Training on the use of the new system has still to be consolidated including a re-write of legacy reports using the new version where demand exists. During phase 2 the new absence reporting capability was launched.

3.3.4 Self Service

The self service module was implemented in January 2012 introducing online payslips and change of circumstances. This will be rolled out to all employees. Online travel and subsistence claims will also be introduced with a pilot and then rolled out to all employees.

3.4 Expenditure Profile

The remaining balance of £25,443 will be spent during phase 2 of the project which will complete in June 2012

This is broken down into:

	<u>2012/13</u>
Salary and back fill costs	£16,743
Consultancy and licence costs	£ 8,700
Absence Management	
Reporting and Business Support	
Self Service	
Training	

Jane Fowler
Head of Improvement and HR
30 March 2012

ARGYLL AND BUTE COUNCIL**STRATEGIC MANAGEMENT TEAM****REPORT BY HEAD OF
IMPROVEMENT AND HR****2 APRIL 2012**

PROPOSAL TO EARMARK FUNDS FROM GENERAL FUND RESERVE

1. INTRODUCTION

- 1.1 The purpose of this report is to request support in earmarking unspent budget for a specific purpose, in line with the Policy on End of Year Flexibility.

2. RECOMMENDATIONS

- 2.1 SMT to assess the proposal and if in agreement submit to the Executive with a recommendation in support of the proposed earmarking.

3. DETAIL**3.1 Initiative/Proposal**

- 3.1.1 The HR service is key to the ongoing transformation and improvement of the Council. There is going to be additional work for HR during the implementation phase of the service review, this is well understood in HR where staff are expected to support other services going through the same process whilst also implementing new structures and processes within their own team. One of the most significant changes to the HR team is the integration of the Payroll section. In order for this integration to be as smooth and efficient as possible the service requires to have resources in place to purchase a Document Management System and have the staff capacity required to ensure the smooth integration of the system.

3.2 Business Case

- 3.2.1 The agreed option as part of the Support Services Review to deliver the required 20% savings target included the integration of the working processes of the HR section within the Chief Executive's Unit and the Payroll section within Customer and Support Services. This integration will take place from 1st April 2012. One of the barriers to the integration of the two sections is physical location which poses problems with the volume of files required to be accessed by both HR and Payroll, a Document Management System which would allow the integrated team to access files electronically would remove this barrier.
- 3.2.2 The efficiencies required to deliver the required service review savings include the implementation of a Document Management System for HR and Payroll. It was made clear in the Stage 2 options report that a number of the efficiencies to be delivered are dependent on changes to computer systems vital to deliver or achieve these efficiencies.

3.2.3 Additional specialist support and funding is required to purchase and support the implementation of a Document Management System and Improvement and HR propose to earmark funds to invest in the Document Management System and additional support required for the integration of the HR and Payroll teams, which will be essential to deliver on the savings required from the Support Services review.

3.2.2 The estimated additional costs are detailed in the table below:

	2011-12 Cost	2012-13 One-off cost	Ongoing Cost
<u>Costs:</u>	£	£	£
Purchase of Document Management System (DMS)		32,450	
Integration costs for DMS with Resourcelink		15,000	
Annual Maintenance/Support Costs for DMS			2,517
Purchase of Scanners	7,362		
Annual Maintenance/Licensing of Scanners			152
Confidential Waste Disposal Costs		2,000	
<i>Additional Staff Resources Required:</i>			
3 Clerical Assistants LGE4 - 6 months		27,639	
1 Payroll Post LGE9 - 6 months		16,145	
Total Cost	7,362	93,234	2,669
<u>Funded by:</u>			
Contribution from IT top slice	7,362	20,000	
Balance from existing Earmarked Reserves		5,000	
Underspend from 2011-12		68,234	
Total Funding Required	7,362	93,234	

3.2.3 The one-off costs are proposed to be funded by the earmarking of a contribution from IT and an underspend generated within HR budgets during 2011-12. There would be insufficient funding within the 2012-13 budget to fund this from within existing resources. The ongoing maintenance costs could be accommodated from within the existing HR budget.

3.2.4 This proposal would support the corporate plan objective of working together to improve the potential of our organisation by ensuring that we have the best systems and ways of working in place to ensure we have the right HR information in place at the right time. Similarly it will support the Improvement and HR service plan in the delivery of success measures in relation to the improved efficiency of HR responses to HR transactions and ensuring that employees are paid correctly and on time.

3.2.5 There will be risks to service delivery if funding is not secured to take this proposal forward, these include:

- Stakeholder support and engagement reduces as a result of reduction in level of service
- Failure to pay staff correctly or on time
- Savings removed as part of the support service review will not be delivered as efficiencies cannot be delivered without more efficient systems in place

3.3 Expenditure Profile

3.3.1 The Document Management System is currently in the process of being procured and will be purchased in April 2012, and it is proposed to have the temporary staff in place as soon as the system is up and running. The full £93,234 will be spent by October 2012.

Jane Fowler
Head of Improvement and HR
28 March 2012

ARGYLL AND BUTE COUNCIL**STRATEGIC MANAGEMENT TEAM****REPORT BY HEAD OF
IMPROVEMENT AND HR****2 APRIL 2012**

PROPOSAL TO EARMARK FUNDS FROM GENERAL FUND RESERVE

1. INTRODUCTION

- 1.1 The purpose of this report is to request support in earmarking unspent budget for a specific purpose, in line with the Policy on End of Year Flexibility.

2. RECOMMENDATIONS

- 2.1 SMT to assess the proposal and if in agreement submit to the Executive with a recommendation in support of the proposed earmarking.

3. DETAIL**3.1 Initiative/Proposal**

- 3.1.1 This proposal is to carry over unspent budget to support the delivery of the Argyll and Bute Manager programme of learning and development.

3.2 Business Case

- 3.2.1 The Support Services Review highlighted the importance of learning and development to support our employees in being able to realise the potential of our organisation. Specific emphasis was put on the development of our managers whose competence is critical to the council achieving its objectives. The idea of an Argyll and Bute Manager programme of activity was championed and the learning and development budget protected in order to support delivery and development of this very specific programme of work.
- 3.2.2 Over the last year a competency framework has been developed for all employees of the council which includes knowledge, skills and behaviours. The behaviours section have been approved and are core to the new performance review process. The skills and knowledge sections are in the last stages of consultation. It is expected that these will be approved before the end of March. This competency framework forms the basis of the Argyll and Bute Manager programme.
- 3.2.3 As the organisation continues to develop there is an increasing demand on learning and development. The current budget held by the Improvement and Organisational Development team is required to continue to provide corporate learning and development opportunities.

- 3.2.2 The cost of the Argyll and Bute Manager programme per delegate is expected to be estimated to be £1,583 per person, subject to the outcome of procurement. It is proposed that there are 3 cohorts of 20 delegates progressing through the programme at one time therefore the cost of each programme of activity will be £95,000.

Jane Fowler
Head of Improvement and HR
28 March 2012

ARGYLL AND BUTE COUNCIL**STRATEGIC MANAGEMENT TEAM****REPORT BY HEAD OF
STRATEGIC FINANCE****2 APRIL 2012**

PROPOSAL TO EARMARK FUNDS FROM GENERAL FUND RESERVE

1. INTRODUCTION

- 1.1 The purpose of this report is to request support in earmarking unspent budget, in line with the Policy on End of Year Flexibility.

2. RECOMMENDATIONS

- 2.1 SMT to assess the proposal and if in agreement submit to the Executive with a recommendation in support of the proposed earmarking.

3. DETAIL**3.1 Initiative/Proposal**

- 3.1.1 At the end of 2010-11 it was agreed to earmark £106,000 of unspent budget to support the ongoing development/upgrade of systems that we currently use with also the opportunity to explore other technological advances that are available and could better meet the needs of the organisation. This was targeted at implementation of Oracle Purchasing, a review of financial reporting tools and reporting and modelling of employee costs. Only a small amount has been spent on support for reporting and modelling of employee costs and a balance remains unspent of £100,856. A decision was taken not to commit this balance pending completion of the service review. A contract has now been let to support the implementation of Oracle Purchasing which will utilise up to £55,000 of the unspent balance. It is proposed to retain the remaining balance of £45,856 as a budget to cover any investment in new reporting tools that may arise from the review of financial reporting tools.

3.2 Business Case

- 3.2.1 The business case for this earmarking remains the same and the following paragraphs set out the justification for the investment/earmarking presented in at the 2010-11 financial year end.

- 3.2.2 Good financial management is based around having information available that is accurate, timely, relevant, easy to access and presented in a flexible and understandable way. Current good practice highlights the following:

- The ability to have details of commitments and accruals based reporting within the financial system is regarded as essential elements of meeting higher standards of financial management.
- Financial reports to managers should be available on line and should be flexible and tailored to meet specific needs.

- It is important that major cost items can be monitored, modelled and reported in a robust and accessible manner eg pay costs.

3.2.3 The savings required from the Strategic Finance service as part of the Support Service review are reliant on the service identifying improvements in processes and ensuring we have the most efficient financial systems in place. These improvements may have a key role in allowing us to adopt more cost effective working practices to ensure the 20% savings are achieved.

3.2.4 The Council has agreed to purchase and implement Oracle Purchasing which will sit along with PECOS and other systems to allow use of commitment accounting and development of accruals based financial reporting. This is a significant project and will require some support through its implementation.

3.2.5 It is not clear that reporting tools currently used with the General Ledger provide the flexibility in financial reporting required. There is a case to investigate the most appropriate financial reporting tools and how these can best be deployed as part of the implementation of the support services review.

3.2.6 There is scope to improve the reporting and modelling of pay costs. The current approach is time consuming and cumbersome with the opportunity for a more effective and efficient approach. This area is one of the workstreams being formally reviewed as part of the support service review implementation. The service has already commissioned consultancy to review and develop our reporting with the latest version of the Cognos reporting tool used as part of the Resourcelink HR/Payroll system, but it is possible that this may not be adequate to deliver the required improvements and further investment in a bespoke or more sophisticated tool may be required.

3.2.7 These proposals would support the corporate plan objective of engaging with our customers to deliver high quality, continually improving, efficient and responsive services by ensuring we have the best systems and ways of working to ensure we have the right financial information in place at the right time. Similarly it supports the service plan outcome for Strategic Finance around sound financial governance and performance through financial planning, financial reporting, financial monitoring, financial control and support for decision making. Specifically in relation to the support services review it would allow us to implement the improvements or recommendations which fall out of the individual workstream reviews with the ability to implement new systems which will contribute to achieving the 20% savings options.

3.2.8 The risks being addressed by this proposal are as follows:

- Service is not configured/resourced to meet user requirements
- Failure to ensure appropriate financial planning, monitoring and reporting arrangements are in place
- Failure to ensure resources aligned to Council priorities

- 3.2.9 The earmarking of £106,000 as approved at the end of the 2010-11 financial year. To date only £5,144 has been spent on support for reporting and modelling of employee cost. A contract to support implementation of Oracle Purchasing has now been let and a sum of up to £55,000 is required to meet this cost. This leaves a remaining balance of £45,856. It is proposed this is earmarked for the review of financial reporting tools. The review of financial reporting tools will follow on behind the implementation of Oracle Purchasing which is now underway. It was decided to hold off committing these funds until the outcome of the support services review was agreed. We are now in a position to progress with these and the proposals will assist the service in achieving the 20% savings options required from the support services review and to contribute to providing financial information that meets better practice.

3.3 Expenditure Profile

- 3.3.1 Strategic Finance is currently implementing the outcome of the Support Services review. A review is currently underway of the suitability of the current reporting tool and possible alternatives, the outcome of this will be reported to the Project Board. No decision would be made regarding an upgraded or replacement of a reporting tool without a business case being developed.
- 3.3.2 Specific project business cases would be brought forward for each element/project if earmarking is approved, all spend will take place during 2012-13.

Bruce West
Head of Strategic Finance
28 March 2012

ARGYLL AND BUTE COUNCIL**STRATEGIC MANAGEMENT TEAM****REPORT BY EXECUTIVE
DIRECTOR OF COMMUNITY
SERVICES****2 APRIL 2012**

PROPOSAL TO EARMARK FUNDS FROM GENERAL FUND RESERVE

1. INTRODUCTION

- 1.1 The purpose of this report is to request support in earmarking unspent budget for a specific purpose, in line with the Policy on End of Year Flexibility.

2. RECOMMENDATIONS

- 2.1 SMT to assess the proposal and if in agreement submit to the Executive with a recommendation in support of the proposed earmarking.

3. DETAIL**3.1 Initiative/Proposal**

- 3.1.1 £30,000 from the central children affected by disability budget identified in 2011-12 to support building adaptations to be carried forward to 2012-13 when the expenditure will be incurred.

3.2 Business Case

- 3.2.1 Service user has been identified as a priority 2, without the adaptation there is a high risk that the child will have to be accommodated at a cost to the council of in excess of £100,000 per annum for the next 6-8 year.

The adaptations would enable a severely disabled child to remain living with their parents.

The expenditure addresses individual risks to the carers and the child associated with the current living arrangement.

The expenditure is a Social Work contribution to housing improvements that could not otherwise be completed.

Success will be measured in terms of the extent to which the family can safely meet their child's long term need at home.

3.3 Expenditure Profile

- 3.3.1 Timescales for expenditure are dependent on progressing identified adaptations and building works. It is anticipated that expenditure will be incurred within 2012/13.

**Cleland Sneddon
Executive Director of Community Services
28 March 2012**

ARGYLL AND BUTE COUNCIL**STRATEGIC MANAGEMENT TEAM****REPORT BY EXECUTIVE DIRECTOR
OF COMMUNITY SERVICES****2 APRIL 2012**

PROPOSAL TO EARMARK FUNDS FROM GENERAL FUND RESERVE

1. INTRODUCTION

- 1.1 The purpose of this report is to request support in earmarking unspent budget for a specific purpose, in line with the Policy on End of Year Flexibility.

2. RECOMMENDATIONS

- 2.1 SMT to assess the proposal and if in agreement submit to the Executive with a recommendation in support of the proposed earmarking.

3. DETAIL**3.1 Initiative/Proposal**

- 3.1.1 During the procurement of the new Housing Case Management IT System it became clear that due to the anticipated cost of the system over a five year period (£190k) an OJEU tender is required and consequently the procurement process will extend beyond March 2012. The new system incorporates a Housing Options self –help facility and a new Common Housing Register for the HOMEArgyll partnership. The procurement process began in October in liaison with corporate IT and Procurement and budget had been identified for the project during 2011-12.

3.2 Business Case**3.2.1 Background**

There are two main service areas being considered as part of this project. The first relates to the Council's core activities in relation to Housing Case Management, and the second relates to its consideration of a joint approach on Housing Options and the Common Housing Register, in conjunction with its HOMEArgyll partners. Contributions will be sought from the RSL partners and there may be government funding available for the Housing Options element. Depending on the nature of the software licensing, part-funding could also be provided from an existing Applications Projects allocation in the approved IT Capital Programme.

3.2.2 Housing Case Management

Currently the Homeless Service uses a Microsoft Access database with 22 users each accessing the system via individual front ends. Other aspects of the Housing Service namely, private sector housing, housing support and welfare rights use standalone bespoke systems which do not provide adequate service reporting. In

addition there are significant performance and reliability issues which have generated an urgent requirement to replace this with a true multi-user system.

3.2.3 **Housing Options Approach and Common Housing Register (CHR)**

In May 2010 the Scottish Government launched the Housing Options approach to the prevention of homelessness. Since then 5 local authority Housing Options HUBS have been established and Argyll and Bute Council is part of the Tayside, Fife and Central Hub.

It is the intention to introduce a Housing Options Approach to housing advice in collaboration with our RSL HOMEArgyll partners. The development of a robust Housing Options Approach will require data feeds from the Common Housing Register and consequently the project will explore options to facilitate the delivery of a comprehensive solution which will deliver the performance and management information requirements of all partners.

3.2.4 **Relevance to service Plans.** Procurement of this system is essential to achieve the targets set out in the service plan. It will enable people to easily access online information on a range of housing options and will increase efficiency by reducing administration costs associated with recording of homeless applications. It will provide essential performance management information which currently is obtained from a range of different ad hoc manual systems. The proposed system will provide a more efficient data recording and reporting mechanism. It will also allow the Council and RSL partners access to a reporting facility from the Common Housing Register which is a critical component for forward planning and development of the strategic housing investment plan.

3.2.5 **Risks**– Insufficient funding has been identified as a potential risk which would have a high impact on the project. The bulk of the costs relate to the Council's case management system which ensures accurate data is timeously available for submission of the necessary statutory performance information to the Scottish Government. The existing system is no longer fit for purpose and problems are experienced on a regular basis. Private sector, housing support and welfare rights information needs to be built into the system and the current system does not have capacity for expansion.

3.3 **Expenditure Profile**

3.3.1 It is anticipated that tenders will be awarded around the end of May with implementation completed July 2012. The amount which has been earmarked for this project this year from the Housing budget is £80,000 and consequently it is requested that this budget can be carried forward and retained for this purpose in 2012/13. The ongoing revenue costs for maintenance of the system will be met from the Housing Budget and it is anticipated that these will be similar to the maintenance and support costs associated with the current contract.

Cleland Sneddon
Executive Director of Community Services
28 March 2012

ARGYLL AND BUTE COUNCIL**STRATEGIC MANAGEMENT TEAM****REPORT BY EXECUTIVE
DIRECTOR OF DEVELOPMENT
& INFRASTRUCTURE****2 APRIL 2012**

PROPOSAL TO EARMARK FUNDS FROM GENERAL FUND RESERVE

1. INTRODUCTION

- 1.1 The purpose of this report is to request support in earmarking unspent budget for a specific purpose, in line with the Policy on End of Year Flexibility.

2. RECOMMENDATIONS

- 2.1 SMT to assess the proposal and if in agreement submit to the Executive with a recommendation in support of the proposed earmarking.

3. DETAIL

- 3.1 Initiative/Proposal – Flood Risk Management – carry forward of unspent budget

- 3.2 Funding of £194,000 was allocated to the Council by the Scottish Government to implement the requirements of the Flood Risk Management (Scotland) Act 2009. This was received as an increase to the Council's settlement and not as a ring fenced grant.

- 3.3 This allocation is to fund for:-

- producing maps of Bodies of Water and Sustainable Urban Drainage Systems (SUDS);
- assessing the flood risk;
- preparation and maintenance of works to reduce flooding;
- assessment, recording and investigation of flooding events;
- liaison with SEPA;
- Administration function of the two Local plan Districts that Argyll and Bute is a member of (Clyde and Loch Lomond with Glasgow City Council as Lead Local Authority (LLA) and Highland/Argyll with Highland proposed as LLA)
- Feasibility work.
- Raise public awareness of Flood Risk.

Noting that the exact scope of the above work is still in a state of development.

4 Business Case

- 4.1 It is anticipated that the budget for 2011-12 year will be underused by approximately £130,000 mainly because the local authorities are just establishing themselves into Local Plan Districts and indeed, the exact roles within the Highland/Argyll district have yet to be established.
- 4.2 The carryover of the budget is required to allow the Council to discharge its duties under the Act. This will mainly provide for the initial “one off” tasks required of the Act including drafting a strategy for flooding matters, mapping of water bodies & SUDS. The scale of identifying & mapping will be at each local authority’s discretion however a uniform approach may be adopted within each Local Plan District and directed by the Lead Local Authority. The Strategy document will set out how the Council intends to discharge its duties in relation to the Act. This will identify resources and responsibilities within the Council.
- 4.3 The main external risks to the Council are the cost contributions and duties with the Local Flood Districts in particular. Clyde and Loch Lomond LPD comprises 11 local authorities and is concluding that this Council is due to pay a fee of approximately £5,000 for the Project Management Office (PMO) that has been set up. The Highland/Argyll LPD has yet to formally meet and therefore the Council’s share of administration fees is difficult to estimate. There are costs of Council officers attending meetings and also working on tasks for these LPDs. There is a risk that once set up and running, the PMO initiates other tasks that each member authority has to part fund. It is essential that some flexibility is available to fund any requirements for this.
- 4.4 The overall objective is that by December 2015 Argyll & Bute Council has a Local Flood Risk Management Plan (LFRMP) submitted to each Lead Local Authority. The plan will consist of two parts:-
1. SUPPLEMENTARY: Objectives and measures identified by SEPA in addressing flood risk to potentially vulnerable areas in Argyll & Bute. It will also include the maps of relevant bodies of water and SUDS identified by the LA in its area.
 2. IMPLEMENTATION: This part to include the prioritisation and arrangements for funding, along with a proposed timetable of implementation for all identified measures.

These plans will then be published with a duty to provide copies for public inspection

- 4.5 In producing the Local Flood Risk Management Plan the Council will have:-
- Carried out its statutory duty under the Flood Risk Management Act;
 - Identified flood risks and protection measures in Argyll & Bute;
 - Prioritised and developed a programme of flood protection measures in Argyll & Bute;
 - Identified funding sources for the measures;
 - A publicly accessible document and maps that cover flood issues in Argyll & Bute.

5 Expenditure Profile

- 5.1 The need for any recruitment of suitable staff/external resources has yet to be identified and it is expected that this will be decided in May, with any recruitment/engagement process to follow thereafter. Therefore it is expected that the majority of the carry over budget will be spent in latter 6 months of 2012-13.

Sandy Mactaggart
Executive Director of Development & Infrastructure Services
28 March 2012

ARGYLL AND BUTE COUNCIL**STRATEGIC MANAGEMENT TEAM****REPORT BY EXECUTIVE
DIRECTOR OF COMMUNITY
SERVICES****2 APRIL 2012**

PROPOSAL TO EARMARK FUNDS FROM GENERAL FUND RESERVE

1. INTRODUCTION

- 1.1 The purpose of this report is to request support in earmarking unspent budget for a specific purpose, in line with the Policy on End of Year Flexibility.

2. RECOMMENDATIONS

- 2.1 SMT to assess the proposal and if in agreement submit to the Executive with a recommendation in support of the proposed earmarking.

3. DETAIL**3.1 Initiative/Proposal**

- 3.1.1 Due to a change in the accounting policy treatment where a voluntarily legal charge is raised against a client's property as a method of recovering debt, in relation to residential care home placements, this now need to be recognised within the balance sheet of the authority as a debtor. Prior to this change the council only recognised the income when it was received, this would have been recorded within the income and expenditure account.
- 3.1.2 The implementation of this change creates a one-off windfall income of £600k (estimated). This figure relates to historic debt, where the council have interim funded clients residential care packages, and are awaiting income in settlement of debt.
- 3.1.3 These funds will be utilised to fund the projected growth element within elderly services as a result of the impact of demographic changes. The growth is based on the predicted growth in adult population 75+ and the commensurate increase in care needs from this increased population.

3.2 Business Case

- 3.2.1 A demand pressure of £205K was included within the budget pack. This figure is based on a percentage increase 2.43% in number of users, provided by General Register of Scotland, of Homecare current commitments. Due to the population profile in Argyll and Bute, an analysis of the service delivered between October 2010 and October 2011 indicate that the growth with Homecare in Argyll and Bute exceeds the national figure and amounts to an increase in users of 5.86% which would result in an increase in spend of 11.94%.

- 3.2.2 This planned expenditure supports the service outcome within Adult Services, “AC1 *“our community is supported to live more active, healthier and independent lives”*”, and would be used to provide additional homecare hours. The purchase of the additional hours will reduce the current overdependency on high cost residential and hospital based services and will also contribute to meeting the national targets as per the Community Care Outcomes framework for Balance of Care and delayed Discharge. This will help mitigate the potential cost impact associated with the predicted demographic changes in Argyll and Bute.

3.3 Expenditure Profile

- 3.3.1 These funds will be drawn down as per service demand.

Cleland Sneddon
Executive Director of Community Services
28 March 2012

ARGYLL AND BUTE COUNCIL**STRATEGIC MANAGEMENT TEAM****REPORT BY EXECUTIVE
DIRECTOR OF CUSTOMER
SERVICES****2 APRIL 2012**

**PROPOSAL TO EARMARK FUNDS FROM GENERAL FUND RESERVE – SCHOOL
ESTATE ASSET MANAGEMENT PLAN (SEAMP)**

1. INTRODUCTION

- 1.1 The purpose of this report is to request support in earmarking unspent budget for a specific purpose, in line with the Policy on End of Year Flexibility.

2. RECOMMENDATIONS

- 2.1 SMT to assess the proposal and if in agreement submit to the Executive with a recommendation in support of the proposed earmarking.

3. DETAIL**3.1 Initiative/Proposal**

- 3.1.1 It is intended that the School Estate Asset Strategy and Management Plan (SEAMP) is updated on an annual basis.
- 3.1.2 In anticipation of this work an earmarked reserve totalling £24,775 was included in the 2010/11 budget as part of the General Fund Reserve for the purpose. Specifically this funding was intended to contribute to the required one-off external consultancy costs associated with this review undertaken on a number of previous occasions by CIPFA and latterly by the J Rooney consultancy. This reserve was not drawn down during 2011/12 as anticipated developments in the SEAMP Process did not emerge. Further guidance on this matter is anticipated so the ongoing retention of the earmarked reserve is recommended to accommodate the work stream that is likely to emerge.
- 3.1.3 It is recommended that this earmarking is approved to ensure that we have adequate funds to pay for external professional advice and development input to the renewal of the Schools Estate Asset Management Plan.

3.2 Business Case Issues

- 3.2.1 The main areas where advice will be sought will be:
- Further developing the process for reviewing the efficiency of council buildings;
 - Further developing and implementing efficiency criteria for buildings; and
 - Consulting with stakeholders on any proposals brought forward.

It is anticipated that the review will progress during the 2012/13 financial year and that the external consultancy involvement will conform to that timescale.

- 3.2.2 The Council's Corporate Plan identifies the improvement of Education as being one of the Council's key Strategic Outcomes. The SEAMP Review will support this outcome and encompasses the largest area of spending in the Council. Given the scale and complexity of the areas to be considered, it is considered prudent to obtain appropriate external advice to support the review.
- 3.2.3 In addition to the foregoing, new national guidance on the School Estate Asset Management and Planning Process is anticipated which will also require appropriate external advice so the retention of the earmarked reserve is recommended to accommodate this work stream.
- 3.2.4 Consideration will be given to building suitable provision for future work of this nature into the Facility Services Revenue Budget for 2013/14 on.

Benefit

- 3.2.5 The benefit of this proposal is that we will be in a position to commission external professional advice and development input to the renewal of the SEAMP, and ensure that it is carried out fully in accordance with the Scottish Government's latest guidance. It should also be noted that the Council no longer has the in house capacity to carry out this work if the requirements remain as at present.

3.3 Expenditure Profile

The sum of £24,775 will be spent during 2012/13.

Douglas Hendry
Executive Director of Customer Services
28 March 2012

ARGYLL AND BUTE COUNCIL**STRATEGIC MANAGEMENT TEAM****REPORT BY EXECUTIVE
DIRECTOR OF CUSTOMER
SERVICES****2 APRIL 2012**

**PROPOSAL TO EARMARK FUNDS FROM GENERAL FUND RESERVE –MANAGEMENT
OF ASBESTOS**

1. INTRODUCTION

- 1.1 The purpose of this report is to request support in earmarking unspent budget for a specific purpose, in line with the Policy on End of Year Flexibility.

2. RECOMMENDATIONS

- 2.1 SMT to assess the proposal and if in agreement submit to the Executive with a recommendation in support of the proposed earmarking.

3. DETAIL**3.1 Initiative/Proposal**

- 3.1.1 It is proposed that monies be earmarked to fund asbestos surveys as per the report to the Strategic Management Team on 6th February 2012. (Attached as Appendix 1).

3.2 Business Case

- 3.2.1 The Council's Health and Safety staff have highlighted guidance that will require the modernisation of the management of asbestos within the Council's property portfolio. It is envisaged this will lead to the requirement for surveys of approximately 293 facilities for the first time and updated surveys of a further 264 facilities.
- 3.2.2 A three year timescale has been agreed in principle with the Council's Health and Safety staff for the necessary improvements, and initial expert advice concurs with the approach. Assuming the latest guidance is being interpreted correctly, a system of continuous review will be necessary on completion of the improvement programme.
- 3.2.3 The estimated cost for the envisaged surveys is around £513k and the funding stream would be by earmarking unspent monies from the outturn revenue budget for 2011/12. This would be earmarked at year end for carry forward over the next 3 years.
- 3.2.4 The preferred delivery route for the outstanding asbestos surveys is for the Council to undertake a mini-bid within the existing Scotland Excel asbestos survey framework to engage 2 asbestos surveyors on a partnership secondment basis i.e. the asbestos surveyors are employed by an asbestos surveying company but managed on a day-to-day basis by Property Services.

- 3.2.5 To deal with both additional surveys associated with the capital programme and any anomalies highlighted during the seconded surveyors surveys, the work of the 2 asbestos surveyors would be augmented by the use of asbestos surveying contractors, selected via a mini-bid from the Scotland Excel asbestos survey framework.
- 3.2.6 Colleagues are reminded that following the regulatory framework and protocols in place at that time, the Council undertook a programme of asbestos surveys commencing in the summer of 2004. As part of the survey exercise a database of asbestos within properties was produced. At that time the decision was taken to restrict surveys to strategically important buildings such as schools, offices and residential homes. The adopted approach was further restricted wherein sister buildings were only covered by one representative survey. This arose principally with respect to schools wherein it was assumed that the presence of asbestos would be similar in all buildings of the same design and age. In addition, areas of buildings where no access was gained were presumed to have asbestos during this earlier survey process. A review of the information held within the asbestos database has highlighted inadequacies which require to be addressed. It should also be noted that under the current management process, known areas of asbestos are only reviewed during ad-hoc inspections undertaken by Facility Services Property Officers when they require to deal with maintenance issues.
- 3.2.7 The Health and Safety Executive has published revised guidance to assist people who have specific responsibilities for managing asbestos in non-domestic premises. This has been issued under Regulation 4 the Control of Asbestos Regulations 2006. As a result of this during discussions between staff from Property Services and Health and Safety staff from Improvement and HR, the following issues which require to be addressed have been identified:
- There is a requirement to undertake an asbestos survey in all properties to allow the presence of asbestos to be managed effectively.
 - There is a need to provide meaningful, user friendly, information on the presence and location of asbestos - including location of asbestos on electronic floor plans and good quality photos (date/time stamped).
 - Areas of 'no access' require to be eliminated, as far as is reasonably practicable, from existing asbestos surveys to allow the management of asbestos to be effective.
 - Assumptions/presumptions require to be eliminated from existing surveys to allow the management of asbestos to be effective.
 - There is a requirement to label known asbestos locations – taking care to ensure wording is appropriate for building users.
 - There is a requirement to have the Council's existing policies and processes audited by an independent asbestos specialist to advise on legislative compliance.

3.2.8 The content of section 3.5 was discussed with Professor Roger Willey of ACS Environmental to seek initial specialist advice. As a result of the discussions, Professor Willey made the following observations:

- The issues in Section 3.5 need to be addressed to ensure the Council complies with the current legislation.
- The Council should identify funding to ensure that issues can be addressed.
- A workplan needs to be developed and progress of tasks monitored to show that the Council has a structured/systematic approach to address the issues.
- Failure to fund and address the issues in Section 3.4 will expose the Council to the threat of prosecution.

3.2.9 The following programme of works is envisaged in the way forward.

- Review existing policies and processes in conjunction with an asbestos specialist.
- Develop the asbestos module within the new Property Management Systems (Concerto) to replace the Council's existing asbestos database
- Carry out Asbestos Management Surveys, in a format which is suitable for use within the new Property Management System. It is envisaged this will be required in approximately 293 facilities which have never had an asbestos survey although this number will be subject to verification as the data cleansing associated with the new Property Management System is completed.
- Survey works may be disruptive, and in such cases, remedial works will be required to make good damage caused.
- Update Asbestos Management survey information in approximately 264 facilities to deal with the removal of areas of no access and presumptions. This work will require to be formatted for use within the new Property Management System but can be based on previous surveys recorded within the existing asbestos database.
- Identify room numbers in buildings with tags/labels to match those referred to in the corresponding asbestos surveys.
- Monitor the condition of existing known asbestos but record in a manner which is suitable for use within the new Property Management System.
- Any areas of high/medium risk identified within the new surveys or through the monitoring of existing known asbestos, will require to be removed/managed as appropriate.

3.2.10 **Funding:** Currently no specific funding is allocated for the management of asbestos. As a result, any asbestos related issues are addressed making use of resources allocated through the Central Repairs Account (CRA) or the Capital Plan.

It is estimated that the programme of new survey works identified within section 3.2.7 will cost £512k (including an allowance for remedial works for the treatment of any high risk areas identified). If this had to be drawn from the CRA it would significantly reduce the resources available for property maintenance thereby increasing the risk of accelerated deterioration of condition. The Council's Health and Safety staff have advised that this improvement work should be run over no more than a three year period and independent expert advice confirms that this should be considered as the maximum timescale.

3.3 Expenditure Profile

3.3.1 The sum of £513,000 will be spent over 3 years from 2012/13 to 2014/15.

**Douglas Hendry
Executive Director of Customer Services
28 March 2012**

ARGYLL AND BUTE COUNCIL**STRATEGIC MANAGEMENT TEAM****REPORT BY EXECUTIVE
DIRECTOR OF CUSTOMER
SERVICES****2 APRIL 2012**

**PROPOSAL TO EARMARK FUNDS FROM GENERAL FUND RESERVE- PURCHASE TO
PAY CARDS**

1. INTRODUCTION

- 1.1 The purpose of this report is to request support in earmarking unspent budget for a specific purpose, in line with the Policy on End of Year Flexibility.

2. RECOMMENDATIONS

- 2.1 Council Executive to assess the proposal and if in agreement submit to the Executive with a recommendation in support of the proposed earmarking.

3. DETAIL**3.1 Initiative/Proposal**

- 3.1.1 Corporate Purchasing Cards are to be introduced to facilitate purchases initially for catering purchases in schools.
- 3.1.2 In anticipation of this work an earmarked reserve totalling £31,000 was agreed for 2011/12 for the purpose of funding the implementation and the first 2 years of this initiative. This proposal will facilitate administrative savings as well as improvements in processing times. Both aspects complement the current service review of Customer & Support Services as well as the Administrative Review.
- 3.1.3 Proposal will also facilitate the payment of suppliers for approved purchases in accordance with legislation as efficiently as possible. Failure to improve Purchase to Pay process may result in suppliers withdrawing services or charging interest on late payment. Purchase Cards guarantee quick payment to suppliers so failure to roll this out reduces likelihood of significant improvement in process to pay thereby reducing risk. Some risk of unauthorised use of cards will largely be negated by approval limits.
- 3.1.4 There have been delays in implementing the rollout of corporate purchasing cards to catering staff therefore it is requested that these monies be carried forward to 2012/13.

3.2 Business Case**INTRODUCTION OF CORPORATE PURCHASING CARDS FOR SCHOOL
CATERING**

3.2.2 Proposed Costs

Project costs	£
Staff (LGE 9 - 17.5hours per week for 9 months)	15,000
Software Costs - Implementation	8,000
Software Costs - Licence	8,000
	<u>31,000</u>
 On-going Costs	
Staff (LGE 3 - 17.5hours per week for 12 months)	10,000
Software Costs - Annual licence	8,000
	<u>18,000</u>

3.2.3 Proposed Savings and Benefits

Savings	
Staff (LGE 3 – 35 hours per week for 12 months)	20,000
Reduction in Costs of BACS / cheques	4,000
	<u>24,000</u>

Note this staff saving can only be achieved in conjunction with the current service review of Customer & Support Services and the Administrative Review. i.e. it will form part of an incremental change with improved efficiencies. It is not specific to one post.

Benefits:

Increased Management information for catering and procurement management

Improved payment performance

Payback period for project; 3 years 11 months

3.3

Expenditure Profile

The sum of £31,000 will be spent during 2012-13.

Douglas Hendry
Executive Director of Customer Services
28 March 2012

ARGYLL AND BUTE COUNCIL**STRATEGIC MANAGEMENT TEAM****REPORT BY EXECUTIVE
DIRECTOR OF CUSTOMER
SERVICES****2 APRIL 2012**

PROPOSAL TO EARMARK FUNDS FROM GENERAL FUND RESERVE – TAXI SURVEY

1. INTRODUCTION

- 1.1 The purpose of this report is to request support in earmarking unspent budget for a specific purpose, in line with the Policy on End of Year Flexibility.

2. RECOMMENDATIONS

- 2.1 SMT to assess the proposal and if in agreement submit to the Executive with a recommendation in support of the proposed earmarking.

3. DETAIL**3.1 Initiative/Proposal**

- 3.1.1 It is proposed that £20,000 be earmarked to fund a Taxi Survey as requested by the Planning, Protective Services and Licensing Committee Chair & Vice Chair. This will address concerns raised by the Taxi Trade.

3.2 Business Case

- 3.2.1 In terms of the Civic Government(Scotland)Act 1982,Section 17, the Local Authority requires to fix maximum fares and other charges in connection with the hire of taxis operating in their area and to review the scales for taxi fares and other charges on a regular basis. The Planning, Protective Services and Licensing Committee at their Meeting on 19th January 2011 decided to increase the fare structures and agreed that a further review of the fare structure should be undertaken within 12 months.

- 3.2.2 Letters to all taxi operator were issued during November 2011 asking for Representations from all organisation and individuals. From submissions the Taxi Trade have requested that a survey reviews tariff zoning areas and fare structures council wide. "We call on your Committee to confirm that it will set a tariff proposed and accepted as suitable to the needs in each zone, acknowledging that some areas may elect to operate an identical tariff to each other. The current tariff review presents an ideal opportunity to effect this change which is permissible within the Civic Government (Scotland) Act 1982."

- 3.2.3 The Planning, Protective Services and Licensing Committee have requested that a survey be carried out during 2012/13 to gauge the number and distribution of licenses required to meet customer needs.

3.2.4 The survey will facilitate future fare setting arrangements.

3.2.5 It is proposed that this survey be carried out during 2012/13 and the cost will be £20,000.

3.2.6 This will be funded from additional licensing income raised in 2011/12.

3.3 Expenditure Profile

3.3.1 The sum of £20,000 will be spent during 2012/13.

Douglas Hendry
Executive Director of Customer Services
28 March 2012

ARGYLL AND BUTE COUNCIL

EXECUTIVE

IMPROVEMENT AND HR

19 April 2012

MAXIMISING ATTENDANCE POLICY & PROCEDURES

1. Summary

- 1.1. The Council are continuing to make improvements in the way that they manage attendance within the organisation. Following consultation with the Trades Unions the existing Attendance Policy & Procedures were revised and from best practice research the new Maximising Attendance Policy & Procedures was developed to aid a more streamlined and efficient attendance policy.
- 1.2 The following report provides detail of changes from the Managing Attendance Policy to the new Maximising Attendance Policy.

2. Recommendations

It is recommended that the Executive -

- 2.1 Agree the new Maximising Attendance Procedures; and
- 2.2 recommend the attached Maximising Attendance at Work Policy to the Council for approval.

3. Detail

- 3.1. Effective absence management involves finding a balance between providing support to help employees with health problems stay in, and return to work, and taking consistent and firm action against employees who's attendance is having a detrimental impact on service delivery. The Council needs to take both a proactive and preventative approach to sickness absence.
- 3.2. Over the last 12 months the Council has reviewed the policy as well as introducing a number of new initiatives including the new Direct Reporting of Absence to help manage absence effectively.
- 3.3. This policy incorporates the Council's duties as an employer and as a service provider. Details about managerial, HR and employee responsibilities are clearly defined and will be accompanied by guidance documents.
- 3.4. The new policy and associated procedures ensure a fair and consistent application which has been clearly mapped out, in addition the reporting of data from the Council's Resourcelink System has been reviewed to ensure the provision of key information for managers to allow them to effectively deal with situations.

- 3.5. The key messages from the procedures are how to manage, support and deal with specific issues for those off sick as well as return to work interviews.
- 3.6. The introduction of the Absence Line in notifying absence is a key change to the procedure and the only change is that the employee has to call and report their sickness absence to the Absence Line rather than to their line manager.
- 3.7. The absence triggers have been reviewed with timescales tightened and new defined triggers added. The absence trigger reporting which is currently in place will be easy to adapt to the triggers within this procedure.
- 3.8. The Policy & Procedures were reviewed by working groups which included the Trades Unions who jointly reviewed and agreed for implementation.
- 3.9. Detailed guidance and manager's toolkit will be available on the HUB, as well as being communicated through cascade.
- 3.10. A training programme will be created to support the pilot and subsequent roll out using a blended approach with workshops, on line training, a helpline and site visits.

4 Conclusion

- 4.1 In conclusion, the introduction of the new Maximising Attendance Policy & Procedures will support the Council's attendance management programme.

5. IMPLICATIONS

POLICY	Policies and procedures require to be kept-up-to date
PERSONNEL	The initiatives outlined above can help with recruitment and retention and overall absence management.
FINANCIAL	None
EQUALITY	HR Policies and procedures apply to all employees and are Equality Impact Assessed when reviewed, or as new policies or procedures are introduced.
LEGAL	HR Policies and procedures ensure the Council complies with its legal obligations.

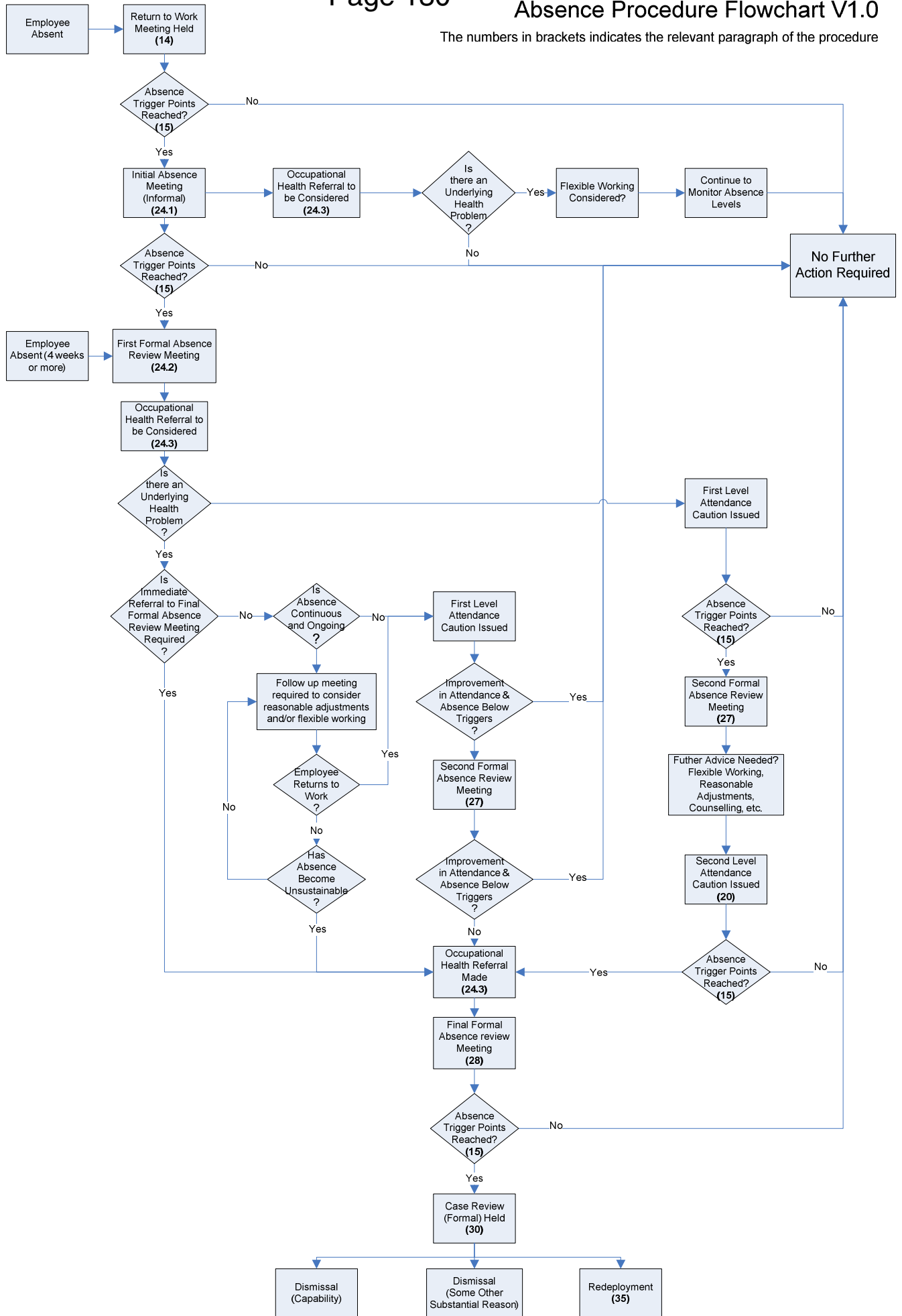
Jane Fowler
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Maximising Attendance at Work Procedures

Author Improvement and HR
Department Chief Executive's Unit
Date February 2012
Version 2.0



The numbers in brackets indicates the relevant paragraph of the procedure



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1. Monitoring and Prevention

- 1.1. Effective implementation of the Maximising Attendance at Work Policy requires managers to actively monitor the attendance levels of their staff on an ongoing basis. Monitoring enables emerging trends to be identified with a view to taking early action to prevent absence/health issues from developing into potentially longer-term problems. This includes analysing health and safety incident information to identify the causes of absence so that appropriate action can be taken to reduce or eliminate workplace injuries and lost time.
- 1.2. Managers should use monitoring information to identify possible symptoms of stress (work-related or otherwise), motivational/behavioural matters or physical well-being issues that may be causing, or contributing to an employee's absence from work.
- 1.3. Issues relating to workload, the quality of working relationships, poor or inappropriate management styles and inadequate communication systems can all contribute to the creation of stressful working conditions. Similarly, pressures out with the workplace can adversely affect an employee's health and work performance. Identification of those issues combined with appropriate interventions at an early stage can help avoid absence from work.
- 1.4. Line managers will be held accountable for managing sickness absence. The Strategic Management Team will receive quarterly reports, the Executive Committee will be given 6 monthly updates and the Audit Committee will also scrutinise attendance levels on a regular basis.
- 1.5. Targets will be reviewed on at least an annual basis and Services are expected to provide year on year improvements in their sickness absence figures. Monthly reports will be considered by Departmental Management Teams. These will detail the names of any employees who have breached corporately agreed trigger levels, what stage in the formal procedure they are at, and if no action has been taken, justification as to why this is the case.
- 1.6. The Council also aims to encourage employees to pursue healthy lifestyle options through initiatives promoted under the Healthy Working Lives Award Programme on the basis that such measures can have a positive impact on attendance and work performance.

2. Implementation

- 2.1. The Maximising Attendance at Work Procedures will be reviewed periodically by the Council and in conjunction with recognised Trade Unions in light of developments in employment legislation and/or employment relations practice and, if necessary, revised in order to ensure their continuing relevance and effectiveness. Any changes, including new obligations, will only be introduced after consultation with the relevant Trade Unions.

3. Ill Health which does not lead to absence from work

- 3.1. There may be occasions where an employee is suffering from ill health, but this does not lead to the employee being absent from work. If the employee believes their ill health is having an impact on their ability to undertake their job they should raise this with their line manager in the first instance. The line manager should discuss the matter confidentially with the employee; discuss whether any additional support can be provided to the employee to support them at work and/or review any workplace risk assessments, where appropriate. In this circumstance the employer or employee may request to seek advice and guidance from the Council's Occupational Health Adviser.

4. Work related Ill health or Injury

- 4.1. If an employee or manager believes that ill health or injury has been caused by work, the employee must report this to his/her line manager who must complete the Council's Accident Report Form PER/S/100C as soon as possible.
- 4.2. If an employee has not reported an accident at work and/or an Accident Report Form completed, and the employee subsequently believes their ill health or injury is caused by work, they should report this in writing to their line manager, setting out the reasons why they believe that work has contributed or caused their ill health or injury.
- 4.3. Where an Accident Report Form has been completed or where an employee subsequently claims their ill health or injury is caused by work, the situation should be thoroughly investigated. The line manager should inform their Head of Service and discuss the situation with the Health and Safety section in order to determine who should undertake the investigation.

5. Medical Suspension

- 5.1. The Council has a duty to take all reasonable steps to ensure the health and safety of its employees. In specific, exceptional circumstances there may be a need for the Council to suspend employees on medical grounds if it believes an employee is particularly at risk.
- 5.2. In such circumstances a risk assessment considering the risk to the individual, colleagues and the Council will be carried out. A decision to medically suspend an employee can only be taken by the Executive Director (or delegate in the absence of the Executive Director) and in conjunction with Human Resources.

As part of the risk assessment, all other options such as temporary adjustments to duties or alternative employment should be exhausted before a medical suspension is considered.

Please Note: Only persons who have been trained in Risk Assessment methods should undertake this procedure. For details please refer to the [Health & Safety Policy](#) or contact the Health & Safety team for further information.

- 5.3. Whilst seeking appropriate advice, medical suspension will normally be on the basis of continued entitlement to full contractual pay. Employees must remain available for work during this time. The employee would normally be medically suspended until such time as it can be established via an Occupational Health referral they are fit for work, however Executive Directors are required to review the suspension at least once every 10 working days to ensure they are acting on the most up-to-date medical information available.

Contact HR for advice on an appropriate letter to the employee.

6. Occupational Health

- 6.1. The purpose of an Occupational Health referral is to provide managers with advice that will assist them in managing the attendance of an employee including, where appropriate, guidance on how an employee can be supported to return to, or remain at work. A referral is beneficial for both the manager and employee, and should be regarded positively and not as a punitive measure.
- 6.2. The report provided by occupational health will only contain recommendations and advice in relation to how an employee's health problems impact on their ability to carry out the duties of their post, and not their full medical history and details.
- 6.3. Employees must co-operate fully with Occupational Health throughout their period of absence. If a medical appointment has been arranged and the employee fails to attend, or fails to provide adequate notice of cancellation without good reason, then any entitlement to occupational sick pay may be withheld and disciplinary action against the employee taken. Managers considering disciplinary action should, in the first instance, consult Human Resources.
- 6.4. Possible outcomes from Occupational Health Referrals include:-
- Review periods may be set, with further advice obtained from Occupational Health;
 - Reasonable adjustments such as changes to the workload, work practices or work patterns may be identified and implemented, either as part of phasing the employee back to work, or on a more permanent basis;
 - Other support mechanisms may be identified and implemented;

- Redeployment under the Council's "Redeployment Procedure for Medical Reasons" may be pursued;
 - Investigation may take place into whether the employee may be eligible for ill health retirement pension benefits; and
 - Consideration may be made about the employee's continuing employment, leading to the decision to dismiss the employee due to their incapacity to undertake their job due to ill health. These decisions will take into account the employee's prognosis.
- 6.5. In order for all options to be explored fully, it is important that the employee attends all Occupational Health appointments. Where an employee refuses to co-operate in providing the required medical evidence, he/she will be advised in writing that the Council's Disciplinary Procedures will be invoked.
- 6.6. If a second medical opinion is required, or on the rare occasion there is a dispute between the Occupational Health Physician and the employee's doctor, the Council will refer the case to an independent medical referee whose opinion shall be final.

7. Application of Procedure

- 7.1. For the purpose of applying the Maximising Attendance at Work procedure, absence constitutes periods of intermittent absence, periods of continuous absence or a combination of both where the employee has cited sickness, including industrial injury, as the reason for their absence.
- 7.2. Absence can normally be categorised into two distinct types; short-term and long-term sickness absence. The action taken to manage each type may differ.
- 7.3. Long-term absence is considered to be a period of continuous sickness absence lasting four weeks or more (28 calendar days).
- 7.4. In some circumstances an absence may not fall neatly into the short-term/long-term categories and may meet the trigger for both short and long term. In these instances, managers, with assistance from Human Resources should review the employee's absence record and decide upon the most appropriate way of managing the employee's absence.
- 7.5. The Council's corporate triggers are outlined in **Section 15 Sickness Absence Trigger Levels**.
- 7.6. Where an employee has an ongoing medical condition which is affecting their performance at work, it may be appropriate to deal with this under this procedure. However, this should be discussed with Human Resources before any action is taken.

8. Notification & Certification Requirements

- 8.1. On each occasion of sickness absence, employees must comply with the Council's notification and certification requirements. Failure to comply with these without reasonable explanation will result in entitlement to Statutory Sick Pay and/or Occupational Sickness Allowance for all or part of the absence being forfeited. For further details please refer to the [Absence Line guidance](#) or contact the Attendance team for further information.
- 8.2. In certain circumstances where abuse of the sick pay regulations is suspected, the employee may be required by the Council to submit a "Statement of Fitness for Work" ("Fit Note") from the first day of each period of absence, at the Council's expense. Where the manager deems this action applicable following discussion with Human Resources, it will be confirmed in writing to the employee.
- 8.3. In accordance with the relevant Conditions of Service, Occupational Sickness Allowance may be suspended if an employee abuses the sick pay scheme and the matter dealt with under the terms of the Council's Disciplinary Procedures.
- 8.4. If the employee believes their absence may have been caused by something that happened at work they should inform their Line Manager of this and arrange for an Accident Report Form **PER/S/100C** to be completed.
- 8.5. Where an employee is absent for more than three days as a result of a work related injury, an **F2508** form must also be completed and sent to the Health and Safety Executive (HSE) with a copy being sent to the Council's Health & Safety Manager.
- 8.6. Further information on the Council's notification and certification requirements is contained in **Appendix 1** and in the Managers Toolkit on Managing Sickness Absence.
- 8.7. A sample letter can be found in **Appendix 2** for use where an employee has failed to comply with the Council's notification requirements.

9. Sickness Absence during Annual Leave

- 9.1. In accordance with the relevant provision of the SJC National Agreement on Pay and Conditions for Local Government Employees, an employee who falls sick during the course of annual leave will be regarded as being on sick leave subject to producing a doctor's statement covering those days on which the employee was sick. In these circumstances the employee will be entitled to have the period covered by the doctor's statement reinstated as annual leave. Where an employee is receiving sick pay under the Scheme, sick pay will continue if a public or extra statutory holiday falls during such sickness absence. No substitute public or extra statutory holiday will be given.
- 9.2. For teaching staff reference should be made to the relevant SNCT Conditions of Service.

10. Maintaining Contact with Employees who are Absent

10.1. The responsibility for maintaining contact rests equally with the manager and the employee. This helps prevent employees from becoming isolated and distanced from the workplace and their colleagues and allows managers to gain an understanding of when the employee expects to be back at work, any work related matters which require to be carried out or rescheduled, and any support the Council can provide to assist the employee's recovery.

10.2. The amount of contact will depend on the reason for, and length of, absence but to ensure it is maintained, employees must remain contactable during periods of absence and respond to letter and telephone messages. As a guide, after the initial contact with an employee regarding notification of sickness absence, the minimum contact requirement for short term intermittent absence would be once every two weeks. The minimum contact requirement for long term absence is once every month.

10.3. Ongoing dialogue will normally cover:

- Any forthcoming treatment and the possible outcomes;
- The prognosis for recovery and the latest estimated date of return; and
- Any support the Council can provide.

10.4. Contact should always be handled sensitively with due consideration given to the nature of the employee's illness. Whilst it is desirable to contact the employee directly, line managers should be aware that in some circumstances for example where the employee is in hospital, it may be necessary to maintain contact through a friend or relative.

10.5. Where appropriate the contact may be with a person other than the line manager. Contact by telephone and/or letter will be sufficient in many cases. In instances of prolonged absence it is likely to be desirable to meet with the employee. This would normally take place at the employee's place of work or at another suitable Council establishment.

10.6. On occasions, to be supportive to the employee and with their agreement, the appropriate method of contact may be a home visit. This should normally be undertaken by at least one manager known to the employee and another appropriate person with the date and time agreed in advance. In exceptional circumstances it may be appropriate for the manager alone to carry out the visit but this should be risk assessed depending upon the working relationship with the employee and the circumstances of their absence. The employee may wish to have a family member, trade union or colleague present.

10.7. Human Resources can provide further advice and guidance on the frequency and most appropriate method of maintaining contact if required. A sample script is included in **Appendix 3**.

11. General Information on “Statement of Fitness for Work” (Fit Notes)

11.1. The “Statement of Fitness for Work” more commonly referred to as the “fit note” means doctors can advise that an employee is either:

- “Unfit for work”
- or
- “May be fit for some work taking account of the following advice”

11.2. A doctor will give a 'may be fit for some work' statement if they think the employee's health condition may allow them to work as long as they are given appropriate support. A doctor will be able to suggest ways of helping an employee get back to work. This might mean discussing:

- a phased return to work;
- altered hours;
- amended duties; and
- workplace adaptations

11.3. The doctor will also provide general details of the functional effect of the individual's condition.

11.4. Please see the [Phased Return to Work Procedure and Guidance](#) which contains information on how such adjustments can be applied within the Council.

11.5. The advice on the fit note is not binding however all the GP's recommendations should be seriously considered and discussed with the employee in order to help support the employee back to work sooner.

11.6. If, following a period of absence, the GP feels the employee is able to return to work without any limitations, the GP will not issue the employee with a new statement.

12. Fit Note - May be fit for some work

12.1. Where an employee is advised they ‘may be fit for some work’, the employee should notify their line manager as soon as possible.

12.2. Line managers should arrange to meet with the employee as soon as possible (ideally within 2 days) to discuss the fit note with the employee and seek to agree with him or her how the recommendations can be implemented.

12.3. If the employee disagrees with their GP's opinion, line managers should speak to the employee and discuss any concerns they may have. If no agreement can be reached between the employee and line manager then an occupational health referral may be required.

12.4. Where an employee is considered ‘fit for work taking into account the following advice’, the adjustments may be straight forward enough that an Occupational

Health referral is not needed. In these cases check with HR to ensure that a referral is definitely not necessary.

12.5. If the Council is unable to facilitate the changes the GP recommends, the line manager will explain this to the employee and treat the employee as not fit for work. Employees do not need to return to their GP for a new fit note to confirm this.

12.6. Further advice is available from Human Resources.

13. Employee wishes to return to work prior to the expiry of Fit Note

13.1. Sometimes an employee will be able to return to work before the expiry of their medical statement. This may be because the employee has recovered faster than the doctor expected, or the doctor was not aware of how the Council could support the employee to return to work.

13.2. If the manager agrees it is appropriate for them to return to work, the employee may do so before the end of the Statement period. Employees do not need a further medical statement to confirm their fitness for work. However, managers will need to continue to manage their employees appropriately and carry out a risk assessment based on the evidence from the GP, and the manager's knowledge of the work and the work place. If managers have any concerns about their employee returning to work too soon, they should contact Human Resources for advice.

13.3. **Please Note:** Only persons who have been trained in Risk Assessment methods should undertake such procedures. For full details please refer to the [Phased Return to Work procedure](#).

14. Return to Work Meetings

14.1. The Return to Work Meeting is an effective means of reducing absence and must be held with the employee after every instance of absence, regardless of the length of absence or the employee's current/historic sickness absence record. It gives the line manager the opportunity to discuss with the employee any issues which may be affecting attendance, a chance to update the employee on what has happened whilst they were absent, and a method by which to ensure that notification and certification requirements have been complied with.

14.2. It is also a way of establishing the underlying reasons for absence and line managers may be able to make reasonable adjustments/short term arrangements to help the employee cope with an issue rather than feeling they have no alternative other than to be absent from work.

14.3. The earlier an employee is communicated with, the more chance there is of a satisfactory outcome.

- 14.4. Upon returning to work following sickness/injury absence, the line manager must arrange to meet privately with the employee, ideally during the first day back, or at least within three days of the return to work. The Council recognises that there may be some occasions where a face to face Return to Work Meeting is not possible, i.e. geographic distances between the line manager and employee. Therefore, in circumstances where it is not reasonable to conduct a face to face Return to Work Meeting then a telephone discussion can take place. Where an employee is returning after long term sickness absence the line manager must arrange to meet privately with the employee to conduct a face to face Return to Work Meeting. The Return to Work form must still be signed by the manager and employee.
- 14.5. It is important to remember that the return to work discussion is a two-way conversation in order to establish why someone has been absent from work and, where appropriate, what support the Council may be able to offer to the employee.
- 14.6. Where the employee's absence is due to an industrial accident, discuss the incident with the employee and ensure the Council's Accident Report Form PER/S/100C is completed. If the cause of the accident was due wholly or partly to the actions of the employee, the areas of concern should be discussed fully with the employee. Advise the employee of any remedial action or training that will be taken.
- 14.7. Managers should read the guide to [Return to Work Meetings](#) contained in the Managers Toolkit on Managing Sickness Absence. This provides a suggested structure for conducting Return to Work Meetings, how to prepare for them and examples of questions managers may find useful. **Appendices 4 – 7** also contain information on Return to Work Meetings.
- 14.8. A record of the Return to Work Meeting must be kept using the pro-forma contained in the Managers Toolkit on Managing Sickness Absence.
- 14.9. Repeated failure of a manager to carry out Return to Work Meetings will be deemed to be a breach of the Council's Maximising Attendance at Work Policy which could result in disciplinary action being taken against the manager.

15. Sickness Absence Trigger Levels

- 15.1. A sickness absence trigger level is defined as the level or frequency of absence over a prescribed period that gives rise to concern. It is also the level set by the Council that prompts an automatic intervention by an employee's line manager under the Maximising Attendance at Work Policy. The section headed "Action to take when a trigger Level is reached" provides details of what will happen once a trigger is reached.
- 15.2. The purpose of the trigger is to ensure the manager reviews the employee's attendance record and provides appropriate support and assistance where necessary to enable them to attend work.
- 15.3. On each occasion that an episode of sickness absence occurs, the employee's line manager will review the employee's record of absence over the previous 12

month rolling period. Where the absence results in a trigger being reached, appropriate action will be taken by the manager.

15.4. The Council's corporately agreed triggers are:

- Three or more instances of sickness absence in a twelve month rolling period, irrespective of the length of absence. (This period may be extended for the purposes of invoking the next stage of the Procedure where a recurring pattern or trend begins to emerge out with the rolling reference period);
- Ten or more cumulative calendar days of sickness absence within a 12 month rolling period. (This period may be extended for the purposes of invoking the next stage of the Procedure where a recurring pattern or trend begins to emerge out with the rolling reference period);
- Any noted pattern of absence e.g. Mondays and Fridays, or before, or after, leave;
- Continuous absence of more than four weeks (28 calendar days);
- Any period of unauthorised absence (failure to comply with notification and certification procedures).
- Where it has been reported that the absence is due to identifiable work-related issues. Examples of this could include medical conditions which are aggravated by working practices, occupational diseases or concerns about workload, working relationships etc;
- Where the reason for the absence is "stress" or a similar condition; or
- Back and/or musculoskeletal related absences

15.5. Whilst the above triggers should be applicable in most circumstances, this list is not exhaustive and should be seen as the standards to be applied. Managers should be aware they are entitled to raise concerns about attendance with employees at any stage if they believe it to be reasonable and appropriate. Advice from Human Resources is available.

15.6. When managing attendance, managers will need to exercise discretion and employ a test of 'reasonableness' taking into account the level of absence, the employee's absence history and the operational effect this is having on the Service and other colleagues. Managers must remember that each employee and his/her absence record are unique, and should look at the circumstances of each period of absence leading up to the trigger including:

- The reason for each absence and whether there is any connection between them;
- The duration of each period of sickness absence;

- Identifying any work based patterns and any links to any other leave. Although managers should be alert to the possibility of any pattern, for example frequent absence on Mondays, or before or after leave, managers should remain open-minded and not jump to any hasty conclusions about an employee's absences; and
- The impact on service delivery/team morale.

16. Guidance on moving through the Maximising Attendance at Work Procedure

- 16.1. A practical approach should be taken to ascertain when it would be unreasonable to meet an employee under the procedure, despite hitting an absence trigger e.g. where an employee's absence is directly attributable to a specific illness or recovery from a recent operation and they have previously had a good attendance record.
- 16.2. In some circumstances it may be appropriate to accelerate some stages of the procedure, particularly where the level cannot be sustained by the council and there is every indication that levels of attendance are unlikely to improve.
- 16.3. Moving within the procedure has a 12 month time limit between each stage during which a warning remains "live". Employees whose attendance is subject to review will be assessed at regular intervals and advised that if they do not improve or maintain their attendance between reviews they will normally progress through the Maximising Attendance at Work Procedure.
- 16.4. The trigger levels should be used as the standard to establish if the employee is back to maintaining an acceptable attendance level.
- 16.5. If the necessary level of attendance is achieved over the 12 month close monitoring period, no further action will be taken and normal management monitoring of attendance will resume.
- 16.6. However, there may be occasions where an employee's absence is satisfactory, only to lapse very soon after the 12 month period has ended. Where a pattern emerges, or there is evidence of abuse of the system, the employee's history under the maximising attendance at work procedure may be taken into consideration in deciding whether to move to the next stage of the procedure, or to require the employee to repeat the last stage that they were on for a further 12 months. After one repeat stage, further evidence of absence will normally result in moving onto the next stage.
- 16.7. Where the above is exhausted you may refer to the Council's Disciplinary Procedures.

17. Officers with authority to take action under the Maximising Attendance at Work Procedure

Stage of Procedure	Absence Review Meeting carried out by	Appeal heard by
Where meeting may result in a first, second or final absence caution.	Executive Director, Head of Service, line manager or more senior nominated officer. (NB Line Manager: a manager who has responsibility for managing the whole section/team in line with the Corporate Management Framework)	The nominated officer normally at a more senior level of management.
Case Review	Executive Director, Head of Service, the immediate line manager or more senior nominated officer. To be undertaken by Officers on a minimum salary placing equivalent to LGE12.	Employment Appeals Panel/Appeals Committee

18. Overview of Short-Term Absence Management Procedure

Overview of Short Term absence Procedure
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Stage 1 – Initial Absence Meeting (Informal)

Meeting held within 10 working days

Line manager will write to employee within 5 days of initial Absence meeting to confirm points discussed



Absence trigger reached within a rolling 12 month period



Stage 2 – First Formal Absence Review Meeting

The employee shall be given at least 5 working days notice in writing of the purpose of the meeting.

Where a trigger point has been reached or exceeded, the Council may proceed to Stage 2 without completing Stage 1



Stage 3 – Medical Referral

Medical referral to the Councils Occupational Health Provider



Stage 4 – First Formal Absence Review Meeting (Continued)

The employee shall be given at least 5 working days notice in writing of the purpose of the meeting.



Absence trigger reached within a rolling 12 month period



Stage 5 – Second Formal Absence Review Meeting

Employee given at least 5 working days written notice of the meeting.



Absence trigger reached within a rolling 12 month period



Stage 6 – Final Formal Absence Review Meeting

Employee given at least 5 working days written notice of the meeting.



Absence trigger reached within a rolling 12 month period



Stage 7 – Further Medical Referral



Stage 8 – Case Review (Formal)

Where a First, Second and Final level attendance caution has been issued, the employees attendance will be monitored every 2 months unless a trigger has been reached.

The Council's Disciplinary Procedures may be invoked if no improvement is made.

19. Guidelines on Managing Short Term Sickness Absence

- 19.1. Short term absences are normally sporadic and attributable to minor ailments, in some cases unconnected. Short term sickness absence can be disruptive as it is difficult to put arrangements in place to cover the employee who is absent. Over a period of time it can affect the morale and performance of other employees, and it is important that it is managed fairly and consistently.
- 19.2. Where short term intermittent absence has been identified, a distinction should be made between absences on the grounds of an identifiable underlying medical health problem as opposed to absences where there is no identifiable underlying health problem. Occupational Health will be required to make an assessment on whether there is an underlying medical condition or not.
- 19.3. Where a medical examination and/or information reveals an inherent underlying medical problem the employee will usually receive medical treatment e.g. physiotherapy, remedial surgery etc. which will often result in an acceptable rate of recovery and attendance level being achieved. However, where the prognosis is such that frequent or prolonged absences will be a continuing feature the case would require to be treated as one of capability and the employee advised in writing accordingly.
- 19.4. The key to managing persistent short term absence where there is no underlying medical condition is to ensure employees are aware of the standards expected of them in terms of required attendance levels, notification and certification procedures, regular monitoring and applying the procedures consistently.
- 19.5. If the absence is because of temporary problems relating to dependants, the employee may be entitled to unpaid time off under the Council's [Domestic Emergency Procedures](#).
- 19.6. If absence is because the employee has difficulty managing both work and home responsibilities then serious consideration should be given to whether more flexible ways of working could be accommodated. Parents of children aged 18 and under and carers of adults have the right to request flexible working arrangements and employers must have a good business reason for rejecting any application.
- 19.7. Under the Council's [Alternative Ways of Working procedures](#), all employees have the right to make flexible working requests including those without caring responsibilities.

20. Framework of meetings and cautions for managing short term sickness absence

- 20.1. Where, in the opinion of Occupational Health, it is established there is no underlying health problem and/ or there is an underlying health problem where there is either a deterioration or no improvement in attendance levels despite

consideration of all reasonable adjustments etc, cautions can be applied for instances of persistent short term absence.

20.2. The following table outlines a framework for managers to apply incremental attendance cautions which could potentially lead to dismissal for persistent short term absence.

Action	When applicable?	Frequency of Close Monitoring	Expiry of caution
First level attendance caution	The line manager will determine whether this will be applicable to issue at the first review meeting taking into account all the circumstances of the level of absence, an individual's absence history and the reasons for absence. This caution could therefore be applied where a 'trigger' has either been reached or exceeded.	Normally every 2 months unless a trigger has been reached	12 months
Second level attendance caution	This caution would normally be issued in writing within the agreed review period where there has been no sustained and significant improvement or there has been a further deterioration in attendance levels. This would normally be issued at a second absence review meeting.	Normally every 2 months unless a trigger has been reached	12 months
Final Attendance caution	This caution would normally be issued in writing within the agreed review period where there has been no sustained and significant	Normally every 2 months unless a trigger has been reached	12 months

	<p>improvement of there has been a further deterioration in attendance levels. This would normally be issued at a final absence review meeting.</p>		
<p>Dismissal</p>	<p>Before any decision is taken to dismiss, the employee would normally be referred to the Council's Occupational Health provider for an up to date medical report and the employee invited to attend a case review meeting. Where the levels of persistent short term absence can no longer be sustained for operational reasons, a recommendation for dismissal may result on the grounds of either capability or some other substantial reason depending upon the circumstances of each individual case.</p>		

21. Overview of Long-Term Absence Management Procedure

Overview of Long Term absence Procedure

Scenario 1 - Continuing absence

Initial absence meeting with employee and referral to Occupational Health via HR
(Between 4-8 weeks of the start of absence)



Follow up meeting to discuss Occupational Health report



Stage 2 – First Formal Absence Review Meeting (Up to 12 weeks continuous absence)



Stage 3 – Medical Referral

Medical referral to the Council's Occupational Health Provider



Stage 4 – First Formal Absence Review Meeting (Continued)



Stage 5 – Second Formal Absence Review Meeting (Up to 24 weeks continuous absence)



Stage 6 – Final Formal Absence Review Meeting (Between 24-36 weeks continuous absence)



Stage 7 – Further Medical Referral



Stage 8 – Case Review (Formal) Between 36-52 weeks continuous absence

Scenario 2 – Employee returning to work

An employee returning to work following a period of continuous absence will be dealt with at the appropriate stage of the procedure (2-6)

Depending on individual circumstances, contact with employee should be at least once a month.

The Council's Disciplinary Procedures may be invoked if no improvement is made.

22. Guidelines on Managing Long Term Sickness Absence

22.1. The best way of supporting employees with long-term absence is through regular contact and timely referrals to occupational health. The procedure ensures managers discuss the duration of an employee's absence, continue to offer and discuss support mechanisms and advise the employee of the possible consequences of their continued absence.

22.2. Long-term absence cases will be considered on their individual circumstances within the parameters set out in the procedure below.

23. Framework of meetings and cautions for managing long term sickness absence

Action	When applicable?	Frequency of close monitoring
Regular contact with the employee, normally by telephone	From start of absence onwards	Depending on individual circumstances but as a minimum once a month
<p>Initial Absence Meeting with the employee to discuss the following:</p> <ul style="list-style-type: none"> • employee's current state of health • likely duration of their sickness absence • referral to Occupational Health • any other issues concerning the employee's future fitness to return to her/his post. 	Normally between 4 – 8 weeks of the start of the absence	
<p>Referral to Occupational Health via HR.</p> <p>The Council will provide Occupational Health with sufficiently detailed and relevant information to enable a meaningful medical opinion to be provided.</p>	Normally between 4 – 8 weeks of the start of the absence	
<p>Meet with employee to discuss Occupational Health report</p> <p>Possible outcomes from Occupational Health Referrals include:-</p> <ul style="list-style-type: none"> • Review periods may be set, with further advice obtained from Occupational Health • Reasonable adjustments such as changes to the workload, work practices or work patterns may be identified and implemented, either as part of phasing the employee back to work, or on a more permanent basis. • Other support mechanisms may be identified and implemented. • Redeployment under the Council's "Redeployment Procedure for Medical Reasons" may be pursued. 	Upon receipt of advice from Occupational Health	Depending upon individual circumstances but at least every 3 months

<ul style="list-style-type: none"> Investigation may take place into whether the employee may be eligible for ill health retirement pension benefits. Decisions may be made about the employee's continuing employment, leading to the decision to dismiss the employee due to their incapacity to undertake their job due to ill health. These decisions will take into account the employee's prognosis. 		
<p>Continuing Absence: Further Absence Meetings</p> <p>Where an employee is absent for a continuous period a number of occupational health referrals, absence review meetings and cautions may be necessary depending upon individual circumstances and prospects for a return to work. Employees should be advised that even though they may have an underlying health condition, their level of sickness absence cannot be sustained indefinitely in terms of the operational requirements of the service.</p>	<p>First Formal Absence Review Meeting – 8 to 12 weeks continuous absence.</p> <p>Second Formal Absence Review Meeting – No later than 24 weeks continuous absence.</p> <p>Final Formal Absence Review Meeting – between 24 to 36 weeks continuous absence</p>	
<p>Dismissal due to long-term absence</p> <p>If the stage is reached where an employee's long-term absence is causing concern in relation to the operational effects on the service an up-to-date Occupational Health report must be obtained.</p> <p>If the employee is unlikely or unable to make a sustained return to work within a reasonable timescale, and/or is permanently unfit to fulfil their current role then the employee will be invited to attend a Case Review to discuss options which may include termination of employment.</p>	<p>Between 36 to 52 weeks continuous absence/when absence can no longer be sustained/when the opinion of the OH Adviser is the employee is unlikely to return to work within a reasonable timescale</p>	

Employee Returning to Work

An employee returning to work following a period of continuous absence will be dealt with at the appropriate stage of the procedure (Stages 2 – 6)

24. Action to take when a Trigger Level is reached**24.1. Stage 1: Initial Absence Meeting (Informal)**

- 24.1.1. On the first occasion that an employee reaches one or more of the Council's sickness absence trigger levels, the line manager will hold an initial absence meeting with the employee. This should be held as soon as possible but as a rule no later than 10 working days following the employee's return to work meeting, or after 28 calendar days of the start of a long-term absence.
- 24.1.2. The employee should be advised in writing not less than 5 working days in advance of the date and time of the initial absence meeting to allow the employee to arrange to be accompanied if he/she so wishes. Less notice may be given by mutual agreement.
- 24.1.3. Whilst it is preferable for this meeting to take place in person, it can be held over the phone/by video conferencing etc where required.
- 24.1.4. A medical referral will not always be appropriate at this stage but may be made if considered necessary.
- 24.1.5. The line manager will discuss the following:-
- Employee's absence record
 - Explore the reasons for absence
 - Identify areas for support
 - Agree targets for improvement and clarify what further action may be taken if improvement targets are not met
 - Risk assessment (where appropriate).
- 24.1.6. See **Appendices 8 - 13** for further information.
- 24.1.7. The employee at this stage should be given the opportunity to inform their line manager as to whether there is an underlying health problem that may be contributing to their levels of sickness absence.
- 24.1.8. If a possible health problem is indicated the line manager may arrange a referral to occupational health to seek medical advice. Early referrals to the occupational physiotherapist or Employee Counselling Service are vital in circumstances where any musculoskeletal problems or stress factors have been identified. Referrals to Occupational Health, including the Occupational Physiotherapist, should be made via Human Resources who will also consult with the Council's Health and Safety team.

- 24.1.9. Guidance on arranging an [Occupational Health Referral](#) is available on the Hub within the Managers Toolkit for Managing Sickness Absence.
- 24.1.10. If stress is thought to be work-related then consideration also needs to be given to the development and implementation of a provisional 'support plan' for the employee's anticipated return together with a risk assessment where appropriate. Occupational Health may be approached for advice as well as asking the employee what they see as a way forward and/or potential solutions.
- 24.1.11. Referral of other problems to Occupational Health is recommended after 28 days from the start of absence and normally no later than 8 weeks. In situations where the prognosis/timescale for a return to work is clearer (e.g. where an employee is recovering from planned surgery/fracture) referrals may be delayed. The line manager should also consider taking any other action which might assist the employee to achieve acceptable improvement. If the level of sickness absence is a result of a disability under the Equality Act 2010, all reasonable adjustments should be considered. In these circumstances please consult Human Resources.
- 24.1.12. If the employee believes that aspects of the job itself are contributing to sickness absence then the manager should explore possible solutions with the employee. These could include undertaking risk assessments to identify problem areas, allowing the employee to work in more flexible ways or more flexible hours, or reduction of hours for a temporary period. Such changes may result in adjustments to the employee's salary and other terms and conditions of employment as appropriate and should be considered according to the operational needs of the Council. Further advice in this regard is available from the Human Resources.
- 24.1.13. If the employee is finding it difficult to cope with the job because of a lack of skills or knowledge and this is contributing to sickness absence, then the manager should investigate what skills or knowledge gaps can reasonably be addressed by training, education etc.
- 24.1.14. **Note:** unauthorised absence and reporting absence as sickness when this is not the genuine reason are serious disciplinary offences that could result in disciplinary action. If it becomes apparent at the meeting that the matter is a result of a deliberate misconduct issue, it will be dealt with under the Council's Disciplinary Procedures.
- 24.1.15. The employee should be advised that should there be a further occasion of sickness absence they will be invited to attend an initial Absence Review Meeting. Please note: where the employee's attendance has not previously come to the attention of management and where they are absent due to chronic illness/disease; where the employee has an underlying medical condition which may affect their attendance intermittently over a set period of time; or where the employee has to undergo a surgical procedure/requires hospitalisation which has a specified/expected date of recovery; then it may not be appropriate for the employee to progress to the first Absence Review Meeting. However, should the employee's absence then extend beyond the original expected date of return the employee will progress to the Absence Review Meeting.

24.1.16. The Line Manager will write to the employee normally within 5 days of the Initial Absence Meeting to confirm the points discussed. A copy of this letter should be placed in the employee's personnel file. (See **Appendix 11** for sample letter).

24.2. Stage 2: First Formal Absence Review Meeting (Formal)

24.2.1. **Note:** The Council may decide to proceed to this stage without completing Stage 1 where, for example, a 'trigger' point has been reached or exceeded and/or the employee's levels of absence are unlikely to improve without more formal procedures being instigated.

24.2.2. Where there is an underlying health issue, or where the employee's attendance level does not show a sustained improvement, the line manager shall examine the circumstances of the individual case in consultation with Human Resources. The line manager shall arrange to meet with the employee concerned, and may if necessary be accompanied by a member of the Human Resources team.

24.2.3. Where an Absence Review Meeting is convened the employee shall: -

- be given at least 5 working days notice of the meeting in writing though less notice may be given with mutual agreement;
- be informed of the purpose of the meeting; and
- be advised that he/she may choose to be accompanied by a trade union representative or work colleague. The employee will be entitled to have an interpreter or facilitator if there are understanding or language difficulties (perhaps a friend of the employee, or a colleague). The interpreter may need to attend in addition to the representative though ideally one person should carry out both roles.

24.2.4. The purpose of this meeting is to consider: -

- the employee's absence record;
- the employee's current state of health;
- the reasons for the level of absence;
- if there is an underlying health problem the development of a support plan to enable the employee to improve their attendance levels for example reasonable adjustments etc; and/or suggestions put forward by the employee to help them improve their attendance levels;
- the employee's expectations concerning future fitness to return to the required level of attendance; and

- medical referral to the Council's Occupational Health Advisers

24.2.5. Following the meeting the substance of the discussion should be confirmed in writing to the employee by their line manager. This letter should refer to discussions on the above points as well as any other relevant issues discussed at the meeting.

24.3. Stage 3: Medical Referral

24.3.1. Line managers (via Human Resources) should provide Occupational Health with relevant employee details including:

- the individual's sickness absence record with particular reference to the frequency, duration and reasons for the absence, including any apparent pattern;
- a summary of the employee's main duties/job description;
- details of how the absence or health issue is affecting their capability/functionality to do the job; and
- Any other relevant information provided by the employee via a Return to Work or any other meeting the line manager has had with the employee.

24.3.2. In return, the Council will seek the Occupational Health Adviser's opinion on specific issues. These may include:

- the likely duration of absence;
- whether or not an underlying health condition exists;
- the possibility of a reoccurrence of the illness;
- whether the employee is permanently unfit to carry out his/her duties;
- the nature of any possible alternative employment that could be offered; and
- whether there are any other reasonable adjustments that could be made.

24.3.3. In accordance with the relevant Conditions of Service, an employee may be referred to the Council's Occupational Health Adviser at any time subject to the provisions of the Access to Medical Reports Act 1988.

24.3.4. The Occupational Health Adviser will notify Human Resources if an employee fails to attend a medical appointment.

24.3.5. Guidance on arranging an [Occupational Health Referral](#) is provided in the Managers Toolkit for Managing Sickness Absence.

25. Reasonable Adjustments

- 25.1. On the recommendation of occupational health, the Council will consider alternative work, even if it is at a lower grade, lower status or at different hours and location. Health conditions which result in either short or long-term sickness absence will require to be considered under the Equality Act 2010. The Act defines disability as “a physical or mental impairment which has a substantial and long-term adverse effect on that person's ability to carry out normal day-to-day activities”. The Equality Act places a duty on the Council to make reasonable adjustments to enable an employee to return to work and maintain attendance levels. This may include making adjustments to premises or equipment, altering the duties of the post or, where necessary, redeploying the employee to fill an existing vacancy.
- 25.2. Where adjustments are being considered, the Council's Occupational Health Adviser should be requested to:-
- provide advice on the adjustments which may be required;
 - if the advice is that there are no adjustments which could be made to the employee's current post, give an indication of whether the employee is able to undertake alternative employment; and
 - if alternative employment is possible, the nature of any medical restrictions which should be considered.
- 25.3. This applies equally to cases of long-term and frequent short-term sickness absence where there is an underlying medical condition.
- 25.4. Whilst adjustments, either permanent or temporary, will normally be based on advice from Occupational Health, the Council may decide on the basis of other external medical advice e.g. from the employee's own GP or Consultant, that adjustments are required on a temporary basis in order to assist the individual back to work and/or to remain at work.
- 25.5. It should be noted that where there is a cost incurred to make reasonable adjustments for an employee whose health condition falls within the scope of the Equality Act 2010, “Access to Work” may be able to make a financial contribution. Further advice is available from Human Resources.
- 25.6. Further guidance and examples of reasonable adjustments can be found within the Equal Opportunities procedure and/or advice obtained from Human Resources.
- 25.7. The Council will, where possible, consider alternatives and adjustments even where employees are unlikely to be disabled within the meaning of the Equality Act 2010.

26. Stage 4: First Formal Absence Review Meeting – continued

26.1. Following receipt of a report from Occupational Health the first absence review meeting shall be reconvened by the line manager.

26.2. The general principles are:

- the employee shall be given at least 5 working days notice in writing of the purpose, date and venue for the meeting. Less notice may be given by mutual agreement;
- the employee will be advised that he/she may choose to be accompanied by a trade union representative or work colleague;
- At least five working days prior to the meeting the employee will be provided with written details of their sickness absence record and a copy of the Occupational Health Adviser's report;
- Discuss, and where possible implement, any recommendations made in the occupational health report;
- confirm that the employee's absence level shall be closely monitored;
- Advise the employee whether or not it is considered necessary to restrict the use of the self certification process (e.g. GP certificate required for every absence) until the end of the close monitoring period;
- Issue an attendance warning and indicate the need to achieve and sustain the required improvement in attendance. Failure to do so could result in further attendance warnings or dismissal; and
- The content and outcome of the meeting will be confirmed in writing to the employee and a copy given to their representative if applicable.

26.3. The employee's attendance levels will be reviewed on a regular basis within the review period until such time as there is a sustained and significant improvement in attendance levels and/or the levels of sickness absence can no longer be sustained for operational reasons in which case dismissal may be the outcome.

26.4. Following or during the period of close monitoring established at the first absence review, if the employee does not achieve and maintain the necessary level of attendance/ the level of sickness absence continues to show no improvement or a deterioration then a further Absence Review Meeting may be convened. This may be held before the end of the monitoring period has been reached.

27. Stage 5: Second Formal Absence Review Meeting (Formal)

- 27.1. The employee will normally be given at least 5 working days written notice of the meeting though less notice may be given by mutual agreement. The manager will discuss with the employee the content of any further medical reports/advice received and any issues/possible solutions discussed at the First Formal Absence Review Meeting will be reconsidered.
- 27.2. In addition the manager will inform the employee that their attendance will continue to be reviewed at regular intervals within the review period. If the corporate trigger level is reached again this will result in a Final Formal Absence Review Meeting being convened which ultimately could lead to the employee's dismissal from the service as a result of unsustainable absence levels.
- 27.3. The manager will provide the employee with written confirmation of the content and outcome of the meeting, normally within 5 working days of the meeting. A copy will also be sent to any representative.

28. Stage 6: Final Formal Absence Review Meeting

- 28.1. A Final Formal Absence Review Meeting will be convened when an employee's absence reaches the corporate trigger following a Second Formal Absence Review Meeting or where an employee has been absent for a continuous period.
- 28.2. The employee will normally be given at least 5 working days written notice of the meeting though less notice may be given by mutual agreement. The manager will discuss with the employee the content of any further medical reports/advice received and any issues/possible solutions discussed at the Second Formal Absence Review Meeting will be reconsidered.
- 28.3. In addition, the manager will inform the employee that if he or she is not able to achieve the necessary level of attendance within the review period then dismissal on the basis of unsustainable absence levels is likely to result.

29. Stage 7: Further Medical Referral

- 29.1. Prior to a decision being taken to consider dismissing an employee for sickness absence the employee will normally be referred to the Council's Occupational Health Adviser for an up-to-date medical opinion. The employee shall be informed of this requirement and of the reason for referral.
- 29.2. Once the occupational health report is received, a manager will arrange to meet the employee and, where requested, his or her representative to discuss it. If the employee is unlikely or unable to make a sustained return to work within a reasonable timescale, and/or is permanently unfit to fulfil their current role then the employee will be invited to attend a Case Review to discuss options. The employee must be advised in advance that termination of their employment could be a possible outcome.

30. Stage 8: Case Review (Formal)

- 30.1. The purpose of a case review is to update all parties on the current absence in a formal setting including:
- updates on medical advice and reports;
 - prognosis for improvement;
 - reasonable adjustments which were or could be made to help to facilitate a sustained return to work;
 - any further actions or support that could be offered; and
 - Update the employee on issues within the workplace.
- 30.2. An employee will normally have been invited to attend at least two formal absence review meetings to discuss their sickness absence and reasonable adjustments required to enable a sustained return to normal duties. This ensures that the employee has been fully consulted on the impact of their illness, on the actions proposed and taken by the Council and the likelihood of their ability to make a sustained return to work within a reasonable timescale.
- 30.3. Even if the employee indicates that he or she is unable to attend a case review every effort should be made to postpone the meeting (up to 5 working days) to give the employee an opportunity to attend.
- 30.4. As one of the possible outcomes of the case review is dismissal, it is in the best interests of the employee to be able to state a case and bring forward new information as appropriate. If the employee is unable to attend the case review in person then they may, if they so wish, nominate their representative to attend in their place. If an employee is terminally ill and cannot attend the case review then they may nominate their representative to attend in their place. They will also be encouraged to make detailed written representations that the Case Review can consider.
- 30.5. A manager with delegated authority to dismiss must conduct the case review. A representative from Human Resources will normally be present. A table showing the levels of management with authority to issue warnings and/or dismiss can be found in **Section 17** of this procedure.
- 30.6. Normally a decision to dismiss an employee at a case review would be of last resort and consideration would only be given to this as an outcome where all other options to make a sustained return to normal working have been exhausted.
- 30.7. In cases where an employee has been diagnosed as having a terminal illness it may be appropriate in some circumstances to suspend any decision to dismiss. These situations will be considered carefully in consultation with Human Resources, taking account of the particular circumstances.

30.8. When reaching a decision about whether or not to terminate employment, the manager with the authority to dismiss will consider issues such as:

- the need for the work to be undertaken;
- the impact of the employee's absence and ill health on other employees and service delivery;
- the employee's absence record;
- financial and cost implications;
- the level of consultation with the employee during the absence;
- representations made by the employee and/or their representative;
- the medical advice received; and
- what actions have been taken to attempt to enable the employee to continue in employment.

30.9. Where an employee (other than a Teacher) is dismissed due to permanent ill health, the ill-health retirement provisions of the Local Government Superannuation Scheme shall apply to eligible employees.

30.10. The Teachers' arrangements for ill-health retiral are governed by the Scottish Public Pension Agency (SPPA). The Agency's rules specify that a SPPA medical practitioner shall independently assess any teacher whose employment has been terminated for reasons of capability due to ill-health, taking full cognisance of information from the Council's Occupational Health Adviser. SPPA will then take a decision on whether to release pension benefits. Please note the outcome of this process is independent of the Council's Procedures.

30.11. A letter confirming the outcome of the case review will be sent to the employee and any representative by the manager with delegated authority to dismiss, or their nominee. This will be sent within 5 working days of the conclusion of the meeting by Human Resources.

30.12. Further guidance on conducting Case Reviews is contained in **Appendix 14 - 16**.

31. Action following the decision to dismiss

31.1. Where a decision is taken to dismiss the employee on the grounds of sickness absence, the letter to the employee shall:

- refer to the above meeting;
- refer to previous correspondence;

- refer to the most recent report obtained from the Occupational Health Adviser;
- refer to action taken by the Council and employee;
- state the reason for the dismissal;
- state the effective date of the dismissal;
- indicate that the employee shall receive a payment in lieu of entitlement to notice, where applicable;
- indicate that the employee shall receive payment in lieu of any accrued holiday entitlement, where applicable; and
- refer to the employee's right of appeal and indicate the timescale for submitting an appeal.

31.2. This letter will be normally be issued by Human Resources.

32. Representation

- 32.1. An employee may represent him or herself, or choose to be represented at any of the stages of the procedure from Stage 1 onwards. Only one representative will be permitted to attend any meetings, except where there are exceptional circumstances e.g. where an employee with disabilities has a support worker. This will be judged on a case by case basis.
- 32.2. The employee shall provide to the manager concerned written confirmation by letter or email in advance of the meeting of the intention to be represented. The employee shall, wherever possible, before the meeting provide the name of the representative. Where the representative is a fellow employee, the employee being interviewed should consider any possible conflicts of interest arising from their choice of representative. The manager can also object to the chosen representative if a conflict of interest arises.
- 32.3. Reasonable time off should be given to allow the fellow employee or trade union representative to prepare for the interview, and for the meeting itself.
- 32.4. An employee can offer an alternative meeting date where the representative cannot attend on the date proposed by management. However, the meeting shall normally be re-arranged within five working days of the date proposed by the manager.
- 32.5. The employee and their representative will be encouraged to take as full a part in the meeting as possible and the employee and/or their representative have the right to address management and to ask questions. The representative does not, however, have the right to answer questions which are asked directly of the employee.

33. Right of Appeal and Grievances

- 33.1. An employee will have the right to appeal warnings issued from Stage 2 of the procedure onwards. The appeal can be against the facts which led to their being seen under this procedure, or against the action taken as a result of a meeting under the Maximising Attendance at Work Procedure. Employees can also appeal against the decision to dismiss them.
- 33.2. It is not considered appropriate for an employee to raise a grievance against being called to a meeting, or against the outcome of a meeting.
- 33.3. If an employee raises a grievance during the Maximising Attendance at Work procedure it may sometimes be appropriate to suspend the process until the grievance has been undertaken.
- 33.4. Further information on the right of appeal and dealing with grievances can be found in the [Grievance Procedure](#) and **Appendix 17**.

34. Phased Return to Work

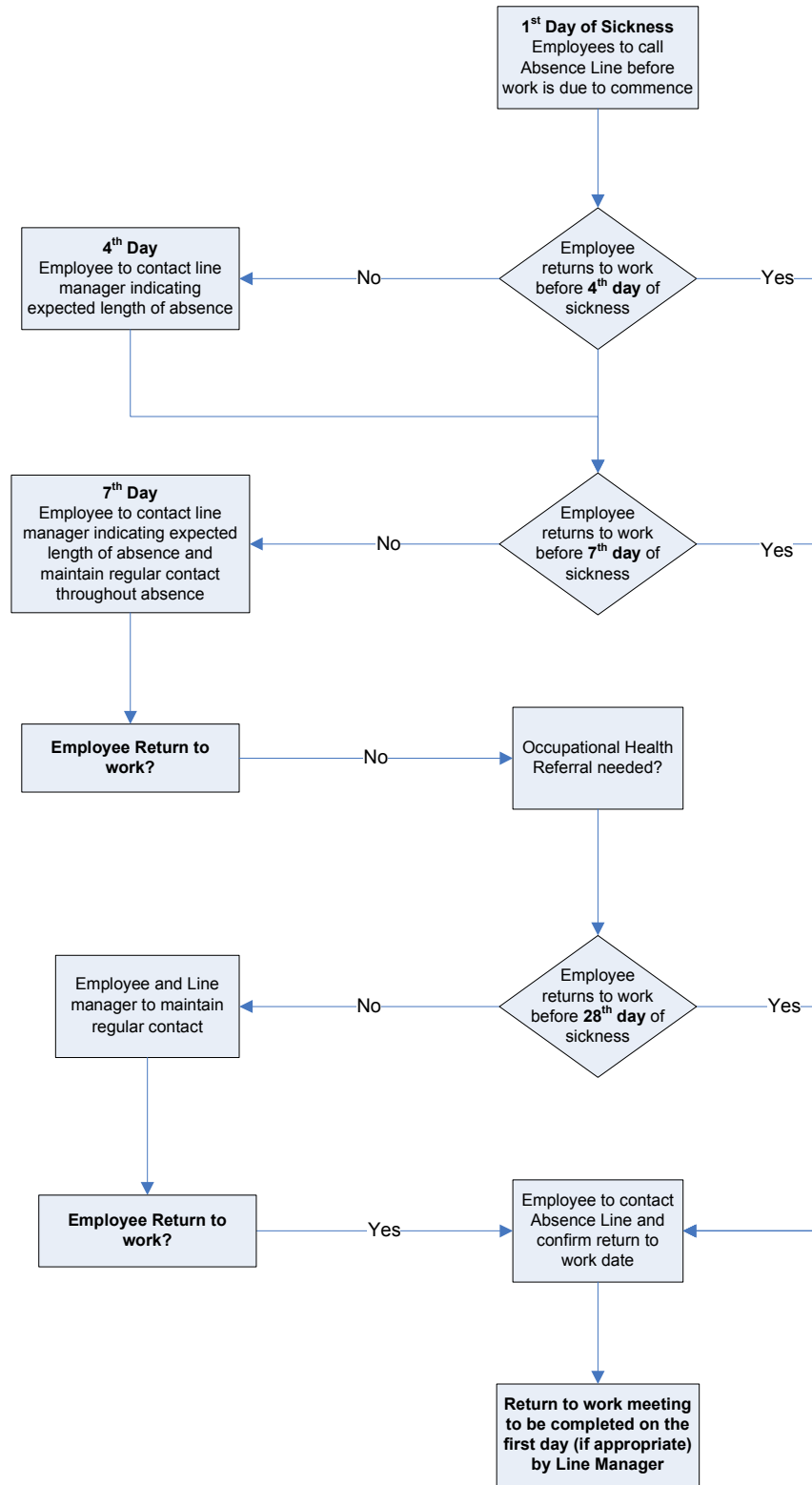
- 34.1. Where it is normally recommended by the Council's Occupational Health Adviser, consideration will be given to allowing an employee to return to work on a part-time basis/full-time basis but temporarily undertaking alternative duties etc. Any such arrangement will be implemented through consultation with the employee and occupational health. A phased return will normally be implemented for no more than 4 weeks though consideration will be given to a longer period in exceptional circumstances.
- 34.2. Further information can be found in the Council's [Phased Return to Work Procedure](#)

35. Redeployment

- 35.1. Where in the opinion of the Council's Occupational Health advisers an employee is no longer fit to carry out the duties of his/her post, the possibility of offering the employee an alternative post will be investigated before a decision is reached to terminate the employee's employment.
- 35.2. The ability to redeploy an employee will depend on the availability of suitable vacancies at that time within, or out with, the employing service. The search for alternative employment in these circumstances will normally be undertaken for no more than 3 months after which the employee's contract of employment will be terminated. The Council will not create a new or special job for the employee concerned.
- 35.3. Where an alternative post has been identified the employee will be offered the post on the particular terms and conditions that apply to it. No protection of the employee's existing contractual terms will apply. Offers of alternative employment will normally include the provision of a trial period.

- 35.4. Further information can be found in the Council's [Redeployment Procedure for Medical Reasons](#)
- 35.5. If an employee refuses to accept an offer of alternative employment that is considered to be reasonable in all the circumstances, the reasons for the refusal will be discussed with the employee and his/her representative, if any. Where the employing service is satisfied the offer is reasonable but the employee still refuses to accept it, the Service will have no option but to dismiss the employee. If, however, the Council accepts the employee has valid reasons, the Council shall seek to identify another alternative post within the agreed timescale. Where no alternative employment can be found, employment will be terminated.

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Appendix 1 – The Council’s Notification and Certification of Sickness Absence Procedure



- Where the employee’s fourth or seventh day of sickness absence falls on a non working day or over the weekend, then the employee must get in contact with their manager on their next working day to provide an update.
- Where the absence is for seven days or less, and is not a result of an accident at work, the employee shall, on return to work, complete a “self-certificate” form.
- If the employee continues to be absent for more than seven consecutive days they must obtain a **Statement of Fitness for Work (Fit Note)** from their GP

**Appendix 2 – Sample Letter: Employee has failed to comply with the Council’s
Notification and Certification Procedure**

Dear.....

Failure to comply with notification of absence reporting requirements

I am writing following your recent absence of, it has been recorded that you failed to comply with Council Policy on the notification of your absence.

Please find attached copy of the relevant Council Policy for your information. Failure to comply with this policy may result in non payment of sick pay and in some cases disciplinary action.

A copy of this letter will be held on your HR file and may be used as evidence in the formal.

Yours sincerely

(Insert name)
(Insert job title)

A copy of this letter should be given to your departmental HR section for placing in the employee’s file.

Appendix 3 – Sample script for Maintaining Contact with Employees who are Absent

- a) Hi (employee name). How are you feeling?
- b) Have you been to see your doctor/consultant?
- c) Did they offer any advice on your condition?
- d) Is there any forthcoming treatment?
- e) Did they recommend a timeframe that they think you will be back to work?
- f) Discuss what has happened at work whilst the employee has been absent.
(Where the employee has been absent long term this could include changes in staffing, systems, equipment, procedures, policies etc).
- g) Is there any support the council can provide to assist your recovery?
- h) If appropriate: I would like to refer you to the OHP for advice.
- i) Thanks, best wishes with your recovery

Appendix 4 – The Return to Work Process**The 7 Stages of the Return to Work (RTW) Process:**

The RTW process actually starts as soon as the employee has gone off sick:

- 1) Notification – first day contact, source of absence, expected duration, etc
- 2) Maintaining contact – by phone, home visit

Note: If employee is absent with Stress after 1 week's absence, advise them that that an OHP appointment will normally be made to identify what we can do to help them get back to work - contact HR for advice.

- 3) Providing appropriate assistance – occupational health/counselling, work adjustment, redeployment, etc
- 4) Planning the RTW, taking into account of adjustments where appropriate
- 5) RTW meeting – mandatory for every period of absence, irrespective of duration of time off
- 6) Monitor progress after RTW
- 7) Any further action required, including Absence Review Meetings

Return To Work Meetings (RTWM)

- Are mandatory – they show that the employer cares about staff and have noticed absence, they are being measured and will shortly be reported on
- Clarify reason(s) for absence and ensure notification and certification procedures have been followed
- Assist the rehabilitation/re-introduction of the employee back to the workplace
- Are recorded and provide an excellent foundation for any future discussions/ meetings, if required, in relation to attendance management issues relating to individual employees

Return To Work Meetings (RTWM) Checklist

- Arrange a time and private location for the RTWM, ideally on first day of RTW (*ideally face to face, but by telephone if this is not possible*)
- Ensure that you have a copy of the employee's attendance record, any other information such as occupational health reports, details of visits/telephone discussions while employee was off sick. Have copies available for employee also
- Prepare a structure for your meeting
- Do you require further information or assistance? e.g. from Human Resources

Structure of Return to Work Meetings (RTWM)

WARM

- **W**elcome – Welcome the employee back. Get off to a positive start and never make assumptions. Let the employee know their absence was noticed.
- **A**bsence – Discuss the current reason for absence as well as how much they have had in the last year.
- **R**esponsibility – Employees need to see that if their absence is becoming an issue they require to take responsibility for trying to improve their attendance although if there is anything reasonably practicable the Council can do to help or support them we will do so.
- **M**ove on – Summarise what has been agreed at the meeting and if possible end on an upbeat note. Agree a way forward by discussing where you go from here.

Appendix 6 – Sample Questions RTWM: Short term absence

For Short Term Absence (less than 4 weeks):

Some Hints On Types Of Phrases To Use At Return To Work Meetings. (Please note that some of them may not be appropriate, depending on the circumstances of the particular absence)

Welcome – summarise the structure of the meeting

Absence

- What was wrong? (*Health/Domestic/Relationship/Other issues*)
- Do you know what might be causing your absence?
- Did you see a doctor?
- How are you feeling now?

Responsibility

- Do you appreciate the impact of your absence on the service/other staff?
- Tell me how you feel work is going at the moment
- Is there anything at work which could be having an adverse effect upon your attendance?
- Is there anything that could be changed at work to help you?
- Is everything OK at home?
- Is there anything that you or the Council could do to keep you in better health?
- What can we do to help?
- Can you explain why your absence followed refusal of that day being granted as a holiday?
- Why is your repeated short term absence so high?

Move On

- So you feel the problem has been your health/domestic/relationships/other
- You have also suggested could be a solution
- If, together, we can find a way to achieve this do you agree we could resolve the problem?

Appendix 7 – Sample Questions RTWM: Long term absence

For Long Term Absence (4 weeks or more):

Some Hints On Types Of Phrases To Use At Return To Work Meetings. (Please note that some of them may not be appropriate, depending on the circumstances of the particular absence)

Welcome – summarise the structure of the meeting

Absence

- How are you feeling now?
- Referring to the OHP report, how do you feel about its recommendations?
- Have you concerns that any aspects of your work are causing you problems

Responsibility

- Is there anything that could be changed at work to help you?
- Is there anything that you or the Council could do to keep you in better health?
- What can we do to help?
- Have you any other concerns regarding your return to work?
- You have also suggested could be a solution”
- Get back in touch if you feel there is any change needed to the adjustments/phased return to work...

Appendix 8 - Checklist for Conducting Initial Absence Meetings

- Ensure that you have a copy of the employee's attendance record card and, where applicable, you are in receipt of any other advice such as recommendations made by an Occupational Health Physician.
- Consider the employee's length of service, previous absence record/capability/disciplinary issues
- Consider if the pattern of absence is regular or unusual
- Arrange a time and private location for the meeting
- Prepare the structure for your meeting including your introduction
- Do you require any further information or assistance?

Appendix 9 - Sample Structures for Initial Absence Meetings

Initial Absence Meeting:

- a) Explain the purpose of the meeting
- b) Discuss the employee's absence record
- c) Agree the initial objective that attendance must be improved
- d) Ask the employee for their suggestions for improvement
- e) Agree a plan of action, with timescales for this improvement
 - Agree action
 - Agree attendance target
 - Set date and venue for follow-up meeting
- f) Complete all appropriate documentation including the Return to Work/Initial Absence Meeting/Follow-up Meeting Record Form, and write to the employee confirming what has been agreed.

Follow-up Meeting and Formal Absence Meetings

As above but you should also advise the employee of the consequences of not meeting the agreed improvement target. If after the review meeting, the employee's attendance remains a cause for concern, the matter may be dealt with under the Council's disciplinary procedure.

Appendix 10 – Absence Review Meeting Sample Questions

The following questions are examples only and line managers are required to exercise discretion. Not all of the questions will be appropriate for all meetings, and will need to be varied depending on individual circumstances. Further advice and assistance is available from your departmental HR section.

a) **Introduction** e.g.

“You will be aware of the Council’s Maximising Attendance Policy and Procedures, as part of which I would like to discuss your absence with you”.

b) **Health Issues** e.g.

“Is there anything about your work which could be having an adverse effect on your general health?”

“Is there anything that you or the Council could do to keep you in better health?”

“What do you feel about this OHP report?”

(Where issues are raised, the line manager has an obligation to take them forward)

c) **Domestic Worries** e.g.

“Is everything OK at home?”

“How do you feel your situation is going to affect your work?”

“What can we do to help?”

d) **Work Relationships** e.g.

“Is everything OK at work?”

“How could this be improved?”

(Where issues are raised, the line manager has an obligation to take them forward)

e) **Summarise**

“So you feel the problem has been your health/domestic/relationships/other”

“You have also suggested could be a solution”

“If, together, we can find a way to achieve this do you agree we could resolve the problem?”

Appendix 11 – Example Absence Review Meeting Letter

Dear

Absence Review Meeting

I am writing to confirm the outcome of the meeting I held with you on at The purpose of the meeting was to discuss with you my concerns relating to your levels of sickness absence. (*Optional: Also present at this meeting was*)

I explained that the reason for my concern was that you have had days/instances of absence during the past months. As you are aware, we have met on occasions prior to this meeting, at return to work meetings, where we have discussed your sickness absence levels.

We agreed that the following measures would be put in place (*Include reference to agreed recommendations and actions recorded on Return to Work/Absence Review/Follow-up Meeting Record Form*).

If you continue to experience problems that affect your attendance record it is important that you discuss these with me, so that we can determine whether any further support could be made available to you.

I hope the measures we have agreed will help you improve your attendance. As agreed, I will meet with you again on at to assess the situation.

I hope this clarifies the points we discussed and that there is a significant and sustained improvement in your attendance level.

Yours sincerely

(Insert name)
(Insert job title)

A copy of this letter should be given to your departmental HR section for placing in the employee's file.

Dear

Absence Review Follow-up Meeting

I am writing to confirm the outcome of the follow-up absence review meeting I held with you on at The purpose of the meeting was to review your attendance since our discussion on (date of absence review meeting).
(Optional: Also present were))

(Option 1)

I am pleased to note that following our meeting on (date of absence review meeting) you have met the agreed improvement target, and your attendance is now satisfactory. I hope you can continue to maintain this improvement.

Or (Option 2)

Unfortunately you have not met the agreed improvement target having had (days/instances) of absence since (date of absence meeting). At the follow-up meeting we discussed the reasons for this absence. Your response was We also discussed whether there was any additional support that could be provided to you such as

At the follow-up meeting we agreed that (include details of new improvement target and timescale).

I reiterated that it was important that if you continue to experience problems that impact upon your attendance record you discuss these with me so that we can determine whether any further support could be made available to you.

I hope the measures we have agreed will help you improve your attendance. However, if there is an insufficient improvement in your attendance levels during the next months I will arrange to meet with you again to review the situation. If, after the review meeting, your attendance remains a cause for concern, the matter may be dealt with under the Council's Disciplinary Procedures and appropriate action may be taken.

I hope this clarifies the points we discussed, and that there is a significant and sustained improvement in your attendance level.

Yours sincerely

(Insert name)

(Insert job title)

A copy of this letter should be given to your departmental HR section for placing in the employee's file.

Appendix 13 – Example Second Absence Review Meeting Letter

Dear

Second Absence Review Meeting

I am writing to confirm the outcome of the Second Absence Review Meeting I held with you on at The purpose of the meeting was to discuss with you my concerns relating to your levels of sickness absence. (*Optional: Also present at this meeting were*)

I explained that the reason for my concern was that you have haddays/instances of absence during the pastmonths. We have discussed your absence at meetings on (date of 1st absence review meeting), (date of follow-up meeting), and during return to work meetings.

At the Second Absence Review Meeting on (date of 2nd Absence Review Meeting) we discussed further your sickness absence levels and reasons for your absence. Your response was We also discussed whether there was any additional support that could be provided to you such as

We agreed the following measures would be put in place (*Include reference to support measures agreed and targets set, with timescales*).

I reiterated that it was important that if you continue to experience problems that impact upon your attendance record you discuss these with me so that we can determine whether any further support could be made available to you.

I hope that the measures we have agreed will help you improve your attendance. However, if there is an insufficient improvement in your attendance levels during the next months the matter may be dealt with under the Council's Disciplinary Procedures, and appropriate action may be taken.

I hope that this clarifies the points we discussed, and that there is a significant, and sustained, improvement in your attendance level.

Yours sincerely

(Insert name)
(Insert job title)

A copy of this letter should be given to your departmental HR section for placing in the employee's file.

Appendix 14 – Management of Long term sickness absence and procedure to be followed where termination of employment due to medical reasons is being considered.

Purpose

To manage long term sickness absence to termination where appropriate

Background

The procedure will be implemented (typically) when an employee has been on long term sick leave for a period of eight/nine months (trigger point). It is assumed that up until this trigger point the employee will have been managed under the Council's Attendance Management Procedures e.g. home visits, meetings and telephone conversations with the Line Manager and will normally have been seen by the Council's Occupational Health Physician.

Key Principles

The employer must act consistently and respect the dignity of the employee. To achieve this, the employer must conduct a proper investigation and observe three key principles:

- a) Consultation with the employee.
- b) The use of relevant up to date medical information.
- c) Where appropriate consider the use of alternative employment.

In the event of the employee being dismissed, failure to demonstrate compliance with any of the above principles will almost certainly be considered unfair dismissal.

Procedure to be followed where it is considered that it might be necessary to dismiss an employee on the grounds of ill health

1. Employee absent on sick leave for eight/nine months:

Manager to request standard letter from HR to issue to employee to arrange a meeting regarding long term sickness absence.

2. Meeting between Employee & Manager:

Employee should be advised that he/she will again be referred to the Council's Occupational Health Physician for the purpose of obtaining an up to date report on him/her and that in particular the Occupational Health Physician will be asked to provide advice on the following matters:-

- Whether the employee is likely to be able to return to work and if so by what date or within what time scale.
- Where the Occupational Health Physician advises that the employee will be able to return to work whether he/she will be fit on his/her return to carry out the normal duties of his/her post and if not should redeployment to another post be considered and if so what type of work can be performed by the employee.
- Is an ill health retirement appropriate?

3. Record of Meeting

A note of the matters discussed and those present at the meeting should be prepared and retained in the employee's file. Line Manager to consult with HR and request a standard letter to employee confirming details of meeting.

4. Occupational Health Appointment

HR to arrange an appointment with the Council's Occupational Health Physician with a specific request that he/she address the points listed in number 2 above and confirm the prognosis.

5. On receipt of Occupational Health Report

HR will discuss with Line Manager the recommendations made by the Council's Occupational Health Physician. Line Manager will then advise HR to issue a standard letter arranging a meeting with the employee to discuss the contents of the Council's Occupational Health Physician's Report, a copy of which should be enclosed with the letter to the employee.

6. If Employee Returning to Work/ill Health Retiral/Redeployment

Appropriate discussions to take place between HR and Line Manager and any actions required implemented – e.g. Council's Redeployment Procedure. The employee should be consulted and kept advised of progress throughout.

7. Where Dismissal is being considered

At the meeting referred to in number 5 above, where appropriate, the employee should be advised that the Council, having regard to the terms of the Council's Occupational Health Physician's Report, is considering taking steps to terminate his/her employment and that the matter will be considered in detail at a meeting to be fixed at a later date of which notice will be given. The employee should be advised that he/she may wish to take advice relative to his/her position, obtain, if appropriate, his/her own medical report for submission to the Council for consideration and be given the opportunity to comment on the terms of the Council's Occupational Health Physician's Report and the recommendations contained therein.

A note of the matters discussed and those present at the meeting should be prepared and retained in the employee's file.

Line Manager will consult with HR and request a standard letter to the employee to confirm the record of the meeting referred to in number 5 above and to advise of a further meeting, the matters to be discussed and the possible implications thereof for the employee relative to his/her employment, their right to representation if they choose, their right to lead evidence and/or produce documents or reports and make submissions or requests.

Meeting

The chair will consider the matter in detail and in particular will have regard to the terms of all reports available including reports prepared by the Council's Occupational Health Physician and any reports submitted by or on behalf of the employee. The chair will also consider operational/service delivery implications and in particular will consider the views of and any suggestion made by or on behalf of the employee.

The chair will thereafter take a decision on the matter which will be communicated to the employee advising him/her of his/her right to appeal the decision. A note of the matters discussed and those present at the meeting should be prepared and retained in the employee's file. The chair will consult with HR and request a standard letter to the employee to confirm the record of the meeting and the decision taken by the chair and advising him/her of their right to appeal the decision. (If the employee is advised of the decision verbally at the conclusion of the meeting, he/she should be advised of his/her right to appeal and that the decision will be confirmed in writing.

General

The employee should always be given fair notice of the Council's position and the implications for the employee, any meeting to be arranged and the matters to be discussed thereat. He/she should be advised of his/her right to lead evidence and /or produce documents in support of his/her position, and to question any witnesses, his/her right to be represented throughout particularly at meetings and his/her right of appeal against any decision taken relative to his/her employment.

Advice should be obtained prior to any decision being taken as to whether the employee could be considered as disabled in terms of the Disability Discrimination Act and/or the Equality Act.

A note containing details of those present and the matters discussed at all meetings held should be prepared and retained in the employee's file.

HR will provide all standard letters relating to this process, ensuring consistency and accuracy.

All letters must include specific details of reasons for meetings and state, where appropriate, that there is a possibility that the employee's contract of employment could be terminated on medical grounds.

HR will advise/attend meetings with Line Managers/Employees throughout the process.

Appendix 15 - Call to Case Review Meeting

Dear

SICKNESS ABSENCE

I refer to our meeting on.... at which the terms of the medical report on you dated prepared by Dr, following his/her assessment of you, were discussed. We also discussed your continuing absence from work which commenced on..... and I advised you that this is causing operational difficulties for the Council in terms of service delivery.

As you are aware Dr..... is of the opinion that you are permanently unfit to carry out the duties of your post/you will be unlikely or unable to make a sustained return to work until..... *(delete as appropriate, if known state return date or timescale for return, if OHP is unable to provide a return date or time scale this should be stated)*. In these circumstances we would ask you to attend a Case Review meeting on..... at *(venue for meeting dependant on the employee's ability to travel etc)*.

The reason for the meeting is to discuss the situation in detail and in particular to obtain a note of your views on the terms of Dr..... report on you, consider any information or reports you would wish to produce and for you to advise us what duties you consider you are or will be able to perform and within what timescale. At the abovementioned meeting you will also be given the opportunity to suggest any adjustments which could be made relative to your duties or work procedures and/or what further support could be provided by the Council to assist your return to work. If you have not already done so, you may wish to obtain advice as to your position at this time. I should also indicate that at the abovementioned meeting you may be accompanied and/or represented by your Trade Union representative or other person of your choice.

The above mentioned meeting will be chaired by..... who, in deciding the best way forward, will consider the entire situation and in particular the impact of your condition on your ability to perform the duties of your post, service delivery issues, (the actions taken or proposed by the Council to date) and the information and timescale provided to the Council relative to your ability to make a sustained return to work. The Council will give careful and sympathetic consideration to all reasonable requests and proposals made by you or on your behalf but you should be aware that an outcome of the abovementioned meeting could be that your employment with the Council is terminated. At the abovementioned meeting you and/or your representative will have the opportunity of making a full statement of your position including the right to produce and refer to documents and/or reports, call witness, question any witness in attendance and make proposals and submissions relative to the situation.

Should these arrangements be unsuitable to you and/or your representative, please let me know as soon as possible in order that alternative arrangements may be made. The meeting will normally be rescheduled to a mutually suitable date within five working days of the proposed date. In certain circumstances, if you are unable

to attend a meeting, you may have your representative attend in your place or, alternatively, the matter may be dealt with on the basis of written submissions.

I should be grateful if you would confirm receipt of this letter and advise me whether you intend to be represented at the abovementioned meeting and if so the name of your representative. Please note it is your responsibility to arrange representation and also to produce any document and/or report that you would wish to refer to. You should also advise me of any special arrangements (e.g. access arrangements) required.

In the meantime, if you have any further information, please do not hesitate to contact me.

Yours sincerely

(Insert name)

(Insert job title)

A copy of this letter should be given to your departmental HR section for placing in the employee's file.

Appendix 16 - Outcome of Case Review Meeting

Dear

SICKNESS ABSENCE

I refer to our Case Review meeting on..... (date) concerning your absence from work since (date) due to illness. You were represented by (name of representative) and (HR representative), HR Officer was also in attendance.

As you are aware, we also met with you on (provide dates of earlier meetings) when the situation was discussed. You were warned on (date of warning) that the Council might require to consider terminating your employment due to your long term absence from work. You were also assessed by Dr (name of Doctor), Occupational Health Physician on (date) and I confirm that you have a copy of Dr (name of Doctor) report. As you are aware Dr (name of Doctor) is of the opinion (provide details of the Doctor's opinion).

At the meeting on (date) the situation was fully discussed as were the terms of the report(s) provided by Dr (insert name of OHP) (and) (insert name of author of any report produced by the employee). I have carefully considered matters and also have taken fully into account the submissions made by you/on your behalf but regret to advise you that I have decided that, in the circumstances, the Council has no alternative but to terminate your employment with effect from (date) on the grounds of (state grounds).

The Council will make a payment to you in lieu of your period of notice of (state length of notice period) and also a payment in lieu of any accrued but undertaken statutory holiday entitlement for the (current) holiday year. All benefits under your contract will therefore come to an end on (date of termination).

You have the right to appeal against the decision to terminate your employment. If you wish to appeal, you must do so in writing to (name of person, job designation) within 10 working days of receiving this letter, stating the grounds for your appeal.

Yours sincerely

(Insert name)

(Insert job title)

A copy of this letter should be given to your departmental HR section for placing in the employee's file.

Appendix 17 - Call to Appeal Meeting

Dear

SICKNESS ABSENCE

I refer to your letter dated appealing against your dismissal from your employment with the Council on the grounds of

I would advise you that your appeal will be heard by on at You will be given the opportunity to fully state your position relative to your appeal including the right call witnesses, question any witnesses in attendance and to produce and refer to documents and/or reports. You may, if you wish, be represented by your trade union representative or other person of your choice. Please note that it is your responsibility to arrange for representation and also to produce any documents and/or reports that you would wish to refer to.

I should be grateful if you would confirm receipt of this letter and advise me of the name of your representative, if any. You should also advise me of any special arrangements required (e.g. special access arrangements).

Should these arrangements be unsuitable to you and/or your representative, please let me know as soon as possible in order that alternative arrangements may be made. The appeal hearing will be rescheduled to a mutually suitable date within five working days of the proposed date. In certain circumstances, if you are unable to attend the hearing of your appeal, you may have your representative attend in your place or alternatively the matter may be dealt with on the basis of written submissions.

Yours sincerely

(Insert name)

(Insert job title)

A copy of this letter should be given to your departmental HR section for placing in the employee's file.

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Maximising Attendance at Work Policy

Author Improvement and HR
Department Chief Executive's Unit
Date February 2012
Version 2.1



1. Scope

This Policy and associated procedures apply to all employees of Argyll and Bute Council.

1. Policy Statement

Levels of attendance at work directly affect the quality and provision of services through the ability of employees to carry out their work efficiently and effectively. Whilst some absence due to sickness is inevitable, the Council's objective is to ensure that sickness absence is minimised through effective management supported by fair and consistent procedures.

Absence due to sickness can be for a number of reasons. It is important that within a common policy approach, instances of sickness absence are dealt with on an individual basis. A balanced approach is required which takes into account the need to maintain high levels of attendance whilst ensuring employees are treated fairly, consistently and sympathetically.

It is intended that this Policy be used positively and constructively to support and enable employees to return or remain at work. At all stages, discussions will focus on exploring ways to improve and maintain attendance thereby ensuring service needs are met. The particular circumstances of each individual will be considered and relevant support measures implemented where these can contribute to improved attendance levels.

A healthy workforce and a healthy working environment are essential to achieving higher levels of attendance and providing high quality services. The Council is therefore committed to developing occupational health and related services, and to promoting health at work, as measures to improve attendance levels. In this regard there are a number of other Council policies which are complementary to the Council's wider approach to promoting health at work and these include the Equal Opportunities Policy, health and safety policies as well as the Stress Management Policy. The Council recognises that, depending on the nature of the health condition and/or absence, early intervention can be effective in promoting improved health and attendance.

In the case of illness resulting from a disability, "reasonable adjustments" will be made wherever practicable to support and facilitate an employee's attendance at work in accordance with relevant disability discrimination legislation.

The effectiveness of this Policy will be monitored through regular reporting of relevant sickness absence management information to the Council's Strategic Management Team and Elected Members/Audit Committee.

2. Principles and Aims

The following principles apply to the Council's procedures for dealing with sickness absence:

- Good attendance is valued and all opportunities should be taken to acknowledge and recognise such attendance.
- The Council will aim to promote a positive and preventative, rather than punitive approach.

- Matters raised relating to an employee's attendance do not imply any distrust of the employee or concerns regarding their conduct.
- Sickness/injury absence will be dealt with in a way that is non discriminatory and in accordance with the Council's Equal Opportunities Policy.
- Employees will be dealt with consistently, and the sickness absence procedures will be fairly applied across the Authority. The Council will be sensitive, and supportive to those suffering the effects of ill health.
- Sickness absence cases will be conducted with respect for confidentiality and in accordance with the requirements of the Data Protection, and Access to Medical Reports Acts.
- Open communication between managers and employees will be encouraged and promoted.

The Managing Attendance At Work Policy and associated procedures will be monitored and reviewed to ensure that they continue to meet the Council's aims and comply with these principles.

3. Roles and Responsibilities in Implementing the Policy

Responsibility for implementing and complying with this Policy lies with individuals at all levels within the Council.

The role of the Strategic Management Team is to:

- Analyse and monitor corporate/departmental sickness absence data and trends based on quarterly returns
- Determine, as necessary, the requirement for targeted interventions in areas with higher sickness absence or where patterns or trends emerge
- Report Council-wide sickness absence levels to the Council's Executive Committee on a quarterly and bi-annual basis per department via scorecards.

Heads of Service are required to:

- Monitor sickness absence by service area on an ongoing basis using absence data provided by Human Resources
- Ensure line managers are trained in applying the Maximising Attendance at Work Policy and procedures
- Monitor action being taken by managers in respect of cases where triggers have been reached and follow up on progress

Line Managers are required to:

- Let employees know that their contribution to the work of the Council is valued, and that their attendance at work makes a significant contribution to providing a quality service.
- Manage absence among the employees for which they have responsibility. This includes:
 - Ensuring that employees are aware of the notification (and where appropriate, certification procedures) for absences of any kind.
 - Ensuring that accurate absence records are kept for each employee
 - Dealing immediately, fairly and sensitively with employees when they are ill and providing support to encourage attendance.
 - Maintaining regular contact with employees who are absent.
 - Make reasonable adjustments (where appropriate) to aid employees return to work or where the employee has raised concerns that their work is impacting their health.
 - Conduct Return to Work Meetings and, where appropriate, further meetings with employees in accordance with the Maximising Attendance at Work Policy and associated procedures.

Employees are required to:

- Attend work unless unfit to do so.
- Advise their line manager of any illness or condition which may affect their ability to attend work or to undertake the duties of their post.
- Take personal and contractual responsibility for attendance levels, their own well-being and seek medical advice and appropriate treatment promptly to maintain attendance, and/or facilitate an early return to work.
- Raise concerns with their manager (or Human Resources if appropriate) and where possible detail possible solutions if they believe their job is making them ill, or contributing to illness.
- Report sickness absences promptly, in accordance with the Maximising Attendance at Work procedures.
- Ensure appropriate certifications are completed and submitted in accordance with notification and certification procedures.
- Maintain regular contact with their manager during periods of sickness/injury absence.
- Communicate effectively with their manager about their sickness/injury absence.
- Co-operate as appropriate with the Council's Occupational Health Adviser and other organisations that provide support to the Council and its' employees.

- Not knowingly abuse the maximising attendance procedures or sick pay schemes.

The role of Human Resources is to:

- Provide advice and guidance to employees and line managers in managing attendance.
- Provide reports and statistical information to managers to enable them to make informed decisions when monitoring and reviewing sickness absence
- Maintain links with the Council's Occupational Health provider and other similar agencies to support the implementation of this Policy
- Monitor the overall application of the Policy and associated procedures

4. Tackling the Causes of Sickness Absence – Additional Support

The Council has developed a range of initiatives designed to support employees and prevent and reduce sickness absence levels including;

Occupational Health - provide advice and guidance on the impact of ill health on work and what steps the Council and/or the employee may make in order to secure an early return to work.

Counselling Service – to provide a confidential information, counselling and assistance service to employees in order to discuss concerns related to work or personal circumstances.

Health improvement policies – developing initiatives which contribute to the improved health and welfare of the workforce supported by the national Healthy Working Lives agenda.

Flexible and home working arrangements – Extending the scope of flexible and home working arrangements to help employees to better achieve a work/life balance.

Additional training for managers – training on the Maximising Attendance Policy & Procedures will be offered to provide additional support to managers.

The development of management information systems which will enable managers to receive detailed reports on the causes of absence and identify any trends that may be evident as well as the concentration of absence at a particular location.

Please refer to the “**Sources of Support for Managing Attendance**” document for further information.

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ARGYLL & BUTE COUNCIL**EXECUTIVE****DEVELOPMENT & INFRASTRUCTURE****19 APRIL 2012**

Draft Ferries Plan – Consultation Response

1. Introduction

- 1.1 Argyll and Bute Council welcomes the opportunity to respond to the consultation for the Draft Plan for Scottish Ferry Services.
- 1.2 Ferry Services provide lifeline connections to Argyll and Bute's 25 inhabited islands and peninsular communities and they are essential to support a sustainable, well connected economy. In addition, unlike other forms of public transport there are no effective alternatives to the links currently provided by ferry services in Argyll and Bute. The ferry network must be reliable, high quality, affordable and flexible and services future proofed in order to meet the needs of our communities and realise predicted growth in key sectors such as tourism, food and drink (including agriculture, aquaculture and fishing), forestry and renewable energy in Argyll and Bute.
- 1.3 Ferry services are an essential part of the transport network and economy of the West Coast of Scotland and, as such, must be seen as a national transport priority, in much the same way as the new Forth crossing. There will be a requirement for increased government investment/subsidy to deliver the proposals set out within the Draft Ferries Plan and achieve a ferry network which meets the needs of Argyll and Bute's island and peninsular communities.
- 1.4 We thank officers from Transport Scotland's Ferry Unit for their presentation to the Council on the 28th February and the workshop with representatives from the Ferry's Unit, CMAL, HITRANS and the Council on 14th March.
- 1.5 This response sets out Argyll and Bute Council's position with regard the following key issues arising from the Scottish Draft Ferries Plan:
 - Funding
 - Fares
 - Responsibility for providing ferry services
 - Accessibility
 - Environmental issues
 - Route proposals
- 1.6 Our response to the specific route proposal questions set out in the Draft Ferries Plan is included as Appendix A. As part of this response the Council has undertaken community engagement to determine feedback with relation to the specific proposals set out within the Draft Ferries Plan for individual ferry services. This feedback obtained through consultation with local ferry users is included within Appendix B.

2. High Level Strategic Principles

2.1 The Council advocates a number of high level strategic principles in regard to the progressing of the Ferries Plan:

- Local authorities should not be financially disadvantaged from the resulting plan and its implementation;
- In line with the Government Economic Strategy's aim of improving "cohesion" "solidarity" and "sustainability" the final plan and its implementation should provide services that deliver these goals in terms of the economic and social well-being of our island and peninsula communities
- The plan needs to be able to respond to changing demand and opportunities;
- No community should be disadvantaged or worse off, in comparison with existing provision, from the resulting plan and its implementation;
- There should be consistency in approach across all communities e.g. the proposed zero rated fare for Jura for onward travel to the mainland should also be applied to Iona;
- Where the implementation of the plan has negative implications for local authority owned infrastructure (significant loss of revenue, obsolescence), the Scottish Government should provide compensation to assist transition of function;
- Forthcoming proposals need to be set in the context of delivering integrated transport provision and joined-up journeys for our communities, therefore there is the need to consider the implications of subsequent ferry changes for road, rail and bus provision and associated investments;
- There needs to be local accountability for service quality, delivery, demand management and time tabling to ensure that future ferry services support the requirements of local communities and businesses;
- As the plan is finalised and implemented, key partners, such as Argyll and Bute, need to be fully engaged in a timely and transparent manner.

3. Funding

3.1 Key Issues

The draft plan states that the Scottish Government "are keen to explore what would be involved if through CMAL the government were to take responsibility for all ports used for the provision of subsidised ferry services currently owned by Local Authorities".

Response

Argyll and Bute Council is open to considering the potential transfer of its ports and harbour infrastructure currently used by subsidised ferry services. However, this would be subject to a detailed Options Appraisal and Business Case assessment to ensure that the outcome will not financially disadvantage the local authority with regard to the totality of its ports, piers and harbour assets, that no party would seek to take advantage from the process and that communities are not disadvantaged.

It would be an expectation that the process would broadly follow "Green Book"

guidance, and would ensure that the following issues were incorporated:

- Local island / mainland socio-economic needs;
- Local accountability for service quality, time tabling and delivery;
- Financial sustainability of island/mainland piers and harbour assets which do not provide subsidised ferry services, but which are key to the local economy and quality of life of communities within Argyll & Bute.

Argyll and Bute Council is willing to take forward this approach in partnership with the Ferry's Unit and CMAL (with input from HITRANS) in order to establish the options and implications for future transfer of marine assets and retention of the status quo. However, this will be dependent on agreeing a ToR, methodology and respective responsibilities for this exercise.

In addition, there needs to be recognition that infrastructure and services should be future proofed, as much as is reasonably possible, in order to realise predicted growth in key sectors such as tourism, food and drink (including agriculture and aquaculture), forestry and renewable energy in Argyll and Bute. Increased partnership working will be vital to ensure that our collective marine infrastructure allows optimal economic benefit to be realised in Argyll and Bute.

3.2 Key Issues

Significant capital investments are associated with a number of proposals in the Draft Ferries Plan. For example, if a vehicle ferry is introduced for Lismore, new harbour and shore-side infrastructure will be introduced and local road infrastructure between Port Appin and the A85 trunk road will require to be upgraded to accommodate the uplift in vehicular traffic. Improved bus services will also be required to provide integrated transport connections for foot-passengers travelling to Oban. The Draft Ferries Plan gives no indication as to the requirement for/responsibility for funding these associated infrastructure improvements

In addition, it is stated that "CMAL should over the next 3 years be in a position to start to take forward the construction of the next generation of 2 small hybrid vessels costing over £20M to serve 2 routes Sconser to Raasay and either Tayinloan to Gigha or Tarbert to Portavadie". Introducing new vessels onto the network will require alterations to existing pier and harbour infrastructure. The Draft Ferries Plan does not identify who will be responsible for undertaking any necessary infrastructure alterations.

Response

Port and harbour investments required to deliver the plan will be the responsibility of the Scottish Government/ CMAL and that there will only be a departure from this principle where an asset is in the ownership of the Council. In addition, related infrastructure required to allow a new service to operate (such as an improved road) will be the responsibility of the Scottish Government.

As regards the infrastructure works required to operate a vehicular service to Lismore between Port Appin and the Point (and also noting the probable associated transfer of responsibility for the consolidated service to the Scottish Government), Argyll and Bute Council would expect Scottish Government/CMAL to be responsible for the funding of these works. In addition, the additional costs relating to the road and bus service should be borne by the Scottish

Government.

At this stage it is considered that the Council could fund any upgrade works required for the new Hybrid Ferries through Prudential Borrowing, the cost of which would be funded directly from an associated increase in berthing charges to be made to the ferry operator.

3.3 Key Issue

The impact of the EC State Aid Regulations on subsidised ferry services.

Response

Whilst acknowledging ferry services must adhere to EC Regulations and Guidelines on State Aid, there needs to be recognition of the limitations this can impose and need for greater flexibility pursued. Current EC State Aid Regulations threaten the viability of existing subsidised ferry services where private sector operators introduce competing routes and services. Furthermore, the Scottish Government should ensure that the EC recognises Scottish ferry provision as first and foremost a public transport and regional development issue rather than a single market issue.

4. **Fares**

4.1 Key Issues

The Scottish Government has confirmed that they will roll-out RET across the network as the basis for single fares for passengers and cars. Whilst RET will form the basis for the fares structure across all sailings, the operator will have the opportunity to bring forward proposals on how they intend to manage excess demand on services and local ferry committees/user groups/stakeholders must be consulted on demand management proposals.

In relation to RET for commercial vehicles the Scottish Government will continue to support existing discount schemes such as the Traders Rebate Scheme and replace RET with an enhanced Traders discount scheme on routes to Coll, Tiree and the Western Isles that are currently subject to RET. RET will also be retained for coaches.

Response

The main rationale for fares policy should be supporting economic growth and sustaining rural island and peninsular communities who are dependent on ferry services. In addition, Argyll and Bute Council believe that the delivery of future ferry services across Scotland should be based around the ambition of sustainable economic development and reflect the government's objectives of promoting solidarity, cohesion and sustainability as promoted within the Scottish Government's own Economic strategy.

Whilst Argyll and Bute Council welcome the Scottish Government's commitment to base fares policy around the principals of RET it is considered that the proposals to stagger the roll-out of RET could disadvantage certain communities. The result of this will be cheaper fares to certain islands whilst fares on routes to other islands e.g. the Clyde islands could continue to rise in the region of 6% per annum until RET is introduced. This will disadvantage local residents and businesses and will make these islands less attractive to tourists who may choose to visit islands where RET has been introduced. The

Council therefore request that the Scottish Government review their proposals to stagger the roll-out of RET to avoid the disadvantaging local communities. It should be recognised that different communities have very different requirements from their ferry services. RET must take cognisance of this in order to facilitate economic growth and support individual communities needs.

Many remote island and peninsular communities have fragile economies based on seasonal industries and, as such, they are particularly susceptible to fluctuations in the cost of ferry services. Rising fuel prices and the cost of travel put rural businesses at an economic disadvantage over those nearer key markets and population centres on the mainland. Reducing the high cost of transport to and from Scottish islands will act as a catalyst to business, enterprise and long-term viability of island life and land use. Those businesses engaged in farming, fishing, construction, retail and haulage on the Western Isles, Coll and Tiree who have previously benefited from RET will be hardest hit by the proposals to replace RET for commercial vehicles and this will have a damaging effect on fragile island economies resulting in increased costs for businesses and island residents. It will be necessary to undertake social/economic impact assessments of individual islands to ensure that RET does not result in any negative social or economic impacts when this is rolled out across the network.

Local hauliers have indicated that they will be unable to absorb the additional costs when RET is replaced and these will subsequently be passed onto the customer increasing the price of construction materials, agricultural supplies, fuel and food. During the course of the RET pilot fuel prices and other costs associated with haulage have continued to rise and RET has allowed some of these increases to be absorbed. The conclusion by the Scottish Government that savings from hauliers through RET have not been passed onto consumers could therefore appear to be distorted.

Whilst it would be beneficial to have RET for all users it is considered essential that priority should be given to residents and frequent commercial users engaged in local economic activity. As such, Argyll and Bute Council would favour the introduction of a negotiated discount scheme for residents and frequent commercial users in line with the current Air Discount Scheme for the Highlands and Islands. Failing this, it is considered that RET should be extended to include frequent commercial users such as local hauliers/businesses to ensure maximum economic benefit to local communities.

Furthermore, local residents and commercial users engaged in local economic activity should not be disadvantaged by the introduction of any demand management regime.

On shorter ferry crossings such as those to the Clyde Islands and Gigha RET could have a negligible impact on fares. Many low income families and frequent ferry users currently rely on multi-journey discount tickets and these passengers could therefore be disadvantaged if these tickets are replaced by RET.

Argyll and Bute Council welcome the longer term proposals to develop an overarching freight fares policy as this should ensure a consistent approach across the network.

5. Responsibility for Providing Ferry Services

5.1 Key Issue

The Scottish Government has set out a commitment to discuss the future responsibility for providing ferry services currently operated by Local Authorities providing that the relevant Council's wish them to do so. The Draft Ferries Plan states that "if the Scottish Government were to take on responsibility for particular routes it would be on the understanding that the appropriate amount of funding came back to the Scottish Government".

Response

Argyll and Bute Council has previously stated to the Scottish Government that given the importance of lifeline services to our communities and the associated costs of providing this non-core service, it is inappropriate for the Council to have the responsibility for the provision of any ferry services which operate to island/peninsular communities located within the Argyll and Bute. It is therefore the preferred position of Argyll and Bute Council not to operate any ferry services.

The historical evolution of ferries has resulted in some ferries being subsidised and provided by local authorities. Argyll and Bute Council have subsidised ferry services to Jura, Luig, Lismore and Easdale and the costs associated with operating these services ultimately affects the other services the Council can deliver across Argyll and Bute within budget. This is especially significant during the current climate of economic difficulties where services are subject to reduction.

The Scottish Government is best placed to provide a consistent delivery to ferry provision. This approach would allow an over arching service standard and offer economies of scale.

As with any potential transfer of port and harbour infrastructure, a detailed options assessment will be required to determine the Council's approach with regard to the transfer of ferry services and this will consider:

- Nature of service to be provided;
- Local island / mainland socio-economic needs;
- Local accountability for service quality, delivery and time tabling;
- Appropriate governance and accountability processes/structures to meet the above needs.

6. Accessibility

6.1 Key Issues

The Scottish Government has stated that they will seek to encourage operators to adopt as many of the 'Accessibility' report's recommendations as possible (including putting 'Accessibility Information Systems' in place). Also, the Government intends to set up an 'Accessibility Improvement Fund' and will develop this for the Final Ferries Plan and write to all Local Authorities, Independent Trust Ports and private owners of vessels and marine infrastructure to ensure they are aware of their obligations under the current legislation.

Response

It is considered desirable that any new Vessels/infrastructure should be DDA compliant and existing facilities should be upgraded where feasible. It is also considered that adequate crew/staff training will ensure that the majority of access issues can be addressed.

An 'Accessibility Information System' would be beneficial however, the standards used to determine this will require to be clearly defined following consultation with ferry users, operators and owners of port infrastructure/vessels. An 'Accessibility Information System' will also require to be applied consistently across the entire ferry network to ensure adequate standards are achieved on all services.

Argyll and Bute Council welcome the proposals to set up an 'Accessibility Improvement Fund' however new funding will require to be identified to pay for this and it should not be resourced through diverting existing funding away from ferry services. The cost of accessibility improvements should be built into the tendering process so that companies bidding for future contracts include this within their tender bids.

Argyll and Bute Council welcome the proposals to improve dialogue between the Scottish Government, Local Authorities, Independent Trust Ports and private owners of vessels/marine infrastructure to ensure that those responsible for the provision of ferry services are fully aware of accessibility obligations under the current legislation.

7. Environmental Issues

7.1 Key Issues

The Scottish Government state that the mitigation of environmental effects from ferry services is likely to be progressed over the short and long term. In the short term they will implement requirements for vessel operation and information collection and reporting and in the longer term they will develop more fuel efficient vessels. It is not proposed to impose emission reductions through reducing vessel speeds or ferry operations.

Response

In remote and peripheral areas there can be conflict between policies aimed at growing the economy and preserving the environment. For example it is noted that the rollout of RET is likely to result in increased greenhouse gas emissions however, the additional patronage generated could have significant benefits for the local economy in Argyll.

Argyll and Bute Council welcome the Scottish Governments proposals to invest in more fuel efficient technology such as hybrid ferries and also the commitment not to reduce vessel speeds and ferry operations to achieve a reduction in emissions. It should also be noted that peninsular ferry services such as the proposed service between Ayrshire and Kintyre remove traffic from the local road network therefore reducing greenhouse gas emissions.

It is considered that the measures proposed will enable sustainable economic growth whilst reducing the areas carbon footprint and protecting/enhancing Argyll's rich natural environment.

Appendix A: Route Proposals Response

Question 7: The Scottish Government request views regarding the proposals set out in the Draft Ferries Plan with regard to ferry services to Arran

Argyll and Bute Council welcome the proposals to add additional capacity to the Ardrossan to Brodick service however, this should not impact upon the viability of the Claonaig to Lochranza service. Both services should be viewed as complementary and the Claonaig – Lochranza ferry is vital to the local economy. This provides connections between Ayrshire and the Cal Mac ferry services operating from Kennacraig as well as connections between Kintyre and the Central Belt when there are closures on the A83 road network. In addition, this route is designated for transporting dangerous goods such as fertiliser, bottled gas etc onto Arran.

Question 8: The Scottish Government request views regarding the proposals set out in the Draft Ferries Plan with regard to ferry services to Bute.

Argyll and Bute Council welcome the proposals to retain two ferry services to Bute however, it should be noted that there is limited local support for the proposals set out in the Draft Ferries Plan to extend the operating hours of the secondary service between Collintraive and Rhubodach to midnight. This is due primarily to Collintraive's remote location and the lack of local bus services past 7pm which would require passengers to have their own transport. There are also environmental concerns with a ferry service operating so late at night in such a rural location with potential issues relating to noise pollution.

The Bute Community have indicated that local preference would be for an extended Friday evening service on the principal route between Weymss Bay and Rothesay. An extended Saturday evening service would also be desirable if this could be achieved without additional crew being required. In addition, there is a desire for the operating hours of the secondary route between Collintraive and Rhubodach to be extended to 9pm year round as opposed to 8pm in winter as present.

The Bute Community have expressed concerns with the proposals to stagger the roll-out of RET. The Scottish government have expressed a commitment to roll out the RET pilot to Islay, Colonsay and Gigha from October 2012 and Arran from October 2014 however, no date is specified for the other Clyde Islands. The result of this will be cheaper fares to certain islands whilst prices on routes to Bute could continue to rise in the region of 6% per annum until RET is introduced. This will disadvantage local residents and businesses and will also make Bute less attractive to tourists who are vital to the local economy. It is therefore requested that the Scottish Government avoid staggering the roll-out of RET to avoid disadvantaging communities such as Bute.

On shorter ferry crossings such as those to the Clyde Islands RET could have a negligible impact on fares. Many low income families and frequent ferry users currently rely on multi-journey tickets and could therefore be disadvantaged if these are replaced by RET.

Question 10: The Scottish Government request views regarding the proposals set out in the Draft Ferries Plan with regard to ferry services to the Cowal Peninsula and Dunoon.

As regards the Dunoon–Gourock service, the Scottish Government has set out a commitment to providing a ferry service that meets the needs of users and to do so they will focus on the 3 point plan agreed at the meeting held on 9th December 2011 in Dunoon. Argyll and Bute Council takes this opportunity to welcome the commitment of the Cabinet

Secretary for Infrastructure and Capital Investment to progressing this matter and clarifying the elements of the 3 point plan which were agreed by all attending December's meeting:

- Immediate Action:- The development of an improvement plan by Argyll Ferries to significantly improve the current service. The intention would be that, through the Scottish Government, Argyll and Bute Council, Inverclyde Council and the Ferries Users Group would be given the opportunity to comment on the improvement plan. Then, a confidential options appraisal exercise should take place, led by Scottish Government officials and supported by Argyll and Bute Council and Inverclyde Council (and CMAL where appropriate) as follows;
- Short to Medium Term options:- A short to medium term options appraisal process would look at options to improve the current service and travelling experience for the public in the short to medium term. This process will examine options for improving the current service provided by the Argyll Flyer and the Alicat, the potential utilisation of the Coruisk on the Dunoon-Gourock route, improvements in embarkation / disembarkation arrangements, which will include the provision of berthing pontoons and shore side passenger accommodation infrastructure, and any other potential short to medium term proposals which parties consider appropriate for consideration. This process would require options to be developed which should be examined in terms of technical and operational feasibility, deliverability and cost. The target timescale for this would be April but will be dependent upon the Project & Resource Plan developed by the Scottish Government's Ferries Division.
- Medium to Longer Term options:- A confidential options appraisal process would look at options for the provision of a vehicular ferry service operating between Dunoon & Gourock . This process would look at all potential options which would include the existing service model, the provision of new vessels designed specifically for the Dunoon-Gourock route by the Scottish Government, the procurement or lease of suitable vehicular ferry vessels available within the shipping industry, and the scope to develop an operating model which could allow a private sector operator to provide a vehicular ferry service on this route. The timescale and resources required to undertake this options appraisal will be identified by the Scottish Government's Ferries Division, with a target date to develop a Project Inception Document which will set out the Project & Resource Plan.

The award of the passenger-only service represents a considerable and unbudgeted loss of income to the Council and we would again reiterate that the Scottish Government should assist in funding any infrastructure works required at the wooden pier in Dunoon as a result of the change of use to a passenger-only service.

In addition, the smaller vessels currently operating on the route (Ali Cat and Argyll Flyer) are more susceptible to cancellations during adverse weather conditions resulting in disruption to passengers travel arrangements. Consideration should be given to replacing the Ali Cat with a more suitable vessel which is capable of operating reliably on the Firth of Clyde. It is considered that a possible alternative would be the MV Saturn which, is known to be able to operate reliably on the route and would provide a short term solution that would be widely welcomed.

It is considered that a Ferry Regulator could settle issues of EU regulation more authoritatively for example, there is no EU impediment to a vehicle service on this route as the published accounts for the former service demonstrated it was operating profitably without cross subsidy.

Argyll and Bute Council also consider that the ferry service operating between Kilcreggan,

Gourock and Helensburgh should be included in the Final Ferries Plan as this provides an essential public transport service and currently receives in excess of £350k subsidy per annum from SPT. Up to 70,000 people use this service annually and the main source of patronage is passengers travelling between Kilcreggan and Gourock. These passengers include students attending college, patients receiving medical treatment at Inverclyde Royal Infirmary, individuals working at Gourock and Greenock on the south side of the river as well as a number of people using it for leisure / shopping trips etc. This service has recently been retendered by SPT and as from 1 April 2012 we note that the Helensburgh link will be removed from the new contract. Argyll and Bute Council understands that the new Clyde Link vessel will have an MCA Class 4 rating and 96 seats.

There is concern locally that the re-tendered ferry service will be less reliable than the service it is replacing due to a smaller vessel which could be more susceptible to cancellations in adverse weather conditions. We note however, that SPT are currently investigating funding to improve stability and reliability.

In addition, it is considered that this service has the potential to be expanded to meet local tourism demands however, SPT are not able to subsidise this element of the service. It is therefore considered that the Scottish Government might be better placed to operate the Gourock – Kilcreggan ferry service as this would provide assurances with regards to the future of this route and would allow investment to increase patronage by responding to demand generated by local tourism.

Question 11: The Scottish Government request views regarding the proposals set out in the Draft Ferries Plan with regard to ferry services to Mull and Ardnamurchan/Morvern.

Argyll and Bute Council welcome the proposals to upgrade the Craignure to Oban service with two-vessels and an extended operating day. It is considered that robust demand management strategies will be required prior to rolling out RET in its current form on the Oban - Craignure route due to likely increases in patronage on peak services.

The Council restates its position that the Passenger Access System (PAS) at Craignure is not a Council asset and is not therefore the Council's responsibility to upgrade or replace. We are however, supportive of progressing discussions with CMAL and the Scottish Government to determine an approach that is agreeable to all parties. Any upgraded or amended PAS must be suitable to accommodate future vessels which may become available to increase capacity on the Oban – Craignure route.

The Council consider that both the Fishnish to Lochaline and Tobermory to Kilchoan services are important to sustain local communities/businesses and these alternative routes also provide additional capacity/resilience on the network. Both ferry services are important routes as part of the Gaelic Rings and school children also use these services to commute to school which avoids the requirement for pupils to stay in hostels through the week.

Kilchoan to Tobermory becomes a 70 mile round trip if the vehicular ferry service is removed and Lochaline to Oban is also a 70+ mile round trip via the Corran narrows. The proposals to replace the current vehicular service with a passenger only service on the Kilchoan – Tobermory route would potentially have a huge impact to the local communities/businesses who rely on the vehicular service. The price of this service has been identified as a barrier to travel and, as such, fares could be reviewed to try and increase vehicular patronage.

The Draft Ferries Plan sets out a commitment to retain the Mallaig to Armadale ferry service (although the service is identified as non essential but important to the tourist trade). It is considered that the Kilchoan to Tobermory and Fishnish to Lochaline ferry services are both vital to local communities and businesses on Mull and Ardnamurchan/Morvern as well being important for local tourism. As such, Argyll and Bute Council would urge the Scottish

Government to clearly state its commitment to retain both these ferry services in the Final Ferries Plan.

Question 12: The Scottish Government request views regarding the proposals set out in the Draft Ferries Plan with regard to ferry services to Iona.

Argyll and Bute Council welcome the proposals to extend services to Iona however, further clarification is required regarding the necessity to provide a new overnight berthing facility. The Scottish Government should confirm if direct capital funding will be provided for these works or if they are agreeable to additional berthing charges at Iona and Fionnphort being levied upon Cal Mac's operation to cover prudential borrowing costs associated with providing this facility.

It is also considered that residents of Iona do not benefit from a direct ferry connection to the mainland and, as such, there will be an expectation that a similar subsidy is introduced as proposed for residents of Jura.

Question 14: The Scottish Government request views regarding the proposals set out in the Draft Ferries Plan with regard to ferry services to Lismore.

As noted earlier, Argyll and Bute Council would not be responsible for funding the infrastructure costs associated with the proposals to introduce a vehicular ferry service between Port Appin and Point. The Lismore STAG undertaken in 2009 identified the capital costs associated with providing a RoPax ferry service as being in the region of £6m. In addition, the draft plan does not outline the requirement for a suitable vessel to be procured for this route.

It should be noted that the current vessel (MV Lismore) is a Red Risk Council asset and is effectively "life expired", and at risk of failure, as well as at risk of high and increasing annual maintenance and repair costs.

If a vehicular ferry service is introduced between Port Appin and Point, the local road infrastructure between Port Appin and the A85 trunk road will require to be upgraded to accommodate the uplift in traffic. In addition, bus services will be required to provide integrated transport links for passengers travelling to Oban. The Draft Ferries Plan gives no indication as to the requirement for this associated infrastructure or the responsibility for funding these works. As noted, we believe this to be the responsibility of the Scottish Government.

Question 15: The Scottish Government request views regarding the proposals set out in the Draft Ferries Plan with regard to ferry services to Coll and Tiree.

Argyll and Bute Council welcome the proposals to work towards an improved winter service for Coll and Tiree. The continuation of RET will require improved demand management on peak season ferry services to Coll and Tiree to ensure that vehicles carrying essential supplies and services are accommodated on their desired ferry services and island residents are not disadvantaged.

Those businesses engaged in farming, fishing, construction, retail and haulage on the Western Isles, Coll and Tiree who have previously benefited from RET will be hardest hit by the proposals to replace RET for commercial vehicles and this will have a damaging effect on fragile island economies resulting in increased costs for businesses and island residents. Local hauliers have indicated that they will be unable to absorb the additional costs when RET is replaced and these will subsequently be passed onto the customer increasing the price of construction materials, agricultural supplies, fuel and food. Argyll and Bute Council

would favour the introduction of a negotiated discount scheme for residents and frequent commercial users in line with the current Air Discount Scheme for the Highlands and Islands. Failing this, it is considered that RET should be extended to include frequent commercial users such as local hauliers/businesses to ensure maximum economic benefit to local communities.

The proposed multi-billion pound Argyll Array wind farm investment off Tiree could also have major implications for ferry service provision in the second half of this decade. This is a project that due to its scale and innovation is recognised as strategically significant at the European level. The Operations and Maintenance options are currently being considered; one of which will have significant implications for increased population, employment and service requirements on the island.

Question 16: The Scottish Government request views regarding the proposals set out in the Draft Ferries Plan with regard to ferry services to Kerrera, Luing and Easdale Island.

It is considered that the conclusions set out in the draft plan with regards to ferry services to Kerrera, Luing and Easdale are under-developed and require to take account of development aspirations in the area and local concerns.

Kerrera currently has a privately operated vehicular ferry service to the south of the island and a water taxi service between Oban and the marina at the north of the island. Both privately operated services are significant for the island and, as such, should be included in the ferries plan. In addition, Argyll and Bute Council seeks confirmation that a vehicular ferry service to Kerrera is considered lifeline and would therefore be subject to the commitment by the Scottish Government to ensure the continuation of any lifeline ferry service currently provided by the private sector.

Considerable investment will be required on the Luing ferry and associated infrastructure in coming years and the draft plan fails to take account of this. Argyll and Bute Council has recently undertaken a review of its entire pier and harbour portfolio and this identified that it would be desirable to replace the existing 1:14 gradient slips on the Luing route with 1:8 gradient slips in order to maximise the potential range of vessels that can be used in the future. The existing vessel operating the Luing service (MV Belnahua) is a Red Risk Council asset which is approaching its 40th year in service. This exacerbates the risk of increasing costs associated with maintaining the vessel in a serviceable condition. It is considered that there is an urgent requirement to plan for the replacement of the MV Belnahua, due to its age, high risk of asset failure, and consequential difficulties with maintaining the lifeline service to Luing in the instance of its failure.

The draft plan takes little consideration of where alternatives to ferry services such as fixed links might provide benefits to island communities such as Luing and Easdale. Fixed links would provide increased flexibility and enhanced opportunities for residents to access employment, education and leisure facilities. It is also considered that there are potential whole life cost benefits to the Scottish Government as despite the high construction costs of fixed links the design life of such structures would typically exceed 100 years and they are less susceptible than ferry services to fluctuations in operating costs and funding arrangements. Argyll and Bute Council currently provide in excess of £420k subsidy per annum for ferry services to Luing and Easdale which is likely to continue to rise as ferry services become more expensive to operate due to rising fuel costs and the requirement to maintain/replace ageing vessels and port infrastructure. A recent public meeting on Luing confirmed the desire for a fixed link. This option needs to be actively considered and appraised in the near future in the context of the Council's required purchase of a replacement ferry for Luing in partnership with Government and the affected communities.

Question 22: The Scottish Government request views regarding the proposals set out in the Draft Ferries Plan with regard to ferry services to Islay and Jura.

Argyll and Bute Council do not agree that the current service profile for Islay exceeds that for a model service. It is considered that two ferries are essential for the Islay – Kennacraig route to accommodate the demand generated by peak season tourism and the significant haulage demands of the expanding whisky industry (20million litres of whisky produced on Islay annually equating to 3000 articulated lorry movements). At the presentation to Argyll and Bute Council on the 28th February representatives from the Scottish Government confirmed verbally that two vessels will be retained on the Kennacraig - Islay route and Argyll and Bute Council seek confirmation of this in the Final Ferries Plan. It is considered that demand for ferry services to Islay will increase significantly when RET is rolled out and adequate demand management will be essential to ensure that residents can access the services they require and supplies to the island are not disrupted. If increased peak season fares are used as a method of controlling demand, arrangements should be put in place to ensure that residents and frequent users are exempt from such additional charges. It is also suggested that discounted freight rates are offered to fill spare capacity on ferries to reduce costs for local businesses.

With regards to the proposals to route the majority of service to Port Askaig, it is considered that services to Port Ellen are important and there should be at least enough sailings from Port Ellen that would enable foot passengers to leave from this port in the morning and return to Port Ellen on the last sailing to the island. The reason for this is that many foot passenger would leave their vehicles at the departing port and it is therefore necessary for the return leg to arrive at the same port. There has been considerable investment in Port Ellen Pier and there will be an expectation that ferry services are retained from this location.

The proposed significant investment in the offshore wind farm adjacent to Islay could also have implications for ferry service provision in the second half of this decade

The current ferry service linking Jura and Islay is operated by ASP Ship Management on behalf of Argyll and Bute Council. The cost of this ferry service has been identified as a major concern for Jura residents and, as such, Argyll and Bute Council welcome the proposal by the Scottish Government to offer no cost fares for residents of Jura on this route when their journey is part of an onward journey to the mainland. Whilst the no cost fares proposal is welcomed, it is considered that the Jura ferry service should also be included in the next CHFS tender and RET should also be applied to this route for return trips to Islay.

Further discussion will be required between Argyll and Bute Council and the Scottish Government regarding the potential transfer of this lifeline ferry service or appropriate grant allocation to cover the increased costs associated with the no cost fares proposal.

Argyll and Bute Council welcome the proposals by the Scottish Government to continue to fund the Jura Passenger ferry until 2013. The Council will also continue to support this service with a contribution of £11,000 in 2012-13 and 2013-14 which represents 20% of the annual running cost of the service. The Council also request that consideration is given to funding this service beyond 2013 as it is vital to the local economy.

Question 23: The Scottish Government request views regarding the proposals set out in the Draft Ferries Plan with regard to ferry services to Colonsay.

Argyll and Bute Council welcome the proposals to extend summer and winter sailing days to Colonsay. The proposals for at least one day per week where there is a return sailing between the island and mainland will also greatly benefit island residents if realised. Future amendments to ferry timetables should also take account of Hebridean Airways scheduled

air services to the island to ensure the broadest possible range of travel options for residents and visitors.

Question 24: The Scottish Government request views regarding the proposals set out in the Draft Ferries Plan with regard to ferry services to Gigha.

The Council welcome the proposals to extend the operating day of ferry services between Gigha and Tayinloan. Confirmation is required from the Scottish Government as to the plans and timetable for the introduction of the new Hybrid Ferries and arrangements for funding the associated infrastructure works (estimated to be circa £3m). As the asset owner, it would be consistent for the Council to lead the design and procurement of any upgrade works and we understand that there is currently no scope for the provision of grant funding to finance these works. As such, there is an expectation that the Council will fund any upgrade works through prudential borrowing funded directly from an associated increase in berthing charges to be made to the ferry operator.

Residents of Gigha have advised that the current 10 journey tickets are only valid for nominated individuals or vehicles and this disadvantages families and islanders who use more than one vehicle. Residents have requested that the 10 journey tickets are amended to allow multiple passengers and vehicles to use each ticket book. The current scheme requires families and local residents with more than one vehicle to purchase multiple tickets upfront which represents a considerable financial outlay.

Residents have advised that advance notification is required to hold the Gigha Ferry until 17:50 to connect with local air services from Glasgow for hospital patients/outpatients. It is not always feasible for patients to give advance notification of hospital appointments as these can be scheduled at short notice.

Residents are supportive of the proposals for an extended operating day and have advised that later evening sailings would be particularly desirable. Residents also advised that the current arrangements where the ferry service stops at lunch to accommodate crew breaks is disruptive and crewing arrangements should be revised to negate the requirement to suspend services at lunchtime.

The Gigha ferry timetable should be integrated with local bus services from Tayinloan which provide onward connections to Campbeltown and Glasgow. In addition, the ferry timetable should provide integration with local air services from Machrihanish Airport.

Gigha residents have also requested that the Scottish Government clarify proposed fare reductions associated with the roll out of RET. Given the short crossing distance residents are concerned that they will be disadvantaged by RET, particularly if existing discount fares are replaced. There is currently a 50% discount available for some agricultural freight travelling to/from Gigha however local farmers have advised that there are anomalies regarding the type of goods which qualify for this e.g. straw and livestock are included but fertiliser is not. Residents have advised that they would greatly benefit from cheaper commercial freight.

Question 25: The Scottish Government request views regarding the proposals set out in the Draft Ferries Plan with regard to ferry services to Kintyre.

Argyll and Bute Council welcome the commitment to retain the Tarbert to Portavadie ferry service. This route provides an alternative to the local road network and offers resilience in the event of trunk road closures such as those witnessed on the A83 in recent years due to landslides. It is also a popular route with tourists and is likely to benefit from increasing levels of patronage associated with the marina and holiday accommodation developments that have been constructed at Portavadie in recent years.

The Council would stress that the Claonaig – Lochranza ferry service is vital to the local economy and should be retained. This provides connections between Ayrshire and the Cal Mac ferry services operating from Kennacraig as well as connections between Kintyre and the Central Belt when there are closures on the A83 road network. In addition, this route is designated for transporting dangerous goods such as fertiliser, bottled gas etc onto Arran and is also popular with walkers and cyclists (using local, regional and national routes such as the Kintyre Way, National Cycle Network and Lands End to John O' Groats) who are important to the local economy.

The proposals to introduce a vehicle ferry service between Kintyre and Ayrshire are welcomed and could be significant for Kintyre given the recent significant investments in renewable energy (in relation to the Government's National Renewable Infrastructure Plan - NRIP) and local tourism infrastructure/hotels associated with golf and high value tourism. It should be noted that reports have previously been undertaken which detail the economic viability of a ferry service between Campbeltown, Ayrshire and Northern Ireland and it will be important to revisit this work as part of these proposals. Revisiting this work will also be an opportunity to consider the on-shore infrastructure and marshalling capacity requirements for this service, given that the wind turbine manufacturing facility at Machrihanish (WTL) uses the New Quay and adjacent land for export and import activities and, as noted, the town is an important centre for the Government's renewable energy ambitions e.g. the NRIP.

Feedback received from local businesses indicates that the preferred ferry service would operate 5 days per week directly to the Ayrshire coast between Campbeltown and Troon. It is considered that the increased crossing times which will result from the proposed link with Arran could prove detrimental to the viability of this service. In addition, there would be an expectation locally that fares on a new Kintyre – Ayrshire ferry service would be based on RET.

Further clarification is required from the Scottish Government regarding the proposed destination ports/frequency/crossing times etc and local businesses and residents in both Kintyre and Ayrshire should be consulted to ensure that maximum local benefit is realised from any future service.

Question 26: The Scottish Government request views regarding the proposals set out in the Draft Ferries Plan with regard to ferry services to the Western Isles.

Argyll and Bute Council are supportive of the proposals to retain the Lochboisdale – Oban route for the Uists and priority being given to services between Barra – Oban for future funding.

It is considered that a new vessel will be required to provide additional capacity on services to Bara, Colonsay, Coll and Tiree. A new vessel could be utilised across multiple routes where current service provision has been identified as being below the model service requirements. This would also provide additional resilience in the fleet in the event of technical issues such as those recently observed with the Clansman.

Argyll and Bute Council understand that HIE intend to undertake a study in conjunction with key stakeholders to identify the potential economic impacts of introducing a new vessel to serve routes to the Western Isles, Colonsay, Coll and Tiree and the Council are fully supportive of this proposed approach.

Appendix B: Local Consultation Responses

In order to inform our response, Argyll and Bute Council undertook consultation with a number of local Community Councils and businesses regarding the potential impact of the proposals set out in the draft plan. The following feedback has been provided:-

Mid Argyll Chamber of Commerce: “The Mid Argyll Chamber of Commerce is extremely concerned at the Scottish Government’s proposal to replace RET for commercial vehicles on routes to Coll, Tiree and the Western Isles with an enhanced Traders Discount Scheme. It might be thought that Mid Argyll would not be affected by such proposals but as Mid Argyll is centrally situated in Argyll enjoying passing trade from visitors to all the Argyll islands any increase in fares can have an impact on the economy of Mid Argyll”.

“In particular, very many Mid Argyll businesses work on not only the islands of Coll and Tiree but also Mull, Islay, Jura, Colonsay and Gigha. Increased overheads are damaging to mainland businesses and when it comes to our fragile islands the Chamber agrees with the Tiree community who recently described the decision to increase fares for commercial vehicles as catastrophic. Construction, haulage, agriculture, crofting, fishing, retail and tourist businesses alike will be affected”.

“The introduction of RET to Coll and Tiree was welcome but its effect on the economy of Argyll and Bute has been limited. To really benefit from RET there would require to be an increase in the number of ferry sailings to and from Argyll’s islands and all ferry fares, not simply Coll and Tiree, should benefit from RET. In the summer months all ferries to our island communities are very busy and it takes only very little increased business to render the ferry “fully booked”. The priority has to be increased provision of ferries”.

“The lack of ferries has been highlighted this week with CalMac’s major ferries, The Isle of Lewis and The Clansman, being out of commission at the same time. Government spending has to be prioritised on providing better, faster and more frequent ferries”.

“No doubt the Council is monitoring press coverage of the debate about ferry fares and will, indeed, have seen the quote by Professor Neil Kay, Economist at Strathclyde University who said “what is the point of offering a shop assistant cheap fares to the mainland if she cannot afford those fares because the business she worked for has just gone bust”. The point is well made and, for your information, I attach a copy of an article from a recent edition of An Tirisdeach which summarises the feelings of the community on Tiree. Mid Argyll Chamber of Commerce shares the views of the Tiree community”.

Local Business (Foodservices): “We currently deliver to 7 of the west coast islands via Calmac & A&B Ferries. The only island that RET is applied to currently is Tiree. We started delivering to Tiree in May 2010 and like the rest of our island deliveries, we do not impose an extra delivery cost to our customers, ie they pay the same price as our mainland customers. The RET benefit, therefore, has certainly been passed on to the consumers”.

“We had previously been using a Tiree haulier and passing the cost on to our customers. Although the haulier has refrigerated vehicles, he could not always guarantee correct EHO demanded deliveries, ie air temperature print outs, to a suitable standard. As the cost of the carrier was passed on to our customers, for no profit to the business, the consumers have actually enjoyed a reduction in their costs”!

“In the past two years, we have had significant increases in our business costs, rates, electricity and road fuel, which makes it increasingly difficult to trade in the west highlands. The removal of the RET from this route would make supplying Tiree less cost effective and would then perhaps have negative effect upon Tiree consumers! Our fare would increase from £220 to £395”.

“The trader discount scheme, if it is anything like Calmac's previous one, will not benefit us in any shape or form, as they only look at route by route usage, not how much of a service is being provided by the haulier. We asked Calmac in 2010 if we qualified for any discount as we, at that time, were delivering to 7 islands, 6 of which were Calmac routes, a total of 397 return crossings per annum, and were told at that time we did not come close to qualifying. As a business, we invest a large sum of money in highly specialised vehicles, currently running a fleet of 5x 7.5t, 4x 10t & 1x 3.5t refrigerated vehicles. The "shortest" vehicle is 6.5m. The reason for this is that we have looked at shorter wheelbases but for various reasons, (initial build cost, restriction to certain marques, stability), we have decided that a 5m 7.5t truck is not suitable for our mainland work”.

“RET main benefit is to the tourism industry. This is a very lame statement from the government. If the residents/business' cannot be serviced at a reasonable cost, there will be no tourism as residents will be forced to leave the island. Specifically, Tiree can only take so many tourists overnight at a time so where are the "coaches" going to deposit their cargoes”?

“RET is funded by the Scottish government, all island residents pay their taxes, as do the business' that service them, so why can't the RET be extended to all islands to level the playing fields for all? Surely resident lifeline services are more important than purely tourism”?

“Having personally attended the meeting in Tiree 30/1/11 with Mr Laidlaw from the Scottish government, I heard first hand how much removing the RET from this route would affect agricultural, commercial and personal living on the island”.

Local Business (Forestry Sector) – “With regard to the proposed ‘traders discount’ scheme, we welcome any measure to reduce the high cost of ferry costs to and from Scottish islands. Whilst RET remains the preferred option, any other measure contributing to reducing transport costs is welcome as a catalyst to business, enterprise and long-term sustainable viability of island life and land use”.

“We believe one of the cornerstones of EU policy, which should be a real target of Scottish Government policy, is “the determination to provide an equal opportunity to the sustainable harvest of resources on the periphery as to those nearer the centre.” Current fuel prices and high ferry fares do not assist in realising this policy”.

Luing Community Council Meeting - The Chair of the Community Council, led the questions asking for a view on the four key tenets of the ferries review, namely:

- Community
- Personal
- Freight
- Tourism

The general view of the meeting of which there were about 40 to 50 people present, was that the existing ferry service was not fit for any of the strands above. It did not fit those in the community trying to start work at 0800 in Oban or for those wishing to access the early Glasgow train. Similar views on a personal level having to meet medical appointments. Freight concerns were principally centred on the lack of capacity on the ferry and inability to take standard Construction and Use (C&U) loads up to 40t. Tourists cannot trust the ferry to operate at all times such they select Luing as a destination, especially on Sunday's. There followed a discussion on the merits of a fixed link and the STAG appraisal that highlighted the preferred option is to construct a bridge. There was also consideration of the survey undertaken through the Marine Services Review that indicated 49% of responders in

favour of a fixed link and 33% against with the remaining unsure. The show of hands in the hall in favour of a fixed link implied very strong support for this option.

Colonsay Community Council – “We are aware of the document having discussed the references to Colonsay and made a direct response. We are happy with the proposals for Colonsay and can only hope that they are all implemented. If Argyll and Bute Council is also making a response on behalf of all the islands we are happy for our views to be noted but do not feel that we need to be involved in a VC.”

Coll Community Council – “RET has only really benefitted island residents through cheaper bulk freight, as the old book of 6 tickets worked out about the same price as the current RET singles for both cars and passengers. (The exception being infrequent travellers that did not need to buy 6 journeys in the past, only a return, do get cheaper tickets under RET). That aside, the main benefit to island residents has been cheaper bulk freight. So we object strongly to the Scottish Government’s proposed measure that will remove this element of RET. The result will be an RET that benefits visitors, but has little positive impact on the main target group, being island residents”.

Bute Community Council – Argyll and Bute Council attended a meeting with Bute Community Council on the 29th February 2012. At this meeting the Community Council advised that there is limited local support for the proposals set out in the Draft Ferries Plan to extend the operating hours of the secondary service between Collintraive and Rhubodach to midnight. This is due primarily to Collintraive’s remote location and the lack of local bus services past 7pm which would require passengers to have their own transport. It was also noted that there would be environmental concerns with a ferry service operating so late at night in such a rural location with potential issues relating to noise pollution.

The preference of the Bute Community Council would be for an extended Friday evening service on the principal route between Weymss Bay and Rothesay. An extended Saturday evening service would also be desirable if this could be achieved without additional crew being required. In addition, the Bute Community Council expressed a desire for the operating hours of the secondary route between Collintraive and Rhubodach to be extended to 9pm year round as opposed to 8pm in winter as present.

The Bute Community Council are concerned that the proposals with regards to RET will potentially disadvantage local residents and the islands economy. The Scottish government have expressed a commitment to roll out the RET pilot to Islay, Colonsay and Gigha from October 2012 and Arran from October 2014 however, no date is specified for the Clyde Islands. The result of this will be cheaper fares to certain islands whilst prices on routes to the Clyde islands could continue to rise in the region of 6% per annum until RET is introduced. This will disadvantage local residents and businesses and will also make Bute less attractive to tourists who are vital to the local economy. It is therefore requested that the Scottish Government avoid staggering the roll-out of RET to avoid disadvantaging communities such as Bute.

On shorter ferry crossings such as those to the Clyde Islands RET could have a negligible impact on fares. Many low income families and frequent ferry users currently rely on block discount tickets and could therefore be disadvantaged if these are replaced by RET.

East Kintyre Community Council – The East Kintyre Community Council would note the following:-

- We do not see much benefit in linking a ferry between Brodick and Campbeltown;
- A better option would be a direct connection between Campbeltown and a port on the Ayrshire coast. The suggestion is 2 days per week but this might not be enough to make the route viable;

- It is hoped that the Tarbert – Portavadie ferry will also be unaffected as this serves a very useful purpose particularly when the A83 is closed at the Rest and be Thankful.
- The Community Council are supportive of the efforts to protect the valuable ferry service between Claonaig and Lochranza;
- The economy of Kintyre is fragile and any diminution of tourism would be most unhelpful.

Network Carradale Limited – “We are greatly concerned by the terms of the draft Consultation Paper on the review of ferry services in Scotland with particular reference to the proposed review of the Claonaig –Lochranza ferry when the proposed new ferry services (the existing Ardrossan – Brodick ferry to be replaced by 2 smaller ferries) come into operation. As you will be aware the Claonaig – Lochranza ferry is declared to be a secondary route and that service will clearly be under threat when the new ferries to and from Brodick start operating. Our concern is further increased by the fact that the Tarbert – Portavadie ferry does not appear to be under threat at all although the passenger numbers for that all year round service last year were only 10,000 more than the numbers for the seasonal ferry at Claonaig.

We propose to make a formal response to the draft paper by the end of this month but as we understand there is to be a Council Meeting this Wednesday to discuss the matter I am writing to seek your assurance that the Council will put their weight behind our objection and, indeed, behind the objections of all organisations and individuals in Kintyre who do not wish this link with Arran to be severed”.

Carradale Golf Club - “If the service (Claonaig – Lochranza) was to be withdrawn this would have a serious effect on Carradale Golf Club, as both ladies and gents sections rely greatly on the support of several golf clubs on Arran to a number of open competitions throughout the year and, indeed, 2 clubs organise their own outings to Carradale each year. For our part, a good number of our own members use the service to play golf on Arran”.

Local business, Carradale - We are a small manufacturing company in Carradale - 6 of us in total - and have been established for some 35 years. The majority of our business is supplying shops all over Scotland with silver and gold jewellery, but we also have a small but very busy jewellery shop in the village.

We also have three 4-star self-catering cottages.

We are very worried at the prospect of the Claonaig Ferry being retired. While retail customers from Arran are not a major part of our turnover, we would sorely miss them. And many of our self-catering customers travel over Arran to reach Carradale. We also use the ferry regularly ourselves to visit relations, and for recreational purposes.

We would therefore like to add our voice to those who wish this service to be retained.

Gigha Community Council - Officers from Argyll and Bute Council attended a meeting with Gigha Community Council on the 6th March 2012 to discuss the proposals set out in the Scottish Ferries Draft Plan. The following points were raised by the residents present:-

The current 10 journey tickets are only valid for nominated individuals or vehicles and this disadvantages families and islanders who use more than one vehicle. Residents have requested that the 10 journey tickets are amended to allow multiple passengers and vehicles to use each ticket book. The current scheme requires families, the local school and local businesses using more than one vehicle to purchase multiple tickets upfront which represents a considerable financial outlay.

Residents advised that advance notification is required to hold the Gigha Ferry until 17:50 to connect with local air services from Glasgow for hospital patients/outpatients. It is not always feasible for patients to give advance notification of hospital appointments as these can be scheduled at short notice.

Residents are generally supportive of the proposals for an extended operating day and have advised that later evening sailings would be particularly desirable. Residents also advised that the current arrangements where the ferry service stops at lunch to accommodate crew breaks is disruptive and crewing arrangements should be revised to negate the requirement to suspend services at lunchtime.

Residents requested that local bus services from Tayinloan wait on the ferry (if required and sufficient notification given) to avoid passengers requiring to use earlier ferry services and waiting in Tayinloan.

The Gigha ferry timetable should be integrated with local bus services from Tayinloan which provide onward connections to Campbeltown and Glasgow. In addition, the ferry timetable should provide integration with local air services from Machrihanish Airport.

Gigha residents have also requested that the Scottish Government clarify proposed fare reductions associated with the roll out of RET. Given the short crossing distance residents are concerned that they will be disadvantaged by RET, particularly if existing discount fares are removed. Residents require clarification of the advantages of RET without the existing discounts.

RET should be rolled out to all islands at the same time so as not to miss the tourist season.

There is currently a 50% discount available for some agricultural freight travelling to/from Gigha however local farmers have advised that there are anomalies regarding the type of goods which qualify for this e.g. straw and livestock are included but fertiliser is not.

Residents have advised that they would greatly benefit from cheaper commercial freight and RET should apply.

Jura Resident – “I have recently read through the Scottish Ferries Review and I have a number of points I wish to make. I live on Jura and very very rarely do I access services on mainland Scotland. I work on Islay, I shop on Islay, I visit friends on Islay, I send my child to nursery on Islay, I will in time send my child to school on Islay, I go to hospital appointments on Islay, I go to dental appointments on Islay and I partake in sports and hobbies on Islay. The RET would be of very little benefit to me as I only travel to mainland Scotland two or three times a year. Perhaps the RET could be expanded to include all trips between Islay and Jura and we would have equal access to amenities as those who reside on Islay. I welcome the proposal to run more ferries from Post Askaig than Port Ellen as this of course cuts down considerably our travel times and costs for travel to the Scottish mainland. I also believe you are looking for views on the present service between Islay and Jura. Currently I do not believe the service is as reliant and efficient as it could be and a number of improvements could be made to the service. This includes:-

- Better communication between the crew and its management and the island community.
- A customer charter so if certain events occur we as customers know our rights and ways of dealing with any grievances.
- Early morning and late evening sailings so we can access amenities on Islay such as school parent’s evenings, mainland hospital appointments and important community meetings without the need of overnight stays on Islay.

- A more reliable and suitable boat which does not break down every couple of months or so and is capable of withstanding the wind and sea conditions between Islay and Jura and is capable of carrying 'normal' loads of passengers and vehicles.
- And if not RET a fare pricing system which reflects the small distance the ferry travels.

Lastly I would like to stress that we live in a very fragile environment where the cost of transport is directly proportional to our cost of living and continued price rises will make it eventually impossible to live on the islands."

Islay Resident - The Draft Ferry Plan proposes to reduce the number of ferry services going to Port Ellen and increase the number of ferry services going to Port Askaig. The Draft Plan states "in shifting the balance of services to Port Askaig we are recognising Port Askaig's ideal geographical location for both the communities of Islay and Jura."

When considering the needs of the overall population of Islay and Jura it is clear that Port Askaig is not the ideal geographical location for both the communities. Port Ellen is a far larger population centre and any reduction in services to Port Ellen will have significant negative social and economic impacts for Port Ellen and for the rest of Islay.

The press release for the Draft Ferry Review states: "More sailings to Islay to call in at Port Askaig to improve onward travel connections to Jura."

Whilst improved connections to Jura are a good thing, the negative impacts caused by re-directing ferries away from the larger population area (Port Ellen) do not justify the small incremental improvement to onward connections to Jura. The result of such a change would be far more traffic (including distillery tankers) between Port Ellen and Port Askaig. There would also be a decline in visitors to Port Ellen (an area with high proportion of B&Bs, distilleries and tourism related businesses.) The effects of a potential change have already been seen since the closure of Port Ellen for refurbishment.

The success of the pontoons, the new Islay Hotel and the establishment of the South Islay Development organisation have revitalised Port Ellen. Reducing the ferry services would stifle growth and reverse these improvements.

Kerrera Ferry Users

In completing this response the community on the Island of Kerrera have held three consultation meetings, two within the community and one in Oban with representatives of Argyll and Bute Council. In addition to the community response, individual responses have been submitted by the residents. Prior to the draft review being published, representatives from the ferries review visited the island to consult with the community and to gather information pertaining to the ferry provision.

The community of Kerrera reject the assertion contained within the Scottish Ferries Review P.29 para.82 that "In the meantime, our initial findings suggest that these services are fit for purpose and meet most of the communities' needs." Ferry access to the Island of Kerrera is not fit for purpose and does not meet most of the communities needs.

The Current Situation

The Ferry provision to the Island of Kerrera constitutes a 'lifeline' ferry service, the residents of Kerrera rely on ferries for employment, education, health and social needs. There are little or no services on the island, no shops, no petrol stations, no banks, no post offices, no health services, no social venues and very little employment. Islanders rely on access to the mainland for all their needs, whether they be economic, social, domestic or educational. Without a ferry service, the community

will cease to exist. It is imperative that Scottish Government intervene and provide support to enable a fair, reliable, guaranteed level of service to the island residents.

The Island of Kerrera relies on access to the mainland for all of the 4 dependencies outlined in the Scottish Ferries Review

- **Commuting (and frequent business use)**
- **Personal**
- **Freight**
- **Tourism**

Of the 25 properties on the island, 18 rely on ferry access for commuting or frequent business use, 21 rely on ferry access for personal needs, 14 rely on ferry access for freight and 9 rely on ferry access for tourism.

The current ferry access to the island of Kerrera is insufficient to meet the level of need required by the residents of and the visitors to the island. The service is insufficient for current needs without taking into account future needs.

1. Health and Safety

- The public ferry is not safely accessible at all states of tide. Passengers have had to jump onto the ferry or access the ferry via the beach after climbing over rocks at low tides.
- As the slipways are tidal, vehicles can only access the island when there is sufficient water to enable the ferry to ground her hull on the slipway.
- Slipways are unlit, making winter travel in mornings and evenings dangerous.
- No shelters are provided for passengers waiting on the ferry.
- Emergency and utility vehicles cannot access the island at all states of the tide, putting residents and their properties at risk. In addition, when the level of tide prevents vehicles accessing the island, it is also too low for the lifeboat to access the slipway.

2. Service Level

- The majority of households on the island rely on at least one member working on the mainland. The ferry timetable restricts access to employment, education, health services and social provision.
- Ferry fares are excessive in comparison to other similar crossings.
- Individual residents are charged differing rates for services.
- The ferry is operated by an individual, there is no guaranteed service provision in case of illness or holiday. In addition, as a single handed operation there is no guaranteed emergency provision outside of normal operating times.

3. Animal Welfare

- Livestock cannot be loaded at all states of tide, meaning they have to be held in trailers/pens for excessive periods of time, meaning that the produce is unable to reach its market in prime condition.
- The lack of freight provision to the North end of the island has the potential to negatively impact on animal welfare as the delivery of feed and movement of animals cannot be guaranteed.

What Kerrera Needs

- 1. Recognition that the ferry service is a lifeline service and that intervention and support from Scottish Government is essential for the community to survive.**
- 2. Fair, affordable, guaranteed access to the Island of Kerrera at all states of the tide in order that residents and businesses can access employment, education, health services, customers and social venues.**
- 3. A published list of affordable tariffs for passengers, vehicles and freight.**
- 4. Investment in the infrastructure on and off the island, i.e. piers, roads, car parks.**
- 5. A ferry service that allows emergency and utility vehicles access to the island at all states of tide.**

Ferries to Kerrera are a lifeline service. Why should Kerrera be treated differently to other island communities (i.e. RET, investments in infrastructure, a guaranteed lifeline service and support from central/local government)? Kerrera is too small a community to raise funds and develop infrastructure on its own. It needs assistance both financial and administrative.

P.41 para 3 of the review states'

"Our view is that the 'responsible' authority is there to ensure that regardless of who currently operates a ferry service, no community should feel vulnerable about the longer term future of their service."

The community on the Island of Kerrera do feel vulnerable, not only about the longer term future of the ferry service but the longer term future of the community.

Response prepared by the Island of Kerrera Development Trust directors (Karen Keys (Chairperson), David Keys (Vice-chair), Heather Craig (Secretary), Elaine Pearson (Treasurer)) on behalf of the residents of Kerrera.

21 March 2012

Islay Ferry Users Group

This submission is by the Ferry Users Group on Islay. The contributors to this group are as follows: representatives of Islay Community Council, South Islay Development, NFU, Mundells Ltd, GTi Transport, Islay Marketing Group, Argyll and Bute Councillor and Islay residents. The Ferry Users Group has gathered views on Q22 which has direct reference to the Island but will also present their views on the other parts of the Review document which has implications for the running of ferry services to and from Islay.

The Scottish Ferries Review states clearly that it believes Islay to be overserved at the present time. The Users Group are concerned that this would allow one of the two present vessels to be removed. The community would strongly resist this.

A two vessel service is essential for Islay in both Summer and Winter:

- It maintains the frequency and flexibility of service required by haulage companies and distilleries to operate efficiently.
- It supports the key freight dependency as identified by the Review Document.
- Creates availability for the anticipated increase in freight traffic from the expansion of distilleries on Islay.
- Permits Islay residents to make day trips to the mainland allowing them to access key services such as health, educational visits and shopping. It allows residents to undertake training and attend meetings on the mainland.
- It allows Farmers to make deliveries to marts on the mainland.
- Fuel tankers can only be accommodated on certain sailings and this has been a lifeline service when deliveries via Bruichladdich pier have been impossible.
- Small hauliers can only book at short notice and therefore often restricted to the sailings at the beginning and end of the day.
- Day trips to Islay are also possible especially as part of a tour or island hopping.
- Creates availability which will be required if RET produces traffic increases in line with the pilot project.
- A single vessel could not service the Colonsay and Islay runs at the same time.
- A single vessel service would be a retrograde step in developing an economically and socially sustainable island.
- The present situation with two vessels has been a confirmed undertaking by Calmac till 2013 and so far there is a proven and, indeed, increased demand for these more frequent services.

RET

The Users Group welcome the cheaper fares which should be available for residents and visitors. However, the exact savings are unclear as the Ferry Users Group, even with the help of the MSP Mike Russell have been unable to find out the formula which will be used. In addition, the Ferry Users Group have other reservations about the effects of the introduction of RET on this route.

- The fact that there is no RET for freight greatly increases costs for haulage firms. This has huge knock on effects on local businesses and residents. It has already been noted that freight is one of the key dependencies for Islay, identified by the government.
- It is essential that the Government look at some form of subsidy for freight which is fair to all sizes of company and that it is in place for the introduction of RET in October. Consultation with industry representatives should be undertaken with urgency.
- Subsidised fares for agricultural livestock lorries must be retained to allow local farmers to compete with others on the mainland. Agricultural traffic make up 5,270 m of freight on this route so any removal of subsidy would have a huge impact.

Increased tourism is welcome and Islay has more than 1400 commercially available bed spaces so accommodation providers can cope with increased visitor numbers. Indeed, this may allow the development of other tourism related business ventures.

However, the Ferry Users Group can also foresee disadvantages mainly that residents and visitors may be unable to get on suitable sailings. This is already a problem in the summer months as well as other peak periods. At the present time there are periods when standby is in operation but the Calmac do not keep records of failed bookings i.e. those passengers who fail to get on a sailing.

The Users Group suggest that this problem could easily be alleviated by the addition of a 13:00 sailing from Islay during the peak tourist season and other oversubscribed sailings.

Ticket Pricing

The Ferry Users Group welcomes a more simplified system of ticket prices however we have serious concerns regarding possible pricing structures outlined in this document.

- Removal of multi journey tickets without any detail of how much replacement RET tickets will cost. The multi journey ticket provides a substantial saving for Islay residents.
- We are against the introduction of demand management pricing i.e. peak and off peak fares. This makes the pricing more complicated not less.
- The above allows Cal Mac a 'carte blanche' to designate peak sailings and therefore higher fares.
- Islay has a longer tourist season than most other islands creating more peak sailings.
- Festival times, September Weekend, Christmas and New Year as well the start and finish of school holidays could also be designated as peak.
- Higher peak fares may cancel out the anticipated traffic increase from RET as residents and visitor decide not to travel.
- Students travelling to and from college or University cannot avoid peak times and therefore adds to the financial burden of studying on the mainland.
- Most public transport connects with the potential peak sailings and therefore higher prices will affect those who may be less well off.
- The Users Group would suggest that the Ferry Company offer discounts or other incentives to use the less popular sailing instead of discriminating against those who have no choice but to travel at peak times.
- It would also be advisable to incentivise haulage companies to use less popular sailings

Port Ellen/Port Askaig

The group is concerned that the document gives no assurances as to the frequency or number of sailings to remain at Port Ellen. Haulage Companies and Distilleries in the south of the Island require at least one daily sailing from Port Ellen. Port Ellen and the surrounding area has a population of over 1000 (one third of Islay's total) so an effective ferry service for the whole community must have a full service to Port Ellen.

The Kildalton and Oa area is recognised as a fragile community in need of development and receives support from Highlands and Islands Enterprise. Any cuts to transport links to the area puts the future development of this area in jeopardy.

Trade in shops, services and accommodation providers in Port Ellen has already been reduced by the temporary closure of the pier and this serious negative trend will continue unless a full service to Port Ellen is assured.

Port Ellen is the only ferry port on Islay which has a range of accommodation within walking distance. In addition, local residents may visit the mainland as foot passengers by using the morning and evening sailings.

For the majority of the Island's population Port Ellen is the nearest Ferry port. This can reduce the traffic on the roads which are already some of the worst in Scotland.

Mull Community Council Meeting 13th March

- It was noted that any new passenger access ramp at Craignure must be suitable to accommodate multiple vessels, particularly given the proposals by the Scottish Government to upgrade the existing Craignure – Oban route to a 2 vessel shuttle service.

- The Fishnish – Lochaline and Tobermory – Kilchoan services are vital to the local economy of Mull and the Morvern/Ardnamurchan peninsulas and should be retained in their current form. These services are used to carry fuel and mail and local business such as the abattoir rely on them. Lower fares on these services could attract additional patronage.
- The Fishnish – Lochaline and Tobermory – Kilchoan services are also important routes as part of the Gaelic Rings.
- The Draft Ferries Plan makes a commitment to retain the Mallaig – Armadale service for tourism and the local economy. This service is no different to the secondary routes to Mull and these routes should therefore be subject to a similar guarantee.
- The Scottish Government require to provide more clarity about the proposals for the Craignure – Oban route. E.g. would 2 vessels be required in winter when patronage is lower, what specification would new vessels be constructed to?
- Residents of Mull are concerned that there are proposals to remove the Oban – Craignure service from the current CHFS contract. Residents would like clarification regarding the potential for future unbundling of ferry services.
- Residents are very concerned about the proposals to stagger the roll out of RET as Mull will be one of the last communities to benefit from this. This will result in increasing ferry fares on Mull whilst other communities will benefit from cheaper fares and this will also have an impact on tourism. Mull has a very fragile economy and can not afford to be disadvantaged further. Residents therefore request that the proposals to stagger the roll out of RET are revised and this is implemented uniformly across the entire network.
- Better integration with public transport services from Oban are required.
- Residents require to travel to Oban for onward connections to the islands. Consideration should be given to some of the ferry services to Coll/Tiree/Colonsay and the Outer Hebrides stopping at Tobermory. This could also benefit other island economies.

Letter from Mull Community Council Regarding RET

Isles of Mull and Iona

The financial impact due to the inequitable introduction of RET

In follow up to the recent correspondence and report from our Islands you will be aware that there is major concern on the Isles of Mull and Iona that the current ferry fare structure is severely decreasing visitor numbers to our islands when compared to other Islands which are experiencing the benefits of RET on their routes.

We understand from the Ferry Review that RET for the Oban to Craignure route to Mull is planned to be implemented “in the lifetime of this parliament”. Our pressing concern is the damage being done to our economy by this inequitable treatment. This delay will drive many of our tourism based enterprises out of business.

Mull and Iona have a population of 3000 with a visitor dependency of about 650,000 (prior to the recession). The Mull and Iona “visitor to local business” dependency ratio is very large when compared to other islands. Our villages and towns support far more amenities than would be expected and are accordingly very vulnerable to any significant decline in visitor numbers. On such a large island the loss of post offices, shops, hotels and pubs will introduce significant hardship to the local population. Visitor numbers have already fallen by 15%. Something must be done with urgency to avert this pending crisis.

We have just had a very positive meeting with Mr Gary Robertson, Managing Director of Calmac. As an indicator of the seriousness of the situation Mr Robertson brought the latest data on the Mull “carrying” for the meeting to openly discuss. The 2011 figures showed no reduction in the decline in visitor numbers.

The meeting wanted to be positive and forward looking and all effort was focused on remedial actions.

It was apparent from the average figures that while some sailings are approaching capacity the majority are running between 20% and 60% summer and between 10% and 40% winter. This fluctuation in volume numbers is perfect for the introduction of off-peak fares. The meeting with representatives from: The Mull and Iona Ferry Committee, Argyll and Bute Council, Mull Community Council, Iona Community Council, Holiday Mull, Mull and Iona Community Trust, the Mull Business and Farming Community were in unanimous agreement that the introduction of a revised Fare Structure to allow discounted fares is required.

CalMac have advised that, if requested by Scottish Government, they would prepare an economic impact study.

We understand that a change to the fare structure will need political approval and would ask that consideration be given to our request with utmost haste to avoid further erosion of these islands economic activity.

We do appreciate that this decision will require an increased initial subsidy for our route but argue in the strongest terms that this short term expenditure will be offset by a medium to long term income benefit brought by the larger volume of traffic.

This is not a radical course of action but a tried and tested business model used by commercial passenger companies.

In summary the purpose of this letter is to ask you to support this change in the fare structure through the political process.

Further to this it was also the opinion of the meeting that although an initial increase in subsidy will be required this should be more than offset by increased revenue from increased visitor numbers. However one thing is certain - if the downward trend of visitor numbers cannot be halted the social impact for the Islands of Mull and Iona will be much more significant.

Cove & Kilcreggan Community Council

Introduction

The Scottish Ferries Draft Plan mentions the existence of the **Kilcreggan – Gourock – Helensburgh** passenger ferry service, and correctly identifies it as funded by ‘Strathclyde Partnership for Transport (SPT) which is a ‘Regional Transport Partnership’. Disappointingly, the document lacks any further details about this important ferry link.

The purpose of this submission is to correct this omission and to summarise the input of the local community and other users. At the time of writing, the contract to run the service has just been re-let by SPT to a new ferry operator, leading to considerable concerns amongst the community and users as to the future of our ferry service.

Current Kilcreggan – Gourock – Helensburgh Service

The ferry service connects the Rosneath Peninsula with Gourock on the South side of the Clyde estuary, an open water crossing of 1.4nm (distance by road 59miles), and with Helensburgh, a sea passage of 4nm (distance by road 16 miles). There is a rail terminus at both Helensburgh and Gourock providing train services into Glasgow. Ferry timings at Gourock link in loosely with Glasgow trains.

The service runs from 0700 until 1900 (last run from Gourock to Kilcreggan is 1810, last run back to Gourock 1845). There is a restricted “summer only” Sunday service.

Clearly the Rosneath Peninsula is not an island, but given its tenuous road access, its ferry link has the characteristics of a “lifeline” service, used by 60 – 70,000 passenger crossings every year.

The “core users” of the ferry are workers commuting through Gourock to Kilcreggan and on to HM Naval Base Clyde, both to the Coulpport and Faslane sites. The early morning and evening weekday sailings typically carry around 50 passengers.

Local (Rosneath Peninsula) users include commuters travelling to Glasgow, students travelling to college, and crossings made by local residents for social or recreational reasons. It is worth noting that the nearest large hospitals are a ferry/train/bus ride away from the Peninsula. There is also a tourism element.

Concerns: Kilcreggan – Gourock – Helensburgh ferry

This is 1 of 2 ferries administered by SPT (the other is the Renfrew ferry, a much shorter and sheltered crossing). SPT lacks the necessary maritime experience to manage an open water ferry service.

In accordance with EU law, the contract for this service has been re-let and a new contractor is supposed to run the service from 1 April 2012. There is considerable concern in the local community about the future reliability of this important ferry link. In particular:

- Criteria applied by SPT for selection of the new contractor appear to have been based solely on choosing the cheapest bid, with little effort to carry out proper checks on the ability to deliver the quality of service.
- SPT specified a 60 passenger capacity vessel, reduced from 96 in the previous contract. This has resulted in the likelihood of the replacement vessel being significantly smaller than the previous boat, with real concern as to whether she will be more weather limited than the previous vessel.
- Kilcreggan Pier staff are to be dispensed with as a savings measure as the new contractor intends to use own resources to secure the vessel at Kilcreggan Pier. This may restrict the service in the often extreme weather at the exposed Kilcreggan Pier.
- The service connects with Helensburgh 4 times a day, but SPT have deleted this link from 1st April 2012
- The current restricted Sunday summer service between Kilcreggan and Gourock is to be retained for 1 year only. There will be tourism implications if it is finally axed, but SPT are not funded to consider tourism.
- There are uncertainties over the state of repair of the (CMAL administered) berth at Gourock which give rise to concerns about what alternative berth is to be offered.

The following more general issues have been raised:

- Disabled access to this ferry has always been poor. The vessels are not even “pram friendly”. There is considerable local interest in improving accessibility.

- The last sailing from Gourock – Kilcreggan is 1810, which means the latest connecting train departs Glasgow at 1725. There is a significant local interest in the feasibility of later sailings.

Conclusions & Summary

The **Kilcreggan – Gourock – Helensburgh** ferry is a “lifeline” link that merits greater mention in the Scottish Ferries Draft Plan. There are considerable concerns as to the future of this ferry service. This is an open estuary crossing requiring oversight by a body with maritime expertise, and should therefore be treated the same as other ferry links and administered by the Scottish Government.

Seil and Easdale Community Council

The Draft Plan makes the following observations with regard to the Easdale Island Ferry.

1. The Scottish Government will discuss, with Argyll and Bute Council, the possibility of transferring this service to the Scottish Government.
2. In the meantime, initial findings suggest that the service is fit for purpose, and meets the community’s needs.

Response from Seil and Easdale Community Council

1. While the Easdale Island Ferry Service is, in general terms, fit for purpose, and meets the community’s everyday needs, there remains a serious problem. The Scottish Ambulance Service is unwilling to accept the Easdale Ferry as safe and fit for their use. This leaves deep concern over the evacuation of the sick and injured.
2. There is some evidence of a community view that the Easdale ferry service would be better left in the hands of Argyll and Bute Council.

Dunoon Gourock Ferry Action Group - Ferry Plan Response

Q10.

The Cowal Peninsula and Dunoon was served by two vehicle and passenger routes. A route operated by a private company between Hunter’s Quay and McInroy’s Point and a route between Dunoon town centre pier and the rail head in Gourock operated by CalMac.

The distances between Dunoon pier and Hunter’s Quay and between McInroy’s Point and Gourock rail station mean the routes are not directly interchangeable, particularly for foot passengers commuting by train, due to the extra travel time involved.

As a result of a restricted timetable imposed upon the former CalMac route it could not be considered to have been in fair competition with the private company for vehicle traffic. Even so it was an alternative route and the last published accounts for the CalMac service showed that the vehicle portion of the service made a profit whilst the passenger portion had to be subsidised.

Amid widespread condemnation a contract was signed on 7th June 2011 downgrading the CalMac service to be passenger only. The new service to be operated by Argyll Ferries Ltd (AFL), which is owned by CalMac, was to come into effect just 16 working days later on 30th June. Immediately the service came into effect AFL began seeking variations to the contract. In December 2011 Transport Scotland announced there would be above inflation fare increases on the route of 6.5% in 2012.

Travel times for some vehicle commuters have increased within increased journey length, the need to travel through Gourrock, and also because of queuing on the remaining single vehicle service.

Inverclyde Council are actually seriously considering building a ring road to accommodate the traffic that used to use the CalMac route but now needs to travel to the single remaining vehicle crossing.

AFL employed the vessels Ali Cat and Argyll Flyer on the passenger only route. Predictably these small vessels were unable to cope adequately with the sea conditions on the route. A consequence is that the average monthly cancellations of the passenger service due to weather exceed the total annual cancellations from all causes experienced with the larger vehicle carrying vessels. Transport Scotland failed to specify the weather reliability required of the service and indeed deliberately excluded failures to sail due to weather from contractual penalties. One of the vessels, the Ali Cat, seems to be restricted to sailing in “fine, clear, settled weather” and appears to have been used outwith these conditions to achieve even the current poor level of service.

The present situation is therefore that we have;

- A ‘lifeline’ vehicle service operated by a private company providing the only vehicle crossing of the Firth of Clyde. This service is responsible for 600,000 vehicle crossings per annum. The route is arguably one of the most expensive in the world and highly profitable. There is no regulatory oversight of fares, profit levels and ticketing arrangements. The Scottish Ferry Services Draft Plan clearly demonstrates that the experience of RET is that traffic volumes increase significantly when prices are reduced. Excessive fares on the route therefore have a direct impact on the whole Cowal economy and indeed beyond. The route is now the only Firth of Clyde alternative to the A83 which is prone to closure and the A82 which has a height restriction at the Crianlarich railway bridge.
- A ‘lifeline’ passenger service, on a commuter route, operated by AFL using two small vessels unable to cope adequately with the weather. The route has no relief vessels and so operates a half service for at least four weeks of the year. It has also all but disappeared from marketing literature, and does not participate in wider ticketing arrangements. It serves as a good example of the severe consequences unplanned fragmentation can have.

We request that;

- An immediate rescue plan be put in place using vessels capable of providing a satisfactory level of reliability on the Firth of Clyde. In our opinion this will not be achieved with vessels of less than 500grt and we reference the original Deloitte Touche report on the route which acknowledged that “Large hulls are required to suit Upper Clyde Water”. The MV Saturn is known to be able to operate reliably on the route and so would provide a short term solution that would be widely welcomed. The experiment with small vessels has, as predicted, failed and failed badly impacting adversely on many people’s daily lives.
- The office of a Ferry Regulator should be established. Amongst other powers the regulator should be able to set the fares charged by private ferry companies. Consider if there were only one bridge across the Firth of Forth and that bridge was operated by a private company with no public control over tolls charged and profits made. That would be wholly unacceptable, despite the diversion via Kincardine being relatively short. That is however exactly the situation on the Firth of Clyde except we don’t even have a bridge, only a single ferry route, and the diversion by road is much

further. A Ferry Regulator would also provide more protection than Transport Scotland contracts, be able to settle issues of EU regulation more authoritatively and manage the process of vessel provision. There is no EU impediment to a vehicle service on this route, the published accounts for the former service demonstrated it was operating profitably without cross subsidy.

- The Scottish Government should establish a frequent, reliable, safe, vehicle and passenger ferry service from Dunoon town centre to Gourock rail terminal. Thus providing resilience, diversity and competition for Cross Firth of Clyde transport to Cowal and beyond. This will involve provisioning of suitable vessels, but that is an issue affecting the entire ageing ferry fleet and one which must be openly addressed as an integral part of the Ferry Plan.
- RET should be applied to vehicle crossings of the Firth of Clyde particularly if there is no competition on both timetable and fares.

Q27.

The Scottish Ferry Services Plan will result in the fragmentation of ferry services with more communities reliant upon private companies operating their ferry route. A foreseeable, perhaps inevitable, consequence of the plan could be the breakup of Caledonian MacBrayne which has already lost a significant portion of its vehicle traffic with the demise of its Dunoon Gourock vehicle crossing.

The plan fails to adequately consider the impact of fragmentation and only asks communities to comment on the services in their individual area. This is not an integrated approach to transport planning.

It is essential that;

1. **The issue of the provision of ferries be dealt with prior to the ferry plan consultation being concluded.** Communities cannot respond fully to the draft plan, in an informed manner, without knowing how; prospective operators will obtain vessels, how the suitability and hence financial viability of vessels for routes will be determined, and how relief vessels will be made available for periods of planned and unplanned outages during operation. The Dunoon Gourock passenger service has no relief vessels despite the operator Argyll Ferries being owned by Cal Mac.
2. **A Ferry Regulator be put in place.** Transport Scotland contracts on their own are a wholly insufficient to protect individual communities and to ensure operators function as part of a wider transport network. For example with ticketing and advertising across multiple routes run by multiple operators and the need for relief vessels. The current passenger only service on the Dunoon Gourock route complies with the Transport Scotland contract but is acknowledged to be “not fit for purpose” – contracts of this type are inadequate protection.
3. **The term ‘lifeline’ service be defined objectively and quantifiably.** At present the plan makes wide use of this undefined term. Consequentially it means Transport Scotland is free to interpret the term as it sees fit in furtherance of its internal goals rather than to fairly apply it to communities. In fact the plan document implies it will be impossible to compare how the term is applied to different communities.
4. **Public Service Obligations should be used to compliment Public Service Contracts.** This is likely to make it easier to subsidise the ‘lifeline’ aspects of services without conflicting with EU regulations.

Kintyre Initiative Working Group – Minute of Meeting 24th February

Moya Ingram spoke to the draft report and advised the group that the deadline for responses was 30 March, 2012. Discussion ensued and the group discussed and debated various issues. These included the potential threat to the Claonaig - Lochranza ferry, the need for local communities to voice their opinions on the consultation, re-visit a previous report which detailed the economic viability of a ferry service from Campbeltown to Ayrshire and the need to build-in RET to any new ferry route. Jim Martin enquired if commercial vehicles would be included in RET. Michael Russell reported on a change in regulations for commercial vehicles and that measures were being undertaken to address this. Councillor Semple advocated that value for money be the ethos for any new proposals and a review of previous work be done.

Michael Russell advised that to ensure the retention of the Claonaig - Lochranza route, local communities should lobby for this and respond to the consultation in order to make a positive contribution.

Oban Community Council Meeting 16 March 2012

Mull Ferry Service

It was noted that the proposal to upgrade to a two vessel shuttle service and extend the operating hours would allow for a better maintenance regime. It was also noted that an earlier operating time would allow island residents better connection with onward travel and allow commercial traffic to have access to Oban to start the day earlier.

It was felt that one ferry was sufficient for this service during the winter. Concern was raised as to how a smaller ferry would cope with commercial vehicles when there was difficulty already getting commercial vehicles (other than those already block booked) on to the service.

It was noted that the Barra ferry always has to sit and wait for the Mull ferry service to unload vehicles and passengers and that this can be difficult for passengers that have already been on the Barra ferry for a 5 hour journey. Additional vessel and sailings are welcomed.

Consideration should be given to re opening Tobermory so ferry services and offer better operational resilience.

Oban offers great opportunities for improving transport connections with better train services/frequency. Oban is currently the poorest served in the whole of Scotland. There has been an increase in bus services with now 5 connections to the central belt and the patronage is increasing.

In relation to the Fishnish and Lochaline service there is significant volume of timber that is taken via this service and if this service wasn't available then the timber would need to go to the mainland via Oban which would increase traffic congestion.

Larger vessels are not always the best solution e.g. in Orkney Andrew Banks ferry takes 40% of the traffic as it is a smaller ferry it is faster sailing time/loading time. Tobermory to Kilchoan service is vital to the local economy of Mull. This service support local business including the abattoir. Reduced fares on this service would increase demand.

Lismore Ferry Service

People who can't drive rely on the ferry service to get to Oban to shop. If ferry service is to be at the north end then there needs to be a regular bus service on the island from one end to the other. There also needs for be regular bus services integrated on the mainland to Fort William and Oban.

Coll and Tiree

Consideration should be given to reconnecting the link between Tobermory to Coll and Tiree. Residents on Iona have to go to the mainland via Mull and similarly those on Tiree have to go to Oban via Coll and should also benefit from similar subsidy proposed for residents on Jura.

Any island with a modern economy needs a ferry service at least once a day. If this is taken out then part of the economy is also taken out – it returns to a closed in/closed down culture.

Colonsay

A return sailing between Colonsay and Oban would be very welcome. Previously trialled on a Saturday at Christmas and was very successful.

Oban needs to develop as a connectivity hub where passengers are travelling through. More people will be travelling in the future as passengers rather than use the expense of cars and this trend needs to be followed with improvements to how luggage is transferred on services and facilities for left luggage.

In the Western Isles services consideration should be given to putting into the tender where there is low capacity people of a certain age can travel at no cost. If the service is operating and the space is available then it should be utilised to best advantage – as least will be bringing spend to the economy of the islands.

Kerrera

There is strong evidence to make Kerrera a Scottish Government service. It was noted the existing infrastructure is poor however but that there should be an active debate about the responsibility for the service before it faces commercial failure.

There was recognition that the marina at Kerrera operates a service for the 17 residents to the north end of the island and also it brings 40 employees from Oban to the island to work. It currently provides a free ferry service that also supports fire service and public utility services and that it cannot continue to operate in this way without introducing charges.

Luing

Concerns raised that Luing feel let down by draft ferries plan. The passenger ferry that operates as part of the service is not fit for purpose and it is a cattle barge that is utilised when the Belnahua goes into dry dock. Discussion that smaller islands feel they are being pushed to the side and that there needs to be greater consideration of opportunities for fixed links and their potential over next 100 years. There was recognition that it is not a one size fits all as a fixed link may not meet the needs of Easdale.

Easdale

There was discussion that around 90% of the population were happy with the current service and the main concerns of residents were in relation to evacuation from the island in the case of medical emergencies.

Western Isles

There was discussion in relation to services linking Barra/Lochboisdale to Oban and views expressed that Barra wants a connection with Oban and Lochboisdale want a connection to Mallaig. Concerns were raised regarding haulage and the fact that there are 3 bridges with severe restrictions on them that stops/restricts lorries travelling between Mallaig and Fort William/central belt. Concerns regarding commercial vehicles being exempt from RET and RET benefiting holiday home owners now travelling to islands in two cars with one loaded with supplies from mainland. Concerns over RET and proposals for commercial vehicles to be exempt. Also the effect demand will have on ferry capacity.

Oban seen as having significant potential to grow as a transport/connectivity hub with integration with increased rail and bus services.

Lismore Community Council

Lismore Community Council is grateful for the opportunity to respond to the consultation on the Draft Ferries Plan. Our main comments refer to the ferry service to Lismore.

While we recognise and appreciate the fact that the Scottish Government has made a clear statement on its preference for a future ferry service on Lismore, we highlight the fact that views within the Lismore community remain mixed and that the main split is between the status quo and a north end car ferry. The Community Council is therefore unable to represent a consensus for the island; we seek only to highlight a number of issues that we feel must be considered before a final decision is made.

We note that while the STAG appraisal correctly stated that neither of the existing ferry services alone met the community's needs, the car ferry route from Achnacroish to Oban has been enhanced since the STAG appraisal was completed in 2008, and the increased frequency of sailings better meets the needs of the majority of islanders. The two routes actually serve different purposes and different sections of the community and the view of many islanders is that the STAG appraisal should have considered the way that the two routes - combined - serviced the island, rather than assessing them separately. The majority of islanders agree that retaining the two routes, but switching them so that the car ferry runs from Point to Port Appin and a passenger ferry runs from Achnacroish to Oban, would be the preferred option.

However, we accept that wider economic considerations, in terms of the costs of running the ferry services, may take precedence and that moving forward, there may not be a budget available to maintain two ferry services to our island. If that is the case, and the Scottish Government is absolutely decided on a single ferry service only, then we have no choice but to accept the Government's preferred option of a north end car ferry service running between Point and Port Appin.

As a community, we are concerned that the ferry services should have a positive impact on our lives and on the sustainability of our community. We are an ageing population and we need to cater for the needs of our older people, but we also want our young people to be able to stay and find employment locally, and we want to attract younger people and families to move here. Ferries and related transport services need to meet the needs of people who rely on public transport; those who need regular access to health and social care; island businesses and those who need to access employment on the mainland. Our transport system should enable the island's economy to grow, supporting farms and crofts and other island based businesses, but it should also protect the island's environment and way of life.

Bearing this in mind, we feel that a number of points require clarification before we can, as individuals and as a community, form a view on the best ferry option for our island:

1. The existing service from Achnacroish to Oban enables people to travel direct into Oban at reasonable cost. This is essential for people who don't drive or own a car. We would like the Scottish Government to confirm that:
 - a) A single car ferry service at the north end would incorporate a regular and frequent bus service running from Achnacroish, up the length of the island, across on the ferry and down to Oban
 - b) The cost of a bus ticket from Lismore to Oban would not be any higher than the existing cost of a passenger ferry ticket from Achnacroish to Oban
 - c) Lismore residents would get priority on these buses, as currently we rarely, if ever, experience situations where passengers are unable to get on the ferry

from Oban because it is full. Islanders who are unable to get on a bus because it is full would miss their ferry and could potentially be stranded on the mainland. Operating a reservations system would not resolve the situations where islanders need to make unexpected journeys at short notice.

- d) There would be provision for delivering supermarket and other shopping to the island on a daily basis, at low cost. Currently, islanders using the Achnacroish ferry as foot passengers are able to have their shopping delivered onto the ferry by supermarkets. It would be difficult for people to transport their shopping by bus, particularly if they are older or disabled
2. The situation of those younger members of the community attending secondary education in Oban also requires consideration. Currently, if they do not board on a weekly basis in the Town, the ferry times enable their attendance at school, with an early morning sailing direct to Oban from Achnacroish and two afternoon sailings to return. Some provision would need to be made for children who are unable to Board for any reason
3. A car ferry at Point-Port Appin that runs as a shuttle service would need to prioritise local people, particularly for livestock transportation. Currently, vehicles using the Achnacroish boat can book on the ferry, although it can still be difficult to get a booking, even in the winter period. If visitor vehicle access is not managed then islanders trying to get to livestock sales, to appointments on time or to catch trains or buses would struggle when the ferry is very busy. The ferry service should be designed to meet the needs of the islanders, with visitor use being secondary.
4. Fare structures – we need to be reassured that the cost of vehicle and driver fares would not be higher than the overall costs experienced currently by islanders travelling by the Point – Port Appin route. In particular, we are keen to be reassured that the costs would not prohibit people who are travelling on a daily basis to work. This is important, particularly given that wages in Argyll are significantly lower than the national average. One of the arguments for a north end car ferry is that it would reduce the need for islanders to retain two vehicles, one on each side. However, people who travel on a daily basis, for example to work, would not be able to afford to take their car across on the ferry each day unless the fares are maintained at a very low level. Otherwise, they would need to park in Port Appin, as per the current situation, and if car parking charges are introduced then it will not be economic for people to continue to work on the mainland. In many cases the island vehicle services the whole family and would still be required if there is a north end car ferry. Also, the island roads are in poor condition and many people would be concerned about using their mainland car on the island in case of damage and degradation to the vehicle.
5. Management of vehicle access to the island - a key concern is that visitor numbers are increasing on the island, particularly via the passenger ferry at Point, and this is already having some negative impacts for islanders, especially for those living at the north end. Our roads would not be able to withstand even a fraction of these visitors bringing their vehicles onto the island. Visitors who bring vehicles onto the island will contribute very little to the island economy but will cost it in terms of road damage and quality of life. Some islanders have also expressed concern that general security and safety, particularly of children, would be eroded if large numbers of vehicles were allowed to access the island.
6. We need to know how the numbers of vehicles accessing the island would be restricted. We would prefer to be able to limit the non-local vehicles on the island (as on Iona) and/or limit the types of vehicles coming onto Lismore (as on Colonsay); both of which are similarly small islands vulnerable to swamping if access is not

managed. Possibly, this could also be achieved by setting the day return fares for vehicles (other than service vehicles) at a prohibitive amount but the fare would need to be set at a level that was effective in limiting the numbers of vehicles on the island at any one time.

7. Island infrastructure –roads on Lismore are of poor quality and are not robust enough to support higher numbers of vehicles coming onto the island. More vehicles (whether cars or bicycles) also make it harder for locals to get about - it is only a matter of time before a visitor or islander is injured in an road traffic accident on these narrow and slow roads. Significant improvements would be required to roads at the north end, even if access by day visitors' vehicles was controlled. The road to Point is particularly narrow and overhung in places and would need significant attention.
8. The location of the slip/harbour at the north end
 - a) There is concern from people with properties at Point that a new slip and related infrastructure, coupled with increased traffic, would have a negative impact on the value of their properties.
 - b) There would still be a requirement for significant car parking close to the slip and recycling bins would need to be located there, so sufficient space would need to be made available, which is at a premium.
 - c) The presence of the rocky reef that lies out from the existing slip, and the tendency for gravel and seaweed to build up in the area of the slip, would need to be taken into consideration when locating a new slip.
 - d) All potential locations should be considered if a new car ferry slip is to be sited at the north end of Lismore.
9. Car parking - Parking at Port Appin is already very congested for most of the year. Parking provision would need to be enhanced and dedicated parking for islanders would be required to prevent locals being unable to park at their own ferry point. If sufficient parking is unavailable, islanders would have to take their cars across on a daily basis, which, as already suggested, many islanders who travel regularly would be unable to afford. It would also increase congestion and ferry turn-around time at Port Appin and Point; both of which have very limited space for traffic management.
10. Further issues of concern are that the relocation of the car ferry to the north end might threaten the future viability of the school and post office/shop. The community needs reassurance that the existence of a north end car ferry would not lead to closure of the island school or post office (on which the shop depends for its viability) – and that the Scottish Government would take steps to ensure the continued existence of these island facilities.
11. If the car ferry is relocated to the Point- Port Appin route then the vessel should be berthed on Lismore. As a lifeline ferry service, it should meet the needs of the island community, with a focus on enabling islanders to access the mainland.

Clearly, there are opportunities to bring significant benefits to our island, if the right choices are made in the design, planning and management of future ferry services. But we reiterate that in order to form a view, our community requires clarification on these points of detail and a clear outline of the community benefits that will ensue from a change from the status quo. Until we have a clear picture of what the service will look like, then many people are unable to decide on their preferred option and consequently, it is far more difficult for us to achieve consensus as a community. At present, we are being asked to comment on a concept that remains fairly abstract with a significant number of unknowns, and the process has not helped us to reach a community view – in fact, continued consultation in the absence of

additional information actually serves to stimulate greater contention and disagreement within the community.

With regard to wider issues, we are concerned that future tendering processes for our ferry services should not allow the more profitable routes to be cherry picked, leaving the potentially less profitable routes, such as Lismore. Also, we would be interested to hear how the Scottish Government plans to organise the provision of suitable vessels for each ferry route. If the provision and deployment of vessels is left up to private companies then potentially, they could fail to make suitable provision for cover in the event of vessel maintenance or breakdown, leading to periods when services are unavailable. Although tender processes and contracts can be designed to take these situations into account and to limit them, there is, nonetheless, significant potential for situations to arise when island communities are left without a lifeline ferry service. Our view is that all the ferry routes on the west coast of Scotland should be run as one contract, or at the very least should not be split into more than two bundles.

I would be grateful if you could record our response and take our comments into consideration when finalising the Ferries Plan.

Appendix C: Local Community Council Consultation Matrix

Mid Argyll Kintyre and Islay			
Community Council	Officer	Date of Meeting	Meeting Venue
Islay Community CC	Sandy MacTaggart	5 th March	Islay
Jura Community CC	Sandy MacTaggart	6 th March	Jura
Southend CC (Via KIWG)	Moya Ingram	24 th February 2012	Campbeltown (Town Hall)
West Kintyre CC (Via KIWG)	Moya Ingram	24 th February 2012	Campbeltown (Town Hall)
Campbeltown CC (Via KIWG)	Moya Ingram	24 th February 2012	Campbeltown (Town Hall)
Gigha CC	Moya Ingram & Jonathan Welch	6 th March, 14:30	Gigha Hotel
East Kintyre CC	N/A	Responded via letter	N/A
Network Carradale Limited	N/A	Responded via letter	N/A
Colonsay CC	N/A	Colonsay CC responded via email. No meeting required with ABC	N/A
Oban Lorn and the Isles			
Luing CC	Martin Gorringe	8 th February 2012	Luing
Lismore CC	Robert Pollock	10 th February 2012	Lismore

Appin CC	Robert Pollock	10 th February 2012	Appin
Coll CC	N/A	Coll CC responded via email, no meeting required with ABC.	N/A
Mull Ferry Users Group	Martin Gorringe	25 th January	Mull
Mull CC	Jonathan Welch	Tuesday 13 th March	Craignure Village Hall
Oban CC	Sandy MacTaggart & Moya Ingram	16 th March 2012	Corran Halls
Kerrera	Jonathan Welch	9 th March	Corran Halls
Iona CC	Robert Pollock	19 th March	Iona
Bute and Cowal			
Bute CC	Moya Ingram & Jonathan Welch	29 th February 17:30	Rothesay Pavilion
Dunoon	Martin Gorringe	13 th March, 19:30pm	Windsor Suite, Queens Hall Dunoon
Helensburgh and Lomond			
Cove and Kilcreggan CC	N/A	CC have advised they will respond via email	N/A

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ARGYLL & BUTE COUNCIL**EXECUTIVE COMMITTEE****DEVELOPMENT & INFRASTRUCTURE SERVICES****19 April 2012**

**HOUSE OF COMMONS SCOTTISH AFFAIRS COMMITTEE –
THE CROWN ESTATE IN SCOTLAND**

1.0 SUMMARY

1.1 In January 2011 the Scottish Affairs Committee launched their inquiry into the Scotland Bill with a specific focus on the provision in the Bill for increased tax raising and borrowing powers for the Scottish Parliament. As a consequence of the volume of submissions that were received which specifically related to the Crown Estate Commission (CEC) and the issue of tax raising and borrowing powers, the Committee decided to launch a separate inquiry into the Crown Estate in Scotland.

1.2 The formal terms of reference for the inquiry were published on 12 May 2011 and related to:

- The management and governance of the Crown Estate in Scotland
- The role and mandate of the CEC and
- The interaction between the CEC and UK, devolved and local government

In addition the inquiry invited responses to a number of specific questions relating to the CEC. The Committee also visited Inverness, Orkney, Shetland, Caithness, Stirling, Tiree, Barra, the Isle of Lewis, Glasgow and Edinburgh and took evidence from a number of individuals and organisations including the Highlands and Islands Convenors

1.3 The purpose of this report is to inform members as to the findings of the inquiry by the House of Commons Scottish Affairs Committee into the Crown Estate in Scotland.

2.0 RECOMMENDATIONS

- 2.1 It is recommended that Members:
- (i) Note the contents of this report.

3.0 BACKGROUND

3.1 The Official report by the Scottish Affairs Committee was published on Monday 19 March 2012. The report examines the Crown Estate Commissioner's (CEC's) management of Crown estate property, rights and interests which make up the Crown Estate (CE) in Scotland. For the purposes of the inquiry the CEC's operations are split into two categories:

- Ancient possessions/responsibilities and
- Modern activities relating to the buying and selling and management of property and land

3.2 The report recognises that there are major issues relative to the CEC's management of its responsibilities, particularly in relation to the seabed and foreshore (these were not found to apply to the urban and rural estate). The issues identified include:

- lack of accountability, communication and consultation with communities
- inappropriateness of the CEC's statutory remit for its responsibilities in the marine environment
- cash leakage from the local economies and
- other adverse impacts arising from the way the CEC operates

These were identified together with a limited benefit in Scotland from the CEC's involvement.

3.3 In conclusion the report states that the only way to address these issues is for the CEC's responsibility for the administration and revenues of the ancient Crown property, rights and interest in Scotland to be ended, these responsibilities to be devolved and then decentralised as far as possible. The report recognises that simple centralising these responsibilities in Edinburgh would be insufficient and would not address the fundamental problems identified.

3.4 The inquiry concludes that devolution to Holyrood should be conditional upon an agreement between the Secretary of State for Scotland and the Scottish Government on how such a scheme of subsidiarity to local authorities and local community levels should be implemented.

3.5 It is recommended that the CEC continue to operate as a commercial developer on a UK wide basis

3.6 The report recognises that the basis for the arrangements as regards the Scottish Crown property rights and responsibilities requires further consultation however it is stated in the report that this consultation should proceed on the basis of the proposal's set out by the Highlands

and Islands local authorities in regard to providing a clear framework on which to base discussions relative to future arrangements.

3.3 The Scottish Affairs Committee have recommendation that:

“the Secretary of State for Scotland should announce the UK Government’s commitment to devolve the CEC’s marine and ancients rights and responsibilities in Scotland, conditional on a clear commitment to, and a detailed agreement on, the further decentralisation to the maximum extent possible of the CEC’s responsibilities to local authority and local community levels and that he makes the necessary legislative provision to this effect.”

3.4 The above is based on a two phased decentralisation approach and there is recognition that there would be a period of time between the decision to devolve responsibility of the CEC and this coming into effect, this is on the assumption that the Secretary of State and the UK Government accept the recommendation of the Committee.

3.5 The Committee specifically recommended that:

- the CEC’s responsibilities for the Crown foreshore in Scotland be devolved to the local authority.
- that any devolution settlement over the CEC’s foreshore responsibilities should enable Trust Ports, public sector harbour authorities and appropriate community landownership bodies, to take over the ownership of the Crown foreshore.
- the CEC’s responsibilities for Crown property rights over Scotland’s territorial seabed and adjoining continental shelf area and the revenues raised from these rights be devolved to the Scottish Parliament .
- whatever devolved arrangements are put in place there should be a presumption against the disposal of Crown seabed except in the instance of seabed land reclamation and the immediate harbour area of Trust Ports, public sector harbour authorities and community owned companies which operate harbours
- whilst there is recognition that with the devolution of the CEC’s responsibilities for the seabed in Scotland, the integrated system of marine planning, regulations and leasing over the use of the seabed must flow from the centre outwards it is recommended, as a matter of principle, that the allocation of the revenues from that use should flow the other way. This would mean that the areas where the revenues are being earned should benefit first before revenues flow up to a wider geographical scale. Whilst

further discussion is necessary on the proportion of revenue to be allocated at each level this should be strongly weighted in favour of the local community. It is recommended that the framework for further discussions relative to this be based on that proposed by the Highlands and Islands local authorities.

- that the CEC's responsibilities for the administration and revenues of the ancient Crown property rights in Scotland to naturally occurring oyster and mussels, to coastal and freshwater salmon and to gold and silver should be devolved to the Scottish Parliament .Further discussions are required to ensure that there is consensus over the devolution of these responsibilities.

3.6 It is now for the Secretary of State and the UK Government to consider the recommendations put forward in the report and to make a decision as to how this matter will be taken forward.

4.0 CONCLUSION

4.1 The Principles within the report align with the submission made by the Council to both the Scottish Affairs Committee inquiry itself as well as to previous Scottish Government consultation relative to the devolution of the Crown Estate Commissions responsibilities for the administration and revenues of the ancient Crown property rights and interest to Scotland.

5.0 IMPLICATIONS

Legal: None.

Policy: Through the Corporate Plan, Community Plan, Economic Development Plan and the Renewable Energy Action Plan the Council recognise the importance of securing local socio economic benefit for our communities from marine and off shore wind renewable development and from other developments along our coastline to secure the future viability of our communities for the future.

Personnel: None.

Financial: None

Equal Opportunities: None.

For further information contact: Audrey Martin

Telephone 01546 604180

ARGYLL & BUTE COUNCIL

EXECUTIVE COMMITTEE

CUSTOMER SERVICES

19 APRIL 2012.

EXTRACT OF MID ARGYLL, KINTYRE AND THE ISLANDS LOCAL AREA COMMUNITY PLANNING GROUP - HELD ON 7 MARCH 2012.

5 (d). UPDATES FROM PARTNERS – RED CROSS

Councillor Philand asking the group for agreement for representation to be made to the forthcoming meeting of the Executive of Argyll and Bute Council by the Mid Argyll and the Islands Local Area Community Planning Group to support the maintenance and continuation of the Rural Transport Grant which is made to the Red Cross, which they are dependent on to continue their valuable work in transporting patients in the MAKI area.

Decision:

The group agreed to the request made by Cllr Philand that representation be made to the Executive meeting of the Council in this regard.

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Public Transport - Discretionary Funding

1. SUMMARY

- 1.1. This paper outlines recommendations for the use of the funding available to support discretionary transport projects during 2012-13. The recommendations have been established following consideration of the business cases submitted by community transport groups and patronage levels, where appropriate on local bus services.

2. RECOMMENDATIONS

- 2.1. Members are asked to note the recommendation from the Mid Argyll, Kintyre and the Islands Local Area Community Planning Group appendix B, and to approve the funding recommendations outlined within Appendix A of this report.

3. DETAIL

- 3.1 As a result of the School and Public Transport Service Review, and the subsequent agreement reached during the Council budget setting process in February 2011, the discretionary funding available for rural transport initiatives and community transport groups was reduced from £726,035 to £275,000.
- 3.2 Accordingly, the reduced budget for discretionary expenditure on transport (formerly Rural Transport Grant and Enhanced Demand Transport Grant) continues to fund a smaller number of rural transport initiatives and community transport groups.
- 3.3 Appendix A of this report outlines recommendations for the allocation of the available funding for 2012-13. This amounts to £319,143 following provision for inflation.
- 3.4 The routes and projects recommended for support in 2012-13 are, with minor alterations, those which remained after the application of the review process undertaken for the 2011-12 budget. It should be noted that the recommendations for the community transport groups have been established following evaluation of the case each has made in their application for funding.
- 3.5 Members are asked to note that all community transport groups provided a projected cost analysis for three years when

applying for funding but since 2010-11, awards have only been made for one year.

- 3.6 A recommendation from the Mid Argyll, Kintyre and the Islands Local Area Community Planning Group of 7 March 2012 is attached as Appendix B.

4. CONCLUSION

- 4.1. Applications received from community transport groups have all been reviewed in light of the available budget and the recommendations arising from this exercise are presented in Appendix A for consideration.
- 4.2. Members are reminded that, with the exception of the Scottish Citylink service 926 enhancement, which was guaranteed for three years from 2011-12, all the discretionary funding recommended for award in 2012-13 is for a period of one year only.

5. IMPLICATIONS

- 5.1 Financial – The recommendations are made for the use of the available discretionary funding in 2012-13.
- 5.2 Personnel – None
- 5.3 Equal Opportunities – All Service Review options were subject to an Equality Impact Assessment prior to setting the 2011-12 budget.
- 5.4 Legal – None
- 5.5 Policy – The recommendations accord with the Council's Corporate Plan objectives.

6 APPENDICES

- 6.1 **Appendix A** - List of transport funding recommendations for 2012-13
- 6.2 **Appendix B** – Extract from the Mid Argyll, Kintyre and the Islands Local Area Community Planning Group.

Executive Director of Customer Services
8th March 2012

For further information contact:
Malcolm MacFadyen. Head of Facility Services, Telephone 01546 604412

Discretionary Funding - Appendix A

Rural Transport Grant Service Number	Service Description	Area	Operator	Patronage to year end 11th February 2012	Discretionary Funding 2011-12	Total recommended funding for 2012-13	Comments/implications
1. Services which were recommended for ongoing funding in 2011-12							
410	Oban area, Enhanced Sunday service	OLI	West Coast Motors	14,687	£12,029.94	£12,607.38	The service is unchanged and will continue to be funded at the same level adjusted for inflation to reflect contractual obligations.
417	Oban, Town Centre, Pulpit Hill, Ganavan Sands and Longsdale	OLI	West Coast Motors	23,027	£5,026.57	£5,267.85	The service will continue to be funded at the same level adjusted for inflation to reflect contractual obligations.
418	Oban and Easdale, Enhanced service	OLI	West Coast Motors	19,522	£25,825.63	£27,065.26	The service is unchanged and will continue to be funded at the same level adjusted for inflation to reflect contractual obligations.
422	Lochgilphead, Enhanced Local Bus Service	MAKI	West Coast Motors	52,142	£26,173.00	£27,429.30	The service will continue to be funded at the same level adjusted for inflation to reflect contractual obligations.
423	Lochgilphead and Oban, Enhanced Local Bus Service	MAKI	West Coast Motors	20,950	£13,303.80	£13,942.41	The service will continue to be funded at the same level adjusted for inflation to reflect contractual obligations.
443	Campbeltown and Sound of Kintyre, Enhanced service	MAKI	West Coast Motors	5,921	£33,554.72	£35,165.35	The service will continue to be funded at the same level adjusted for inflation to reflect contractual obligations.
449	Lochgilphead and Campbeltown, Tuesdays Only service linking with Gigha ferry	MAKI	West Coast Motors	2,372	£2,450.16	£2,567.77	The service will continue to be funded at the same level adjusted for inflation to reflect contractual obligations.
484	Dunoon and Carrick Castle, Enhanced service on Saturdays and during school holidays.	B&C	West Coast Motors	6,014	£24,072.75	£25,228.24	The service will continue to be funded at the same level adjusted for inflation to reflect contractual obligations.
497	Tiree Ring'n'Ride, Pre existing service enhanced by RTG	OLI	Nancy McKechnie trading as John Kennedy	2,655	£25,100.80	£26,305.64	The service will continue to be funded at the same level adjusted for inflation to reflect contractual obligations.
918	Oban and Fort William, Winter Service	OLI	West Coast Motors	9,202	£15,995.36	£16,763.14	The service will continue to be funded at the same level adjusted for inflation to reflect contractual obligations.
2. Scottish Citylink Service 926 Enhancement Proposal							
926	Campbeltown to Glasgow enhanced service	MAKI	Scottish Citylink Coaches Ltd	122,902	£20,000.00	£10,000.00	Second year funding requested for this project is half of the 2011-12 figure.

Discretionary Funding - Appendix A

448	Tarbert and Lochgiphead also providing through journeys to Rothesay via Portavadie	MAKI	West Coast Motors	7,348	£8,037.59	£1,436.72	The reduced service on this route does not require the same level of funding as 2011-12.
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Discretionary Funding - Appendix A

3. Community Transport - Aimed at vulnerable groups where no alternative transport available							
Community Transport and DRT Reference number	Community Group/Service provision	Area	Operator	Patronage to year end 11th February 2012	Discretionary Funding 2011-12	Total recommended funding for 2012-13	Comments/implications
1386B Community Transport Initiative	North Argyll Volunteer Car Scheme - North of Lochgilphead to Glen Orchy, Inveraray and Dalmailly, excluding Oban town, providing transport for elderly and disabled to medical appointments and day centres.	OLI	North Argyll Volunteer Car Scheme	590	£9,500.00	£9,500.00	Community Transport Group applications have been assessed and the same level of funding provided in the previous financial year is recommended for 2012/13
1523B Community Transport Initiative	Mid Argyll Transport Volunteers - Tarbert and Lochgilphead, providing transport for elderly and disabled to medical appointments.	MAKI	Mid Argyll Transport Volunteers	889	£3,500.00	£3,500.00	Community Transport Group applications have been assessed and the same level of funding provided in the previous financial year is recommended for 2012/13
1599B Community Transport Initiative	British Red Cross - Kintyre and outlying areas of Campbeltown for elderly and disabled passengers accessing medical appointments	MAKI	British Red Cross	2,268	£35,000.00	£35,000.00	Community Transport Group applications have been assessed and the same level of funding provided in the previous financial year is recommended for 2012/13
1600B Community Transport Initiative	Interloch Transport - Cowal and Bute, providing transport for mainly elderly and disabled passengers to day centres and medical appointments	B&C	Interloch Transport	5,055	£30,000.00	£30,000.00	Community Transport Group applications have been assessed and the same level of funding provided in the previous financial year is recommended for 2012/13
1673B Community Transport Initiative	Lochgoilbus - provides community transport for local community to access shopping and social activities	B&C	Lochgoilbus	1,202	£5,000.00	£5,000.00	Community Transport Group applications have been assessed and the same level of funding provided in the previous financial year is recommended for 2012/13
1845B Community Transport Initiative	Islay Disabled Endeavours and Action - provides transport for elderly and disabled passengers to IDEAS day centre.	MAKI	Islay Disabled Endeavours and Action	4,145	£13,500.00	£13,500.00	Community Transport Group applications have been assessed and the same level of funding provided in the previous financial year is recommended for 2012/13
4. Aimed at vulnerable groups with availability of some alternative transport - 30% of 2010/11 funding							
500	Campbeltown Ring'n'Ride, DRT - service within Campbeltown for mainly elderly and disabled passengers accessing medical appointments or social activities	MAKI	West Coast Motors	8,261	£41,185.32	£18,864.00	The funding recommended will permit the delivery of the revised service agreed after consultation with users, operating Monday to Friday each week.
				Totals	£349,255.64	£319,143.06	

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ARGYLL AND BUTE COUNCIL
CUSTOMER SERVICES

EXECUTIVE
19 APRIL 2012

**PROPOSALS FOR DISBURSEMENT OF INCREASED FUNDING FOR
COMMUNITY COUNCILS**

1. SUMMARY

As part of the budget agreement for 2012/13 additional financial support of £10,000 per annum has been allocated to community councils. This report sets out proposals for the disbursement of this additional discretionary funding.

2. RECOMMENDATIONS

2.1 That the Executive endorse the proposals set out at paragraph 4.1 below and to delegate, to the Executive Director of Customer Services, authority to put in place guidelines relating to meeting attendance which should aim to promote the use of video conferencing and car sharing, where appropriate.

3. DETAIL

3.1 The Council resolved on 16 February 2012 to increase financial support to Community Councils by £10,000 per annum. This additional funding will supplement the existing Administration Grants currently paid to our 54 established Community Councils.

3.2 The current grant scheme calculates the annual grant on the basis of their electorate as is calculated as follows:-

Total Electorate	Grant Received
Up to 500	£300
501-2000	£400
2001-5000	£500
5001+	£700

- 3.3 Community Councils within the area range from having an electorate of just over 100 to approximately 11,000. Given the total electorate of the Council area is (as of 1st March) 68,301, the largest community council represents a significant proportion of the population and there have been concerns raised that the administration grant does not even address the costs of holding meetings. It is therefore suggested that payment of an additional discretionary grant based on actual electorate figures be implemented to supplement the current grants available and that this be administered in accordance with the current Scheme of Establishment.
- 3.4 Since the introduction of Local Area Community Planning Groups (LACPG) meetings there has been consistent representation made by Community Councils who have been critical that there is an expectation on them that they participate in such meetings but that they are required to do so at their own expense. It is therefore proposed that part of the funding should be directed at reimbursement of public transport fares and payment of mileage associated with attendance at such meetings. If agreed, it would be appropriate that guidance be put in place to take this forward which is dealt with within the report recommendation.

4. CONCLUSION

- 4.1 For the reasons set out in paragraph 3.3 & 3.4, it is suggested that the additional £10,000 be allocated in accordance with the following:-
1. A supplementary grant to be paid in addition to the existing administration grant, at a rate of £0.10p per elector, upon submission of the previous year's financial accounts (with payment being calculated based on the electorate figures as at the date of establishment and remaining at this level for the life of the Community Council). Assuming full takeup, this would cost approximately £6830 per annum.
 - 2.(a) The remainder of the additional funding – c £3170 would be used to fund the payment of mileage costs associated with attendance at the LACPG meetings at a rate of £0.45p and/or reimbursement of any public transport fares (subject to budget being available, and to appropriate guidance being put in place to give regard to use of video conferencing and car sharing, where available and/or appropriate)

- 2.(b) The first 20 miles of any round trip not being liable to payment of expenses.

5. IMPLICATIONS

Policy -	None, the proposals contained herein seek authorisation to disburse the additional funding provided for within the budget but do not seek to alter existing policy
Financial –	£10,000 was committed in the budget for 2012/13 for enhancing financial support to Community Councils. This report suggests how this may be distributed.
Legal -	None
Personnel -	None, additional workload in processing travel claims etc will be absorbed within existing staff resources.
Equal Opportunities -	None

Douglas Hendry
Executive Director of Customer Services
12 March 2012

For further information contact: Melissa Stewart, Area Governance Officer
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ARGYLL AND BUTE COUNCIL**EXECUTIVE COMMITTEE****DEVELOPMENT & INFRASTRUCTURE
SERVICES****19 April 2012**

ARGYLL AND BUTE LANDSCAPE WIND ENERGY CAPACITY STUDY

1 SUMMARY

- 1.1 The Council together with Scottish Natural Heritage have commissioned Consultant Landscape Architects to prepare an Argyll and Bute Landscape Wind Energy Capacity Study. The study provides technical information which will be used to help develop the windfarm/wind turbine policies and associated spatial framework in the proposed Local Development Plan (LDP). In addition the study provides new guidance on the siting of smaller scale (up to 50 metre) turbines throughout Argyll and Bute. An executive summary of the study is attached as Appendix A.

2 RECOMMENDATIONS

- 2.1 That the Council adopts the Argyll and Bute Landscape Wind Energy Capacity Study as a technical background document.
- 2.2 That the aforementioned study be used to help inform decision making in relation to planning applications submitted for wind energy proposals; and also inform the development of new policy contained in the proposed Local Development Plan including spatial guidance for on shore Wind energy developments.
- 2.3 That it should be noted that any new policy in relation to wind energy be subject to further Council approval and extensive consultation as part of the Local Development Plan process.
- 2.4 That approval be given to hold a workshop after the May elections to help introduce the study to a wide range of stakeholders including potential developers, landowners and community representatives.

3 BACKGROUND

- 3.1 Scottish Planning Policy requires Local Development Plans to include a spatial framework of wind energy developments over 20 megawatts, as well as give consideration as to how developments of less than this will be assessed against development plan policy. The SPP and associated Scottish Government Advice Notes requires consideration to be given to landscape and cumulative impacts as part of this process.

- 3.2 This study considers the sensitivity of landscape character types on the mainland of Argyll and Bute in relation to wind turbines up to 130m height. The sensitivity of larger islands and National Scenic Areas (NSAs) within Argyll and Bute has also been assessed for wind turbines up to 50m height. The assessment considers key sensitivities related to landscape character, visual amenity and on the value placed on the landscape in the form of scenic designations and other recognised interests. The NSAs are assessed on the basis of their identified Special Qualities. The sensitivity assessment considers potential cumulative issues associated with existing and consented wind farm developments.
- 3.3 The aim of this study is to identify landscape and visual sensitivities at a Council wide scale for use in the consideration and determination of further proposals for wind farm developments in Argyll and Bute. It is important to stress that this capacity study considers only landscape and visual issues, a range of other environmental and technical issues will also require to be considered in order to draw up a spatial framework and Supplementary Planning Guidance (SPG) for wind farm development.
- 3.4 The study has involved adopting a systematic approach to the consideration of landscape, the key tasks of which included:
- Identifying existing, consented and proposed windfarm developments
 - Review of existing landscape character studies and definition of landscape character types to be used in the assessment.
 - Defining the landscape and visual sensitivity criteria to be used.
 - Defining landscape values such as designations and other recognised landscape and visual interests to be used in the study.
 - Fieldwork to assess the sensitivities
 - Providing guidance on siting of smaller turbines, as well as generic guidance on siting and design of wind energy developments.
 - Providing an overview of landscape and visual sensitivities across the region and recommendations on strategic landscape and visual considerations
- 3.5 The capacity study has principally been based on the landscape characterisation work set out in the Landscape assessment of Argyll and the Firth of Clyde (1996) undertaken by Environmental Resources Management for SNH. Review of this study was undertaken in the field and some revisions were made to landscape character types and their classification for the purposes of this capacity study. Separate sensitivity assessments have been undertaken for the National Scenic Areas (NSAs) lying wholly within Argyll and Bute.
- 3.6 Five scales of wind turbine developments have been considered; large scale (80 to 130 metres high to blade tip), Medium (between 50 and 80 metres), Small – medium (35 to 50 metres) and Small where blade tip is between 20 and 35 metres high. The sensitivity of the various landscapes, to the different scales of wind turbine developments was scored on a five point scale of High,

High-medium, Medium, Medium-low and Low against landscape, visual amenity and landscape values categories. An overall judgement of sensitivity for each landscape character type/NSA was then reached following consideration of landscape, visual and values ratings.

- 3.7 It is evident that the existing pattern of larger scale commercial windfarm development in Argyll and Bute is mainly found in the more extensive and less settled upland landscape character types of the 'Upland Forest Moor Mosaic' (6) and the 'Craggy Upland' (7), and to fairly limited sites within the 'Steep Ridgeland and Mountains' (1) character type and the 'Knapdale Upland Forest Moor Mosaic' (6b). The study found that that the uplands within Argyll and Bute were of lowest landscape and visual sensitivity. These areas include the 'Craggy Uplands' (7) and 'Upland Forest Moor Mosaic (6) which offer greatest scope for the large scale developments. Both these landscape character types already feature operational and consented wind farm developments. Cumulative impacts have therefore been identified as a potential constraint in the Kintyre Peninsula, Loch Awe and Loch Fyne areas. However, the study provides guidance on how best to accommodate additional wind energy developments within these areas whilst minimising the potential cumulative impacts, as these areas are generally considered to have the greatest potential to accommodate further onshore wind energy developments.
- 3.8 The majority of applications for small-medium and small turbines have been within the more settled coastal landscapes and islands of Argyll and Bute. The study found that those turbines between 35 and 50 metres high could be accommodated in limited parts of more settled coastal landscapes and islands. The most acceptable locations for turbines of this size is likely to be on the more extensive hill slopes set back from more sensitive lowland areas as this will limit landscape and visual impacts. These locations will also reduce the potential for cumulative landscape and visual impacts to occur between different sizes and designs of turbines. This will become particularly important as these areas are more likely to be in demand for 'Feed-in Tariff' related development. However, monitoring of potential cumulative effects arising from smaller turbines will need to be kept under constant review. Consideration should also be given to the detailed design of smaller turbines, in order to prevent widely varying designs leading to visual clutter in some landscapes.
- 3.9 The assessment of landscape capacity of National Scenic Areas to accommodate wind turbine development was limited to small-medium and small scale turbines only in recognition of the protection afforded to them (from larger scale developments in SPP). The study concluded that these nationally recognised landscapes were highly sensitive and had no scope to accommodate the small-medium scale turbines. However it concluded that small turbines below 35m would have less of an effect on some NSAs provided these were sensitively sited.

4 CONCLUSION

4.1 This study represents a major piece of work that has been done in partnership with SNH. Currently there is considerable demand for the siting of wind turbines in Argyll and Bute. In light of this it is recommended that the landscape strategy be adopted as a technical study with regard to on shore wind energy developments and landscape issues to help inform decisions in relation to applications for on shore wind energy applications. Once approved, the study will be able to be used as non statutory planning guidance and also be used to inform future land use policy in the proposed Local Development Plan including a new spatial strategy for wind farms. Any change of policy in light of this guidance will require subsequent council approval and then be consulted on as part of the LDP process. It is also intended to hold a workshop on the 20th of April to help introduce the content of the study to a wide range of stakeholders. The main findings of the study are detailed below.

- **Protection of the most scenic of Argyll and Bute's landscapes** by avoiding designated landscapes and intrusion on Inventory listed designed landscapes.
- **Maintaining the wildland qualities of the mountainous landscapes** by directing wind farm development away from these areas and avoiding developments that could impact on the wider landscape setting and appreciation of these landscapes.
- **Protect the special qualities of the coastal landscapes, islands and wider seascape** which form an essential part of the character of Argyll and Bute, by resisting larger scale developments in the complex coastal landscapes and where they could intrude on views from roads, settlement and recreational areas (including from the sea).
- **Follow the established pattern of larger wind farm development associated with less sensitive upland landscapes** where their more extensive scale can better accommodate, and provide an appropriate wider setting, to large developments.
- **Direct larger typologies away from settled coastal and loch fringes** and limit intrusion on these areas by setting smaller turbines (below 50m) at the transition with the more extensive simpler upland landscapes. Smaller turbines would form more of an incidental feature in these sensitive landscapes while larger turbines would dominate and detract.
- **Ongoing review of cumulative effects** in the Craggy Upland Landscape Typology in the Loch Awe and Loch Fyne areas and the Kintyre Upland Forest Moor Mosaic principally in terms of views from Arran, will be necessary to ascertain when capacity is close to being reached.

5 IMPLICATIONS

Policy: The Landscape Capacity Study will help to inform and provide an evidence base for the development of policy in the forthcoming Local Development Plan and associated Supplementary Planning Guidance.

Financial: None.

Personnel: None.

Community: There is increasing interest in wind energy development across Argyll and Bute, from Developers, Communities and general public, this study will help promote informed decisions, in response to these.

For further information contact: Fergus Murray

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Appendix A

Argyll and Bute Landscape Wind Energy Capacity Study

Executive Summary

Argyll and Bute Landscape Wind Energy Capacity Study

1. Introduction

- 1.1 This study jointly commissioned by Argyll and Bute Council and Scottish Natural Heritage aims to inform strategic planning for wind energy development in line with Scottish Planning Policy and in addition provide guidance on the appraisal of individual wind farm and wind turbine proposals in Argyll and Bute.
- 1.2 The study considers the sensitivity of landscape character types on the mainland of Argyll and Bute to wind turbines up to 130m height excluding National Scenic Areas (NSAs). The sensitivity of larger islands and NSAs within Argyll and Bute has also been assessed for wind turbines up to 50m height. Four types of windfarm development were considered in the sensitivity assessment, these are principally categorised on the basis of turbine height. The assessment considers key sensitivities related to landscape character, visual amenity and on the value placed on the landscape in the form of scenic designations and other recognised interests. The NSAs are assessed on the basis of their identified Special Qualities. The sensitivity assessment considers potential cumulative issues associated with existing and consented wind farm developments.
- 1.3 The study also provides guidance on the constraints and opportunities for wind energy development within each landscape character type/NSA together with guidance on the siting and design of small turbines below 50m height.

2. Study aims

- 2.1 The aim of the study is to identify landscape and visual sensitivities at a council wide scale for use in the consideration and determination of further proposals for wind farm developments in Argyll and Bute. Smaller wind turbine typologies have also been considered and an appraisal made of potential cumulative landscape and visual effects. Consideration has also been given to the existing pattern of wind energy development in Argyll and Bute and whether it is appropriate to continue this. The study will be used to inform the emerging spatial and criteria based policies of the Local Development Plan and the consequential development management decision making process in accordance with the requirements of SPP 2010 and Scottish Government Renewable Energy Planning Advice Notes (PANs).
- 2.2 It is important to stress that this capacity study considers only landscape and visual issues, a range of other environmental and technical issues will also be required to be considered in order to draw up a spatial framework and Supplementary Planning Guidance (SPG) for wind farm development.
- 2.3 This study covers all of mainland Argyll and Bute and the islands of Mull, Jura, Islay, Bute and Lismore. While other islands of Argyll and Bute have not been assessed in detail, where development proposals occur on these, the sensitivity assessment

relating to the relevant landscape character type defined in the Landscape assessment of Argyll and the Firth of Clyde (1996) could be referred to. This will include the following landscape character types which occur on the islands of Jura and Islay as well as other islands:

- Marginal farmland mosaic (16)
- Sand Dunes and Machair (25)
- Coastal Parallel Ridges (22)

2.4 The sensitivity assessments undertaken for the above landscape character types on Islay and Jura should however only be used to provide general information on the sensitivities on other islands as they do not take into account the specific context and local character associated with these. However, the guidance for the siting of small turbines set out in section 7 of the Main Study Report is relevant to these other islands.

3. General approach to the study

3.1 The study has been carried out by consultant landscape architects who were appointed jointly by Argyll and Bute Council and Scottish Natural Heritage. The work has involved a systematic approach to the consideration of landscape the key tasks involved were:

- Identifying existing, consented and proposed wind farm developments in Argyll and Bute and adjoining authorities to be considered in the study.
- Review of existing baseline landscape character studies for Argyll and Bute and adjoining areas and definition of landscape character types to be used as the basis for the study.
- Identifying wind farm and wind turbine development typologies to be assessed in the study.
- Defining the landscape and visual sensitivity criteria to be used in the assessment.
- Defining landscape values to be considered in the study in the form of designations and other recognised landscape and visual interests.
- Field work to assess the sensitivity of different landscape character types and National Scenic Areas to defined development typologies using identified sensitivity criteria.
- Developing guidance on the siting of smaller turbines informed by field work and generic guidance on the siting and design of wind energy development.
- Providing an overview of landscape and visual sensitivities across the region and recommendations on strategic landscape and visual considerations.

4. Baseline landscape character

4.1 This capacity study has principally been based on the landscape characterisation work set out in the Landscape assessment of Argyll and the Firth of Clyde (1996) undertaken by Environmental Resources Management for SNH. Review of this study was undertaken in the field and some revisions were made to landscape character types and their classification for the purposes of this capacity study.

- 4.2 Separate sensitivity assessments have been undertaken for the National Scenic Areas (NSAs) lying wholly within Argyll and Bute in accordance with the requirements of the study brief.

5. Development typologies

- 5.1 The following development typologies have been considered in the study:

- **Large:** Turbines between 80m to 130m height to blade tip
- **Medium:** Turbines between 50m and 80m to blade tip
- **Small-medium:** Turbines between 35-50m high
- **Small:** Turbines between 20-35m high.

- 5.2 In addition, extensions to existing wind farm developments have been considered and guidance within each sensitivity assessment provided, on the appropriate height of turbine and general extent of development that could be accommodated.

6. An overview of the Landscape of Argyll and Bute

- 6.1 The landscape of Argyll and Bute is notable for its diversity, featuring an extensive and deeply indented coastline of long peninsulas and sea lochs, associated seascapes including numerous islands of varying character and narrow settled loch fringes and coasts backed by upland plateaux and the rugged mountains to the east. The juxtaposition and contrast of character types within Argyll and Bute produces rich, multi-layered landscapes and high quality scenery, recognised in the National Scenic Areas (NSAs) and Areas of Panoramic Quality (APQs) that cover substantial parts of the area.

- 6.2 Argyll and Bute has a convoluted geography of peninsulas and islands, which can restrict inter-visibility between some parts of the region but also reveals surprising views from others. Main roads and settlements are predominantly aligned along loch shores and the coast, and views therefore tend to be restricted with immediate skylines, often seen across narrow lochs, forming the most prominent features in these low-level views. Views from roads also tend to be fairly well screened by extensive forestry and woodland or focus on the wider seascape within the more open fringes of the Kintyre Peninsula. Elevated views from roads are relatively rare although views from the sea and some islands allow greater visibility of the uplands backing narrow settled coastal fringes

- 6.3 The existing pattern of commercial wind farm development within Argyll and Bute is principally related to the more extensive and less settled upland character types of the 'Upland Forest Moor Mosaic' (6) and the 'Craggy Upland' (7) and to fairly limited sites within the 'Steep Ridgeland and Mountains' (1) character type and the 'Knapdale Upland Forest Moor Mosaic' (6b). In particular the larger wind farm developments are predominantly associated with the more extensive upland landscapes and generally have limited impact on adjacent smaller scale settled and more complex landscapes. No commercial wind farm developments are located within the settled loch and coastal

fringes, and islands of Argyll and Bute to date, although a single large 'community' turbine (75m) and smaller turbines below 50m high are sited on the islands of Tiree, Gigha and Luing.

7. Key findings of the sensitivity assessment

- The landscape wind farm capacity study has considered the sensitivity of landscape character types on the mainland of Argyll and Bute to wind turbines up to 130m height. The sensitivity of larger islands and NSAs within Argyll and Bute has also been assessed for wind turbines up to 50m height.
 - The sensitivity assessment considered key sensitivities related to landscape character, visual amenity and on the value placed on the landscape in the form of scenic and other relevant landscape designations and recognised interests for each landscape character type/sub-type. A different approach has been taken for the NSAs where the identified special qualities of the designated landscape formed the principal basis for the sensitivity assessment.
 - The Argyll and Firth of Clyde Landscape Character Assessment (1996) defined 25 different character types. The sensitivity assessment undertaken for this current study has involved sub-division of some of these landscape character types better reflecting local character and context and also potential cumulative issues in relation to operational and consented wind farm developments. Some minor alterations to the boundaries of some landscape character types and reclassifications have also been made.
 - The operational and consented wind farm developments have been identified; the potential cumulative issues that may arise with these developments, and any additional turbine development, have been considered in relation to each landscape character type/NSA. The guidance following the summary of sensitivity provides recommendations for siting different development typologies in the landscape and, where relevant, potential constraints for development where there is a context of operational, consented and proposed wind farms.
- 7.1 Sensitivity to different development typologies was scored on a five point scale of High, High-medium, Medium, Medium-low and Low against landscape, visual amenity and landscape values categories. These ratings were based not on a numerical scoring system but rather used professional judgement in considering the weight of evidence in terms of sensitivities. An overall judgement of sensitivity for each landscape character type/NSA was then reached following consideration of landscape, visual and values ratings. A summary of the overall findings on sensitivity for the various scales of windfarm typologies is included as **Annexe A**.
- 7.2 For each of the five NSAs landscape sensitivity to wind turbines below 50m high was assessed, however, it was concluded that there was no scope for the small-medium typology (35-50m high) to be located within any of them, because of potential significant effects on the special qualities of these designated landscapes. There is

considered to be some very limited scope for the small typology to be accommodated in parts of these NSAs although a number of key constraints would apply.

- 7.3 Turbines below 20m relate better to the scale of woodlands, mature trees and buildings in more settled landscapes, and there are therefore fewer constraints associated with this typology in general. However there are some very sensitive landscapes where even turbines of this size could have impacts and these are identified in the detailed sensitivity assessments.
- 7.4 Caution is needed in interpreting the sensitivities set out for each landscape character type in the maps and summary appendix, as these represent an average across landscape character types. Considerable variation can occur across these landscapes and the detailed sensitivity assessments should be referred to when considering specific development proposals. A landscape accorded 'Medium' sensitivity would have increased opportunities for wind farm/turbine development, although there would still be some constraints (including potential cumulative effects) which would be likely to restrict the geographic scope for development. 'Medium-low' and 'Low' sensitivity landscapes would have fewer constraints and therefore present greater scope for accommodating larger scale and possibly also multiple developments, although careful siting and design would still be necessary in order to mitigate impacts on more sensitive landscape features or limit visual intrusion in some instances.

8. Scope for larger turbines over 50m high

- 8.1 Landscapes with a combined sensitivity of medium and lower offer greatest scope to accommodate the large and medium development typologies while minimising significant impact on key landscape and visual sensitivities. This therefore excludes landscape character types with a combined High or High-medium sensitivity where constraints are likely to result in significant adverse landscape and visual impacts on key characteristics or where scope for development is limited to a very small part of the character type. Landscape character types of lower sensitivity are shown on Figures 11 and 12 for the large and medium scale typologies respectively. These maps should be used with caution however as the overall sensitivity rating is indicated uniformly for each landscape character type without key constraints identified in the sensitivity assessment being accounted for. It is therefore essential that the full sensitivity assessment is reviewed when considering individual developments.

9. Cumulative issues in areas with scope for larger turbines over 50m high

- 9.1 The sensitivity assessment found that the uplands within Argyll and Bute were of lowest landscape and visual sensitivity. These areas include the 'Craggy Uplands' (7) and 'Upland Forest Moor Mosaic (6) which offer greatest scope for the large typology. Both these landscape character types already feature operational and consented wind farm developments. Cumulative impacts are a potential constraint and these are considered in further detail within the Kintyre Peninsula, Loch Awe and Loch Fyne areas below.

The Kintyre Peninsula

- 9.2 Potential cumulative effects principally occur from the sea and from Arran. Locating further wind farm development well back from the coastal edge, avoiding higher hills on the peninsula and also limiting turbine heights will minimise significant effects on adjacent settled glens and coasts on the Kintyre Peninsula but also reduce visual impact on views from the sea and Arran. It is important that the majority of the skyline of the peninsula should remain open with wind farm developments occupying confined and lower sections of the ridge thus minimising the dominance of development. There is some limited scope for both extensions to the better sited wind farm developments and for clearly separate new wind farm(s) given the extent of this character type and its landscape and visual sensitivities. Proposals for extensions should aim to replicate similar turbine heights and retain the integrity of layout of the original scheme.

The Loch Awe area

- 9.3 The Loch Awe area is sparsely settled and views from the narrow roads which are predominantly aligned along the loch shore tend to be contained and are often screened by woodland/forestry. The immediate skyline of hills edging the loch is a prominent feature where rare open views occur. Provided that turbines were set well back away from the immediate 'edge' hills and into the interior of the 'Craggy Upland' (7) plateau, it is considered that significant cumulative landscape and visual impacts would be minimised in the Loch Awe area. Extensions to operational and consented developments would be likely to reduce sequential cumulative visual impacts from roads along Loch Awe (and limit impact on the more sensitive loch 'ends') by consolidating the existing pattern and spatial arrangement of development although the height of additional turbines needs careful consideration in relation to older operational wind farms and reduction of visual prominence from roads and settlement.

The Loch Fyne area

- 9.4 The narrow inner loch and broader outer loch (generally south of Lochgilphead) are visually separate in terms of their relative containment and orientation of views. This appraisal therefore considers potential cumulative impacts within these two parts of the loch.
- 9.5 Within the inner loch (north of Lochgilphead) a number of character types are visible from roads and settlement. The sensitivity assessment found some limited scope for the large typology (turbines >80m) to be accommodated within the 'Craggy Upland' (7) and also limited scope for the medium typology (turbines 50-80m) to be accommodated in the 'Loch Fyne Upland Forest Moor Mosaic' (6a). The eastern side of the inner loch forms a narrow strip of fairly even inward-facing hill slopes rising to a distinct ridge bordering the Kyles of Bute NSA and the 'Steep Ridgeland and Mountains' (1) and thus increasing visual sensitivity. The western side comprises a more extensive gently undulating upland plateau where the 'Loch Fyne Upland Forest Moor Mosaic' (6a) and the 'Craggy Upland' (7) merge and is less sensitive. The existing/consented A' Chruach and An Suidhe wind farms are located in this western area. Views from roads across and along the inner loch are restricted by extensive woodland cover and these wind farms are/will be seen relatively briefly. Their location set back into the more extensive and distant uplands, and occupying confined parts of the skyline, minimises effects on views and on the smaller scale settled loch fringes. These wind farms are widely spaced and there may be some limited scope to locate

further development within these more extensive uplands on the western side of the inner loch (and given other landscape and visual constraints identified in the sensitivity assessment) while minimising cumulative landscape and visual effects.

9.6 Within outer Loch Fyne, the 'Knapdale Upland Forest Moor Mosaic' (6b) occurs to the west with the 'Upland Forest Moor Mosaic' (6) of the Kintyre Peninsula bordering the far southern reaches of the loch to Skipness Point. The sensitivity assessment found some limited scope for the medium typology (turbines 50-80m) within the 'Knapdale Upland Forest Moor Mosaic' (6b) but identified the more defined higher hills, which are seen from Loch Fyne, as a key constraint to development in this character type. The Skipness to Tarbert coast which lies within the 'Upland Forest Moor Mosaic' (6) is also defined as a significant constraint to development in the sensitivity assessment due to its qualities of wildness which would be compromised by development seen in views to and from this coastal area. The settled eastern fringes of Loch Fyne are defined as 'Rocky Mosaic' (20) and are backed by the higher ground of the 'Loch Fyne Upland Forest Moor Mosaic' (6a). The more complex landform north of Portavadie within the 'Loch Fyne Upland Forest Moor Mosaic' (6a), and the proximity of this character type in this area to the Kyles of Bute NSA, increases sensitivity and limits scope for development on the eastern side of outer Loch Fyne.

9.7 The consented Allt Dearg wind farm is located in the 'Knapdale Upland Forest Moor Mosaic' (6b) and will be prominent in views from both the western parts of the inner loch and the outer loch. It lies some distance from the consented A' Chruach wind farm (approximately 24km) and there would be limited cumulative effects in terms of sequential visibility from the B8000 and the A83 due to the rarity of open views because of woodland screening and the wide spacing of existing/consented wind farms visible from both inner and outer Loch Fyne. The presence of significant constraints identified within the landscapes bordering the outer loch therefore principally restricts scope for the development of larger typologies rather than any potential cumulative effects that may arise with consented wind farms.

10. Cumulative issues associated with smaller turbines below 50m high

10.1 The majority of current applications for turbines below 50m tend to be in the more settled coastal landscapes and islands of Argyll and Bute. The sensitivity assessment concluded that the small-medium typology (turbines 35- 50m high) could be accommodated in limited parts of more settled coastal landscapes and islands. Many of these areas have an even dispersal of relatively small farms/crofts and other developments. Capacity would be quickly reached if even a small number of these were to feature a turbine of this height, with multiple turbines in close proximity likely to overwhelm landscape features. While the constraints identified in the sensitivity assessment should limit scope for this size of turbine, directing turbines of this size to more extensive hill slopes set back from more sensitive lowland areas will limit landscape and visual impacts. It will also reduce the potential for cumulative landscape and visual impacts to occur between different sizes and designs of turbines, in areas where there is more likely to be demand for 'Feed-in Tariff' related development.

10.2 Monitoring of potential cumulative effects arising from smaller turbines will be kept under review, and consideration should be given to the detailed design of smaller

turbines, in order to prevent widely varying designs leading to visual clutter in some landscapes.

11. Designated landscapes

11.1 The assessment has considered the special qualities of designated landscapes in determining sensitivity to different development typologies. The NSAs, as nationally important landscapes, are afforded significant protection within a spatial framework for wind farm development in terms of SPP. Accordingly the sensitivity assessment only considered smaller turbines below 50m high. It concluded that small turbines below 35m would have less of an effect on some NSAs provided these were sensitively sited.

11.2 Many of the APQs are important in providing a wider landscape setting to the much more closely defined NSAs and this role, together with their special qualities, has been considered in the assessment. As the sensitivity assessment in relation to these regional designations has not been as straightforward as that undertaken for the NSAs, the more detailed sensitivity tables set out in the Appendix Report should be consulted when considering specific development proposals.

12. A recommended landscape strategy

- **Protection of the most scenic of Argyll and Bute's landscapes** by directing larger typologies away from designated landscapes and avoiding intrusion on Inventory listed designed landscapes.
- **Maintaining the wildland qualities of the mountainous landscapes** by directing wind farm development away from these areas and avoiding developments that could impact on the wider landscape setting and appreciation of these landscapes. Cumulative landscape and visual effects of wind farm development in surrounding landscapes will need to be carefully considered in terms of potential effects on the perception of wildness and on views from popularly accessed hills.
- **Protect the special qualities of the coastal landscapes, islands and wider seascape** which form an essential part of the character of Argyll and Bute, by resisting larger scale developments in the complex coastal landscapes and where they could intrude on views from roads, settlement and recreational areas (including from the sea).
- **Follow the established pattern of larger wind farm development associated with less sensitive upland landscapes** where their more extensive scale can better accommodate, and provide an appropriate wider setting, to large developments. Impacts on adjacent more sensitive smaller scale settled landscapes should be minimised by setting development well back into the upland interior and also considering limitations in the height of turbines. This strategy consolidates the established association of larger typologies with a particular landscape character, minimising cumulative impacts that could occur where different sizes and designs of turbines are sited in all landscapes.
- **Direct larger typologies away from settled coastal and loch fringes** as these are striking in the rich variety of landscapes, frequent small scale topography, complex

landforms and intricate patterns of settlement and land use. Limit intrusion by setting smaller turbines (below 50m) well back from sensitive loch edges within the 'Rocky Mosaic' (20) and at the transition with the more extensive simpler upland landscapes. Smaller turbines would form more of an incidental feature in these sensitive landscapes while larger turbines would dominate and detract.

- ***Ongoing review of cumulative landscape and visual effects of multiple wind turbine developments*** will be necessary to ascertain when capacity is close to being reached. This will particularly apply to the 'Craggy Upland' (7) in terms of key views from Loch Awe and Loch Fyne and the 'Upland Forest Moor Mosaic' (6), principally in terms of views from Arran.

Annexe A: Summary of sensitivity for character type assessments

Landscape type	Development typology	Sensitivity assessment			Overall Sensitivity
		Landscape	Visual	Values	
1. Steep Ridgeland and Mountains	large	H	H	HM	H
	medium	H	H	HM	H
2. High Tops	large	H	H	H	H
	medium	H	H	H	H
2a Mull High Tops	small-medium	H	H	HM-L	H
	small	HM	HM	M-L	HM
3, 4 Hidden and Mountain Glens	small-medium	H	H	HM-L	H
	small	HM	HM	HM-L	HM
5. Open Ridgeland	large	H	H	HM-L	H
	med	HM	H	HM-L	HM
	Small-med	M	HM	M-L	M
	small	ML	M	M-L	ML
5a. Bute Open Ridgeland	Small-medium	HM	HM	HM	HM
	small	M	M	M	M
6. Upland Forest Moor Mosaic	large	M	HM	L	M
	medium	ML	M	L	ML
6a. Loch Fyne Upland Forest Moor Mosaic	large	HM	H	HM-L	HM
	medium	HM	HM	HM-L	HM
6b. Knapdale Upland Forest Moor Mosaic	large	HM	HM	HM-L	HM
	medium	M	M	HM-L	M
6c. Mull of Kintyre Upland Forest Moor Mosaic	large	HM	H	HM-L	HM
	medium	M	HM	M-L	M
7. Craggy Upland	large	M	HM	L	M
	medium	M	M	L	M
7a. Craggy Upland with Settled Glens	large	H	H	HM-L	H
	medium	HM	HM	HM-L	HM
	small-medium	M	M	HM-L	M
	small	M	M	M-L	M
7b. Craggy Coast and Islands	large	H	H	HM	H
	medium	H	H	HM	H
	small-med	HM	H	HM	HM
	small	M	HM	M	M
7c. North Loch Awe Craggy Upland	large	H	H	HM	H
	medium	HM	H	HM	HM
7d. Lorn Craggy Upland	large	H	H	HM	H
	medium	H	H	HM	H
7e. Mull Craggy Upland	small-medium	HM	HM	HM-L	HM
	small	M	M	M-L	M
8. Moorland Plateau	small-medium	HM	M	HM-L	HM
	small	M	ML	HM-L	M
8a. Moorland Plateau with Farmland	small-medium	HM	HM	HM-L	HM
	small	M	M	M-L	M
9. Rocky Moorland	small-medium	M	HM	HM-L	HM
	small	M	M	M-L	M
10. Upland Parallel Ridges	large	H	H	HM to L	H
	medium	HM	HM	HM to L	HM
11. Boulder Moors	small-medium	HM	H	HM	HM
	small	M	HM	M	M

12 High Stepped Basalt	small-medium	M	HM	HM-L	M
	small	M	M	M-L	M
13. Rolling Farmland with Estates	large	H	H	HM-L	H
	medium	H	H	HM-L	H
	small-med	HM	H	HM-L	HM
	small	M	HM	M-L	M
13a. Bute Rolling Farmland with Estates	small-medium	HM	H	HM	HM
	small	M	M	M	M
14. Bay Farmland	large	HM	H	L	HM
	medium	HM	H	L	HM
	small-med	M	HM	L	M
	small	ML	M	L	ML
15 Lowland Bog and Moor	small-medium	M	HM	L	M
	small	M	M	L	M
15a. Less extensive Lowland Bog and Moor	small-medium	H	H	L	H
	small	H	H	L	H
16. Marginal Farmland Mosaic	small-medium	H	HM	L	HM
	small	HM	M	L	M
17. Mull Basalt Lowlands	small-medium	HM	HM	HM-L	HM
	small	M	M	M-L	M
17a. Bute Basalt Lowlands	small-medium	H	H	HM	H
	small	HM	HM	M	HM
18. Lowland Ridges and Moss	large	H	H	HM-L	H
	medium	H	H	HM-L	H
	small-medium	H	H	HM-L	H
	small	HM	HM	M-L	HM
19. Kintyre Coastal Plain	large	H	H	HM	H
	medium	H	H	HM	H
	small-medium	HM	H	HM	HM
	small	M	HM	M	M
19a. Bute Coastal Plain	small-medium	H	H	HM	H
	small	HM	HM	M	HM
20. Rocky Mosaic	large	H	H	HM to L	H
	medium	H	H	HM to L	H
	small-medium	HM	HM	HM to L	HM
	small	M	M	M to L	M
21. Low Coastal Hills	large	H	H	HM	H
	medium	H	HM	HM	H
	small-medium	HM	HM	HM	HM
	small	M	M	M	M
22. Coastal Parallel Ridges	Small-medium	HM	HM	HM	HM
	small	M	M	HM	M
23. Flat Moss and Mudflats	small-medium	H	H	H	H
	small	HM	H	HM	HM
25. Sand Dunes and Machair	Small-medium	H	H	HM	H
	small	H	H	HM	H

ARGYLL AND BUTE COUNCIL**EXECUTIVE****COMMUNITY SERVICES****19 April 2012**

CHIEF SOCIAL WORK OFFICER

1.0 SUMMARY

- 1.1 This paper sets out the role of the Chief Social Work Officer (CSWO) within Argyll and Bute Council and confirms the appointment of Jim Robb - Head of Adult Care as the new CSWO for the Council.

2.0 RECOMMENDATIONS

- 2.1 The Executive are asked to note report contents and the appointment of the Head of Adult Care as CSWO for the Council.

3.0 BACKGROUND

- 3.1 The Social Work (Scotland) Act 1968 places a legislative duty on all Scottish Local Authorities to appoint a professionally qualified Chief Social Work Officer (CSWO).
- 3.2 Since the departure of the previous CSWO, Dougie Dunlop - Head of Children and Families, Jim Robb – Head of Adult Care has acted in this role. It is recommended that this arrangement be made permanent with Louise Long – Head of Children and Families to deputise in his absence.

4.0 DETAIL

- 4.1 The overall objective of the CSWO role is to ensure the provision of effective, professional advice to local authorities, elected members and officers, in the discharge of local authorities' statutory social work duties. The CSWO should assist authorities in understanding the complexities of social work service delivery, in particular issues such as mental health services, health and social care integration, corporate parenting, child protection, adult protection and the management of high risk offenders.
- 4.2 The CSWO has a role to play in overall performance improvement and identification and management of corporate risk insofar as they relate to social work services.

4. CONCLUSION/SUMMARY

- 4.1 The legislative duty placed on Scottish Local Authorities under the Social Work (Scotland) Act 1968 requires the appointment of a professionally qualified CSWO. In light of the departure of Dougie Dunlop – former Head of Children and Families, Jim Robb – Head of Adult Care has been appointed as CSWO, Louise Long – Head of Children and Families, will deputise in his absence.

5.0 IMPLICATIONS

- 5.1 Policy: None
- 5.2 Legal: The confirmation of a CSWO is in full compliance with the Social Work (Scotland) Act 1968
- 5.3 Equal Opportunities: None
- 5.4 Personnel: None
- 5.4 Financial: None

Cleland Sneddon
Executive Director of Community Services

19th April 2012

For further information contact:
Helen Thornton
Executive Support Officer
Community Services
01546 604127

 ARGYLL AND BUTE COUNCIL

EXECUTIVE

COMMUNITY SERVICES

19th April 2012

EXTERNAL INSPECTION / AUDIT REPORTING: JULY – DECEMBER 2011

1.0 SUMMARY

- 1.1 This report provides details of all external inspection / audit reports received across Argyll and Bute Council during the period 1st July to 31st December 2011.

2.0 RECOMMENDATION

- 2.1 The Executive are asked to note the contents of this report and appendix 1 attached.

3.0 DETAIL

- 3.1 A detailed summary of all external inspection / audit reports received for the period July to December 2011 are provided in **appendix 1**.
- 3.2 The number of external audit reports received for period July to December for 2011 can be compared on a service basis as follows;

Service	Jul - Dec 2011
Chief Executive's Unit	1
Community Services	5
Customer Services	1
Development and Infrastructure	1
TOTAL	8

4.0 CONCLUSION/SUMMARY

- 4.1 In summary, a total of 8 external inspection reports were received for the period July to December 2011.

5.0 IMPLICATIONS

5.1 Policy: None

5.2 Equal Opportunities: None

5.3 Personnel: None

5.4 Financial: None

Sally Loudon
Chief Executive

19 April 2012

For further information contact:
Helen Thornton
Management Trainee
Community Services
01546 604127

Appendix 1 – Summary Reports

CHIEF EXECUTIVE'S UNIT

Improvement and Organisational Development

Report Title: External Verification Report - SVQ
Inspection Agency: Scottish Qualifications Authority
Key Findings
<ul style="list-style-type: none"> • All portfolios samples were of a good standard with activities appropriate to the level of award. They all contained evidence of detailed planning, sound judgements by assessors, clear and constructive feedback and frequent interaction with candidates. • The use of group sessions in the style of workshops was noted as an area of good practice. Candidates benefited from peer support and discussed practice issues relevant to their awards. • The centre could extend the guidance for candidates which 1 assessor is using. This would be helpful across all level of awards and the centre could use this as an activity at Standardisation meetings. • The centre could also discuss how and what Product evidence is sampled by the internal verifier and how this is recorded. At level 4 there is an expectation that Products will be used but where this contains confidential information there is no need for this to be included in the portfolio.
Date of Inspection: 15th July 2011
Lead Officer to take forward improvement: Improvement and Organisational Development Manager – Lynda Thomson

COMMUNITY SERVICES**Children and Families**

Report Title: Arrochar Primary Pre Five Unit – Day Care of Children		
Inspection Agency: Care Inspectorate		
Overall Ratings:		
Quality of Care and Support	6	Excellent
Quality of Environment	N/A	N/A
Quality of Staffing	N/A	N/A
Quality of Management and Leadership	5	Very Good
Key Findings		
<ul style="list-style-type: none"> The environment is bright, attractive and offers very good displays of children’s work and information about the service provided. The staff make very good use of the natural grounds around the school, of the excellent outdoor secure play spaces and of the adjacent shore area. The Head Teacher and the staff continue to use information about each child to plan and support their individual next steps in learning. They maintain good relationships with families to ensure they work in partnership with them so that each child’s pre school experience helps them reach their potential. Argyll and Bute Council continue to provide a very good range of training opportunities to ensure staff keep up to date with their professional development and best practice in childcare and education. The Head Teacher and staff should continue to maintain and improve upon the very good and excellent standards they have achieved. 		
Date of Inspection: 27 October 2011		
Lead Officer to take forward improvement: Alison Palmer– Head Teacher		

Report Title: Small Isles Primary Pre Five Unit – Day Care of Children		
Inspection Agency: Care Inspectorate		
Overall Ratings:		
Quality of Care and Support	5	Very Good
Quality of Environment	N/A	N/A
Quality of Staffing	N/A	N/A
Quality of Management and Leadership	4	Good
Key Findings		
<ul style="list-style-type: none"> Staff work well together to provide a safe, welcoming and inclusive environment in line with the aims and objectives of the service. They have warm and caring relationships with the children and make parents feel very welcome. Staff provide appropriate activities which support children’s individual care and learning needs. They continue to make good use of the local environment to extend children’s learning. The recording of children’s progress could be improved. This was discussed with the Head Teacher and it was acknowledged that changes in staffing had some impact on this. 		
Date of Inspection: 15 November 2011		
Lead Officer to take forward improvement: Head Teacher – Joanne Pettit		

Education

Report Title: Buessan Primary School and Pre 5 Unit
Inspection Agency: Education Scotland
Key Findings
<ul style="list-style-type: none"> • The increased involvement of parents in the work of the school proves a particular strength of the school. • Across the school, children now work together more frequently and are getting more skilled in discussing and presenting their findings. • Teachers share more frequently with children what they are going to learn and the children value their involvement in responsibilities ranging from the pupil council to being mediators. • Staff are improving the curriculum to take account of Curriculum for Excellence and are using a greater number of real-life contexts to make learning more interesting for children. • Staff in the pre 5 unit reflect better on their work and have been successful in improving children's learning. • The school is making some progress in bringing about improvements. However, children are still not clear about their strengths and about how to improve their learning. More remains to be done to improve the leadership of the school, the curriculum, children's attainment and self-evaluation to ensure continuous improvement.
Date of Inspection: 30 August 2011
Lead Officer to take forward improvement: Rob Burney – Head Teacher

Report Title: Tighnabruaich Primary School and Nursery	
Inspection Agency: Education Scotland	
Overall Ratings:	
Primary School	
Improvements in performance	Satisfactory
Learner's experiences	Good
Meeting learning needs	Satisfactory
Nursery Class	
Improvements in performance	Good
Children's experiences	Good
Meeting learning needs	Good
Work of the school and nursery class	
The curriculum	Satisfactory
Improvement through self-evaluation	Satisfactory
Key Strengths of the school	
<ul style="list-style-type: none"> • Well-behaved, friendly children who are enthusiastic about learning. • Very effective use of outdoors to enrich learning. • Strengthening partnerships with parents and the wider community. • A well-led, staff team which is working hard to improve the school. 	
Improvement actions	
<ul style="list-style-type: none"> • Improve children's skills in reading, writing and mathematics. • Match tasks better to children's individual abilities and ensure an appropriate level of challenge. • Involve children and parents more in improving learning and teaching. • Focus self-evaluation on improving learning and teaching. • Continue to improve the curriculum taking account of national developments. 	
Date of Inspection: 8 November 2011	
Lead Officer to take forward improvement: Fiona Hamilton – Head Teacher (Acting)	

Report Title: Kilchrenan Primary School	
Inspection Agency: Education Scotland	
Overall Ratings:	
Learner's experiences	Good
Improvements in performance	Good
Meeting learning needs	Good
Work of the school	
The curriculum	Good
Improvement through self-evaluation	Good
Key Strengths:	
<ul style="list-style-type: none"> • The use of the outdoor environment to motivate children and enable them to achieve new skills. • The increasing opportunities for children to work in close partnership with their local community. • Staff who are skilled at creating an inclusive and caring environment for children to learn and succeed. • The leadership of the acting head teacher who is building on the school's strengths and taking forward priorities for improvement. 	
Areas for improvement:	
<ul style="list-style-type: none"> • Children's learning experiences and skills and help them to make more progress in literacy and numeracy. • Continue to improve approaches to planning by using Curriculum for Excellence. • Continue to improve personal learning planning and ways staff track and monitor children's progress and achievements. 	
Date of Inspection: 13 December 2011	
Lead Officer to take forward improvement: Head Teacher – Graham Dickie	

CUSTOMER SERVICESReport Title: **Housing and Council Tax Benefit Claim for the year ending 31 March 2011**Inspection Agency: **Grant Thornton**

Key Finding:

Except for the matters highlighted below, Grant Thornton have concluded from the testing that the claim is fairly stated and in accordance with the relevant terms and conditions.

Claim cell	£ amount	Claim reconciliation cell	£ amount	Difference
011 Rent rebates	687,078	037	691,629	£4,551
094 Rent allowances	21,383,021	125	21,383,021	£nil
142 Council tax benefit	7,024,408	160	7,024,408	£nil

011 Rent Rebates

- 1 case where the benefit had been overpaid as a result of the incorrect end date being used for the claim.
- 1 case where the amounts had been manually calculated and entered into the claim, with the wrong amounts being entered.
- 1 case where the benefit was classified as cell 014 rather than cell 012.

094 Rent Allowances

- 1 case where the Authority had overpaid benefit as a result of using the incorrect income figures in their calculation.
- 1 case where the Authority had overpaid benefit as a result of using an incorrect rent figure in their calculations.
- 2 cases where the Authority had underpaid benefit as a result of using incorrect income disregard or incorrect income figure.

142 Council Tax Benefit

- 1 case where the benefit had been overpaid as a result of the claimant not notifying the Authority that there were no longer in receipt of passported benefit.

Date of Inspection: **28 November 2011**Lead Officer to take forward improvement: **Revenues and Benefits Manager – Fergus Walker**

DEVELOPMENT AND INFRASTRUCTURE

Report Title: International Safety Management (ISM) Code Audit Report																	
Inspection Agency: Maritime and Coastguard Agency																	
<p>Overall Ratings: During the audit 3 Non Conformities and 3 Observations were raised from 14 ISM Code Requirement assessments.</p> <p>The Council's Document of Compliance was endorsed and dated 10 November 2011.</p>																	
<p>Key Strengths:</p> <ul style="list-style-type: none"> The operations staff is a small close knit organisation which has close links with the vessels and to the ISM code. The operations staff were fully committed to safe operation of their vessels and to the ISM code. 																	
<p>Key Weaknesses:</p> <table border="1"> <thead> <tr> <th>ISM Code Requirement</th> <th>Non Conformity / Observation</th> <th>Comments on areas sampled during the audit</th> </tr> </thead> <tbody> <tr> <td>1.4 Functional Requirements for a Safety Management System</td> <td>Non Conformity</td> <td>Functional Requirements of the Code are met. However it was found that some staff contact details were not correct.</td> </tr> <tr> <td>8. Emergency preparedness</td> <td>1 Non Conformity 2 Observations</td> <td>No shore based emergency exercise had been organised involving other agencies. Whilst there was a procedure for recovering a casualty from the water no consideration had been given to recovery of an unconscious person. A procedure was in place for a public emergency help line in case of an incident but no specific procedure for dealing with crew next of kin.</td> </tr> <tr> <td>9. Reports and analysis of Non-Conformities Accidents and Hazardous Occurrences</td> <td>Non Conformity</td> <td>While accidents and incidents are being well reported no near miss reporting was evident.</td> </tr> <tr> <td>12. Company Verification and Evaluation</td> <td>Observation</td> <td>Audits are carried out by the Council's own internal audit body and is entirely separate from the operational staff. The last internal audit was carried out in October 2011. However no agreed date for closing out of non-conformances was found on the report. Last Masters review sighted was July 2011 and a management review had been conducted in October 2011.</td> </tr> </tbody> </table>			ISM Code Requirement	Non Conformity / Observation	Comments on areas sampled during the audit	1.4 Functional Requirements for a Safety Management System	Non Conformity	Functional Requirements of the Code are met. However it was found that some staff contact details were not correct.	8. Emergency preparedness	1 Non Conformity 2 Observations	No shore based emergency exercise had been organised involving other agencies. Whilst there was a procedure for recovering a casualty from the water no consideration had been given to recovery of an unconscious person. A procedure was in place for a public emergency help line in case of an incident but no specific procedure for dealing with crew next of kin.	9. Reports and analysis of Non-Conformities Accidents and Hazardous Occurrences	Non Conformity	While accidents and incidents are being well reported no near miss reporting was evident.	12. Company Verification and Evaluation	Observation	Audits are carried out by the Council's own internal audit body and is entirely separate from the operational staff. The last internal audit was carried out in October 2011. However no agreed date for closing out of non-conformances was found on the report. Last Masters review sighted was July 2011 and a management review had been conducted in October 2011.
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Date of Inspection: 10 November 2011																	
Lead Officer to take forward improvement: Marine and Airports Manager – Martin Gorringe																	

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ARGYLL AND BUTE COUNCIL**EXECUTIVE****CUSTOMER SERVICES****THURSDAY 19 APRIL 2012**

CARBON MANAGEMENT PLAN (2009 – 2014) – 2011 UPDATE

1.0 SUMMARY

- 1.1 This paper introduces the Carbon Management Plan 2011 Update which has been produced with the support of the Carbon Trust through their Carbon Management Revisited Programme.
- 1.2 The workplan associated with the document has been informed by the Sourcing Strategy for renewable that is currently being developed with the support of the Carbon Trust.

2.0 RECOMMENDATIONS

- 2.1 Members are invited to note the contents and, in particular, the progress that is being achieved towards the 2014 targets.

3.0 DETAIL

- 3.1 The Council approved its initial Carbon Management Plan covering the period 2009 – 2014 in May 2009. This set out an ambitious target for a 20% reduction in the Council's carbon emissions by 2014.
- 3.2 Work has been ongoing over the past few months with the Carbon Trust, through their Carbon Management Revisited Programme, to assess the Council's overall progress towards this target.
- 3.3 The accompanying updated plan has been developed to reflect on this progress and in particular, the interim 3 year target for a 9.7% reduction in emissions. Members are asked to note that this has been achieved but only after altering the Council's approach towards the accounting for emissions relating to the management of waste. The approach now advocated within the update is as suggested by the Carbon Trust and provides the Council with more measurable data. It is understood that this approach is also now being adopted by most other Scottish local authorities.
- 3.4 The update also modernises the governance arrangements for Carbon Management activities within the Council, thereby embedding them to a greater extent in service based activities. This is facilitated in part through a clearer linkage with the Strategic Asset Management Board and the Business Case Gateway process for Capital Planning. This latter development alone will assist the Council to more effectively appraise the impact of

potential projects as this information is now required as a key component under the business case assessment process.

- 3.5 Working towards the 2014 target for a 20% reduction in carbon emissions, the update highlights an ambitious work plan which is being informed by a Renewable Sourcing Strategy. This is currently being developed with the assistance of the Carbon Trust. Interim direction emerging from this work has recommended that the principal focus of the Council's property based activities should remain on the conversion of fuel sources to biomass where technically feasible together with the implementation of a programme of photo voltaic system installations. Further specialist advice is being sought on the latter to inform the development of the programme. Specialist advice is also being sought to support the development of business cases for wind turbine provision at 3 of the Council's waste disposal sites.
- 3.6 In moving forward, the Council will continue to work closely with the Carbon Trust in order to optimise opportunities for the implementation of renewable energy projects to enhance carbon reductions and maximise the benefit associated with the Government's feed in incentives.

4.0 CONCLUSION

- 4.1 In common with most other Scottish local authorities, Argyll and Bute Council set an ambitious target for a reduction in carbon emissions by 2014. Work carried out by the Carbon Trust and Council officers has ascertained that the Council remains on track to achieve the interim 3 year target of a 9.7% reduction in emissions.
- 4.2 Notwithstanding the progress achieved to date, the 2014 target for a 20% reduction remains challenging and will only be achievable if all services participate in full towards its delivery.
- 4.3 The 2011 Carbon Management Plan Update revises the governance arrangements for Carbon Management within the Council and also recommends measures to further embed the process across all Council services.
- 4.4 Work will continue with the Carbon Trust in order to maximise opportunities for carbon reduction and the development of renewable energy projects.

5.0 IMPLICATIONS

- 5.1 Policy - Energy efficiency, carbon reduction and reducing the reliance on fossil fuels are all consistent with national priorities, the Council's Corporate Plan and Corporate Improvement objectives.

- 5.2 Financial - Funding bids will be made, supported by appropriate business cases.
- 5.3 Legal – Nil.
- 5.4 HR – There will be a requirement to embed carbon management actions across the Council via a Communications Strategy.
- 5.5 Equalities – Nil.
- 5.6 Risk – The Council will only be in a position to deliver upon the previously agreed target for the reduction in carbon emissions following the delivery of appropriate projects.

6.0 APPENDICES

Carbon Management Plan Update 2011

Executive Director of Customer Services
9 March 2012

For further information contact:
Malcolm MacFadyen, Head of Facility Services – 01546 604412
Paul Gillies, Energy and Building Services Performance Manager –
01369 708573

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Argyll and Bute Council Carbon Management Programme 2009-2014 Carbon Management Plan Update 2011



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Cover Photographs:

Left – Toward Primary School, Solar Photovoltaic System

Right – Food Waste Recycling, Helensburgh



Foreword from Bruce Marshall, Chair of Environment Policy & Performance Group (PPG) and Programme Member Sponsor

For Cllr Bruce Marshall input c/w signature, title block and photograph



Preface from the Carbon Trust

Cutting carbon emissions as part of the fight against climate change should be a key priority for all public bodies - it's all about getting your own house in order and leading by example. The Scottish and UK governments have identified the public sector as key to delivering carbon reduction across Scotland and the UK, in line with Kyoto commitments and the world-leading Scottish and UK Climate Change legislation.

The Carbon Trust's Public Sector Carbon Management programme is designed in response to this. It assists organisations in saving money on energy and putting it to good use in other areas, whilst making a positive contribution to the environment by lowering their carbon emissions.

Argyll and Bute Council was selected to take part in this ambitious programme and partnered with the Carbon Trust in order to realise substantial carbon and cost savings. This Carbon Management Plan continues to commit the organisation to a target of reducing CO₂ by 20% by March 2014 and underpins tremendous potential financial savings to Argyll and Bute Council.

There are those that can and those that do. Public bodies can contribute significantly to reducing CO₂ emissions. The Carbon Trust is proud to support Argyll and Bute Council in the on-going implementation of its carbon management.

A handwritten signature in blue ink, appearing to read 'Paul Wedgwood'.

Paul Wedgwood
Manager, Carbon Trust in Scotland

Executive Summary

Using a baseline year of 2007/08, Argyll and Bute Council calculated an emissions baseline, or carbon footprint, of 26,491 Tonnes CO₂/annum.

Argyll and Bute Council has committed to reducing carbon emissions by 20% (equivalent to 5,298 tonnes CO₂/annum) by March 2014. An interim target of 9.7% within three years was also set (2,570 tonnes CO₂/annum).

This represents a challenging, but achievable, milestone on the journey to a national 42% carbon reduction target by 2020.

When Argyll and Bute Council participated in the Carbon Trust Local Authority Carbon Management throughout 2008/2009, the Carbon Trust encouraged ambitious/aspirational carbon reduction targets. From Day One, Argyll and Bute Council proposed a 20% emissions reduction over 5 years with limited comprehension of the extent of the task ahead or whether the target was at all achievable.

It became clear, when compiling the initial list of carbon reduction projects, that it would need a significant amount of resource and creativity to achieve the target carbon emissions reduction by 2014. Achieving further targets beyond this level would represent an even more daunting challenge.

Now, at the half way point in the five year programme (2009-2014) this view has not changed. The Carbon Management Programme has been buoyed by success in some areas, whilst a number of challenges offer up as reminder the commitment, enthusiasm, investment, and effort that the Council will have to afford to ensure the successful delivery of the programme.

The Carbon Management Plan has always been viewed as a 'live' document which will have to continually adapt to change. **The Carbon Management Plan Update 2011 has therefore been prepared at the mid-point of the existing Carbon Management Programme 2009-2014 to take stock of a range of ever evolving influencing factors and ensure that the associated Work Plan will address the previously identified targets.**

The Carbon Management Plan Update 2011 was developed with the support of the Carbon Trust's "Carbon Management Revisited Programme" and involved key personnel from a wide range of Council Services. This programme offered excellent opportunity to benefit from the Carbon Trust's experience of working with Scottish Local Authorities and inform the Council's carbon management strategy.

The Plan is integral to Argyll and Bute Council's corporate objectives and delivery of the Carbon Management Programme will help to meet the wider objectives of the Climate Change (Scotland) Act 2009 and provide savings through efficiencies and the improved use of resources. It also provides a demonstration of Argyll and Bute Council's continued commitment to reduce carbon emissions and hence its impact on Climate Change.



Further details are provided throughout the plan, but the **key successes** to date can be summarised as follows.

- Ongoing carbon reductions, particularly due to lower waste levels arriving at landfill.
- An overall improvement in the embedding of Carbon Management into Argyll and Bute Council's culture.
- Strong integration with the Asset Management Board and within the capital planning process - including business case development with a scoring system which benefits projects with carbon reduction elements. An investment of circa £1.8Million has been approved on specific carbon reduction projects in 2011/2012 (equivalent to a reduction of 1080 tonnes CO₂/annum) and business cases to slightly higher values are currently being collated for consideration in the 2012/2013 capital process.
- Considered approach to the selection of larger projects to avoid 'eco-bling' and concentrate on projects that ensure the best outcomes against IMPACT, AFFORDABILITY, DELIVERABILITY and RISK. Recent collaborative work with the Carbon Trust on developing a Renewables Sourcing Strategy has provided market intelligence which advocates the best technologies to progress and has corroborated the choices made to date (e.g. biomass projects, solar photovoltaics, larger scale wind).
- Recent re-organisation within Facility Services has resulted in the resources of the Energy Team and Technical Support Team being combined to form a new 'Energy and Building Services Team'. This facilitates a more efficient use of the available staff resource/skills base and it is expected that this new Team will draw out greater opportunity within property maintenance/upgrade programmes to further improve carbon effectiveness and will also inform specification in building services design to the same purpose.
- Complying with the Energy Performance in Buildings Directive, Energy Performance Certificates have been prepared and subsequently displayed in qualifying premises (generally public buildings with floor area over 1000m²).

In delivering the programme to date, the **key challenges** can be summarised as follows.

- There remains considerable scope to address a range of good practice energy conservation measures. Despite difficulties in employing skilled staff, a Mechanical/Energy Engineering Officer was appointed in September 2011. This appointment will enhance the resource required in this area of service delivery
- The inadequacy of energy/fuel data in some areas, as highlighted within section 7.4, has prevented meaningful assessment of the overall current position/performance and restricted benchmarking, thereby hindering identification of areas of greatest potential. Largely affected are/have been

street-lighting electricity, smaller/medium sized buildings electricity, vehicle fleet fuel and waste from public buildings.

- A number of originally identified projects have not progressed. Wind projects (Tiree, Islay where wind resource is good) have been deferred after feasibility work identified significant planning risk. Another project with potentially high carbon reduction prospects, converting Campbeltown Grammar School from oil to biomass heating, has been deferred due to the prospects of a new school build (the planned new school has a government funding condition which requires delivery of a BREEAM “Excellent” rating).
- Energy Performance Certificates (EPC’s) are generally prepared for public buildings over 1000m² floor area on the basis of their theoretical energy performance (as opposed to operational). Akin to other local authorities, the ‘quality’ of the building stock is borne out by the profile in the following table:

Table: Quantities of sites against each EPC rating (Source – Council records)	
Energy Performance Certificate Rating	Quantity of Sites
A	1
B	0
C	3
D	7
E	11
F	12
G	23

Note: ‘A’ Rating represents highest performance banding

The Action Plan located in Section 6.6 is substantially aligned to deal with the Programme challenges, continually seek opportunity and consider the prospects beyond the current Programme end date of March 2014.

Some **subjective assessment** of Carbon Management Plan implementation is carried out within the Council’s Pyramid Performance Management Reporting system and other **qualitative assessments** e.g. embedding matrix (Appendix A) are utilised within the Carbon Management Plan.

Data quality continues to burden the Programme in terms of **quantative assessment**. It is likely that some of the issues will persist within the current time-frame of the Programme.

To enable quantative assessment to be carried out within the current Programme, it is proposed to utilise measured data where quality is assured and utilise a system of tangible project evaluation where quality of information is lacking e.g. savings from a

lighting project will be calculated from project outputs/particulars rather than by comparison of the sites electricity use from one period to the next.

Having consulted with the Carbon Trust on the best approach taken by other Scottish Local Authorities, it was decided to utilise data for waste which is measured i.e. data for all waste arriving at landfill will replace the original methodology which used waste arising from Council buildings as a ratio of waste arriving at landfill – thus all Council waste reduction effort is accounted for and this replaces un-measured building specific waste arising. This change will be reflected in future Pyramid reporting.



Photograph – Glengorm landfill site, Isle of Mull

It is acknowledged that the waste data changes have a positive effect on the performance to target and the Council will therefore strive to deliver carbon reductions in excess of the 20% target. It should be noted that it had been a marginal choice during the development of the original Carbon Management Plan whether to measure all landfill waste or adopt a link to Council buildings. With hindsight, the choice made has presented the Council with a more ambitious target than had the alternative been chosen.

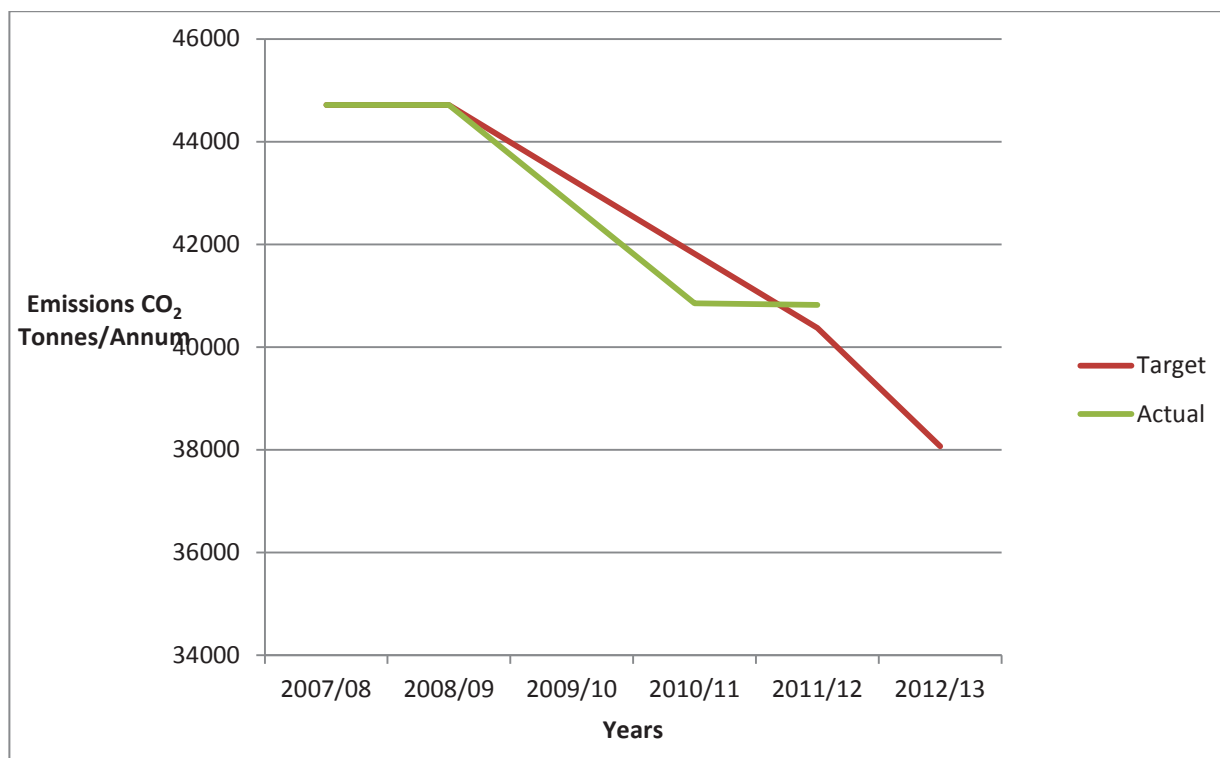
Based on an amended baseline of 44,714 tonnes CO₂/annum, Argyll and Bute Council's five year target to reduce carbon emissions of 20% by March 2014 now equates to a reduction of 8,943 tonnes CO₂/annum). The interim target of 9.7% within three years would equate to 4,337 Tonnes CO₂/annum).

Table A and Figure A below demonstrate progress against the amended baseline figure and projected target reductions.

Table A: Revised emissions baseline with targets and evaluation of tangible projects completed (Source: Council records)

	Baseline Year 2007/08	CMP Preparation 2008/09	Year 1 2009/10	Year 2 2010/11	Year 3 2011/12	Year 4 2012/13	Year 5 2013/14
Emissions CO ₂ (Tonnes)							
Revised Baseline Emissions	44,714	N/A	N/A	N/A	N/A	N/A	N/A
Target Reduction	N/A	N/A	1448	2896	4337	6644	8943
Completed Tangible Projects	N/A	N/A	1928	3857	3890	N/A	N/A
Proposed Tangible Projects	N/A	N/A	N/A	N/A	1086	1342	0
Tangible Projects Gap Analysis			480	961	639		

Figure A: Revised emissions baseline with targets and evaluation of tangible projects completed (Source: Council records)



Largely attributable to a strong waste reduction performance and projections arising from an ambitious capital programme, which has a substantial carbon reduction flavour, execution of the Carbon Management Programme is clearly advancing in an encouraging fashion. It should be noted that Table A and Figure A will not include waste data for 2011/2012 until the start of financial year 2012/2013.



Conclusion and the Way Forward

As had been anticipated, the Carbon Management Programme implementation has been extremely challenging.

Whilst considerable progress has been made in a short space of time, significant effort will need to be afforded to the Programme in the remaining two and a half years to ensure the 20% carbon reduction target is delivered by March 2014.

The Action Plan detailed in Section 6.6 will address the areas requiring greatest attention.

An ambitious and varied list of projects is currently the subject of business case development for the 2012/2013 capital programme and beyond. This provides demonstration of the Council's commitment to the Carbon Management Programme.

The Council is aware of the opportunities that the Government's renewables incentive programmes can offer, namely the Feed-in-tariff (FIT) and Renewable Heat Incentive (RHI). As the terms of these incentive programmes are subject to change, it is recognised that the Council will require to consider how best to take advantage of the most favourable rates and conditions.

With this in mind, the Council has been working in collaboration with the Carbon Trust to develop a Renewables Sourcing Strategy. Ultimately, this will inform the optimum projects to take advantage of the most attractive incentive rates. An initial component of the Strategy has been the preparation of an options appraisal which offers the Council direction on the most appropriate renewable technologies to implement.

In advocating the use of certain renewable technologies in appropriate applications, the Council remains committed to the need for, and importance of, routine best practice carbon reduction activity e.g. energy conservation.

In moving forward, partnership working and shared opportunities in relation to carbon management will be actively investigated with public, private and third sector organisations.



1. Introduction from Sally Loudon, Chief Executive

Argyll and Bute Council is committed to improving environmental performance and reducing carbon emissions. Both the public and our staff have the right to expect that we will act to reduce our impact on the climate/environment.

It was previously recognised by the Carbon Trust nationally that a greater education in, and a more co-ordinated approach to, carbon management was required. In order to achieve this, and to assist in the dissemination of best practice, the Carbon Trust developed the Local Authority Carbon Management (LACM) Programme.

Argyll and Bute Council participated in LACM6 (the sixth annual programme, which included the balance of Scottish Local Authorities who had yet to participate in the programme) throughout the course of 2008/2009. One of the key outputs from LACM6 participation was the creation of a Carbon Management Plan which was subsequently approved and adopted by the Council.

Since then, there have been a number of programme developments including policy changes and Service re-organisation. In addition there have been a number of lessons learned throughout all the participating authorities through work undertaken by the Carbon Trust. The Carbon Management Plan Update 2011 was developed with the support of the Carbon Trust's "Carbon Management Revisited Programme" and involved key personnel from a wide range of Council Services. This programme offered excellent opportunity to further benefit from the Carbon Trust's experience and inform the Council's carbon management strategy.

The Carbon Management Plan has always been viewed as a 'live' document which will have to continually adapt to change. The Carbon Management Plan Update 2011 has therefore been prepared at the mid-point of the existing Carbon Management Programme 2009-2014 to take stock of a range of ever evolving influencing factors and ensure that the associated Work Plan will meet the previously identified targets.

In moving forward the Council consider the following areas worthy of particular development

- **Renewables Implementation** – The Council will seek to take best advantage of government incentives such as Feed-in-tariffs (FIT) and the Renewable Heat Incentive (RHI). A renewables sourcing strategy is currently being prepared to ensure the implementation of the most appropriate technologies and delivery vehicles.
- **Shared Services** – The Council will continue to explore opportunities for common initiatives, partnership working and the sharing of best practice.

Argyll and Bute Council is extremely grateful for the valuable support that partnership working with the Carbon Trust continues to offer.

Sally Loudon
Chief Executive

PHOTO

2. Carbon Management Strategy

The Corporate Plan 2011-2012 was approved by Council in February 2011. Within the Plan, the Council has recognised the importance of climate change and carbon reduction by specifically seeking to achieve the corporate outcomes

- We have reduced the carbon footprint of Argyll and Bute Council
- We have 'reduced, re-used and recycled' more

Our vision is to "Reduce the Council's greenhouse gas emissions by harnessing the imagination, commitment and innovation of our staff and deploy smart, well researched and reliable technologies which complement and maximise the fantastic opportunities afforded by our weather, landscape and seascape within Argyll and Bute".

Through the delivery of the Corporate Outcomes, Argyll and Bute Council will derive a range of benefits including a reduction in revenue costs, mitigating future financial risk from rising energy costs, reducing dependency on diminishing fossil fuels, controlling environmental risk exposure and ensuring compliance with all statutory obligations in force.

2.1 Context and Drivers for Carbon Management

2.1.1 Corporate Plan 2011-2012

There have been updates to the Council's Corporate Plan since the Carbon Management Plan was originally adopted, though the need to tackle climate change and environmental issues generally remains integral to the Council's planning. The Council's Corporate Plan 2011-2012 is set out below:

There are four Corporate Objectives with a number of associated Corporate Outcomes:

Corporate Objective 1 – Working together to improve the potential of our people

Corporate Objective 2 – Working together to improve the potential of our community

Corporate Objective 3 – Working together to improve the potential of our area

Corporate Objective 4 – Working together to improve the potential of our

The following outcomes specifically relate to carbon management within Corporate Objective 3:

- **We have reduced the carbon footprint of Argyll and Bute Council.**
- **We have “reduced, reused and recycled” more.**

2.1.2 National Drivers

Since the original plan was created there have been a number of changes to the policy landscape which provide further impetus for the Council to act. These are summarised as follows:

Table 2.1 - Summaries of policy landscape changes

Policy	Summary	Requirements
Climate Change Act (Scotland) section 44	Duties of Public Bodies relating to climate change	In exercising its functions public bodies must act: <ul style="list-style-type: none"> • in the way best calculated to contribute to delivery of the Act's emissions reduction targets (80% by 2050 with Interim Target of 42% by 2020; 1990 baseline); • in the way best calculated to help deliver any statutory adaptation programme; and • In a way that it considers most sustainable.
Climate Change Act (Scotland) Section 46	Reporting on Climate Change duties	Provision may be made for Public bodies to prepare reports on compliance with climate change duties How the following areas have contributed to compliance with climate change duties will be particularly relevant: <ul style="list-style-type: none"> • Procurement policies • Procurement activities
Scottish Climate Change Declaration	In signing the Declaration, Argyll and Bute Council is acknowledging climate change issues and is committed to:	<ul style="list-style-type: none"> • Provide effective leadership, governance and management on climate change • Reducing Council greenhouse gas emissions • Take action to reduce emissions from LA area • Assessing the risk of climate change impact and working with others to adapt to climate change • Creating effective climate change communications and partnerships including producing an annual statement of plans, activities and achievements
CRC (Carbon Reduction Commitment) Energy Efficiency Scheme	A mandatory reporting and carbon trading scheme for all organisations consuming over 6,000MWh through HH meters in 2008	<ul style="list-style-type: none"> • Participating organisations must report on emissions covered from 2010-11 • Participating organisations must purchase Carbon Allowances for emissions covered from 2012, valued at £12 per tonne of CO₂ emitted • Participating organisations performance will be visible in a Performance League Table available to the public • Participating organisations are required to keep an up-to-date evidence pack and undertake internal QA processes.

Scotland's Waste Plan	Zero	Its goal is to achieve the best overall outcome for Scotland's environment through good resource and waste management.	<ul style="list-style-type: none"> • Target of 70% recycling and maximum 5% to landfill by 2025 • Source segregation and separate collection of specific waste types • Landfill bans for specific waste types • Restrictions on inputs to energy from waste facilities
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- *Note that Argyll and Bute Council is not currently a participant in the CRC Energy Efficiency Scheme as its electricity consumption currently has fallen below the initial qualifying levels. It is considered prudent to assume that the Council will be drawn into the scheme at the next phase (believed 2013).*

2.2 Targets and Objectives

2.2.1 Targets and Objectives – 2008/2009 Carbon Management Plan

The baseline year for Argyll and Bute Council carbon emissions is 2007/08. Our carbon emission statistics for that year were gathered with the help of the Carbon Management Project Team and amounted to 26,491 tonnes of CO₂.

Using a baseline year of 2007/08, Argyll and Bute Council has committed to a challenging, but achievable, target to reduce its carbon emissions by 20% by March 2014.

In establishing the Carbon Management Plan, the Council set the following targets and objectives:

- Reduce Argyll and Bute Council's total CO₂ emissions by 20% by March 2014, using financial year 2007/2008 as a base-line. Thereafter, reduce the Council's total CO₂ emissions year on year.
- Reduce Argyll and Bute Council's dependence on fossil fuels, whether by energy efficiency efforts or renewables implementation, by 12% by March 2014; using financial year 2007/2008 as a base-line.
- For an investment of approximately £2.5M of capital and revenue, deliver a projected annual reduction of 2,500 tonnes of carbon emissions; equivalent to a reduction of 10% in the Council's carbon footprint, within the first 3 years of the carbon management programme.
- Embed the principles of carbon management into the Council's procedures, practices and decision making processes, particularly in terms of Asset Management, future capital decision making and procurement.
- Embed the process of annual project identification and development through options appraisal to business case development.



- Develop, in conjunction with Strategic Finance a set of evaluative criteria reflective of the Council's commitment to reducing carbon emissions which will be incorporated within future capital planning and business case guidance.
- Encourage workforce involvement in the identification of opportunities for carbon reduction projects and the implementation of actions.
- Raise the environmental profile of the Council.
- Lead by example and encourage partners and the wider community to make changes to reduce carbon emissions.

2.2.2 Targets and Objectives – Carbon Management Plan Update 2011

In re-visiting the Carbon Management Plan, the Council has reviewed and retains or sets the following targets and objectives, some of which are already implemented:

- Reduce Argyll and Bute Council's total CO₂ emissions by 20% by March 2014, using financial year 2007/2008 as a base-line. Thereafter, reduce the Council's total CO₂ emissions year on year.
- Reduce Argyll and Bute Council's dependence on fossil fuels, whether by energy efficiency efforts or renewables implementation, by 12% by March 2014; using financial year 2007/2008 as a base-line (clarification – fossil fuels relate to direct use of oil and gas in buildings).
- For an investment of approximately £4.2M of capital and revenue in financial years 2011/2012 and 2012/2013, deliver a projected annual reduction of 2,422 tonnes of carbon emissions; equivalent to a reduction of 27% of the Council's carbon reduction target.
- Embed the principles of carbon management into the Council's procedures, practices and decision making processes, particularly in terms of Asset Management, future capital decision making and procurement.
- Embed the process of annual project identification and development through options appraisal to business case development.
- Develop a set of evaluative criteria reflective of the Council's commitment to reducing carbon emissions which will be incorporated within future capital planning and business case guidance.
- Encourage workforce involvement in the identification of opportunities for carbon reduction projects and the implementation of actions.
- Raise the environmental profile of the Council.
- Lead by example and encourage partners and the wider community to make changes to reduce carbon emissions.
- Make provision for national drivers.
- Conclude the development and implementation of a Renewables Sourcing Strategy which will derive solutions to maximise Renewable Heat Incentive and Feed in Tariff income opportunities.

2.3 Strategic Themes – 2008/2009 Carbon Management Plan

The Strategic themes identified in the original Carbon Management Plan (08/09) were:

- Political & managerial commitment, zeal and will to work over the long term to reduce greenhouse gas emissions.
- The procurement, development and the retention of:
 - Engineering and technical skills which can deliver energy saving and renewable energy projects and solutions.
 - Project Development, Business Case Development and Project Management skills to deliver the Carbon Management Programme.
 - Organisational behaviour and change management skills:
 - Communications skills which effectively engage with staff at an appropriate level and which positively alter staff perception and behaviour in favour of reducing green house gas emissions.
 - Communications Campaigns must be consistent, sustained but remain fresh over the Long Term.
 - ‘*Carrot and Stick*’ – management processes to shape and change behaviour, and the commitment to manage effective change with interventions as required.
- Building in ‘Best Practice’ within new build property construction and/or property upgrade projects to minimise future green house gas emissions and utility costs in line with the Council’s Asset Management Strategy and Service Asset Management Plans.
- The development of effective partnerships with stakeholders within the private and public sector (e.g. NHS Highland) and within our communities who can lever in finance, resources, community vigour & commitment and expertise to assist with the delivery of our strategic aims.
- The establishment of “Flag Ship“ areas of the Council operations where it can achieve a “Zero Carbon” footprint; such as on island communities – Islay. These areas can be used to galvanise community involvement and to help engender and sustain momentum elsewhere within the Council’s sphere of operations.
- The rejection of “token” projects which provide “*Eco Bling*” but do not deliver meaningful reductions in carbon emissions or energy savings.
- Supporting the Curriculum for Excellence within Argyll & Bute schools.

In updating the Carbon Management Plan 2011, the review process has demonstrated that these themes remain valid.

2.4 Strategic Themes – Specialist Areas

The original strategic themes are believed to cover the most prominent sources of emissions and also those in which the Council can exert greatest influence.

In addition, there are other specialist areas of activity which can influence emissions reduction which also fall within the scope of the Carbon Management Programme. These include:

- Procurement
- Information Technology
- Human Resources

2.4.1 Procurement

The Council has an obligation to procure sustainably and understand the potential environmental, social and economic impacts that are a result of our purchasing decisions. The Council shall ensure that all relevant procurement contracts and tenders consider sustainability issues, as appropriate. The Council shall achieve this by:

- Considering sustainability when writing sourcing strategies, specifications and evaluating tender submissions.
- Undertaking a basic life cycle analysis of goods, works and services to minimise the adverse effects on the environment. Where it is possible to establish the amount of CO₂ associated with the procurement then this should be monitored and any reductions reported upon.
- Examining if the supplier is acting in a sustainable manner.
- Establishing whether the supplier has ISO 14001 or other management systems to ensure emissions are being managed appropriately.
- Seeking evidence from the supplier and/or its supply chain of innovative solutions to reducing the carbon footprint.

2.4.2 Information Technology

From personal computers & laptops to printers & servers, information technology is a large consumer of energy. Areas of more intensive information technology use may also require the introduction of cooling (often operational 24/7) to avoid excessive temperatures.

Opportunities for carbon reduction include:

- Replacement of old PC's/laptops with modern, less energy intensive equivalents.
- Replacement of other old ICT equipment with modern, less energy intensive equivalents.
- Limit the use of air conditioning where possible; maximise free cooling; consider locations, room layouts etc.
- Adoption of best practice air conditioning maintenance/control regimes.
- Computer auto-shutdown software.
- Server virtualisation.
- Improved communications technology (impact on business travel).

2.4.3 Human Resources

Human resources can support the Carbon Management Plan as follows:

- ensure those staff involved in carbon reduction have appropriate job descriptions and personal objectives identified to help motivate them to meet their targets,
- consider all staff inductions as an opportunity to educate new staff on carbon reduction, and
- promote e-learning or other training options; ensure that carbon reduction isn't purely the domain of specialist or sustainability teams i.e. 'being clear that saving CO₂ is everyone's job'.

2.5 Renewables Development

2.5.1 Renewables Sourcing Strategy

A Renewables Sourcing Strategy is currently being developed in collaboration with the Carbon Trust. Early options appraisal work has highlighted the fact that biomass projects, photovoltaic panels and larger scale wind projects currently offer the most attractive investment and/or carbon return opportunities. Whilst specific applications may suit heat pumps, small scale wind and/or solar thermal installations, the options appraisal work suggests that these technologies be afforded lower priority for the time being – this is mainly due to the fact that these technologies offer less attractive financial returns.

The Action Plan in Section 6.6 considers the completion and implementation of the Strategy.

2.5.2 Argyll and Bute Renewable Energy Action Plan (REAP)

The Renewable Energy sector is increasingly being recognised as a key sector within Scotland and a significant driver of its future economic success. Argyll and Bute offers an abundant indigenous renewable resource with the potential to contribute towards this success, and most importantly transform the economy and communities of Argyll and Bute, and contribute to substantial future sustainable economic development.

The Argyll and Bute Renewable Energy Action Plan (REAP) 2010-2013 was approved in 2010. The REAP provides a framework to facilitate a co-ordinated partnership approach to renewable development in Argyll and Bute.

The vision for the Renewable Energy Action Plan seeks to ensure: "Argyll and Bute will be at the heart of renewable energy development in Scotland by taking full advantage of its unique and significant mix of indigenous renewable resources and maximising the opportunities for sustainable economic growth for the benefit of its communities and Scotland."



With the potential for significant renewable developments within Argyll and Bute, particularly offshore wind and marine (wave and tidal), the REAP aims to ensure that through this approach we are well placed to understand the implications of, and respond to the opportunities presented by, the development of this industry.

2.5.3 Argyll and Bute Renewable Alliance (ABRA)

The Argyll and Bute Renewables Alliance (ABRA) was developed from a key action identified in the REAP to facilitate a co-ordinated partnership approach to the development of the renewables sector in Argyll and Bute. The alliance meet three times per annum.

ABRA brings together key partners, including Argyll and Bute Council, Highlands and Islands Enterprise, Scottish Government, Marine Scotland, Scottish Power Renewables, Scottish and Southern Energy, the Crown Estate, Scottish Natural Heritage and Skills Development Scotland. The alliance will ensure a strategic overview of renewable development, and aim to develop a greater awareness of all the issues relating to this development, across Argyll and Bute and Scotland, as well as assist with the implementation of the REAP.

2.6 Carbon Management – The Future

The Carbon Management Programme currently benefits from a prominent status within the Council's Corporate Plan and the 'spend to save' opportunities that exist. The Programme will however, especially in the context of capital funding provision, always be considered within/against the wider framework of public services that the Council deliver. It is recognised that priority will be determined in a structured fashion having regard to Impact/Affordability/Deliverability/Risk. Although the knock on effects of ever increasing fuel prices, carbon reduction legislation, fossil fuel depletion etc are likely to result in carbon management retaining a high level of relative importance, this will be determined within the overall context of Council priorities.

In moving forward, partnership working and shared opportunities in relation to carbon management will be actively investigated with both public, private and third sector organisations.

3. Emissions Scope and Baseline

3.1 Scope

The scope of this carbon management plan includes gas, oil and electricity usage at all sites, street-lighting electricity use, fleet vehicle fuel use, business travel and all landfill waste.

The following areas represented the sources of emissions which originally formed the basis of the Argyll and Bute Council carbon emissions baseline:

- Energy Consumption in Council occupied buildings (arising from Council owned and tenanted premises).
- Energy consumption by street-lighting.
- Fleet vehicle fuel consumption.
- Employee business travel.
- Waste Management (arising from Council owned and tenanted premises).

The carbon emissions baseline (or carbon footprint) is effectively the amount of carbon created (26,491 tonnes CO₂) from the defined emission sources over a defined period in time. This was calculated in 2007/08, the baseline year.

It is proposed to alter the scope slightly for the Carbon Management Plan Update 2011 to the following:

- ***Energy Consumption in Council occupied buildings (arising from Council owned and tenanted premises).***
- ***Energy consumption by street-lighting.***
- ***Fleet vehicle fuel consumption.***
- ***Employee business travel.***
- ***Waste Management (all landfill waste).***

The only difference proposed is to re-calculate the emissions baseline using all landfilled waste instead of an arbitrary percentage attributed to waste arising from Council owned and tenanted premises. This approach is being adopted after consultation with the Carbon Trust as it reflects workable practice within other Local authorities.

The rationale for this change is largely linked to the difficulties being encountered with the quality of emissions data streams. Waste from buildings is not weighed and whilst using a percentage (7.6% adopted by Argyll and Bute Council) of waste arriving at landfill seems reasonable to establish a baseline for buildings waste, there is then no robust way to measure the success or otherwise of any direct waste reduction measures taken in premises.

The issues of data quality are generally covered elsewhere in the Plan, but given the extent of the issues, it makes some sense to improve the overall

position and move from unmeasured sources to measured sources where possible (i.e. accurate information of waste arriving at landfill is available). Furthermore, a significantly greater Council resource and effort is afforded to the overall processing of waste as opposed to reducing waste purely from Council premises – this should be recognised.

The implications of this revised approach are as follows:

- baseline emissions (CO₂ tonnes/annum) will increase significantly (from 26,491 to 44,714 CO₂ tonnes/annum),
- targeted 20% carbon reduction by 2014 does not change,
- targeted emissions reduction increase significantly (from 5,298 to 8,943 CO₂ tonnes/annum), and
- strong waste reduction performance to date will skew figures to present a more positive looking overall carbon reduction performance.

Within the Carbon Trust Local Authority Carbon Management Programme (LACM) there does not seem to have been a consistent approach to handling of waste. Some Councils had originally decided to use all landfill waste in their emissions baseline but others who made similar choices to Argyll and Bute Council are now facing similar issues.

The following areas represent the sources of emissions which were not initially proposed to be covered within the scope of the Carbon Management Plan. These areas remain possibilities for future inclusion in the Carbon Management Programme but until likely data streams have greater maturity, they will remain outside the scope of the Plan:

- **Employee commuting.** Despite excluding staff commuting from the scope of this phase of carbon planning, Argyll and Bute Council remain committed to more carbon friendly commuting by:
 - **Encouraging car sharing** – The Council are part of the www.IfYouCareShare.com car sharing scheme.
 - **Promoting cycle to work** – Salary sacrifice scheme for employees to make savings on bicycles for travel to work.
 - **Improving Cycling Infrastructure** – Developing the network of routes (both National Cycle Network and short community links), provision of bicycle parking, raising awareness of cycle and walking facilities throughout the area and the health, social and environmental benefits of using them.
 - **Encouraging uptake of national initiatives** – Walk to Work Week, Cycle to Work Week etc.
- **Water consumption**
- **Ferry / Air business travel**

3.2 Original Baseline Emissions

In the original 2008/2009 Carbon Management Plan, Argyll and Bute Council baseline emissions were calculated to be 26,491 tonnes CO₂ per annum, with baseline cost of £7,111,422 per annum.

Table 3.2.1 and Figure 3.2.1 below detail the baseline emissions (CO₂ tonnes/annum) and baseline cost (£/annum) attributable to those sources identified within the original Carbon Management Plan scope.

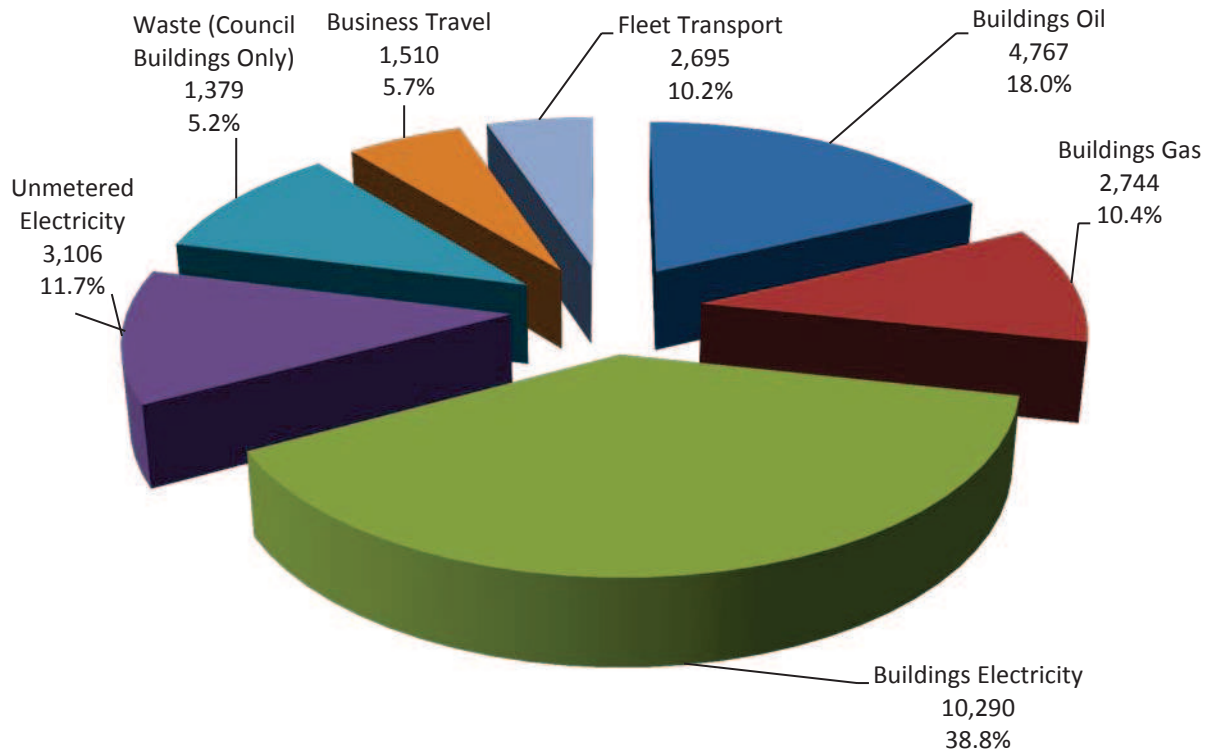
Table 3.2.1 - Summary table of Argyll and Bute Council carbon emissions with associated costs (source: Carbon Management Plan 2008/2009)

Source	Baseline Cost £	% Cost	Baseline Emissions CO ₂ Tonnes	CO ₂ %
Buildings Oil	853,090	12.0	4,767	18.0
Buildings Gas	445,062	6.3	2,744	10.4
Buildings Electricity	2,361,171	33.2	10,290	38.8
Unmetered Electricity*	653,245	9.2	3,106	11.7
Fleet Transport	871,012	12.2	2,695	10.2
Business Travel	1,588,326	22.3	1,510	5.7
Waste (Council Buildings Only)	339,516	4.8	1,379	5.2
TOTAL BASELINE	7,111,422	100.0	26,491	100.0

* Unmetered electricity generally consists of street-lighting, but can include other unmetered supplies.

When determining the most appropriate projects to reduce carbon emissions it is vital to identify where the greatest savings may be made and to target these areas accordingly. Figure 3.2.1 below gives an overview of the carbon emissions from our original baseline year.

Figure 3.2.1 - Carbon emissions by source



Section 3.3 considers a revised baseline emissions value.

3.3 Revisions to the Baseline Emissions

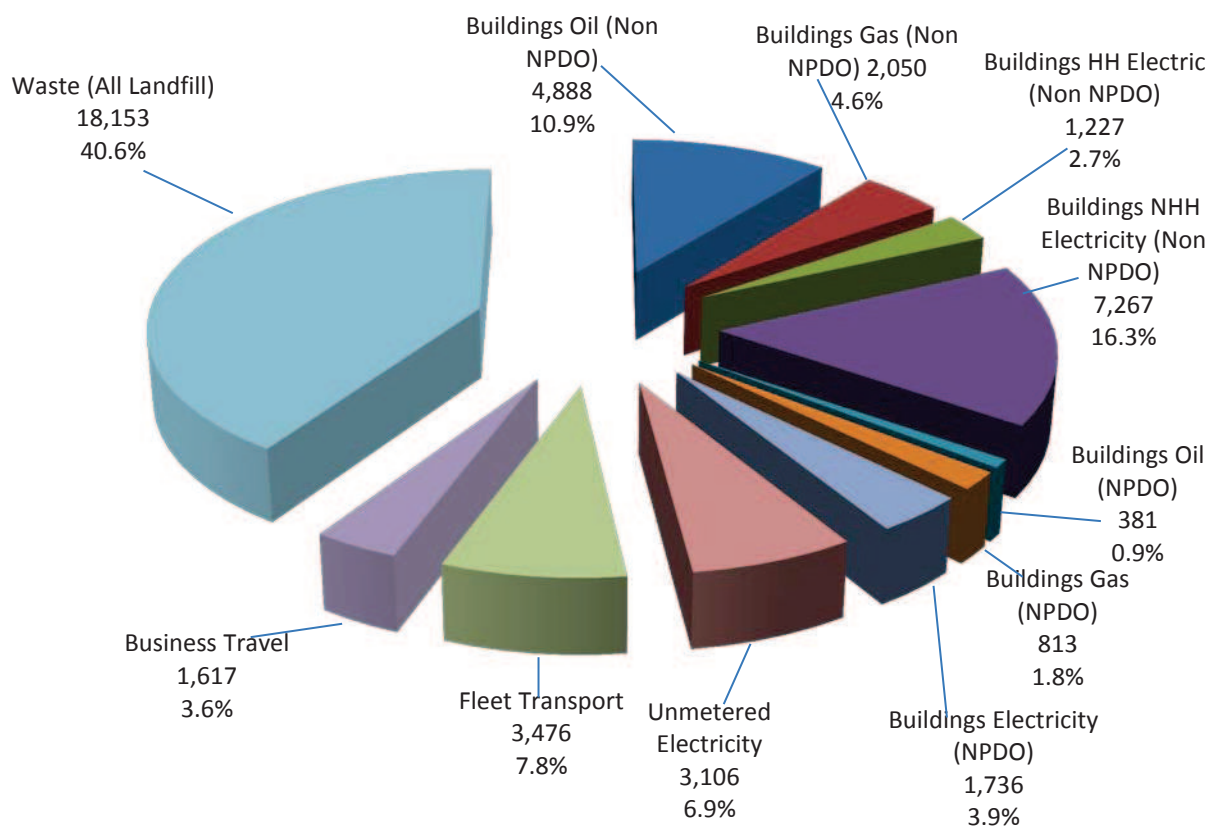
In the Carbon Management Plan Update 2011, Argyll and Bute Council baseline emissions and costs for 2007/2008 have been revised. They are now calculated to be 44,714 tonnes CO₂ per annum, with baseline cost of £10,028,148 per annum.

Table 3.3.1 below details the revised baseline emissions (CO₂ tonnes/annum) and baseline cost (£/annum) attributable to those sources identified within the revised Carbon Management scope (refer to Section 3.1). NPDO schools have been separated from the main Council property portfolio as these sites are governed differently and half hourly electric (excellent data quality) and non half hourly electricity (mixed data quality) are shown separately.

Table 3.3.1 - Summary table of Argyll and Bute Council carbon emissions with associated costs (source: Council records)

Source	Baseline Cost £	Cost %	Baseline Emissions CO ₂ Tonnes	CO ₂ %
Buildings Oil (non NPDO)	1,360,751	13.6%	4,888	10.9%
Buildings Gas (non NPDO)	304,776	3.0%	2,050	4.6%
Buildings HH Electricity (non NPDO)	222,955	2.2%	1,227	2.7%
Buildings NHH Electricity (non NPDO)	1,320,059	13.2%	7,267	16.3%
Buildings Oil (NPDO)	106,001	1.1%	381	0.9%
Buildings Gas (NPDO)	120,927	1.2%	813	1.8%
Buildings Electricity (NPDO)	315,278	3.1%	1,736	3.9%
Unmetered Electricity*	415,701	4.1%	3,106	6.9%
Fleet Transport	1,408,783	14.0%	3,476	7.8%
Business Travel	2,178,701	21.7%	1,617	3.6%
Waste (All Landfill)	2,274,216	22.7%	18,153	40.6%
TOTAL BASELINE	10,028,148	100%	44,714	100%

When determining the most appropriate projects to reduce carbon emissions it is vital to identify where the greatest savings may be made and to target these areas accordingly. Figure 3.3.1 below gives an overview of the carbon revised emissions for our baseline year.

Figure 3.3.1 – Revised carbon emissions by source

3.4 Conventions - Carbon Conversion Factors and Costs

3.4.1 Carbon Conversion Factors

Current advice from the Carbon Trust to Scottish Local Authorities is that Department for Energy and Rural Affairs (DEFRA) carbon conversion factors are used within Carbon Management Plans.

The targets adopted by Argyll and Bute Council within the Carbon Management Plan are voluntary and targets/performance are not specifically measured against any external benchmarks. Different Councils will have different scope in establishing a baseline position and will have different target reductions over varying timeframes.

Given that there is no mandatory convention utilised for carbon management plans and the carbon conversion factors used, it is deemed an appropriate choice for the Council to be consistent with the majority of Scottish Local Authorities. Refer to table 3.4.1 below for the convention used within this Plan.

Although DEFRA update carbon emission factors regularly there seems little to be gained by altering the figures utilised at the outset of the Programme over the course of the Programme (2009-2014). These factors are outwith the control of the Council and would confuse matters when trying to evaluate direct Council performance.

For the future, Argyll and Bute Council will utilise any conventions advocated by regulation/directive or will otherwise strive to be consistent with the majority of Scottish Local Authorities – this may or may not include conversion factors that consider Scotland and the UK independently.

Table 3.4.1 - Conventions - Carbon Conversion Factors and Costs

Source	Baseline Cost – Rates Utilised 2007/08	Baseline Cost – Rates Utilised 2011/12	Baseline Emissions – Factors Utilised	Source of Emissions Factors
Buildings Oil	£0.48/litre	£0.70/litre	0.251kg CO ₂ /kWh	www.defra.gov.uk
Buildings Gas	£0.03/kWh	£0.0275/kWh	0.185kg CO ₂ /kWh	www.defra.gov.uk
Buildings Electricity	£0.12/kWh	£0.095/kWh	0.523kg CO ₂ /kWh	www.defra.gov.uk
Unmetered Electricity*	£0.11/kWh	£0.07/kWh	0.523kg CO ₂ /kWh	www.defra.gov.uk
Fleet Transport	£0.85/litre	£1.07/litre	2.63kg CO ₂ /litre	www.defra.gov.uk
Business Travel	£0.218/km	£0.279/km	0.21kg CO ₂ /km	www.defra.gov.uk
Waste	£110/tonne	£56/tonne	447kg CO ₂ /tonne	www.defra.gov.uk

*Unmetered electricity generally consists of street lighting.

3.4.2 Costs

Energy/fuel and waste rates utilised in the revised emissions baseline have been altered to reflect current financial markets. Refer to table 3.4.1 above.

The cost to the Council for waste going to land fill is dictated by the terms of the Shanks PPP waste contract. Therefore a significant change is that the waste rate now used only reflects the value of the landfill tax element.

4. Progress to Date

Argyll and Bute Council has already carried out a number of measures which will have a real impact on its carbon footprint:

4.1 Qualitative Progress

4.1.1 Energy in Buildings (Non NPDO)

The main focus to date has been the development of large property based projects which are likely to offer higher impact in terms of achieving targets:

- Argyll and Bute Council was successful in securing Carbon Trust assistance through their Biomass Heat Accelerator (BHA) Programme which offered part funded consultancy assistance in taking the following three Oil to Biomass Heating Fuel Conversion Projects to the Outline Business Case (OBC) and Design Stage (for Kilmory Castle). The three sites involved are amongst Argyll and Bute Council's highest users of heating oil:
 - Oban High School (includes joint scheme with West Highland Housing Association (WHHA))
 - Islay High School (including Bowmore Primary School)
 - Kilmory Castle (including Nursery)

Under the BHA programme, initial feasibility work informed the preparation of Outline Business Cases which have been assessed by the Asset Management Board and were subsequently sanctioned for Capital funding in 2011/2012.

Plans to include Campbeltown Grammar School in the above list have been deferred due to the prospects of a new school build (the planned new school has a government funding condition which requires the new school to achieve a BREEAM "Excellent" rating).

- Argyll and Bute Council secured Carbon Trust assistance to fully fund consultancy services to prepare feasibility reports for the installation of a number of wind turbines at Council sites on the Isles of Tiree and Islay. The sites initially considered were:
 - Port Charlotte Primary School
 - Islay High School (including Bowmore Primary School)
 - Port Ellen Primary School
 - Keills Primary School
 - Gartbreck Waste Site
 - Tiree Primary/High School
 - Tigh a Rudha

These sites were selected because of a strong and reliable wind resource, but plans have been deferred for now because of potential planning risk. The projects will receive further consideration through the capital planning business case

process with priorities being appraised relative to other projects. This process will be further informed from the emerging Renewables Sourcing Strategy.

- Protocols have been developed to ensure that all building lighting/lamping is procured/installed to ensure good energy efficiency, long lamp life, correct comfort and design levels and achieve cost controls. This relates not only to replacement of lamps upon expiry, but also to programmed lamping replacements where existing arrangements can be improved.
- Argyll and Bute Council has had a large selection of energy audits conducted over a wide range of sites. Along with outputs from the preparation of Energy Performance Certificates (refer to Appendix E), recommendations arising offer the Council a suite of actions to reduce energy consumption.
- A range of heating projects, including the oil to gas conversions listed in Section 5, have been approved within the 2011/2012 capital programme, some already implemented.
- A number of lighting design projects, including Kilmory Castle, have been approved within the 2011/2012 capital programme.
- Staff training has been provided in conjunction with the Energy Savings Trust.

Argyll and Bute Council has supported WWF Earth Hour through publicity and the switching off of the flood lighting at the iconic McCaigs Tower in Oban.

- There are now over forty sites with building management systems (BMS) installed. This allows remote telecommunications with site heating systems enabling greater controls on fuel use. This is achieved by ensuring heating is switched off during holidays, time programmes match actual building occupancy times, temperature levels are kept within reasonable limits and seasonal heating shutdowns are implemented efficiently.
- A case for the installation of advanced meter reading (AMR) is currently the subject of an approvals process. AMR data returns will be analysed to identify and act upon inefficiencies. Customer meter readings are being encouraged and read frequencies are much improved to assist with data cleansing.
- Argyll and Bute Council continue to develop working relationships with external partners including The Carbon Trust, CARES, Islay Energy Trust, Towards Zero Carbon Bute, AliEnergy, West Highland Housing Association, Health Service, ABRA, Strathclyde University etc. A Pan Highland group has also been established and acts as a forum for like-minded organisations, including Highland Council and NHS Highland, to share carbon reduction best practice and collaborate on future joint working prospects.
- ICT initiatives reducing electricity consumption include the roll out of PC shutdown software, the ongoing procurement of less energy intensive replacement IT equipment and the programme to rationalise servers with the possibilities to reduce air conditioning needs.

- A Renewables Sourcing Strategy is currently being developed in collaboration with the Carbon Trust. Early options appraisal work has highlighted the fact that biomass projects, photovoltaic panels and larger scale wind projects currently offer the most attractive investment and/or carbon return opportunities.
- Recent re-organisation within Property Services has resulted in the resources of the Energy Team and Technical Support Team being combined to form a new 'Energy and Building Services Team'. This facilitates a more efficient use of the available staff resource/skills base and it is expected that this new Team will draw out greater opportunity within property maintenance/upgrade programmes to improve carbon effectiveness and will also drive specification in building services design to the same purpose.
- Argyll and Bute Council has set a target to reduce reliance on fossil fuels (gas and oil use in buildings) by 12% by March 2014. The planned biomass projects and a concerted effort on best practice energy efficiency projects/initiatives are expected to deliver the target reduction.

4.1.2 Energy in Buildings (NPDO)

The NPDO project is currently within the contractual 'benchmarking' period where the baseline energy consumption for the project facilities is being established. This period will end within the next year when the average energy consumption for the schools will be fixed and the Council's partner ABC Schools will take the risk on increases in energy consumption beyond the baseline level. The Council and ABC Schools are in the process of finalising an Energy Management Strategy to cover the NPDO schools in order to demonstrate their efficient operation and this strategy will include an audit of energy use at the schools and actions for reducing such use. It is expected that this Strategy will be completed and operating early in 2012.

4.1.3 Waste

There have been continued reductions in waste being landfilled over recent years.

A range of Recycling Schemes have been introduced since 2008. The landfill reductions in recent years are mainly attributed to the implementation of new recycling schemes in the Helensburgh and Lomond area and on the islands of Mull, Iona and Tiree.

The recycling schemes in the Helensburgh and Lomond area in particular have seen sharp reductions in landfill tonnages. The schemes have involved the introduction of a weekly food waste recycling service as well as the blue bin being used to recycle more waste (i.e. paper, card, plastics and cans). A bin for monthly glass collection has also been rolled out giving a wide range of kerbside recycling services in the Helensburgh and Lomond area.

On the islands of Mull, Iona and Tiree the 'blue bin' which also takes paper, card, plastic bottles and cans (plastic bottles and cans in separate bags within blue bin) also alternates each week with the mixed waste bin. These islands also have a separate smaller wheeled bin for a monthly glass collection.

4.1.4 Fleet

A new Vechtech system has improved data collection and reporting through the remote monitoring of oil tank consumption/levels. This has eliminated the use of fuels cards (data relating to Esso cards and diesel link cards could previously not be captured).

A Telematics tracking system was introduced 5 years ago, though options for the future are under consideration. There is an opportunity to build in additional monitoring for true idling (currently difficult to measure), speeding, etc. Other measures could also be incorporated to help identify fuel waste, etc. Telematic reports are currently sent to departments for their perusal and action as required.

Argyll and Bute Council expects to take delivery of a new 'Bin Lorry', with carbon benefits through the use of an electric ramp, before the end of 2011. In addition, HGV driver training was carried out in 2010. Fuel efficient driving is expected to be a positive outcome.

4.1.5 Street-lighting

The need to adopt new street-lighting installations and ensure compliance generally impacts on carbon reduction.

Initiatives to date include a small dimming trial at Dewar Avenue, Lochgilphead and some small scale projects utilising LED (light emitting diode) lamping technology to replace SON (high pressure sodium) types. Business cases are also being prepared for solar powered school traffic control signage with remote control of timings etc.

4.1.6 Business Mileage

Particularly arising from the economic climate, budgetary controls are being imposed to reduce travel expense, including staff business mileage.

Flexible working opportunities through the Workforce Deployment programme and ever expanding ICT provision of video conferencing and the use of MicroSoft Lync will reap increasing more benefits as staff become more familiar with the technology.

4.2 Quantitative Progress

4.2.1 Emissions Reduction using Full Year Data

The following table has been prepared by collating the best available data for the source sites quoted. It presents a view on emissions trends over the Carbon Management Programme. Data quality work-a-rounds have had to be adopted to allow an overall picture to be provided e.g. three scope items show no change in emissions as data availability does not permit a detailed annual breakdown.

Table 4.2.1 – CO₂ emissions to date set against required baseline target (Source: Council records)

Source	Baseline Year 2007/08		CMP Preparation 2008/09		Year 1 2009/10		Year 2 2010/11		Year 3 2011/12		Year 4 2012/13		Year 5 2013/14	
	Baseline Emissions CO ₂ Tonnes	CO ₂ %	Baseline Emissions CO ₂ Tonnes	CO ₂ %	Baseline Emissions CO ₂ Tonnes	CO ₂ %	Baseline Emissions CO ₂ Tonnes	CO ₂ %	Baseline Emissions CO ₂ Tonnes	CO ₂ %	Baseline Emissions CO ₂ Tonnes	CO ₂ %	Baseline Emissions CO ₂ Tonnes	CO ₂ %
Buildings Oil (non NPDO)	4,888	11%	5,233	12%	5,146	12%	4,582	11%	N/A	N/A	N/A	N/A	N/A	N/A
Buildings Gas (non NPDO)	2,050	5%	2,043	5%	2,136	5%	2,473	6%	N/A	N/A	N/A	N/A	N/A	N/A
Buildings NHH Electricity (non NPDO)	7,267	16%	7,267	17%	7,267	17%	7,267	18%	N/A	N/A	N/A	N/A	N/A	N/A
Buildings HH Electricity (non NPDO)	1,227	3%	1,242	3%	1,252	3%	1,262	3%	N/A	N/A	N/A	N/A	N/A	N/A
Buildings Oil (NPDO)	381	1%	381	1%	341	1%	376	1%	N/A	N/A	N/A	N/A	N/A	N/A
Buildings Gas (NPDO)	813	2%	813	2%	887	2%	855	2%	N/A	N/A	N/A	N/A	N/A	N/A
Buildings Electricity (NPDO)	1,736	4%	1,736	4%	1,790	4%	1,848	4%	N/A	N/A	N/A	N/A	N/A	N/A
Unmetered Electricity*	3,106	7%	3,106	7%	3,106	7%	3,106	8%	N/A	N/A	N/A	N/A	N/A	N/A
Fleet Transport	3,476	8%	3,476	8%	3,476	8%	3,476	8%	N/A	N/A	N/A	N/A	N/A	N/A
Business Travel	1,617	4%	1,643	4%	1,573	4%	1,442	4%	N/A	N/A	N/A	N/A	N/A	N/A
Waste (All landfill)**	18,153	41%	17,016	39%	15,080	36%	14,415	35%	N/A	N/A	N/A	N/A	N/A	N/A
TOTAL BASELINE	44,714	100%	43,956	100%	42,054	100%	41,102	100%	N/A	N/A	N/A	N/A	N/A	N/A
REQUIRED BASELINE TARGET	N/A		N/A		43,266		41,818		40,377		38,070		35,771	

4.2.2 Emissions Reduction using Tangible Project Data

The tangible savings attributed to individual projects and initiatives delivered to date are detailed in Section 5.2. The use of tangible savings is a means of demonstrating positive activity within the Carbon Management Programme which might otherwise be obscured by poor data quality issues. A combination of specifically measured data or business case calculated data are used to evaluate tangible savings.

The tangible savings forecasted for planned/funded and proposed projects are detailed in Sections 5.3 and 5.4.

Table 4.2.2 below has been prepared to offer demonstration of the tangible carbon savings secured to date. These savings are shown against projected interim carbon reduction targets to ensure 2014 targets are achieved.

Table 4.2.2 – CO₂ emissions targets compared to implementation of tangible Projects (Source: Council records)

	Baseline Year 2007/08	CMP Preparation 2008/09	Year 1 2009/10	Year 2 2010/11	Year 3 2011/12	Year 4 2012/13	Year 5 2013/14
Emissions CO ₂ (Tonnes)							
Revised Baseline Emissions	44,714	N/A	N/A	N/A	N/A	N/A	N/A
Target Reduction	N/A	N/A	1448	2896	4337	6644	8943
Completed Tangible Projects	N/A	N/A	1928	3857	3890	N/A	N/A
Proposed Tangible Projects	N/A	N/A	N/A	N/A	1086	1342	0
Tangible Projects Gap Analysis			480	961	639		

4.2.3 Reducing Reliance on Fossil Fuels using Tangible Project Data

Argyll and Bute Council has set a target to reduce reliance on fossil fuels (gas and oil use in buildings) by 12% by March 2014. The availability of renewable heat provision from the planned biomass projects and a concerted effort on best practice energy efficiency projects/initiatives are expected to deliver the target reduction.

Table 4.2.3 has been prepared to demonstrate the tangible fossil fuel reductions secured to date. These reductions are shown against projected interim fossil fuel reduction targets to ensure 2014 targets are achieved.

Table 4.2.3 – Fossil fuel reduction targets compared to implementation of tangible Projects (Source: Council records)

	Baseline Year 2007/08	CMP Preparation 2008/09	Year 1 2009/10	Year 2 2010/11	Year 3 2011/12	Year 4 2012/13	Year 5 2013/14
kWh							
Revised Baseline kWh - Fossil Fuels	36,433,721	N/A	N/A	N/A	N/A	N/A	N/A
Target Reduction	N/A	N/A	874,409	1,748,819	2,623,228	3,497,637	4,372,047
Completed Tangible Projects	N/A	N/A	99,602	99,602	99,602	N/A	N/A
Proposed Tangible Projects	N/A	N/A	N/A	N/A	4,004,409	2,944,359	0
Tangible Projects Gap Analysis			-774,807	-1,649,217	1,480,783		

5. Carbon Management Projects

This section contains a summary of those projects which will contribute to Argyll and Bute Council carbon reduction targets over the lifetime of the current Carbon Management Plan. It includes projects which are complete, underway or planned and those with future prospects.

5.1 Rationale for project identification

The following points offer a summary of the key points arising from an assessment of the revised emissions baseline (refer to Table 3.3.1 and Figure 3.3.1):

- Building energy use accounts for 42% of the baseline CO₂ emissions.
- Building heating systems represent a large portion of buildings energy use.
- Heating oil represents 12% of the emissions baseline.
- Electricity use in Buildings accounts for 23% of the emissions baseline and when added to electric use by street-lighting, this figure rises to 30%.
- **Business mileage accounts for only about 4% of the emissions baseline, but accounts for 22% of the overall baseline financial cost.**
- Fleet fuel use accounts for only about 8% of the emissions baseline, but accounts for 14% of the overall baseline financial cost.
- Municipal waste accounts for 41% of the emissions baseline

In project terms, this suggests the following items focus the Council's attention:

- Conduct assortment of building energy efficiency projects.
- Focus on efficient control of heating systems
- Focus on energy efficient heating plant and equipment
- Reduce heat losses from pipes and building fabric
- Convert wet heating systems fuel type from oil/electric to Biomass/gas.
- Consider electric generation opportunities.
- Reduce business mileage (financial case strong).
- Initiatives to reduce fleet fuel use
- Waste reduction initiatives

Furthermore, the issue of security of fuel supply is considered to be important. Continued use of fossil fuels maintains a reliance on a diminishing resource and the basic economics of supply and demand will presumably drive pricing levels to uneconomic (or unsustainable) levels.

For Argyll and Bute Council, this focuses attention on our ongoing use of heating oil and gas. Oil to gas fuel conversions have already been undertaken and continue to remain viable as these fairly straightforward projects offer a carbon saving of around 25% and a quick return on investment. Although electricity generation on the National Grid is heavily reliant on fossil fuels, it is believed that the Grid electricity mix could gradually move to alternative fuel sources e.g. greater reliance on hydro, renewable and nuclear power.

As can be concluded from the government's investment programmes, biomass is clearly regarded to be a 'fuel for the future'. The creation of the Renewable Heat Incentive (RHI) programme by the UK government and the Carbon Trust's substantial investment in their Biomass Heat Accelerator programme serve as example of the importance of biomass solutions. The geography of Argyll and Bute suits biomass because of the presence of large numbers of convertible oil fired sites (offering a move from an expensive, 'dirty' fuel) and because it is a cheap, plentiful, locally sourced and sustainable option, which also provides the local economy with economic, social and environmental benefit.

The financial and staffing resource required to deliver the Carbon Management Programme is considerable. In terms of project priorities, it is important to try to identify those projects that offer both a solid reduction in carbon emissions whilst offering as short a payback as possible. Likewise, staffing resources are finite and it will be necessary to identify those projects that offer a solid reduction in carbon emissions that can be delivered by the human resources available.

Therefore, the projects within the Plan have generally involved 'economies of scale'.

Additional considerations which can influence the priority of any particular project include the following:

- Where short term capital investment would be required in any event, due to plant/equipment etc approaching the end of their natural/useful life cycle.
- To address key drivers associated with the CRC Energy Efficiency Scheme or other appropriate legislation if extended to include Argyll & Bute Council.
- Availability and accessing of grant funding or other incentives e.g. many projects could conceivably benefit from 100% feasibility funding from organisations such as the Carbon Trust. **Government incentive programmes such as Feed in Tariffs (FIT) and the Renewable Heat Incentive (RHI) present opportunities to recover project investment costs on account of incentive income streams over a period of up to 25 years.** Windows of opportunity can sometimes be time limited and so ability to react quickly is important.
- Opportunity to design in long term energy saving and carbon reduction solutions within "new build" and property upgrade projects.



While there will be a few exceptions to the rule e.g. experimentation with new technologies to offer learning/curricular opportunities and to inform future business cases, the fundamental criteria which will be used to determine project priority are: Impact, Affordability, and Deliverability & Risk.

In terms of IBC and OBC evaluation, the availability of supportive funding will significantly affect the viability of projects.

Sections 5.2 through 5.5 contain summaries of those projects which will help us meet our carbon reduction targets over the lifetime of our plan (to March 2014). It includes projects which are delivered, planned/funded, proposed or merely notional. As the document shall be 'live', further projects will be added over the life of the plan.

5.2 Delivered Projects

Table 5.2 Delivered Projects (source: Council records)

Ref	Project	Lead	Funding Source	Cost £		Annual Saving		Payback Years	% CO ₂ of Target	Year
				Capital	Revenue	Financial £	CO ₂			
BC66	Waste – improved recycling schemes on Mull, Iona and Tiree including improved kerbside collections.	Alan Millar	tbc			tbc	3738	tbc	41.80%	Ongoing
BC67	Waste – improved recycling schemes in the Helensburgh and Lomond area – including food waste recycling and improved kerbside collections.	Alan Millar	tbc			tbc	Included Above	Included Above	Included Above	Ongoing
BC1	Rothesay Pool – Oil to gas fuel conversion	Paul Gillies	CEEF		38,922	5,658	33	6.9	0.37%	2009/10
BC2	Thomson Home – Oil to gas conversion with condition upgrade and improved zoning	Paul Gillies	Capital	130,000		7,000	40	18.6	0.45%	2010/11
BC50	Dalintober Primary School - Oil to gas conversion with boiler upgrades	Paul Gillies	Capital	85,000		4,866	23	17.5	0.26%	2011/12
BC30	Street-Lighting dimming trial (Dewar Avenue, Lochgilphead)	Ryan McGlynn	tbc			tbc	2	tbc	0.02%	tbc
BC60	Rothesay Community Education Centre – Electric to Gas Heating Conversion	Willie Luke	Capital	9,000		1,200	7	7.5	0.08%	2009/10

Table 5.2 Delivered Projects Continued

Ref	Project	Lead	Funding Source	Cost £		Annual Saving		Payback Years	% CO ₂ of Target	Year
				Capital	Revenue	Financial £	CO ₂			
BC61	Toward Primary School – Installation of pv system*	Paul Gillies	Utility Fund		1,000	825	4	1.2	0.04%	2009/10
BC62	Drumlemble Primary School – Installation of pv system*	Paul Gillies	Utility Fund		1,000	825	4	1.2	0.04%	2008/09
BC63	Castlehill PS – Installation of TRV's	Paul Gillies	CEEF		8,300	648	12	12.8	0.13%	2009/10
BC63	Drumlemble PS - Installation of TRV's	Paul Gillies	CEEF		1,400	108	2	13.0	0.02%	2009/10
BC63	Hermitage PS - Installation of TRV's	Paul Gillies	CEEF		7,400	595	11	12.4	0.12%	2009/10
BC64	Rothesay Campus – Installation of pv system*	David Logan	NPDO		1,000	825	4	1.2	0.04%	2009/10
BC65	Campbeltown Registrars Office - Electric to gas heating fuel conversion	Paul Gillies	Capital	30,000		3,000	10	10.0	0.11%	2011/12
	TOTAL DELIVERED PROJECTS			254,000	59,022	25,550	3,890		43.50%	

*photo-voltaic projects substantially grant funded

Key:

- Reference – a unique reference for reporting purposes that corresponds to the project.
- Project - short title for the project.
- Lead – the individual or team that will lead/own the project.
- Cost £ – total implementation cost (includes project fees if applicable).
- Funding Source – details the funding source which then determines whether capital or revenue investment.
- Annual savings – financial (£) and CO₂ (tonnes)
- Payback (years) – the overall implementation cost divided by the annual saving.
- % of target – the percentage of your CO₂ saving target that this project will annually contribute.
- Year – the first financial year this project will begin to deliver a CO₂ saving.

5.3 Planned/ Funded Projects

Table 5.3 Planned/Funded Projects (source: Council records)

Ref	Project	Lead	Funding Source	Cost £		Annual Saving		Payback Years	% of CO ₂ Target	Year
				Capital	Revenue	Financial £	CO ₂			
	Argyll House, Dunoon - Oil to gas heating fuel conversion	Paul Gillies	Capital	55,000		6,782	10	8.1	0.11%	2011/12
	Lorn House, Oban - Oil to gas heating fuel conversion	Paul Gillies	Capital	35,000		3,175	5	11.0	0.06%	2011/12
	Kintyre CEC, Campbeltown - Oil to gas heating fuel conversion	Paul Gillies	Capital	100,000		9,500	15	10.5	0.17%	2011/12
	Riverside Pool, Dunoon - Replacement of pool air handling unit	Paul Miller	Capital	90,000		15,980	103	5.6	1.15%	2011/12
	Oban High School - Oil to biomass heating fuel conversion	Paul Miller	Capital	481,455		74,480	330	6.5	3.69%	2011/12
	Islay HS/Bowmore PS - Oil/Electric to biomass heating fuel conversion	Paul Gillies	Capital	510,370		66,741	300	7.6	3.35%	2011/12
	Kilmory Castle/Nursery - Oil to biomass heating fuel conversion	Paul Gillies	Capital	483,000		46,891	219	10.3	2.45%	2011/12
	Argyll House, Dunoon - Lighting Upgrade	Colin MacDonald	Capital	25,000		1,500	8	16.7	0.09%	2011/12
	Kilmory Castle - Lighting Upgrade	Colin MacDonald	Capital	40,000		3,000	16	13.3	0.18%	2011/12
	Installation of Solar Photovoltaic Panels - Unspecified sites	Paul Gillies	Utility Fund		200,000	20,000	80	10.0	0.89%	2011/12
	TOTAL PLANNED/FUNDED PROJECTS			1,819,825	200,000	248,049	1,086		12%	

5.4 Proposed Projects

Table 5.4 Proposed Projects - Information provided subject to options appraisal/business case development (source: Council records)

Ref	Project	Lead	Funding Source	Cost £		Annual Saving		Payback Years	% of CO ₂ Target	Year
				Capital	Revenue	Financial £	CO ₂			
	Improved BMS and controls monitoring (range of premises); consider use of alarms for exceptions		CEEF		20,000	20,000	50	1.0	0.56%	2012/13
	Aqualibrium, Campbeltown - Installation of Pool Cover		Capital	30,000		3,000	10	10.0	0.11%	2012/13
	Aqualibrium, Campbeltown - Improvements to operation of biomass/gas heating system		Capital	75,000		5,000	10	15.0	0.11%	2012/13
	Tarbert Academy - Oil to biomass heating fuel conversion		Capital	400,000		26,500	136	15.1	1.52%	2012/13
	Lochgilphead Campus (NPDO) - Oil to biomass heating fuel conversion		Capital	450,000		56,250	376	8.0	4.20%	2012/13
	Queens Hall, Dunoon - Oil to gas heating fuel conversion		Capital	40,000		4,000	24	10.0	0.27%	2012/13
	Hermitage PS, Helensburgh - Oil to gas heating fuel conversion		Capital	40,000		4,000	24	10.0	0.27%	2012/13
	John Logie Baird PS, Helensburgh - Oil to gas heating fuel conversion		Capital	40,000		4,000	24	10.0	0.27%	2012/13
	Rothesay SW Office - Oil to gas heating fuel conversion		Capital	30,000		3,000	10	10.0	0.11%	2012/13

Table 5.4 Proposed Projects Continued

Ref	Project	Lead	Funding Source	Cost £		Annual Saving		Payback Years	% of CO ₂ Target	Year
				Capital	Revenue	Financial £	CO ₂			
	Sandbank PS, Dunoon - Oil to gas heating fuel conversion and DHW improvements		Capital	50,000		5,000	15	10.0	0.17%	2012/13
	Struan Lodge HFE, Dunoon - Oil to gas heating fuel conversion		Capital	50,000		7,000	40	7.1	0.45%	2012/13
	Public Toilet - Best Practice Design Pilot		Capital	15,000		500	1	30.0	0.01%	2012/13
	Range of Energy Conservation Measures; includes lighting/lamping, conventional controls etc		Capital	100,000		10,000	100	10.0	1.12%	2012/13
	Range of Electric Heating control solutions		Capital	50,000		5,000	50	10.0	0.56%	2012/13
	Insulation programme; radiator reflectors; pipework insulation; review controls		Capital	100,000		10,000	100	10.0	1.12%	2012/13
	Insulation programme; building fabric; review controls		Capital	100,000		10,000	100	10.0	1.12%	2012/13
	Installation of Solar Photovoltaic Panels - Unspecified sites		Capital	200,000		20,000	80	10.0	0.89%	2012/13
	200kW Packaged Oil to Biomass Project - Best Practice Design Pilot		Capital	250,000		30,000	150	8.3	1.68%	2012/13
	Innellan PS, Dunoon - Wind turbine		Capital	40,000		3,000	14	13.3	0.16%	2012/13

Table 5.4 Proposed Projects Continued

Ref	Project	Lead	Funding Source	Cost £		Annual Saving		Payback Years	% of CO ₂ Target	Year
				Capital	Revenue	Financial £	CO ₂			
	Achahoish PS, Lochgilphead - Wind turbine		Capital	40,000		3,000	14	13.3	0.16%	2012/13
	Lochnell PS, Oban - Wind turbine		Capital	40,000		3,000	14	13.3	0.16%	2012/13
	AMR Implementation		tbc			tbc	tbc	tbc	tbc	2012/13
	Staff Awareness and Training Programme		tbc			tbc	tbc	tbc	tbc	2012/13
	Increase range of recycling materials that can be placed in "blue bin" (Shanks Contract)		tbc			tbc	tbc	tbc	tbc	2013/14
	TOTAL PROPOSED PROJECTS			2,140,000	20,000	232,250	1,342		15.01%	

5.5 Project Areas for Future Investigation

This table provides as area for you to include any blue sky projects which you would like to take forward but where there is currently a lack of information to give a clearer indication of the potential savings. You should instead detail the actions you need to undertake to make clear decisions in the future.

Table 5.5 Proposed Future Projects – information provided subject to options appraisal/business case development

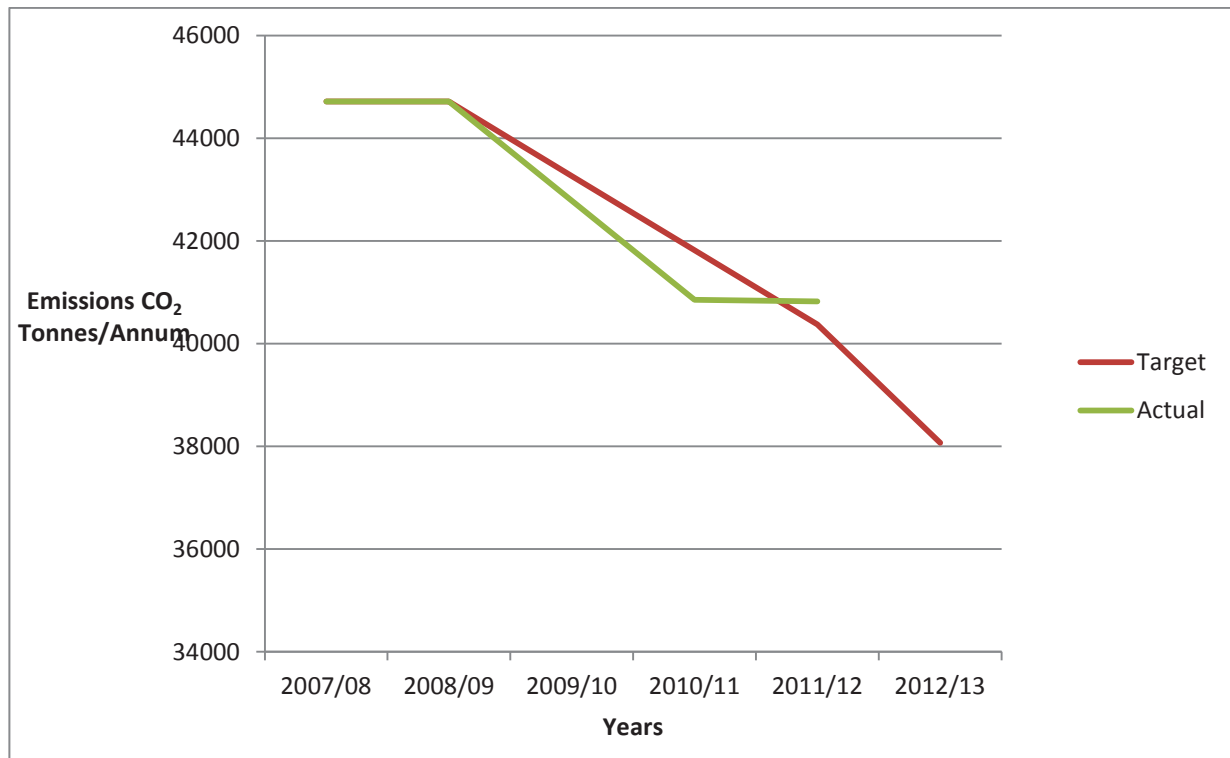
Ref	Project
	Implement food waste re-cycling schemes on Isles of Islay and Mull
	Develop package of potential biomass sites based on proposed 200kW 2012/2013 pilot scheme
	Mini/micro hydro scheme at Bishops Glen, Dunoon
	Develop options for medium scale wind projects at the undernoted waste disposal sites: <ul style="list-style-type: none"> • Glengorm, Isle of Mull • Moleigh, Oban • Dalinlongart, Dunoon
	Other opportunities across Argyll and Bute arising from development of the Renewables Sourcing Strategy

5.6 Projected achievement towards target

One of the aims of the Carbon Management Revisited Programme was to consider the gap between the savings identified and those required to meet the target for 2014.

Assessment of tables 5.2 to 5.4 suggest that the 20% target will be achieved subject to adoption and delivery of the projects quoted. This position will be further reviewed at the next Annual Progress Review in May 2012.

Figure 5.6 - the challenge of meeting the 2014 20% reduction target (Source Council Records)



It should be noted that Figure 5.6 will not include waste data for 2011/2012 until the start of financial year 2012/2013.

6. Implementation

The benefits from implementation of the Carbon Management Plan are included within this section.

Financial and staff resources are considered.

This section contains the Action Plan which will deal with the challenges that have been identified within the implementation of the Carbon Management Programme.

The success of the Carbon Management Programme will be largely related to the commitment that Argyll and Bute Council makes to the programme – in particular to the allocation of financial and staff resources underpinning the programme. The benefits of the Programme do however offer compelling reason to allocate sufficient resource to support/deliver the Programme.

6.1 Benefits of the Carbon Management Plan

The benefits are broadly listed as follows:

- Meeting the requirements of the Climate Change (Scotland) Act 2009
- Demonstrating our commitment towards protecting the environment to our staff, the public and our partners
- Widening our appeal to potential employees; demonstrating the organisation as a sustainable employer
- Reducing our potential CRC Energy Efficiency Scheme liabilities (future)
 - financial savings of a reduction in the number of allowances the organisation will need to purchase
 - Improvement in league table performance and the associated positive brand and image benefits which come with this
- Reducing revenue/overhead costs, allowing more funds to be spent on frontline services
- Management of climate change risk within the organisation

6.2 Carbon Management Plan Financing

6.2.1 Assumptions

It has been necessary to make a number of assumptions in the preparation of the Carbon Management Plan. Specific to financing of the Plan, the following assumptions should be borne in mind:

- Energy/Fuel costs are volatile. As such, the financial component of a business case can be rendered obsolete in a short space of time. The greater the project payback, then the greater the exposure will be to the risk of fluctuating prices beyond that of the energy/fuel already procured. However as prices are trending upwards (refer to the heating oil price trend in Figure 6.2.1), the long-term cost savings are likely to be maintained.

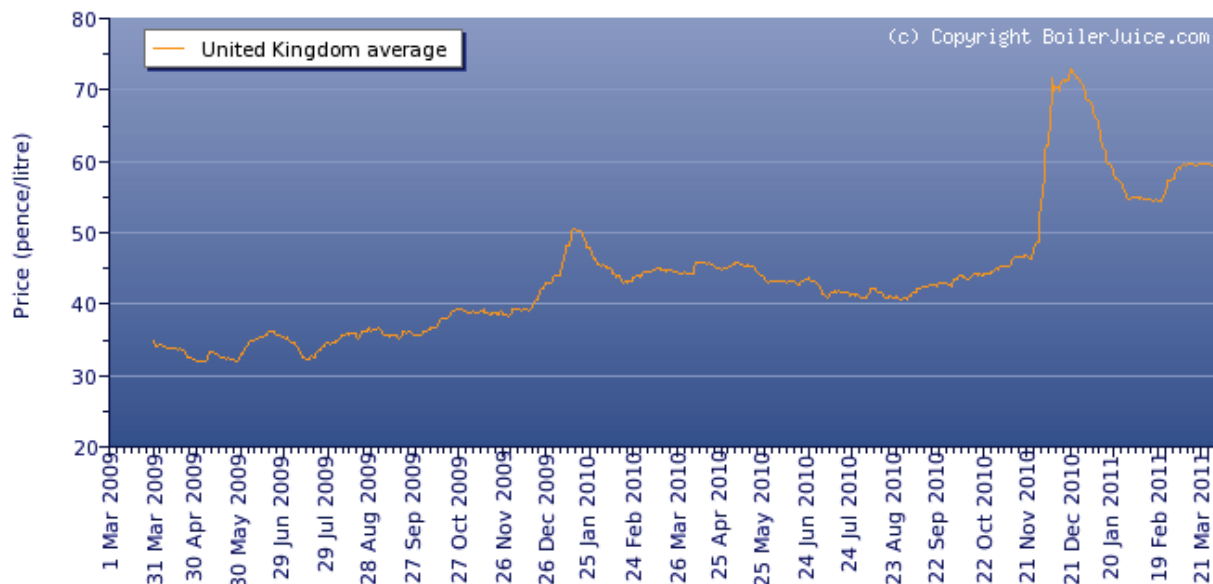


Figure 6.2.1. - Trends in heating oil prices

- For the purpose of business case evaluations, energy/fuel costs that are current at the time of the business case preparation will be used. No attempt will be made to forecast future energy trends although it is expected that the trend will continue upwards (assisting the business case).
- A number of fuel conversion projects are contained within the Carbon Management Plan. Where oil to gas conversions are proposed it is assumed that, in the longer term, oil prices will continue to exceed that of gas by an attractive margin. It should be noted that although market prices for different fuels tend to follow similar trends, situations could arise whereby both unfavourable, or favourable differentials could arise.
- Not all projects quoted within this plan will be viable. All will be subject to business case development and approvals.



- Argyll and Bute Council will be able to access Feed-in-tariffs (FIT's) and Renewable Heat Incentive (RHI) for the duration of the current scheme proposals (i.e. up to 25 years depending on technology types) in order that project financial benefits can be realised.
- Argyll and Bute Council current capital funding mechanisms remain in place with little or no reduction in the financial allocation.
- The plan is expected to be largely self-financing in the earlier stages of implementation.
- It is presumed that energy costs will rise significantly above inflation over the life of the plan.

6.2.2 Financial Commitment

Carbon reduction initiatives can be financed from both revenue and capital funding streams.

Larger projects will generally require a capital funding allocation. Argyll and Bute Council cannot guarantee specific sums that should be allocated to carbon reduction projects, but can offer assurances that project proposals will all be given due consideration within the capital approvals process.

For each initiative a business case must be produced which demonstrates an acceptable return on the investment made, based on a whole lifecycle approach. Initiatives will be prioritised based on the content of business cases and the funding available.

6.3 Staff Resource Commitment

Based on the original Plan it was suggested that two to three members of professional staff time would be required to deliver the specific projects within the programme.

Existing personnel may be able to absorb project works into their existing activity, but it is recognised that the Council will have to procure technical skills and resource capacity.

As the Council does not possess the full extent of the requisite experience, technical expertise and staff capacity required, it is envisaged that the Council must establish what external Technical and Project Management resource it will require to assist with the development of projects from Feasibility through to IBC/OBC stage, and then if approved, through the construction phase to project handover.

The success with which the Programme is being delivered will likely be indicative of any requirement for additional staff time to be allocated.



6.4 Risk Register

The Carbon Management Project Team will maintain a Programme Risk Register and Issues Log which will be updated within the Annual Progress Review. The Programme Risk Register for 2011 is at Appendix C.

6.5 Annual Progress Review

The Carbon Management Project Team will produce an Annual Progress Review for consideration by the Asset Management Board, SMT. Environment PPG as set out within the Governance, Planning and Budget Cycle identified at Section 7.2.

6.6 Action Plan

The Action Plan below pinpoints the **key** challenges currently needing addressed within the overall Carbon Management Programme. It is not intended to be demonstrative of all the project tasks.

Action Plan - Carbon Management Plan Update 2011

Ref	Outcome	Actions to achieve outcome	Success measures	Key dates	Lead
Data Quality					
1.	Improvements to non half hourly (NHH) buildings electric data quality	<ul style="list-style-type: none"> Place control measures on Utility Supplier(s) including Action Plan and monitoring regime; review service level(s) etc. Conduct remaining site surveys of electric metering including photographs. Energy Assistant key objective until position resolved (largest consuming sites to be prioritised) Installation of AMR (subject to approvals) 	<ul style="list-style-type: none"> 75% of consumption is data verified. 95% of consumption is data verified. 	<ul style="list-style-type: none"> March 2012 March 2013 	Paul Gillies
2.	Improvements to street lighting electric data	Update unmetered inventory with annual revision	Unmetered inventory 100% complete	March 2014	Ryan McGlynn

Action Plan Continued

Ref	Outcome	Actions to achieve outcome	Success measures	Key dates	Lead
Embedding					
3.	Behavioural change platform established	<ul style="list-style-type: none"> Collaboration with Carbon Trust raising awareness programme(s) Establish behavioural working group. Establish Communication strategy (including raising awareness etc campaign) Implement Communication Strategy 	<ul style="list-style-type: none"> Behavioural working group established Communications Strategy (including Training, Awareness Raising Campaign etc) prepared and approved Graduation from Carbon Trust programme(s) 	March 2013	Paul Gillies; Communications; HR; Audrey Martin (AllEnergy)
4.	Informed and engaged workforce	<ul style="list-style-type: none"> Implement Communication Strategy 	<ul style="list-style-type: none"> Customer survey General utility consumption trends dropping, recycling trends increasing etc 	Ongoing	Paul Gillies; Communications; HR; Audrey Martin (AllEnergy)
Shared Working					
5.	Identification of joint working opportunities (e.g. biomass heat map, common Carbon Management Plan, behavioural change programme)	<ul style="list-style-type: none"> Identify and make contact with potential partners Share intentions/plans 	<ul style="list-style-type: none"> Network established for information sharing/integration Agree list of potential shared projects or initiatives 	<ul style="list-style-type: none"> August 2012 Ongoing 	Paul Gillies
Succession Planning					
6.	Preparation of Carbon Management Plan/programme beyond 2014 (ref also shared working)	<ul style="list-style-type: none"> Repeat preparation cycle of previous plans with additional consideration to shared working Confirm modifications to emission baseline scope and conversion factors to be used. 	Completion of Carbon Management Plan (2014+)	April 2014	Paul Gillies
7.	Awareness of new national policy/directives or amendments to existing: with a view to compliance and forward planning	<ul style="list-style-type: none"> Research relevant legislation Report findings and offer recommendations 	Reports submitted	Ongoing	Paul Gillies

Action Plan Continued

Ref	Outcome	Actions to achieve outcome	Success measures	Key dates	Lead
8.	CRC Energy Efficiency Scheme preparation/readiness.	<ul style="list-style-type: none"> Research relevant legislation Report findings and offer recommendations 	Reports submitted	March 2012 or as required	Paul Gillies
Resource					
9.	Waste reduced from Public Buildings; ref also embedding.	<ul style="list-style-type: none"> Appoint responsibilities. Identify and implement waste reduction initiatives 	<ul style="list-style-type: none"> Before/after waste audits measured implemented. Waste collection reductions (cost savings) 	March 2012	Malcolm MacFadyen/SMT
10.	Reduce Business Mileage (including Ferry, Air, etc. travel expense); ref also embedding.	<ul style="list-style-type: none"> Appoint responsibilities. Budget controls to be set and communicated. 	Reduce staff mileage and travel expenses (factoring in increasing costs of travel).	March 2012	Malcolm MacFadyen/SMT
11.	Sufficient staff resource engaged to deliver energy conservation projects and initiatives.	Energy and Building Services Team Staff resource to be evaluated.	Evaluation completed and any additional resource needs addressed.	March 2012	Malcolm MacFadyen
Renewable Sourcing Strategy					
12.	Develop clarity on the optimum renewables technologies to implement .	Conduct option appraisal of technologies.	Appraisal completion	October 2011 (complete)	Paul Gillies
13.	Determination of the optimum renewable procurement options/models and identification of good projects.	Develop renewables sourcing strategy including review of assets for renewables potential.	Renewable Sourcing Strategy completion including identification of a package of potential projects (via desktop and site survey work)	August 2012	Paul Gillies
14.	Maximise access to renewable implementation incentives (FIT/RHI).	Implementation of renewable projects during windows of opportunity.	Project(s) delivery and RHI/FIT income secured	Ongoing	Paul Gillies



working
with



7. Governance for Implementation

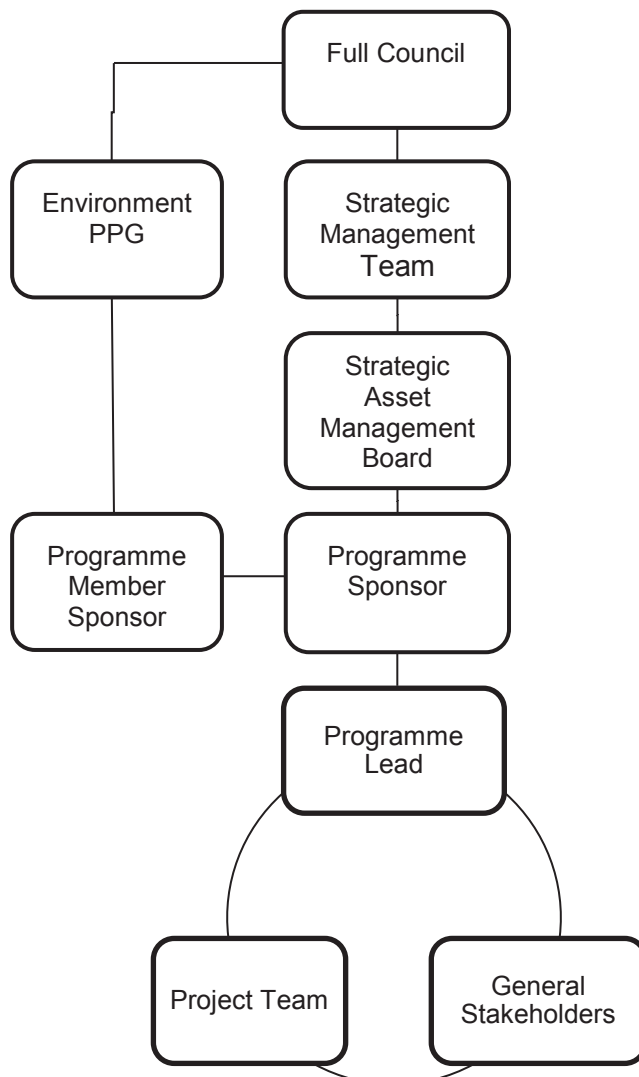
This section details how the Carbon Management Plan is being managed within Argyll and Bute Council.

Appendix A depicts the extent to which carbon management has become embedded within the Councils day to day activities and Appendix B includes a draft internal communications strategy which could form the basis for influencing behaviour across the Council.

7.1 Carbon Management Structure

The Carbon Management Programme governance and management structure is depicted in Figure 7.1 below. This structure has evolved slightly since the adoption of the initial Carbon Management Plan, in which time there has been some service reorganisation within the Council. The most significant change within the Carbon Management Programme has been stronger links with the activities of the Strategic Asset Management Board which helps to ensure that the potential carbon impact of proposed projects is taken into account when assessing projects for inclusion within the Capital Plan via the business case gateway process.

Figure 7.1 – Carbon Management Governance and Management Structure





Programme Member Sponsor – Chair of Environment PPG

Programme Sponsor – Head of Facility Services

Programme Lead – Energy and Building Services Performance Manager

In addition to the above, the **Project Team** includes key staff from the following disciplines:

- Waste Management
- Property Services
- Fleet Management
- Street-lighting
- Business Travel
- Procurement
- Information & Computing Technology
- Strategic Finance
- Communications
- Special Projects Team (NPDO sites)

Input from other specialist staff will be called upon from time to time.

- *It has been recognised that the Council's carbon management process could be further enhanced through the deployment of staff members to take the lead on reducing waste arising from Council premises (this is a component of the eco-schools programme currently) and in terms of business miles reduction.*

General Stakeholders are wide-ranging and include:

- Site Managers
- General Staff
- Behavioural Working Group (Future)
- Community Partners/Partners (e.g. NHS, Housing Associations, AliEnergy etc)
- Support/Funding Agencies (e.g. Carbon Trust)
- Service Providers
- General Public

In delivering the Council's Carbon Management Plan consideration is given to succession planning. No personnel are identified by name, so should key personnel leave the Council, their roles will be filled by the new post-holder or staff working in the relevant area of expertise.

7.2 Strategic Ownership and Oversight

Figure 7.2 depicts an updated Governance, Planning, Performance Management and Budget Cycle, aligned to the business gateway process employed for capital planning, which will support the continuation of the Carbon Management Programme. This cycle



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will ensure that Carbon Management continues to be embedded within the Council's budget and reporting calendar and remains as routine as the annual Corporate and Service Planning and associated budget process. Key features:

- Project options appraisals (annual)
- Project business case development (annual)
- Project capital bids (annual); to suit budget cycle
- Annual Progress Review; for consideration by the Asset Management Board, SMT, Environment PPG and Council Executive.
- Project Team meetings (biannually)
- Pyramid performance management reporting (quarterly)
- Project execution/coordination (ongoing)
- Ongoing dialogue with the Programme Member Sponsor



Figure 7.2 Carbon Management Programme - Governance, Planning, Performance Management and Budget Cycle

Action	Lead Officer	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Programme Execution (Year 3)	Project Lead	Carbon Management Programme (Year 3 - 2011/2012)											
Pyramid Reporting	Project Lead												
Asset Management Board	Project Sponsor	Asset Management Board (Monthly)											
CM Revisited	Project Lead												
CM Revisited Approvals	Project Sponsor												
Programme Team Meeting	Project Lead												
Sponsors/Prog Lead Meeting	Project Sponsor												
Options Development for Yr4	Project Team												
Business Case Development for Yr4	Project Team												
Business Case Assessment/Scoring for Yr4	Asset Mgt Board												
Council Budget Approval of Carbon Management Bids	Project Sponsor												
Programme Execution (Year 4)	Project Lead	Carbon Management Programme (Year 4 - 2012/2013)											
Pyramid Reporting	Project Lead												
Asset Management Board	Project Sponsor	Asset Management Board (Monthly)											
Annual Progress Review Report prepared by Programme Team	Project Lead												
Annual Progress Review Report submitted to SMT, Environment PPG and Council Executive	Project Sponsor												
Programme Team Meeting	Project Lead												
Sponsors/Prog Lead Meeting	Project Sponsor												
Options Development for Yr5	Project Team												
Business Case Development for Yr5	Project Team												
Business Case Assessment/Scoring for Yr5	Asset Mgt Board												
Council Budget Approval of Carbon Management Bids	Project Sponsor												
Programme Execution (Year 5)	Project Lead	Carbon Management Programme (Year 5 - 2013/2014)											
Pyramid Reporting	Project Lead												
Asset Management Board	Project Sponsor	Asset Management Board (Monthly)											
Annual Progress Review Report prepared by Programme Team	Project Lead												
Annual Progress Review Report submitted to SMT, Environment PPG and Council Executive	Project Sponsor												
Programme Team Meeting	Project Lead												
Sponsors/Prog Lead Meeting	Project Sponsor												
Options Development for Yr6	Project Team												
Business Case Development for Yr6	Project Team												
Business Case Assessment/Scoring for Yr6	Asset Mgt Board												
Council Budget Approval of Carbon Management Bids	Project Sponsor												
CM Next Stage Review	Project Sponsor												
Programme Execution (Year 6)	Project Lead	Carbon Management Programme (Year 6 - 2014/2015)											
Pyramid Reporting	Project Lead												
Annual Progress Review Report prepared by Programme Team	Project Lead												
Annual Progress Review Report submitted to SMT, Environment PPG and Council Executive	Project Sponsor												



7.3 Project Delivery

The Programme Lead and Project Team members have ownership of the carbon reduction elements relating to their own area of expertise. The Programme Lead will organise and chair biannual meetings of the Project Team and encourage regular communication exchange during the interim periods.

The Project Team has responsibility for:

- Execution of the Carbon Management Programme including the delivery of projects.
- Performance reporting (through Pyramid, the Council's Performance Management System).
- Options appraisal and business case development.
- Annual Progress Review.
- General stakeholder engagement.

The management of the stakeholders will be vital to ensure that carbon management is embedded in the culture of the organisation

The Project Team are pivotal in identifying and communicating with Council staff. The composition of the group covers all the services that have responsibility for buildings, waste, street-lighting and fleet vehicles as well as key officers with a cross-service remit e.g. finance, ICT, asset management and energy management.

The Project Team review the composition of the group periodically to ensure key personnel and services continue to be engaged with the process.

7.4 Embedding Carbon Management

The Carbon Management Embedding Matrix at Appendix A provides an assessment of how firmly Carbon Management is embedded within Council Services. There are seven component areas which collectively demonstrate the extent to which carbon management has been embedded within an organisation:

- Corporate Strategy
- Programme Management
- Responsibility
- Data Management
- Communications and Training
- Finance and Investment
- Policy Alignment



The matrix contains an appraisal of the position at the development stage of the Carbon Management Programme (2008), the current position and the expected position at the end of the Programme (March 2014). The appraisal was prepared by self-assessment under Carbon Trust guidance. Table 7.4 below provides a numerical score, or rating, for each of the seven component areas of the matrix:

Table 7.4 – Numerical Assessment - Embedding

Year	Corporate Strategy	Programme Management	Responsibility	Data Management	Comms & Training	Finance & Investment	Policy Alignment
2008	3	3	3	3.5	2	3.5	2
2011	4	3	3	3.5	2.5	4	3
2014	4.5	4.5	4	4.5	4	4.5	4

Scoring is ranked 0 to 5, where 5 depicts the highest maturity. The 2014 values in red text are indicative of the expected position in 2014.

It was stated in the original Carbon Management Plan that, despite a fairly late start for Argyll and Bute Council on the carbon reduction journey, the initial assessment was very encouraging. There has been further progress, most notably in the areas of **Corporate Strategy**, **Policy Alignment** and **Finance & Investment** whereby the Carbon Management Programme has benefitted from the Councils' governance of the Capital Programme. Business cases for projects with carbon reduction benefits have 'scored' well and have been promoted through the Asset Management Board for inclusion in the Capital Programme.

Based on the matrix, and from findings elsewhere in the Carbon Management Plan, it is likely that two key actions will make significant contribution to embedding carbon management within the Council:

- The implementation of a concerted effort to influence behaviour through **Communications and Training**.
- A determined effort to tackle the remaining **Data Management**/quality issues which will permit improved **Programme Management** and performance management.

The (red) vertical arrows in the Carbon Management Embedding Matrix at Appendix A are indicative of the areas requiring greatest attention to embed the carbon management culture deeper into the activities of Argyll and Bute Council. The seven component areas within the Embedding Matrix are covered in more detail in sections 7.4.1 through 7.4.7.



7.4.1 Corporate Strategy – embedding CO₂ saving across your organisation

There have been updates to the Council's Corporate Plan since the Carbon Management Plan was originally adopted, though the need to tackle climate change and environmental issues generally remains integral to the Council's planning.

The importance of the Carbon Management Programme to the Council is borne out by the fact that two of the corporate outcomes relate specifically to the Carbon Management Programme.

The Carbon Management Sponsor is responsible for taking forward and developing mechanisms to embed CO₂ savings within the wider Council through the Carbon Management Programme. This includes:

- Exploring the establishment of Departmental and Service targets:
 - Quantifiable carbon savings
 - Embedding actions

7.4.2 Programme Management – bringing it all together effectively

Programme Management, Governance and the Budget Process are covered in Sections 7.1 to 7.3 of this Plan.



7.4.3 Responsibility – being clear that saving CO₂ is everyone's job

In introducing and implementing the Carbon Management Plan, the Programme Member Sponsor, the Programme Sponsor and the Programme Lead are responsible for both raising the Council's awareness of issues and risks related to climate change and for ensuring that Members consider the requirement to tackle climate change within the development of the Corporate Plan.

The Council's long term success in tackling climate change will be linked directly to its ability to embed responsibility and commitment across the Council at all levels.

Whilst 'saving CO₂ is everyone's job', a focus needs to be placed upon identifying key staff members who have responsibilities for the day to day operation of assets (e.g. property, vehicles etc) and who can effect greater carbon savings reductions. Examples of key staff will be Janitors, Caretakers, Leisure Duty Officers and HGV drivers. A programme of energy efficiency training has already been undertaken for Janitors, Caretakers and Leisure staff and HGV driver training has been conducted.

The development of an effective Communication & Training Plan is covered within Section 7.4.5.

7.4.4 Data Management – measuring the difference, measuring the benefit

The availability of quality data is fundamental for:

- Assessment of baseline position (past, present, future)
- Trend analysis
- Assessment of success of carbon reduction measures
- Identification of areas of weakness (e.g. use of benchmarking)
- Exception/problem identification
- Supporting business case development
- General performance management
- Reporting progress
- Evidencing/audit

The particular data streams which form Argyll and Bute Council's emissions baseline are detailed in Table 3.3.1.

The availability and quality of some data streams has presented difficulties within the programme. The original emissions baseline was based on the best available information at the time (developed through 2008/2009). It has become clear that the launch of the original Carbon Management Plan in 2009 was at a point when certain data streams lacked maturity.



Though quality of data has been improving, not all the issues have been resolved. An assessment of the position is as follows:

Energy and Building Services Team

Buildings Oil – data reasonable and improving; annual oil use is projected based on bulk deliveries of oil from invoicing. Consumption is not metered so wrong profiling of bulk deliveries could lead to consumption being shown in one year rather than in another.

Buildings Gas – data very good; annual gas use is derived from invoicing and customer meter reads.

Buildings Half Hourly Electricity (Sites with greatest electric loads >100kW) – data excellent; half hourly data available on-line.

Buildings Non Half Hourly Electricity (all sites <100kW) – data, which is based on invoices and some meter reads is mixed; some site data is very good and some is very poor. An alarming quantity of data quality issues (electric invoices not consistent with site metered installation) have been uncovered during data cleansing. Limited staff resource has been further bogged down in tackling the onerous issues arising therefore with the utility providers. The overall consumption position will not be known until the majority of data issues are resolved.

Special Projects Team

NPDO Oil – data reasonable and improving; annual oil use is projected based on bulk deliveries of oil from invoicing. Consumption is not metered. Wrong profiling of bulk deliveries could have consumption in one year when it should be in another.

NPDO Gas – data very good; annual gas use is derived from invoicing and customer meter reads.

NPDO Half Hourly Electricity (Sites with greatest electric loads >100kW) – data excellent; half hourly data available on-line.

Street-lighting Team

Unmetered Electricity – data limited. Consumption is not metered and is based on invoicing which has been determined through the upkeep of a detailed asset listing (with electric loads and burn hours determining the consumption). Whilst the baseline position will be fairly close to actual, only the ability to maintain an accurate asset listing will inform ongoing trends.



Fleet Management Team

Fleet Transport – data now very good, originally very limited. Data management systems have been developed and a Vechtech system and has been producing accurate information since September 2010. Previous efforts to establish fuel use/mileage included some makeshift use of financial information to make projections.

Corporate

Business Travel – data reasonable but with limitations. The data used does not capture all mileage within a particular 12 month period, It captures mileage from expense claims submitted within the 12 month period. Report outputs have tended to vary, perhaps depending on the configuration of the report requested.

Waste Management Team

Waste – data excellent. The main issue with the waste information used in the original Carbon Management Plan is that a decision was taken to calculate the baseline emissions attributable to waste to be based on the waste arising from Council buildings (based on a percentage of waste being landfilled). Hindsight now suggests that it would have been better to consider all municipal waste. Buildings waste is not measured and so the impact of any initiatives cannot be ascertained. Unlike buildings waste, there is a specific team to manage municipal waste and mature data is readily available. A change in tack here is proposed in Section 3.

Each of the above data streams feed into the Council's ***Performance Management System (Pyramid)*** and this should ordinarily provide the platform for recording progress in the delivery of energy saving and carbon reduction projects and in preparation of the Annual Progress Review Report.

Clearly, problems with data quality present basic issues which affect the performance management of the Carbon Management Plan implementation. Consequently, the Action Plan contained within Section 6.6 deals with the need to address data weaknesses urgently.

7.4.5 Communications and Training – ensuring everyone is aware

From the launch of the Carbon Management Programme in June 2008, the programme has achieved prominent visibility at Member and Senior Management level.

There is a satisfactory level of awareness at middle management level and with staff with closer links to the programme.



Furthermore:

- there has been a roll out of energy efficiency training to janitors, caretakers and Leisure staff
- HGV driver training has been provided
- staff suggestions have been welcomed
- ad hoc communications with stakeholders
- support and publicity for WWF Earth Hour
- press enquiries/releases have been progressed

In the absence of survey information, it is not currently possible to assess whether the Carbon Management Plan objectives have penetrated beyond Member and management levels into the wider Council operation. As targeted campaign work has yet to be undertaken, it is assumed that there will be significant scope to raise awareness and encourage involvement.

The Carbon Management Programme is a long term programme. It is essential therefore that the communication, awareness raising and training initiatives which will support the Carbon Management Plan are also longer term and sustained programmes. The same messages need to be delivered in a fresh, innovative, sophisticated and assertive manner to keep staff motivated and engaged.

To plan, structure and resource a long term sustained and effective campaign will require further research and support from partners such as the Carbon Trust, Energy Savings Trust and other public sector organisations who have run awareness programmes (successful or otherwise) to date. The development of the long term programme will be a major challenge.

As the Carbon Management Programme brings together a number of existing Services and initiatives under one coherent programme, it is essential to consider the opportunities which exist to integrate the awareness work and training programmes being undertaken through Eco Schools, Alienergy, GRAB & Recycling to ensure consistency of message and to derive optimum efficiencies.

The Action Plan detailed in Section 6.6 identifies the need to resource and address a long term sustained and effective campaign. Appendix B includes a draft communications strategy which could form the basis for influencing behaviour across the Council.



7.4.6 Finance and Investment – the money to match the commitment

A programme of possible projects was included within the original version of the Carbon Management Plan. The projects identified were largely assessed on a 'spend to save' basis and their status is detailed in Appendix D. Projects which have either been taken forward or are intended to be taken forward are covered in more detail in Section 5.

The Carbon Management Plan and Carbon Management Programme will continue to be funded on robust business cases, aligned to an evaluation of risk, in accordance with the Council's Capital Planning Guidance.

7.4.7 Policy Alignment – saving CO₂ across our operations

The 'Carbon Management Matrix – Embedding' at Appendix A highlights improvement in the alignment of its policies relating to tackling climate change, though scope remains for improvement.

At present the Council has a number of different Services and external partners working on projects which advance recycling, energy efficiency, renewable energy etc. The Carbon Management Plan brings all of these different service and project areas into one coherent package within the scope of the Carbon Management Programme. This offers an excellent platform to coordinate policy development/alignment.

In terms of the budget process, and in particular the case for funding specific capital projects, considerable progress has been made. Carbon impact, whole life costing etc is given due consideration within options appraisals and business cases, thus ensuring a strong case for carbon friendly projects in the Capital Plan.

There remains the need to ensure that corporate policy, planning and performance across the Council are generally aligned to give due consideration to climate change and sustainability.

Appendix A - Carbon Management Matrix – Embedding

Year	4.5	4.5	4	4.5	4	4	4	4	4	
Year	4	3	3	3.5	2.5	2.5	4	4	4	
Year	3	3	3	3.5	2	2	3.5	3	2	
	Corporate strategy	Programme Management	Responsibility	Data Management	Communications and training	Finance and investment	Policy Alignment			
5	<p>Top level target allocated across organisation</p> <p>CO2 reduction targets in Directorate Business Plans</p> <p>Action plans in place to embed strategy. Progress routinely reviewed</p>	<p>Cabinet / SMT review progress against targets on quarterly basis</p> <p>Regular diagnostic reports provided to Directorates</p> <p>Progress against target published externally</p>	<p>CM integrated in responsibilities of senior managers</p> <p>CM part of all contracts / Ts & Cs</p> <p>Central CO2 reduction advice available</p> <p>Green Champions leading local action groups</p>	<p>Regular collation of CO2 emissions for all sources</p> <p>Data externally verified</p> <p>Monitoring & Targeting in place for: Buildings, street lighting and transport/travel</p>	<p>All staff given formalised CO2 induction and communications</p> <p>Joint CM communications with key partners</p> <p>Staff awareness tested through surveys</p>	<p>Finance committed for 2+ yrs</p> <p>External funding routinely obtained</p> <p>Ring-fenced fund for carbon reduction initiatives</p>	<p>CO2 friendly operating procedure in place</p> <p>Central team provide advice and review, when requested</p> <p>Barriers to CO2 reduction routinely considered and removed</p>	4	4	4
4	<p>Vision for CO2 reduction clearly stated and published</p> <p>Climate Change Strategy endorsed by board and publicised with staff</p>	<p>Sponsor reviews progress and removes blockages through regular Programme Boards</p> <p>Progress against targets routinely reported to Senior Management team</p>	<p>CM integrated in to responsibilities of department heads</p> <p>Cabinet / SMT regularly updated</p> <p>Staff engaged through Green Champion network</p>	<p>Annual collation of CO2 emissions for: Buildings, street lighting and transport/travel</p> <p>Data internally reviewed</p>	<p>All staff given CO2 reduction: Induction, communications, CM matters</p> <p>Communicated to external community</p>	<p>Co-ordinated financing for CO2 reduction projects via Programme Board</p> <p>Funding principles and progress agreed</p> <p>Finances committed 1 year ahead</p> <p>Some external financing</p>	<p>Comprehensive review of policies complete</p> <p>Lower level policies reviewed locally</p> <p>Unpopular changes being considered</p>	4	4	4
3	<p>CO2 reduction commitment in Corporate Strategy</p> <p>Top level targets set for CO2 reduction</p> <p>Climate Change Strategy reviewed annually</p>	<p>Core team regularly review CM progress: Actions Profile & targets New opportunities</p>	<p>An individual provides full time focus for CO2 reduction</p> <p>Key individuals have accountability for carbon reduction</p> <p>Senior Sponsor actively engaged</p>	<p>Collation of CO2 emissions for limited scope i.e. buildings only</p>	<p>Environmental / energy group(s) gives ad hoc: Training and communications</p>	<p>A view of the cost of CO2 reduction is developing, but finance remains ad-hoc</p> <p>Some centralised resource allocated</p> <p>Finance representation on CM Team</p>	<p>All high level and some mid level policies reviewed, irregularly</p> <p>Substantial changes made, showing CO2 savings</p>	3	3	3
2	<p>Draft Climate Change Policy</p> <p>Climate Change references in other strategies</p>	<p>Ad hoc reviews of CM actions progress</p>	<p>CO2 reduction a part-time responsibility of a few department champions</p>	<p>No CO2 emissions data</p> <p>Compiled Energy data compiled on a regular basis</p>	<p>Regular awareness campaigns</p> <p>Staff given CM information on ad-hoc basis</p>	<p>Ad hoc financing for CO2 reduction projects</p>	<p>Partial review of key, high level policies</p> <p>Some financial quick wins made</p>	2	2	2
1	<p>No Policy/No Climate Change Reference</p>	<p>No CM monitoring</p>	<p>No recognised CO2 reduction responsibility</p>	<p>No CO2 emissions data compiled</p> <p>Estimated billing</p>	<p>No communications or training</p>	<p>No specific funding for CO2 reduction projects</p>	<p>No alignment of policies for CO2 reduction</p>	1	1	1



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Appendix B - Communications Plan:

Appendix B introduces a draft communications plan for further development. Its content is indicative of the type of activity that will be required to engage staff across the Council. Suitable engagement and inclusion of staff should assist in the delivery of the Carbon Management Programme. The accompanying document entitled 'Communications Strategy' provides a set of structured points to support the development of a Plan.

Purpose of document

The document sets out proposed communication activities with staff in the context of implementing the Council's Carbon Management Programme.

It outlines the changes taking place; how these will affect staff; key messages to be relayed to specified groups; when and how this will take place.

Communication with staff will be:

Open and Honest:	Straightforward and transparent
Timely:	Information when and where we need it
Accessible:	Clear, inclusive, and throughout the organisation
Appropriate:	The right information delivered at the right way in appropriate language and medium for the audience
Two-Way:	Allowing for full involvement with feedback channels'
Planned:	There must be a planned and joined-up approach to ongoing communication to staff around key projects and initiatives

Background

Background information

In 2008 Argyll and Bute Council made the commitment to develop a Carbon Management Programme in order to quantify levels of CO₂ emissions, set reduction targets and to introduce an implementation plan to achieve this reduction in emissions.

Aims

- To reduce the long-term cost of energy/fuels to the Council, making savings available for frontline services and ensure a sustainable future.
- To reduce the carbon impact of the councils operations from buildings, fleet vehicles, street-lighting, waste and business travel.
- To raise awareness of climate change issues with staff, Members and the general public.

Project Stakeholders

Stakeholders include:

- Staff and/or groups who may be directly or indirectly involved in delivering the Carbon Management Programme.

- People and/or groups who may be able to influence the changes being proposed.

Change Communication Activity

Communication Aims

The Carbon Management Programme will be widely promoted throughout Argyll and Bute Council. Since our staff represent a sizable proportion of the target audience and are those who could influence a drop in carbon emissions, they need to be fully aware of and engaged in the campaign.

Communication activities will ensure we achieve the following objectives.

The wider workforce:

- Are aware of the Carbon Management Programme.
- Understand the aims and objectives of the Programme.
- Understand the importance of the Programme e.g. climate change and the potential long term environmental and financial impacts of not taking action now.
- Are informed of progress made and know who to contact for more information.
- Feel a sense of ownership in the campaign – sense of attachment will lead to greater action.
- Understand that a behaviour change is required with regards to: energy/fuel use; waste minimisation (Reduce, Reuse, and Recycle)
- Consider travel needs/habits and procurement procedures.
- Have access to training and further information to help them make changes in the workplace.
- Have a named point of contact for their area of work.
- Have confidence appropriate action will be taken to resolve any issues / concerns
- Are instilled with a sense of optimism that the project will be successful, and a sense of pride knowing that they can make a difference.

Staff who are actively involved:

Receive feedback (face to face).

Have their efforts recognised.

Are kept informed of progress being made, both within their Service and corporately.

Generally:

- Aim to present a visualisation of what the impact would be if the campaign was successful.
- Language / tone is clear and concise.
- Communication is appropriately 'branded' - in line with other Council environmental projects and initiatives.

Initial Internal Communication Recommendations

To achieve our above communication aims, keep the initial impetus going and ensure a more proactive approach to the promotion of the Carbon Management Programme, the following actions are proposed:

Cascade, Hub, Intranet etc

- Maintain a schedule of planned news / people stories and features – linking to national campaigns where appropriate to give added impetus.
- ‘At Work’ interviews to highlight staff that are making a difference.
- A specific area will be created to enable staff to access information and advice. This area will house campaign news stories, managers’ briefing notes, tips and advice, contact details for Service ‘energy’ reps, links to more information etc.

Managers’ Briefings

- Line managers to play a key role keeping their staff motivated, enthusiastic, informed and open to making a behaviour change.
- Briefing notes will be distributed to provide a comprehensive overview of the initiative. Managers to update teams regularly.

Service Briefings

- Programme to be regularly featured at Service briefing sessions.

Website

- Regular update of information on Council website providing access by both Council staff and a wider audience.
- Reference point for tips, advice and further information.

Schedule of activities and key dates:

Activity	Task	Date	Lead
Carbon Management Revisited	Final document	Oct 2011	Project Sponsor
Carbon Management Action Plan	Final document	Oct 2011	Project Lead
Launch of Carbon Management Revisited	Communications -Cascade, Hub, Payslip etc.	XX	XX
Communications Plan	Develop Plan	XX	XX
Communications Plan	Implement Plan	XX	XX
Carbon Awareness/Reduction Campaign	Develop Campaign; including working with Carbon Trust	XX	XX
Carbon Awareness/Reduction Campaign	Implement Campaign; including working with Carbon Trust	XX	XX



Communications Strategy

Project title here

Purpose of communications: State the key communication purpose of the campaign or communication. Exactly what is the overall purpose of the strategy? What do you want to achieve?

Background context and issues: What is the reason for the project, what is the background and context e.g. legislation, rules changing, etc?

Objectives: What are the key objectives of the strategy or communication? This is critical as all the key activities will come from these objectives. Must be SMART – specific, measurable, achievable, relevant, time based. These will help identify critical success factors.

Evaluation: How we will measure success? Even if we are using an informal method, it is very important that we do this. Measure outcome not output. E.g. holding a meeting or producing a leaflet is an output. People changing their behaviour as a result of attending the meeting or reading the leaflet is an outcome.



Target audiences: (internal + external). Who are the key audiences? Segment and prioritise them. Consider what the audiences might think of the campaign or communication and also some of the peripheral audiences. Don't forget to identify any hard-to-reach audiences. Communicators of message: who is the message from? Receivers of message: who do we want to hear the message? Will you need to tailor your message to different audiences?

--

Key messages: These form the basis of all communications, and will help write your tools. You should come up with around four to five key messages. These will include any vital facts you are trying to convey, but also the key messages around these facts.

--

Approach: A summary or overarching strategy that identifies the methods you will use to achieve your objectives and the timing.

--

Tools: How will you meet your objectives and communicate your key message to your segmented audiences? It is very easy to jump straight into tools, but it is important to consider the audiences and messages first. What tactics will you use e.g. face to face, meetings, publications, advertising, give-aways, posters. How will you promote your event? Web site, local papers, posters, flyers, etc.

What	Detail	Cost
Audience: i.e. Residents		
Audience: Repeat for each audience		



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Budget: Costing – consider projected, real and social costs. It might be easy to identify actual costs, but we must also consider if there is a social cost to the communication. Will it be easy for audiences to access the information, or will they have to take time to do this? This is a social cost.

Impact on service and staff: Will the campaign/project have any impact on staff resources time etc? Take this into consideration. Have you discussed this with your line manager? Is it part of your work plan or in the communications tab of your service plan.

Risks: State what the risks are and how you will manage them.

Timeline/Key milestones: Show start and end dates and any key milestones (in some cases a separate action plan will be needed).

When	What	Who is delivering

Active summary and action plan: An overview of your plan, based on the information you have collated above:

Message	Audience	Method	Responsibility	Timing/frequency
What do people need to know? What do you want them to do as a result of finding out? What action do you want them to take (if any)?	Who needs to know?	How will you let them know? (may be a different method for each audience)	Who is providing the information? Who is distributing the information?	When will the information be distributed? What deadlines exist for printing ahead of distribution? How often will the information be sent out?

Contact details:

Author:	Ext:	Date:
Project contact:	Ext:	
Alternative contact:	Ext:	
Department:	Location:	

Appendix C – Risk Matrix

Ref	Category	Risk Description	RISK ASSESSMENT			Barrier Action	Risk Lead	Mitigating Action
			Chance	Impact	Score			
1	financial risk	Service Departments are unwilling to allocate sufficient capital & revenue to deliver project initiatives	3	4	12	The programme will not succeed and carbon and revenue savings will not be delivered	Project Sponsor	Initiatives will be funded by Business Cases which will model both financial outcomes and carbon saving benefits which will allow Departments and the Council as a whole to make informed decisions. Asset Management Board will approve IBCs/OBCs and FBCs and report to Environment PPG, SMT and Executive of Council wide & Departmental performance and delivery.
2	organisational risk	Service Departments do not see the programme as a priority 3 and do not actively support it at all levels.	3	3	9	The programme will not succeed on a sustainable basis if there is not strong support at all management levels - and a clear lead from Directors .	Project Sponsor	The SMT and Executive has considered and approved the CMP. The Programme Board must ensure that Service Departments are supporting the programme. The Environment PPG has a role in monitoring the development of the programme and the Programme Member Sponsor has a role in assessing progress and commitment.
3	political / societal factors	The Council will be harmed in terms of perception and carbon emissions performance measurement if it does not reduce its Carbon emissions	3	3	9	The Council will incur political damage if it does not address carbon reduction	Project Sponsor	CM Programme must deliver carbon savings
4	technical / operational / infrastructure risks	The Council does not have the technical expertise or the level 3 of resource required to deliver technical solutions to reduce carbon emissions	3	3	9	The Council has a small Energy Team with limited capacity to develop technical solutions. It will require technical support, expertise and experience.	Project Sponsor	Position will be considered as part of the Property Service Review (2011).
5	legal and regulatory risk	Planning Guidance and Process prevents or delays the introduction of new technologies and / or technical solutions which can reduce carbon emissions and reduce revenue costs	3	3	9	No engagement within CM programme from Planning Team	Project Sponsor	The Head of Service (Planning) has committed to providing a lead officer for initiatives which are likely to require a planning input; there is representation within the Project Team.
6	financial risk	The Council will incur increasing revenue costs if it does not put in place a long term and sustainable programme of investment in initiatives to cut carbon and greenhouse gas emissions and associated revenue savings.	2	4	8	Increased exposure to future rising revenue costs & possible future central government penalties	Project Sponsor	The CM programme acts as the core of the Council's future investment programme and will bring together Business Case development for future investment decisions
7	financial risk	Proposed Initiatives & programmes of work do not deliver 2 planned financial savings	2	4	8	A Business Case must be produced for each proposed initiative	Project Sponsor	Business Cases should include process for future assessment of outcomes against projections. The Programme Board will consider Final Business Cases before approving projects to proceed to implementation/construction phase. Current (and projected) fuel and energy costs will be utilised to model financial returns at FBC stage.
8	programme risk	The programme does not produce initiatives which will produce target savings in terms of carbon emissions and revenue savings	2	4	8	The Council cannot identify a programme of initiatives which can deliver the required carbon and revenue savings	Project Sponsor	The Project Team have access to the database of the other LA's successful projects and can use them as a reference source. Potential for partnership working.
9	organisational risk	Dependency on fossil fuels will threaten future operations and delivery of service	2	4	8	Future fuel shortages may affect operations -e.g. ferries, care homes, refuse collection	Project Sponsor	CM Programme reduces risk exposure and dependency upon fossil fuels (oil & gas)
10	organisational risk	Staff and Union Representatives do not support the CM programme	2	4	8	Programme fails due to lack of cooperation and actions at local levels	Project Sponsor	CM Programme must address this.
11	project risk	Technical design or construction failure/poor performance	2	4	8	Risk that Council employs poor quality technical & project management resource and develops and builds ineffective and poorly performing technological solutions.	Project Sponsor	Robust procurement process to resource technical expertise, capacity and capability with a "track record of successful project deliver and outcomes" . All projects founded on robust Business Cases (including delivery & commissioning)
12	financial risk	The proposed programme of works cannot be funded from CEEF and Utility Fund.	2	3	6	The extent of future carbon & revenue savings will be limited by capital and revenue investment levels	Project Sponsor	The CM programme acts as the core of the Council's future investment programme and will bring together Business Case development for future investment decisions.
13	legal and regulatory risk	If the Council does not take steps to reduce its carbon emissions it is at risk of future legislative penalty	2	3	6	Argyll & Bute Council's current electricity usage is less than the threshold level of the Carbon Reduction Commitment. It is recognised that it is likely that the CRC will be extended to capture LA's below the current threshold - which represents risk to the Council.	Project Sponsor	The CMP will develop disciplines; governance and technical expertise, capacity and experience to deliver carbon (and energy) savings initiatives and projects which will mitigate against the risk of penalties (e.g. CRC, non compliance with legislative targets).
14	strategic risk	Argyll & Bute Council is not committed to deliver future carbon & green house gas emission savings	1	4	4	Implementation Programme does not receive Council support and financial commitment	Project Sponsor	The SMT and Executive has considered and approved the CMP. Corporate Plan continues to place high importance on carbon reduction.
15	project risk	The Programme Board does not function and lacks coherence and direction	1	3	3	Project planning is poor and no clear direction or objectives are set	Project Sponsor	CM Programme/CMP provides focus, structure and identifies resource for delivery
16	programme risk	The programme does not deliver any meaningful reductions in carbon emissions	1	2	2	The programme does not either monitor or deliver future carbon savings	Project Sponsor	Business Cases should include process for future assessment of outcomes against projections

Appendix D - Status of the Carbon Management Plan 2009 Projects

The status of proposed projects in the original Carbon Management Plan are as follows:

Project No.	Project Description	Project Status
1.	Rothesay Pool - Oil to Gas Fuel Conversion	Complete 2009
2.	Thomson Home, Rothesay - Oil to Gas Fuel Conversion	Complete 2010
3.	All Council Buildings - Re-lamping Best Practice	Procurement Strategy approved by Procurement Board; best practice being implemented in part but a whole Council roll-out needs further development
4.	Tiree High School - Renewable Opportunities for Heating	Feasibility study conducted for wind turbine; planning risk identified preventing delivery; project to be kept under review
5.	Islay High School/Bowmore PS - Oil/Electric to Biomass Conversion	Oil to biomass project planned within the 2011/2012 capital programme
6.	Hermitage Primary School - Oil to Gas Fuel Conversion	Business case 2011/2012 for 2012/2013 capital programme consideration
7.	John Logie Baird Primary School - Oil to Gas Fuel Conversion	Business case 2011/2012 for 2012/2013 capital programme consideration
8/9.	Insulation Surveys/Installation Programme	Business case 2011/2012 for 2012/2013 capital programme consideration
10.	Oban High School - Oil to Gas/Biomass Conversion	Oil to biomass project planned within the 2011/2012 capital programme
11.	Campbeltown Grammar School - Oil to Gas/Biomass Conversion	Feasibility study conducted but project deferred due to prospects for a new school build
12.	St Kierans Primary/Kintyre CEC/Castlehill Primary - Heating Conversion to Biomass Operation	Project deferred; St Kierans PS closed; ref also project no. 36; options for Castlehill PS to be considered further in 2012/2013
13.	Lochgilphead Library/Lochgilphead CEC/Manse Brae Offices - Heating Conversion to Biomass Operation	Initial assessment does not demonstrate sufficient benefit to take this project forward in advance of others. To be kept under review
14.	Struan Lodge, Dunoon - Oil to Gas Fuel Conversion	Business case 2011/2012 for 2012/2013 capital programme consideration
15.	Increase Recycling - All Council Buildings	Ongoing consideration
16.	Aqualibrium - Voltage Optimisation Trial	Question marks over the need and suitability of this technology for certain sites has arisen. Further research required by an electrical designer to ensure investment is worthwhile
17.	Wood Fuel Sourcing- Biomass Supply Alienergy	This area is being explored currently by Procurement Scotland; outcome expected in 2012
18.	Lochgilphead Adult Resource Centre - Oil/Electric - Biomass Conversion (Connection to District Heating)	Initial assessment does not demonstrate sufficient benefit to take this project forward in advance of others. To be kept under review

19.	Tarbert Academy - Heating Conversion to Biomass Operation	2011/12 Business Case for 2012/13 capital programme consideration
20.	Travel Plan – Executive Controls	Ongoing budgetary reductions to be delivered by Service Departments
21.	Queens Hall, Dunoon - Oil to Gas Fuel Conversion	2011/12 Business Case for 2012/13 capital programme consideration; possible CHORD impact to be considered
22.	Installation of Variable Speed Drives - Swimming Pools	Links with Project no. 42
23.	Kilmory Castle & Nursery - Oil to Biomass Conversion	Oil to biomass project planned within the 2011/2012 capital programme
24.	Biofuel Generator	Item deferred. Project not feasible at this stage
25.	Management of the PC Desktop	Ongoing
26.	Server Virtualisation	Ongoing
27.	Staff Awareness and Energy Saving Programme	Project planned 2012/2013 and beyond; refer to Sections 6.6 & 7.4.5
28.	Fuel Saving - Council Fleet Vehicles	Ongoing consideration
29.	Portable Electric Heating Appliances- Removal of all Unauthorised Appliances (controlled by Energy Manager).	To be developed 2012/2013; linked to ability to provide adequate comfort conditions from fixed heating systems
30.	Street Lighting - Dimming Trial	Fixed trial installation installed Dewar Avenue, Lochgilphead
31.	Achahoish PS Electrical Generation - Wind Turbine (6kW)	Business case 2011/2012 for 2012/2013 capital programme consideration
32.	Islay High School - Electrical Generation - Wind Turbine Feasibility	Feasibility study conducted for wind turbine; planning risk identified preventing delivery; project to be kept under review
33.	Gartbreck (Islay) Electrical Generation - Wind Turbine Feasibility	Feasibility study conducted for wind turbine; planning risk identified preventing delivery; project to be kept under review
34.	Energy Management Team Resource Required to Develop Future IBCs in All Areas for Year Two and Beyond	Property Services Review expected to confirm the need for suitably qualified mechanical and electrical services staff to progress this item
35.	Riverside Pool- Voltage Optimism Trial	Question marks over the need and suitability of this technology for certain sites has arisen. Further research required by an electrical designer to ensure investment is worthwhile
36.	Campbeltown CEC - Oil to Gas Conversion (Bio Mass to be Considered)	Oil to gas project planned within the 2011/2012 capital programme
37.	Street Lighting - Audit of Installation Capacity & Billing	Ongoing consideration
38.	Oban Office Rationalisation - Property Disposals and Development of Carbon Friendly Alternative Accommodation Feasibility	Outcome: Kilbowie House closure and move from West Highland Housing Association (WHHA) premises
39.	Develop Carbon Neutral Concept for All Council Emissions Associated With The Isle of Islay	Ongoing consideration

40.	Rothesay - Energy Sourcing from Community CHP Scheme (Biomass)	Project dependant on development of Community Scheme
41.	Rothesay/Dunoon - Feasibility of Mini Hydro from Reservoirs	Preliminary feasibility conducted. Rothesay project not considered viable but the Bishop's Glen project in Dunoon will be considered further in the context of the Renewables Sourcing Strategy
42.	All Council Buildings - Energy Audit Recommendations - Assorted Minor Projects	Range of projects complete; multiple project opportunities remain; ongoing consideration
43.	NPDO Schools - Employment of a Specialist Energy Consultant to Ensure adoption of Best Practice	Discussions with MITIE are ongoing. Monitoring & targeting and adoption of an energy strategy are key components.
44.	Aqualibrium Pool Cover Installation	Business case 2011/2012 for 2012/2013 capital programme consideration
45.	Smart Metering Trials	Approvals for widespread implementation of Automated Meter Reading (AMR) being confirmed
46.	Achieve Carbon Trust Standard (Leisure Properties Initially)	Further research required to determine the most appropriate quality standards or Independent accreditations to aspire to (by 2014).
47.	Water Conservation Initiatives	Range of works complete; ongoing task over multiple sites; AMR installations expected to identify water loss issues.
48.	General Review of domestic hot water (DHW) Provision	Ongoing consideration
49.	Research Council Electric Load Requirements Against National Grid Network Capacities	Item deferred; relates to Renewables Implementation Strategy
50.	Dalintober PS- Oil to Gas Fuel Conversion	Completed 2011
51.	Electric Generation (Leisure)- Feasibility to Harness Exercise Bike Energy	Item deferred; other project opportunities present better cases for investment
52.	St Andrews Primary School - Oil to Gas Heating Conversion	Business case proposed 2012/2013 for 2013/2014 capital programme consideration.
53.	Electric Heating Systems - Review of Controls	Ongoing consideration
54.	Waterless Urinal Trial	Item deferred
55.	Catering Sub Metering Trial - Greater Ownership of Catering Staff	Ongoing consideration
56.	Rothesay Leisure Pool- Pool Area Partition (Feasibility)	Project planned within the 2011/2012 capital programme as part of a wider refurbishment project
57.	Review Handling of Site Closures to avoid Unnecessary Costs	Ongoing consideration
58.	Adoption of Council-Wide Standards- Carbon Friendly Specification & Design Advice; Rationale for Project Decisions.	Progress made; further development of carbon friendly specifications required
59.	Renewables Event- Scope Out Opportunities	Item deferred in favour of events promoted by AliEnergy
60.	Rothesay Community Education Centre - Electric to Gas Heating Conversion	Complete 2010



61.	Toward Primary School- Installation of pv System	Complete 2010
62.	Drumlemble Primary School - Installation of pv System	Complete 2009
63.	TRV Installations - Assorted Sites	Range of projects complete; ongoing consideration; Links with Project no. 42
64.	Feasibility of procuring a mobile/commercial wind speed/direction logger (Anemometer).	Item deferred; not now seen as necessary

Appendix E – Register Of Energy Performance Certificates

ADDRESS 1	POSTCODE	PROPERTY TYPE	GIA	EPC RATING	ANNUAL CO ² EMISSIONS	ENERGY USE/M ² (kWh)
DUNOON HOSTEL	PA23 8JR	HOSTEL	2022	E	78	271
GLENCRUITTEN HOSTEL	PA34 4SB	HOSTEL	2017	E	77	268
ARROCAHR PRIMARY SCHOOL (CANTEEN)	G83 7DG	PRIMARY SCHOOL	125	C	28.3	145
BOWMORE PRIMARY SCHOOL	PA43 7JX	PRIMARY SCHOOL	1052	D	58	138
CARDROSS PRIMARY SCHOOL	G82 5PN	PRIMARY SCHOOL	1463	E+	64	261
CARDROSS PRIMARY SCHOOL (NEW CLASS BLOCK)	G82 5PN	PRIMARY SCHOOL	146	D	54	127
CASTLEHILL PRIMARY SCHOOL	PA28 6LE	PRIMARY SCHOOL	2391	F+	81	287
COLGRAIN PRIMARY SCHOOL	G84 7TZ	PRIMARY SCHOOL	2005	F+	86	303
DALINTOBER PRIMARY SCHOOL	PA28 6HG	PRIMARY SCHOOL	2152	F+	90	309
DUNOON PRIMARY SCHOOL	PA23 7DR	PRIMARY SCHOOL	3016	E+	69	316
GARELOCHHEAD PRIMARY SCHOOL	G84 0DG	PRIMARY SCHOOL	2086	C	40	182
HERMITAGE PRIMARY SCHOOL	G84 7EW	PRIMARY SCHOOL	3379	C	43	148
INVERARAY PRIMARY SCHOOL	PA32 3UE	PRIMARY SCHOOL	1341	F+	82	280
JOHN LOGIE BAIRD PRIMARY SCHOOL	G84 9EP	PRIMARY SCHOOL	2784	D	56	191
KILCREGGAN PRIMARY SCHOOL	G84 0HT	PRIMARY SCHOOL	1050	F	92	335
KIRN PRIMARY SCHOOL	PA23 8EH	PRIMARY SCHOOL	2733	E	71	253
PARK PRIMARY SCHOOL	PA34 5AU	PRIMARY SCHOOL	1687	E+	67	317
PORT ELLEN PRIMARY SCHOOL	PA42 7BW	PRIMARY SCHOOL	1226	F+	82	283
RHU PRIMARY SCHOOL	G84 8RS	PRIMARY SCHOOL	1220	D+	52	174
ROSNEATH PRIMARY SCHOOL	G84 0RJ	PRIMARY SCHOOL	1128	F	94	223
SALEN PRIMARY SCHOOL	PA72 6JG	PRIMARY SCHOOL	711	E	76	179
SANDBANK PRIMARY SCHOOL	PA23 8PW	PRIMARY SCHOOL	1303	F+	84	296
ST JOSEPH PRIMARY SCHOOL	G84 7LR	PRIMARY SCHOOL	2129	G	103	245
ST MUNS PRIMARY SCHOOL	PA23 8DB	PRIMARY SCHOOL	1631	E	72	322
TOBERMORY PRIMARY SCHOOL (PRE 5 UNIT)	PA75 6PB	PRIMARY SCHOOL	131	A	15	197
OBAN HIGH SCHOOL	PA34 4JB	SECONDARY SCHOOL	10888	D+	46	149
TREE HIGH SCHOOL	PA77 6XA	SECONDARY SCHOOL	2333	G	158	375
TOBERMORY HIGH & PRIMARY SCHOOL	PA75 6PB	SECONDARY SCHOOL	2780	G	101	240
CAMPBELTOWN GRAMMAR SCHOOL	PA28 6JS	SECONDARY SCHOOL	7242	F+	87	283
TARBERT ACADEMY & PRIMARY	PA29 6TE	SECONDARY SCHOOL	3541	E+	67	219
ISLAY HIGH SCHOOL	PA43 7JY	SECONDARY SCHOOL	5397	F	99	311
PARKLANDS SCHOOL	G84 7EZ	SPECIAL SCHOOL	1158	D+	51	229
MOAT CENTRE	PA20 0EP	COMMUNITY CENTRE	1128	G	111	343
DUNOON ROADS DEPOT	PA23 7PA	DEPOT	618	F	99	307
ROTHESAY ROADS DEPOT	PA20 0HD	DEPOT	572	G	213	755
DUNOON STADIUM	PA23 7RL	STADIUM	373	G	190	415
ARGYLL HOUSE	PA23 8AJ	OFFICE	1170	G	108	364
BLAIRVADACH	G84 8NN	OFFICE	1415	G	169	520
DALRIADA HOUSE	PA31 8RD	OFFICE	1157	F+	82	241
KILMORY	PA31 8RT	OFFICE	4755	G	103	337
MUNICIPAL BUILDINGS	G84 7QF	OFFICE	697	G	131	333
MANSE BRAE OFFICES (OPERATIONAL SERVICES)	PA31 8RD	OFFICE	1273	E+	65	207
MANSE BRAE OFFICES (ANNEXE)	PA31 8RD	OFFICE	92	G	149	353
FINANCE OFFICE	PA28 6JX	OFFICE	1086	G	145	343
EADER GLINN HOME FOR THE ELDER	PA34 4JL	ELDERLY HOME	1932	G	109	362
THOMSON HOME	PA20 9JH	ELDERLY HOME	1298	G	162	584
STRUAN LODGE	PA23 8HU	ELDERLY HOME	1476	G	155	522
LORN RESOURCE CENTRE	PA34 4SB	RESOURCE CENTRE	1219	E	77	257
AQUALIBRIUM	PA28 6EG	SWIMMING POOL	4534	D+	52	680
RIVERSIDE SWIMMING POOL	PA23 8AB	SWIMMING POOL	2704	G	172	725
HELENSBURGH SWIMMING POOL	G84 8SQ	SWIMMING POOL	1643	G	353	1574
ROTHESAY LEISURE POOL	PA20 9BN	SWIMMING POOL	1086	G	272	1183
CORRAN HALLS	PA31 5AB	HALL	1738	G	174	413
QUEENS HALL	PA23 7HH	HALL	3186	G	257	877
ROTHESAY PAVILION	PA20 0AX	HALL	3182	G	120	428
VICTORIA HALL - CAMPBELTOWN	PA28 6EG	HALL	996	G	154	633
VICTORIA HALLS - HELENSBURGH	G84 8TU	HALL	1147	G	103	396

ARGYLL AND BUTE COUNCIL**EXECUTIVE****CUSTOMER SERVICES****THURSDAY 19 APRIL 2012**

SCOTLAND'S CLIMATE CHANGE DECLARATION

1.0 SUMMARY

- 1.1 This report introduces the draft reporting template that has been requested by COSLA to update on the Council's contribution towards Scotland's Climate Change Declaration.

2.0 RECOMMENDATIONS

- 2.1 Members are asked to note and approve the terms of the update.

3.0 DETAIL

- 3.1 The Scottish Climate Change Declaration was drawn up by the Scottish Local Authority Climate Change Programme (SLACCP) Development Group to support the Government's Climate Change Programme. It provides individual authorities with the opportunity to publicly declare their commitment and actions at a local level in response to climate change.
- 3.2 The Council signed this declaration in January 2007 and the attached annex provides an update on our action plan in this regard. This has been prepared with input from staff from Facility Services, Improvement and HR and Development and Infrastructure. The actions outlined reflect the commitments outlined within the Council's Single Outcome Agreement, Corporate Plan, Carbon Management Plan and related strategies.
- 3.3 The draft has been forwarded to COSLA in compliance with their required timescales but this action has been taken on the strict understanding that the document is still subject to approval.

4.0 CONCLUSION

- 4.1 The annex to this report has been prepared to reflect the Council's commitment to the Scottish Climate Change Declaration. It has been produced through collaborative working by services across the Council and reflects our corporate and service objectives.
- 4.2 The draft has been forwarded to COSLA for noting at this stage on the strict understanding that it is still subject to Member approval.

5.0 IMPLICATIONS

- 5.1 Policy – The Council’s contribution to the Climate Change Declaration reflects corporate and service plan commitments.
- 5.2 Financial – The programme of work outlined is subject to the development of appropriate business cases and the allocation of resources.
- 5.3 Legal – Nil.
- 5.4 HR – Nil.
- 5.5 Equalities – Nil.
- 5.6 Risk – The risk associated with the delivery of individual projects is taken into account within business cases.

6.0 APPENDICES

Scotland’s Climate Change Declaration – Revised Reporting Template

Executive Director of Customer Services

13 March 2012

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Scotland's Climate Change Declaration Revised Reporting Template Year 4 (FINAL VERSION)

Each of Scotland's 32 local authorities signed Scotland's Climate Change Declaration in early 2007. The Declaration is a public statement wherein local authorities acknowledge the reality and implications of climate change and their responsibility to respond effectively. The Declaration also welcomes the actions of the UK and Scottish governments and the opportunities for local authorities to work in partnership with others in responding to climate change.

As signatories to Scotland's Climate Change Declaration, each Scottish local authority is committed to taking action across a range of key areas. These can be summarised as:

1. Providing effective **leadership, governance and management** on climate change.
2. Reducing the local authority's **own 'corporate' greenhouse gas emissions** from their estate, services and functions.
3. Taking action to reduce **emissions from the local authority area**
4. Assessing the risks of climate change impacts and working with others to **adapt to the impacts of climate change**.
5. Developing effective **partnership working and climate change communications**, including producing an annual statement of plans, activities and achievements.

This Reporting Template focuses on these five key areas.

The principles of effective Declaration reporting include:

- Providing clear, consistent and comparable information.
- Linking climate change reporting with existing reporting requirements and the council's own performance improvement agenda.
- Showing clearly how climate change is being integrated into council and Community Planning agendas, especially through Single Outcome Agreements.
- Highlighting key achievements and initiatives
- Communicating with the community, making the report easy to understand and available to the public.

Local authorities are encouraged to provide information in a transparent and easy to understand format:

- In relation to 'corporate' and 'area-wide' emissions, quantifiable data will be vital, and this is best communicated graphically.
- On adaptation, examples of adaptation action or process initiatives would help illustrate what is being done.
- On governance, leadership and management, and on partnership working, communications and capacity building, diagrams, process maps and examples of materials and events would be extremely useful.

In order to make reporting on the Declaration as effective and efficient as possible, local authorities are encouraged to use this reporting template to report top-level information and to use web-link references to more detailed information.

Local authorities are also encouraged to make reference to their previous Declaration reports, especially making reference to the year-ahead priorities listed in those reports. This will help in showing continuity and year-on-year progress.

In reporting on the Declaration, local authorities are encouraged to recognise the importance of the UK Climate Change Act, Climate Change (Scotland) Act, national targets for emissions reduction, the Climate Change Public Bodies Duties Guidance (published 2011), The Low Carbon Scotland: Meeting the Emissions Reduction Targets 2010-2022 Report on Proposals and Policies, the Low Carbon Scotland Public Engagement Strategy, the evolving Scottish Climate Change Adaptation Framework and the Adaptation Scotland Scotland Climate Change Adaptation Workbook . Also of use is the internationally recognised 'Greenhouse Gas Protocol' for consistent reporting of 'corporate emissions' and the evolving suite of Local Authority climate change datasets and indicators published by DECC.

DRAFT

Section 1

Governance, Leadership and Management

Please describe and illustrate the leadership, governance and management of climate change by your local authority.

The Council's Corporate Plan (2011-12) identifies 'Working together to improve the potential of our area' as a key objective. Under this objective come the following outcomes

- We have reduced the carbon footprint of Argyll and Bute Council
- We have 'reduced, reused and recycled' more

In Argyll and Bute Council, climate change comes under the Environment theme. The Council has an Environment Policy and Performance Group (PPG) which considers all environmental issues across the Council including the Carbon Management Plan (ref below). This group is chaired by an elected member.

At a community planning level, we have been developing a new Community Plan/Single Outcome Agreement for Argyll and Bute. The partnership has adopted the objectives outlined in the Council's Corporate Plan and an outcome around achieving a sustainable environment has been proposed.

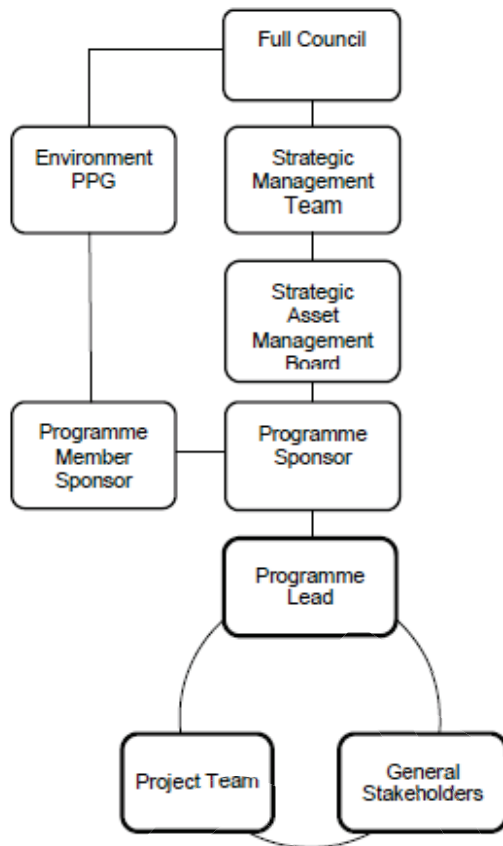
Through community planning, an Environment Thematic Group has been set up. The Thematic Group meets on the same day as the PPG and is chaired by the same elected member that chairs the PPG.

Currently there is no Council spokesperson for climate change. Again, this falls under the remit of the Environment theme and we currently have a Spokesperson and a Depute Spokesperson for Environment. In addition to the Council has a spokesperson for Energy, Enterprise, Culture and Tourism.

For community planning, the thematic lead officer comes from SNH. The Thematic Group is made up from the following partners – Argyll and Bute Council, Scottish Government Rural Payments and Inspection, Scottish Environmental Protection Agency, Scottish Natural Heritage, Forestry Commission and Loch Lomond and the Trossachs National Park.

In terms of addressing climate change, the Carbon Management Programme is one of the Council's most prominent areas of activity. The governance and management structure is depicted in Figure 1 below. This structure has evolved slightly since the adoption of the initial Carbon Management Plan, in which time there has been some service reorganisation within the Council. The most significant change within the Carbon Management Programme has been stronger links with the activities of the Strategic Asset Management Board which helps to ensure that the potential carbon impact of proposed projects is taken into account when assessing projects for inclusion within the Capital Plan via the business case gateway process.

Figure 1 – Carbon Management Governance and Management Structure



Programme Member Sponsor – Chair of Environment PPG

Programme Sponsor – Head of Facility Services (also Chair of Strategic Asset Management Board)

Programme Lead – Energy and Building Services Performance Manager

In addition to the above, the **Project Team** includes key staff from the following disciplines:

- Waste Management
- Property Services
- Fleet Management
- Street-lighting
- Business Travel
- Procurement
- Information & Computing Technology
- Strategic Finance
- Communications
- Special Projects Team (NPDO sites)

Section 1 Priorities for the year ahead

Review the Environment and Climate Change scorecards in alignment with the new Corporate Plan and service plans.

Review priorities on climate change on the basis of the local elections.

Section 2

Reducing the local authority's own 'corporate' greenhouse gas emissions from its estate, services and functions.

What are your local authority's baseline emissions, actual emissions and emission reduction targets for its direct 'corporate' greenhouse gas emissions? Please make it clear what emission sources are included, and where data has been sourced.

What is your local authority doing to achieve its reduction targets?

Table 1: Summary table of Argyll and Bute Council carbon emissions with associated costs (source: Council records)

Source	Baseline Cost £	Cost %	Baseline Emissions CO ₂ Tonnes	CO ₂ %
Buildings Oil (non NPDO)	1,360,751	13.6%	4,888	10.9%
Buildings Gas (non NPDO)	304,776	3.0%	2,050	4.6%
Buildings HH Electricity (non NPDO)	222,955	2.2%	1,227	2.7%
Buildings NHH Electricity (non NPDO)	1,320,059	13.2%	7,267	16.3%
Buildings Oil (NPDO)	106,001	1.1%	381	0.9%
Buildings Gas (NPDO)	120,927	1.2%	813	1.8%
Buildings Electricity (NPDO)	315,278	3.1%	1,736	3.9%
Unmetered Electricity*	415,701	4.1%	3,106	6.9%
Fleet Transport	1,408,783	14.0%	3,476	7.8%
Business Travel	2,178,701	21.7%	1,617	3.6%
Waste (All Landfill)	2,274,216	22.7%	18,153	40.6%
TOTAL BASELINE	10,028,148	100%	44,714	100%

Argyll and Bute Council Carbon Management Plan (CMP) was developed in 2008/2009 using 2007/2008 data as baseline. The Plan was developed as a result of participation in the Carbon Trust Local Authority Carbon Management Programme (LACM6). The CMP represented a 5 year programme to reduce carbon emissions (tCO_{2e}) by 20% by March 2014.

For simplicity, Carbon conversion factors, as advocated by the Carbon Trust in 2008/2009, are being used consistently over the five year programme.

Table 2: Conventions - Carbon Conversion Factors and Costs

Source	Baseline Cost – Rates Utilised 2007/08	Baseline Cost – Rates Utilised 2011/12	Baseline Emissions – Factors Utilised	Source of Emissions Factors
Buildings Oil	£0.48/litre	£0.70/litre	0.251kg CO ₂ /kWh	www.defra.gov.uk
Buildings Gas	£0.03/kWh	£0.0275/kWh	0.185kg CO ₂ /kWh	www.defra.gov.uk
Buildings Electricity	£0.12/kWh	£0.095/kWh	0.523kg CO ₂ /kWh	www.defra.gov.uk
Unmetered Electricity*	£0.11/kWh	£0.07/kWh	0.523kg CO ₂ /kWh	www.defra.gov.uk
Fleet Transport	£0.85/litre	£1.07/litre	2.63kg CO ₂ /litre	www.defra.gov.uk
Business Travel	£0.218/km	£0.279/km	0.21kg CO ₂ /km	www.defra.gov.uk
Waste	£110/tonne	£56/tonne	447kg CO ₂ /tonne	www.defra.gov.uk

*Unmetered electricity generally consists of street lighting.

Data collection and quality has proven to be an area of difficulty. The position has been reviewed with the publication of the Carbon Management Plan Update 2011 in December 2011 and actions have been identified to attempt to improve data streams.

- Waste arriving at landfill is accurately measured and reported (SEPA)
- Business travel is based on staff mileage claims.
- Fleet fuel/mileage data has been a problem but the implementation of a new fleet management system should correct this going forward.
- Unmetered electricity information quality is dependent on whether the Council can maintain an accurate database of street furniture and power ratings year on year. Resourcing this has been difficult.
- Utilities otherwise have historically been a problem as supplier billed information has been awash with error and consumption estimates. Heating oil, natural gas and half hour electricity are now under control, but non half hourly electricity remains an area of concern. This remains a work in progress and work streams are in place for further data cleansing and the installation of advanced meter reading (AMR) technology.

The Carbon Management Plan Update 2011 has utilised improved data streams and a revised emissions baseline of 44,714 Tonnes CO₂ per annum has now been confirmed. The revised five year reduction target has therefore increased to 8,943 tonnes CO₂ per annum and the three year interim reduction target has increased to 4,337 tonnes CO₂ per annum.

Progress/performance on CMP implementation is made available on the Council's Performance Management system, Pyramid. Although the measures in Pyramid and data handling are currently being reviewed, CMP implementation continues to be tracked in three ways:

- Subjective assessment – updated quarterly.
- Numerical re-evaluation of emissions baseline – updated annually.
- Accumulative carbon savings from tangible and complete projects - updated quarterly.

Overall qualitative progress is regarded as 'On Track'.

Concerns over data quality, which makes reporting and performance management difficult, have been addressed within the CMP Update 2011. Solutions entail a combination of the use of alternative data

streams and actions being identified to improve data quality.

To enable quantitative assessment to be carried out within the current Programme, given data quality concerns, the following measures are utilised:

- measured data, when quality is assured.
- tangible project evaluation, when information is lacking.

Accumulated Carbon Savings to Date

Information to the end of financial year 2010/2011 shows carbon reductions of 3,857 tonnes CO₂ per annum, exceeding the pro rata two year target of 2,896 tonnes CO₂ per annum.

The timing of this report does not allow a full evaluation for financial year 2011/2012, but there is sufficient information to indicate that progress remains 'On Track' – this has resulted from a healthy carbon reduction capital programme and strong waste reduction performance.

Funding

The Carbon Management Programme is currently being financed within existing service budgets and through a capital programme financed by Prudential borrowing – business case development demonstrating 'spend to save' opportunity.

Carbon Reduction Highlights

- The introduction of a new communication system, Microsoft Lync, across the Council has reduced the need for travelling to meetings for staff as they can participate in conference calls and video calls through the use of their IT equipment.
- There has been an increase of meetings held by video conferencing facilities e.g. the Community Planning Partnership Management Committee. This has reduced the need for travelling for Council staff and partner organisations. Facilities are available in a number of towns across the local authority area and this seems to have been a welcomed approach by all partners.
- The Council has recently reduced its carbon footprint by investing in four hybrid vehicles (with intention to install electric charging points). The vehicles – three 17 seater minibuses and a transit van, replaced diesel only vehicles. This is an important step in reducing our transport emissions. The minibuses take children in the Dunoon area to and from school during the week and will also be available for community group use at weekends. More information on the vehicles can be found at:
<http://www.argyll-bute.gov.uk/news/2012/jan/hybrid-vehicles-help-reduce-council-carbon-tyreprint>
- trials and procurement consideration of more environmentally friendly fleet vehicles e.g. street cleaners, refuse vehicle with electric ramp.
- Greater use of LED lamping technology in street-lighting applications.
- Increasing waste re-cycling opportunities/levels including food waste.
- Two biomass (woodchip) heating system installations are scheduled to be installed between Easter 2012 and Summer 2012. They are:
 - Islay High School (including Bowmore Primary School)
 - Kilmory Castle (including Kilmory Nursery)
- A number of heating fuel conversion projects have been completed – ensuring improved energy efficiency and lower carbon reduction.
- Protocols have been developed to ensure that all building lighting/lamping is procured/installed to ensure good energy efficiency, long lamp life, correct comfort and design levels and achieve cost controls/savings. This relates not only to replacement of lamps upon expiry, but also to programmed lamping replacements where existing arrangements can be improved.
- Options appraisal work has been completed, in conjunction with the Carbon Trust, in terms of developing a renewables sourcing strategy. A cross-Council team is currently being formed to

progress this initiative.

Section 2 Priorities for the year ahead

2012/2013 will be Year 4 of the 5 year Carbon Management Programme. Key objectives include:

- Further develop and conclude the **Renewables Sourcing Strategy** in conjunction with the Carbon Trust – this will ensure that renewables implementation across the whole Council estate is conducted in a strategic, well considered manner. Against the evaluation criteria of impact/affordability/deliverability/risk, only suitable renewable technologies and sites will be developed further. An estimate of 30-40 business cases will be developed with access to renewable heat incentive (RHI) and feed-in-tariffs (FIT) a key consideration.
- Delivery of a substantial **Capital Programme** with £2.5Million specifically allocated to carbon reduction projects and a raft of other asset sustainability projects with carbon benefits. Biomass projects are prominent for the second year running. A summary of the proposed projects is as follows:

Site(s)	Project	Carbon Saving (tonnes CO ₂ /annum)	Project Cost (£)
Colgrain PS; Queens Hall; John Logie Baird PS; Hemitage PS; Sandbank PS; Rhu PS; Castlehill PS; St Andrews PS	Oil to gas fuel conversions	250	395,000
Lochgilphead Campus	Oil to biomass fuel conversion	384	499,675
Tarbert Academy	Oil to biomass fuel conversion	91	360,525
Inveraray PS (provisional)	Oil to biomass fuel conversion	70	320,650
Unspecified	Solar photovoltaic	42	250,000
Lochnell PS; Innellan PS; Achahoish PS (all provisional)	Small scale wind turbines	20	120,000
Various	Energy efficiency best practice	371	425,000
Various	Renewable Sourcing Strategy development	N/A	115,000
Totals:		1,228	2,485,850

These projects have the potential to deliver estimated combined carbon reductions in the region of 1,228 tonnes CO₂ per annum at a cost of circa £2.5Million. This is expected to return revenue savings of circa £300,000 per annum with an average payback of approximately 8 years.

- Significant work on **Embedding** (create behavioural change platform, raise awareness, training etc) the carbon reduction ethos into the organization as a whole will be undertaken.
- Exploring opportunities arising from joint working or **Shared Services**.
- Implementation of a substantial **Advanced Meter Reading** (AMR) programme, which will then offer a level of data with which to target inefficiencies.
- Increasing **Re-cycling** opportunities including food waste and extending those items which can be placed in household re-cycling bins.
- Continued Executive Controls on business mileage and promotion of use of video/audio conferencing facilities.
- Ongoing consideration of utilizing more environmentally friendly fleet vehicles.
- Controls on lamping procurement/use - controlling costs, emissions and improving user experience.

Section 3

Taking action to reduce the emissions from the local authority area

What are your local authority area-wide emissions? Please make it clear where data has been sourced.

What is your local authority doing to measure and reduce the greenhouse gas emissions from your local authority area/communities?

Argyll and Bute is the only local authority in the United Kingdom where LULUCF removals outweigh all emissions from the other sectors.

Year	Industry and Commercial	Domestic	Road Transport	LULUCF	Total	Population ('000s, mid-year estimates)	Per Capita Emissions (t)
2005	241	306	216	-1389	626	91	-6.9
2006	243	308	214	-1334	569	91	-6.2
2007	236	299	215	-1276	527	91	-5.8
2008	239	300	208	-1259	512	91	-5.7
2009	219	276	201	-1193	497	90	-5.5

Source: 'Local and Regional CO2 Emissions Estimates for 2005-2009', produced by AEA for DECC (see http://www.decc.gov.uk/en/content/cms/statistics/climate_stats/gg_emissions/uk_emissions/2009_local/2009_local.aspx)

Waste collected by Argyll and Bute Council continues to be above the 40% target. Performance for the first 2 quarters in 2011/12 has continued the trend of performance level being above 40%.

Organisations in Argyll and Bute were awarded over £900,000 in 2011/12 through the Climate Challenge Fund. The fund is about supporting communities to tackle climate change by reducing their emissions. A breakdown of the organisations in Argyll and Bute securing funding in 2011/12 were as follows:

Project Name	Award	Summary
Renewables And Carbon/Energy Savings (RACES) Part 2 (Islay Energy Trust)	£182,736	Managing carbon and energy savings programmes for community, school and charity buildings, and SMEs on Islay, and undertaking feasibility studies for community renewable energy projects (1MW wind, 180kWp solar PV and 24kW hydro) and micro-generation installations with domestic and commercial partners. Carbon dioxide savings in period 2011/12 are targeted at 68-100 tonnes, and energy cost savings in total up to £50,000.
Tobermory Allotments Initiative: Eco Design and Renewables Study (Tobermory Endeavour)	£12,500	Tobermory Endeavour is developing community allotments on the outskirts of the town to provide a resource for local people to grow their own fresh food and produce, tackling the difficulty of sourcing fruit and vegetables given the distance from markets. In addition they will conduct a feasibility study into the renewable technologies which could help power the site. The local community will also be engaged in discussions on food miles, waste and composting to raise awareness of environmental issues.
Mull & Iona Community Wind Turbine	£31,146	The Mull & Iona Community Wind Turbine feasibility project follows directly from a community consultation held during

(Mull & Iona Community Trust)		the previous Community Powerdown project. The project aim is to evaluate whether a medium-sized turbine can be established without serious damage to the special environment of Mull, with all the profits being reinvested in Community projects through the life of the turbine.
Kerrera Wind Turbines (Isle of Kerrera Development Trust)	£41,000	The island of Kerrera is a beautiful, unspoilt island that can prove challenging to live on due to the lack of services and infrastructure. The Kerrera Wind Turbine project aims to assess the feasibility of harnessing the island's wind power to generate community revenue that will help rebuild the island's infrastructure and dramatically reduce Kerrera's carbon footprint.
Memorial Hall Heating Control System (Strachur Memorial Hall Committee)	£7,500	The Strachur Memorial Hall heating system is being upgraded in a two phase project. The first phase, which is complete, was to replace the existing oil boiler with a 35kW biomass boiler and the second to install a zoned, programmable, control system to heat the rooms as and when they are booked out to user groups.
Lochgoil Community Hydro Generating Scheme (Lochgoilhead Community Development Trust)	£32,701	The community of Lochgoil in Argyll is seeking to develop a community owned revenue raising hydro electricity scheme to bring revenue, viability and sustainability to the village. The carbon reduction this scheme will directly achieve is 22.7T-30T annually and further energy conservation strategies will be supported through revenue, contributing to the national CO2 reduction targets.
Kilfinan Community Forest - Growing Green Project (Kilfinan Community Forest Company)	£164,686	Kilfinan Community Forest's Growing Green Project is a legacy project engaging hearts, minds and hands in building a positive future. This community is committed to reducing its dependency on imported food and fossil fuels to reduce our carbon footprint.
Rosneath Peninsula Carbon Reduction Officer (Rosneath Development Trust)	£238,729	Rosneath Peninsula West Community Development Trust is teaming up with the Climate Challenge Fund to pursue short and long-term routes to reduce carbon emissions. The initial project is to conduct Home Energy Checks throughout the area to improve energy efficiency, whilst the long-term plan is to carry out pre-development work on a community owned wind farm, which would make a massive contribution to CO2 reduction.
Balnakailly Hydro Scheme Feasibility Study (Bute Community Land Company)	£41,000	This project is carrying out feasibility studies for a community owned hydro scheme and for support towards the costs of undertaking a campaign to encourage the community of Bute to switch to low carbon electricity tariffs.
Towards Zero Carbon Bute: Bute Renewable Energy Project (Fyne Futures Ltd)	£28,500	Towards Zero Carbon Bute's feasibility study for the Bute Renewable Energy Project will investigate the opportunity to generate energy from renewable sources on the Isle of Bute in order to reduce its carbon emissions and help make it more independent of the mainland. This includes an investigation of ways to facilitate the uptake of micro renewables amongst community groups and businesses, an assessment of the opportunity for a large scale wind project and for a tidal project

Other organisations developing projects awarded funding in 2011/12 were as follows:

Bute Community Land Company - £41,000

Whitehouse Village Hall - £21,600

Fyne Futures Ltd (Towards Zero Carbon Bute) - £79,478

Islay Renewable Energies Ltd - £39,668

Section 3 Priorities for the year ahead

Develop a closer relationship with community organisations which have been awarded funding through the Climate Challenge Fund.

Work with partners and key organisations to identify measures we can take to reduce the emissions at an area wide level.

Work with partners to highlight the implications of climate change to our communities.

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Section 4

Assessing the risks of climate change impacts and working with others to adapt to the impacts of climate change.

What is your local authority doing to adapt to climate change?

Business Continuity Plans are in place based on critical activities identified by Council departments.

Argyll and Bute Council does not have a separate severe weather emergency response plan but does have a generic emergency response plan.

Emergency response plans are in place at 3 different levels – strategic, tactical and operational.

An emergency planning group is co-ordinated by Strathclyde Emergencies Co-ordinated Group consisting of key partners including Strathclyde Fire and Rescue, Strathclyde Police, SEPA, Scottish Water, Scottish and Southern Energy, Scottish Power, Ministry of Defence, NHS Highland and NHS Greater Glasgow.

Internally, quarterly meetings are held of the Emergency Planning Support Team.

Section 4 Priorities for the year ahead

Continue to work with key partners to continue the effective working relationship we have in place.

Section 5

Developing effective partnership working and climate change communications, including producing an annual statement of plans, activities and achievements.

Please describe and illustrate your local authority's partnership working on climate change.

Argyll and Bute has an abundant and significant mix of natural renewable resources, including wind, water, wave and tidal, and the energy potentially generated by biomass, which is harnessed and managed correctly, present key sustainable economic development opportunities for local communities, Argyll and Bute and Scotland. This resource is highlighted by the area's distinguished track record of pioneering and delivering renewable energy projects.

Whilst to date the majority of commercial renewable development has been concentrated on onshore windfarm development, that focus is now shifting to other forms of renewables such as off shore wind, marine and tidal development. Recent studies have highlighted that the west coast of Argyll offer some of the best wave and tidal resource within Scotland.

In February 2009 The Crown Estate granted exclusivity to two separate developers (Scottish and Southern Energy Renewables and Scottish Power Renewable) to take forward the development of offshore wind farm wind sites in Argyll and Bute. Proposals for two sites are currently being considered by the developers - the largest of which, located off Tiree (the Argyll Array), could potentially generate enough power for up to 1,000,000 households. These sites will have a 5–8 year project development and if progressed a 20 operational life span, although the lease of the seabed will be 50 years.

In addition to the above, in March 2011 we saw the approval by the Scottish Government for the development by Scottish Power Renewables, of the world's largest tidal power array in the Sound of Islay. This £40 million tidal array project will consist of 10 x 1MW tidal devices designed by Hamnerfestrom. The test prototype of the turbine is currently being built and tested at the BiFab yard at Arnish.

In October 2011, The Crown Estate announced that in addition to the SPR site in the Sound of Islay, three new sites in Kintyre and Islay are being taken forward for consideration by tidal energy developers - including West Islay (30MW), Mull of Kintyre (3MW) and Sanda Sound (35kW). This is exciting news and it reflects the significant natural marine resource that we have in Argyll and Bute, however it is still early days in the development of these tidal projects.

Argyll and Bute Renewable Energy Action Plan

The Renewable Energy sector is increasingly being recognised as a key sector within Scotland and a significant driver of its future economic success. Argyll and Bute offers an abundant indigenous renewable resource with the potential to fundamentally and positively transform the economy and communities of Argyll and Bute, as well as significantly contribute to the delivery of Scottish Government targets and ambitions for renewable energy.

The Argyll and Bute Renewable Energy Action Plan (REAP) was developed from a key action in the Argyll and Bute Community Plan 2009-2013, approved by the Community Planning Partnership 16th June 2010, to facilitate a co-ordinated partnership approach to renewable development in Argyll and Bute. The REAP was developed by lead partners Argyll and Bute Council and Highlands and Islands Enterprise, through the CPP.

The REAP provides a framework to facilitate a co-ordinated partnership approach to renewable

development in Argyll and Bute. It has not been developed in isolation but reflects and promotes renewable energy ambitions at an International, European, UK and Scottish level, including recognising the ambitious targets for 80% reduction in carbon dioxide emissions in Scotland by 2050.

Our collective vision, as identified by the Renewable Energy Action Plan seeks to ensure:

“Argyll and Bute will be at the heart of renewable energy development in Scotland by taking full advantage of its unique and significant mix of indigenous renewable resources and maximising the opportunities for sustainable economic growth for the benefit of its communities and Scotland.”

There has been ongoing delivery of the REAP with key local and national partners, further assisted by the establishment of the Argyll and Bute Renewables Alliance (ABRA). The REAP is currently undergoing review by lead partners Argyll and Bute Council and HIE, liaising with ABRA and key local and national partners, to produce a plan which is focused on collective outcomes.

Further information, and the current full document, can be found on the Argyll and Bute Council Renewable Energy webpage at www.argyll-bute.gov.uk/planning-and-environment/renewable-energy.

Argyll and Bute Renewables Alliance (ABRA)

The Argyll and Bute Renewables Alliance (ABRA) was identified as a key action within the REAP to facilitate a coordinated approach to renewable development in Argyll and Bute.

ABRA brings together key public and private sector partners, under the auspices of Community Planning, including: Argyll and Bute Council, Highlands and Islands Enterprise, Scottish Government, Marine Scotland, The Crown Estate, Scottish Power Renewables, Scottish and Southern Energy, Scottish Natural Heritage and Skills Development Scotland.

ABRA provides a strategic and holistic overview of renewable development in Argyll and Bute and assists with ongoing delivery of the REAP. Through close partnership working ABRA aims to identify the barriers to realising our collective vision, as defined by the REAP, and develop options to maximise the opportunities presented by this industry for local communities, Argyll and Bute and Scotland.

The inaugural meeting of the alliance was held 18th March, and subsequently 22nd June and 28th October. Work is ongoing to progress key areas of work identified by the alliance, which will assist with ongoing delivery of the REAP. Progress is reported and monitored through the CPP Management Committee.

Please describe what your local authority has done on climate change communications.

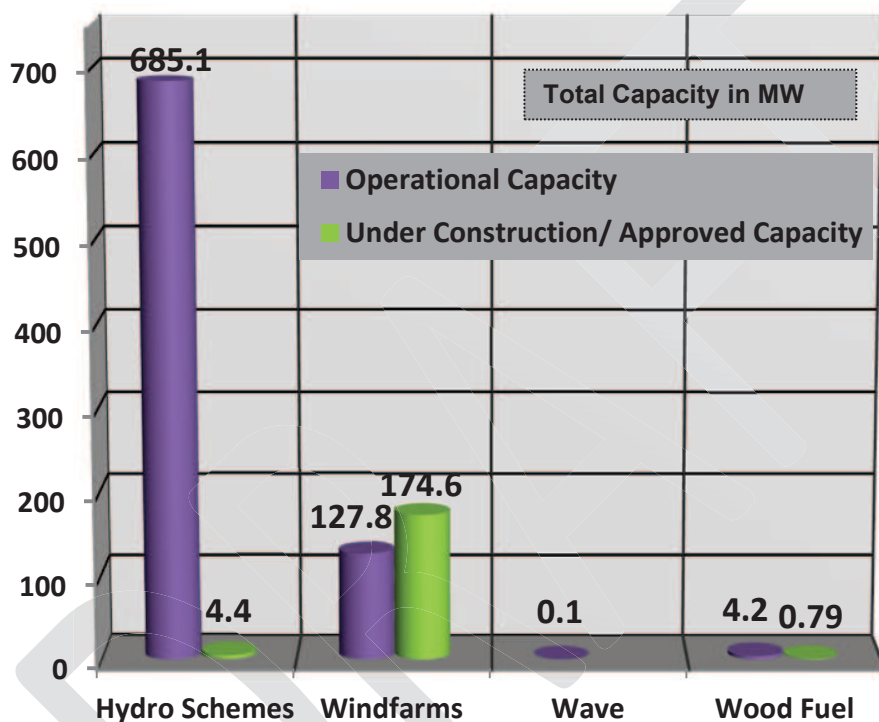
As part of the Carbon Management Plan Update 2011 business cases have been developed which highlight the need for communications with resulting learning opportunities and reputational benefits for the Council.

Please describe what your local authority has done to build capacity on climate change – internally, with partners and/or with the community.

- The Council has worked with community planning partners in developing an Argyll and Bute Community Plan/Single Outcome Agreement for 2012-2013.
- The Eco-schools programme is supported by schools across the local authority with 91 Bronze flags, 89 Silver flags and 62 1st Green flags awarded to schools. 95% of local authority schools in Argyll and Bute had achieved at least one award by the end of 2010/11.
- The Council continues to promote the Cycle to Work Scheme which encourages employees to consider reducing their carbon emissions by cycling to work rather than using cars.
- The Council has continued to support the WWF Earth Hour campaign and has switched off the lights

at an iconic building in Oban, McCaigs Tower, in recent years. In 2011, Argyll and Bute was 17th in a table of local authority areas in the UK with the largest percentage of the population signed up via an online map.

The Renewables Interactive Map is live on the Council website and is available from www.argyll-bute.gov.uk/LocalViewExt/Sites/Renewable_Energy. The map provides up-to-date and detailed information relative to renewable energy developments throughout Argyll and Bute. This has recently been updated to display information on solar panel developments, in addition to on and offshore wind, hydro, marine (wave & tidal) and biomass. The current operational capacity and under construction/approved capacity generated within Argyll and Bute, from onshore wind, hydro, wave and woodfuel, as of February 2012, is highlighted below.



- Total Operational Capacity = 817.2 MW
- Total Under Construction/ Approved Capacity = 179.79MW
- Total Capacity = 996.99MW

*Please note that this capacity does not include offshore wind/ wave and tidal sites.

Section 5 Priorities for the year ahead

- Continue, working with key local and national partners, to develop and deliver the Argyll and Bute Renewable Energy Action Plan.
- Continue to develop the Renewables Interactive Map, providing an up to date assessment of renewable energy capacity within Argyll and Bute; including operational and approved/under construction.

Climate Change Progress Highlights of the Past Year

Please use the following section to highlight the local authority's main climate change achievements in the past year. This can include processes, plans, projects, partnerships, events, investments, and actions.

The main Climate Change achievements in the past year are largely associated with the Carbon Management Plan Update 2011. These have already been highlighted as 'Carbon Reduction Highlights' in Section 2.

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ARGYLL AND BUTE COUNCIL**EXECUTIVE****COMMUNITY SERVICES****19 April 2012**

STRATEGIC HOUSING INVESTMENT PLAN (SHIP) 2012-15

1. SUMMARY

- 1.1 All local authorities are required to submit a Strategic Housing Investment Plan (SHIP) annually. Previously these plans were submitted in November for Ministerial approval but this year new guidance was issued in January and the plan was to be submitted by 31st March. The Argyll and Bute SHIP for 2012-15 is annexed to this paper. The SHIP was submitted for approval by the Strategic Housing and Communities Forum at its meeting on 22nd March and the draft report will be submitted to Scottish Government subject to Members retrospective approval.

2. RECOMMENDATION

- 2.1 Members are asked to note the contents of this paper and approve the Strategic Housing Investment Plan 2012-15.

3. DETAIL

- 3.1 In accordance with the revised SHIP guidance issued by the Scottish Government in January 2012, the Council's Housing Service has prepared the annexed draft SHIP for submission to the Scottish Government by 31st March 2012. This has been developed in partnership with RSLs; Council planning and social work colleagues; Loch Lomond & Trossachs National Park; NHS Highland; Scottish Water; and the local Scottish Government Area office.
- 3.2 The SHIP provides
- A consolidated and strategic approach to new affordable housing development and other housing-related funding streams
 - A targeted and prioritised framework for housing investment in Argyll and Bute, in line with the local needs, aims and objectives identified in the Local Housing Strategy and the Housing Need and Demand Assessment
- 3.3 The Argyll and Bute Strategic Housing Investment Plan for 2012-2015 annexed to this paper sets out a core programme for the delivery of 357 new affordable

homes. This remains a very challenging target within the context of significant anticipated reductions in development funding. It represents only a small proportion of the actual level of need within Argyll and Bute as identified in the updated Housing Needs & Demand Assessment.

- 3.4 The outturn from the affordable housing development programme since 2004 is shown in Table 1 below. There has been a downturn in completions during 2011/12 due to a range of factors. Changes to the funding regime for affordable housing combined with the significant pressures created by the downturn in the housing market have all contributed to the reduction in completions during the current financial year. A large number of developments which will deliver 371 units are currently on site and are detailed in Table 2. below.

Table 1. AFFORDABLE HOUSING NEW BUILD COMPLETIONS (all types/tenures) 2004-2011

	04/05	05/06	06/07	07/08	08/09	09/10	10/11	11/12	Total HMA	% of Total
Bute	14	2	3	0	53	4	0	25	101	11.3%
Coll & Tiree	1	2	3	8	8	0	0	2	24	2.7%
Cowal	10	0	44	0	4	0	14	20	92	10.3%
Mid Argyll	3	2	8	29	17	7	18	21	105	11.8%
Kintyre	23	6	6	18	13	22	30	2	120	13.5%
Helensburgh & Lomond	4	20	10	30	0	12	0	0	76	8.5%
Islay, Jura & Colonsay	0	25	6	30	0	0	3	0	64	7.2%
Lorn	17	51	0	49	59	0	91	2	269	30.2%
Mull & Iona	0	3	0	1	4	6	26	1	41	4.6%
Total Argyll & Bute	72	111	80	165	158	51	182	73	892	100.0%

Table 2. Committed Programme (Projects onsite or with funding secured)		
Project	UNITS	Progress
Ardenslate, Dunoon	24	Schedule for Dec 2012 completion
Hermitage Academy, H/B	51	To be on site May 2012.
Clydeview, Helensburgh	39	Extra Care- On site February 2012 completion May 2013
Upland Road, Garelochhead	12	NSSE. Start March 2012 Completion by Dec 2012.
Park Square, Campbeltown	32	On site and on target for Sept 12 completion.
Dunbeg Phase1	50	Due on site May 2012
Dalmally	8	Start date yet aiming for April 2012
Lochgilphead High School	84	1B – 44units (4 NSSE, 40 GN) – completion due May 2012 2 – 22 units for rent on site 3 – I&I bid 18 units SN – hope start on site April 2012
Ulva	2	This is still being progressed.
Tobermory	20	Completion due by June/July 2012.
Mull PCC	12	Delay in programme schedule – completion by Nov 2012.
Iona Housing Partnership	3	Due to start Sept 2012
Ardfern	6	Due to start Sept 2012
Leodamus Place Port Ellen	8	Due to start Sept 2012
Glenshellach (Bield)	14	Due to complete in May 2012
Gigha	6	Refurbs. 2 per annum
Total	371	

- 3.5 The SHIP has been prepared without the benefit of any indication from the Scottish Government as to the likely level of investment in affordable housing over the period of the plan however it has advised that the practice of giving three year resource planning assumptions will be resumed. Last year a bidding process for funds was introduced but it is understood this will not be replicated this year.
- 3.6 It should be noted that the affordable housing programme set out in this SHIP covers not only new build housing for social rent but also housing for intermediate tenures such as subsidised home ownership, shared equity and rural homes for rent. There will also be an element of support for aids and adaptations to existing stock. A summary of the new build and empty homes proposals are contained in the Table 3 below.

Table 3. Planned priorities for 2012-2015

Rank	Area	Potential site/Project	Units	HWL
HIGH	Islay, Bowmore	Shoreline, ACHA Phase 1 (20)	15	63
HIGH	Helensburgh	Golf Course, DHA(18) Hood Court, ACHA (12) West King St, Link(30)	60	403
HIGH	Lomond	Succoth DHA, <i>Phase 1 (12)</i>	12	47
HIGH	Oban/Lorn	Dunbeg Ph. 2, WHHA (50) Glenshellach, ACHA (44) Oban CentralACHA(30)	124	581
MEDIUM	Dunoon	Dunclutha, Bield (33) Victoria Park, ACHA(5)	38	523
MEDIUM	Mull	Baliscate, Tobermory, WHHA(20)	20	72
MEDIUM	Inveraray	Barn Park, ACHA(8)	8	50
MEDIUM	Tiree	Crossapol ACHA (6)	6	16
MEDIUM	Tarbert	Oakfield ACHA (8)	8	48
LOW	Islay, Port Ellen	Imverval 1, WHHA (4)	4	56
LOW	Lorn	Appin/Port Appin WHHA (5) Taynuilt, Filling Station, WHHA(6)	11	5 20
LOW	Cowal	Strachur , Fyne Homes(3)	3	14
LOW	Lomond	Arrochar, Phase 2 (12) Luss Estate (NPA)(6)	18	47 10
HIGH	various	Empty Homes (30)	30	

3.7 It is anticipated that the government benchmark figure for development grant funding will remain around the level set last year ie £40k per unit. While it may be possible to build houses with this level of subsidy in the central belt where economies of scale can be achieved it is unlikely that this level of subsidy will be sufficient in Argyll and Bute without seriously comprising quality standards. Over the last decade we have successfully delivered high quality social housing throughout Argyll and Bute. It is important to move forward with the general presumption against lesser quality, high density developments which have historically created estate management difficulties for landlords and local communities. A fair balance between cost and quality has to be struck. There are still pockets of harder to let tenemental flats in different areas of Argyll and Bute.

3.8 It is proposed that once government investment funding levels are known, the Council will review the use of the Strategic Housing Fund to ensure that it is effectively utilised to support the development of affordable housing to an acceptable standard and which takes account of higher costs associated with relatively small scale rural development.

- 3.9 The SHIP template provided by the government includes detailed information in tabular format which summarise the details of key investment priorities on a site by site basis and include information on projects not yet started; planned expenditure; unit completions and Council contributions. The tables are difficult to incorporate in printed format and therefore are explained in the SHIP document and are available electronically.

4. CONCLUSION

- 4.1 The development of the SHIP is necessarily an ongoing process and given the various uncertainties regarding Resource Planning Assumptions and other financial commitments it will remain subject to regular review.

5.0 IMPLICATIONS

- 5.1 **Policy** – The SHIP reflects local and national policy priorities and outcomes, as set out in the Local Housing Strategy, the Council's Corporate Plan, the Community Plan and the Single Outcome Agreement.
- 5.2 **Finance** – Assuming a cut in the development funding allocated from the Scottish Government's Affordable Housing Investment Programme, there will be a requirement to sustain the committed SHIP programme by maximising the use of the Council's Strategic Housing Fund.
- 5.3 **Legal** – the SHIP is a statutory requirement for all local authorities. It has been prepared in accordance with the Housing (Scotland) Act 2001 and subsequent guidance.
- 5.4 **Equal Opportunities** – the SHIP takes full account of the equalities & diversity legislation and guidance in respect of public sector duties and provides a strong commitment to addressing the needs of the most vulnerable groups within the local population..
- 5.5 **Personnel** – nil.

Cleland Sneddon
Director of Community Services
8 March 2012

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Annex: Strategic Housing Investment Plan, 2012-15.

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Community Services Housing Services

ARGYLL & BUTE STRATEGIC HOUSING INVESTMENT PLAN 2012-2015

Draft March 2012

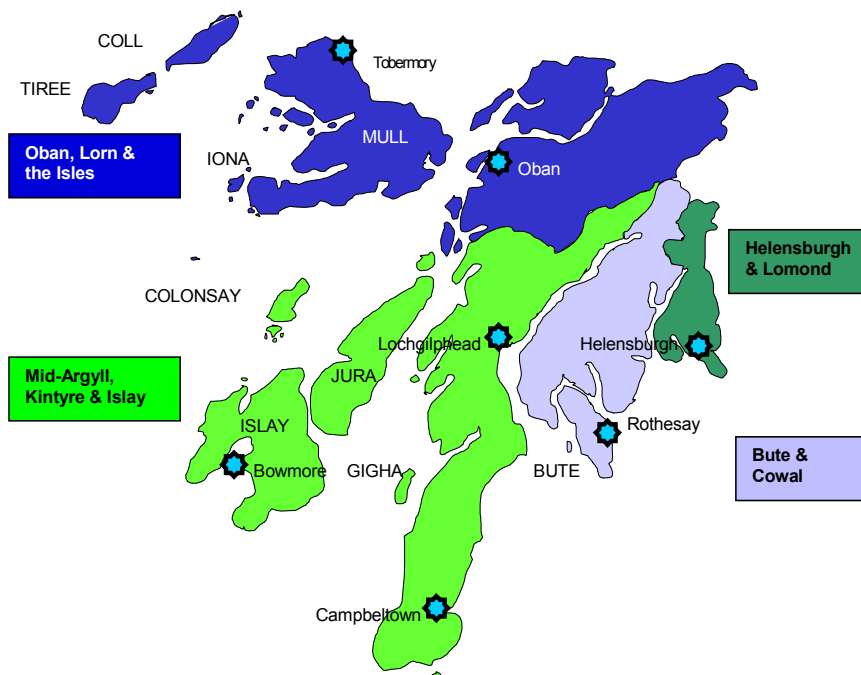


“Realising the potential of our communities by ensuring that people have access to affordable, sufficient & suitable housing in Argyll & Bute”



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1) INTRODUCTION

1.1 The Strategic Housing Investment Plan (SHIP) is an integral part of the Local Housing Strategy (LHS) process. It is the key statement of housing development priorities in the local authority area and will guide the allocation of government and other funding.

1.2 This revised SHIP covers the three-year period from 2012/13 to 2014/15 and provides a complete update on the previous Argyll & Bute SHIP published in November 2010. It details how the Council and its strategic partners will target resources, including the Scottish Government's Affordable Housing Supply Programme Funding, over the next three years in order to address the strategic outcomes, priorities and the supply targets set out in the Argyll and Bute Local Housing Strategy 2011-2016.

1.3 This latest SHIP builds upon the work carried out by Argyll and Bute Council and its partners in previous years and has taken account of the appraisal feedback provided by the Scottish Government in 2011. In particular it also takes full account of the revised guidance issued by the Scottish Government Housing Supply Division in January 2012.

1.4 Specifically, this SHIP summarizes the national and local context which informs the investment priorities; the approach being taken to ensure successful delivery of the programme locally; the rationale for the investment strategy itself; and it also outlines potential risks and constraints to delivery and how these will be tackled or mitigated.

1.5 For further detailed discussion on current LHS priorities and the local housing market context; the strategic policy framework within which the housing investment programme sits; and the development planning process; reference should be made to the full LHS 2011-2016¹.

1.6 The main focus of the SHIP is on affordable housing provision through new build, replacement, rehabilitation (which includes both physical improvement and bringing Empty Homes back into use) or re-modelling.

“Affordable housing” in this context refers to accommodation made available at a cost below full market value to meet an identified need and includes:

- Social rented housing
- Subsidised low cost housing for sale (discounted, shared ownership or shared equity)
- Low cost housing without subsidy (entry level housing for sale)

¹ All documents are available for viewing or downloading from the Council's website at www.argyll-bute.gov.uk.

- Private rented accommodation available at lower cost than market rents and mid market rent.

The term “**intermediate affordable housing**” is used to cover all types of affordable housing which are not social rented.

1.7 In summary, the SHIP is an important corporate document for the Council which:

- Sets out key investment priorities for affordable housing across sub areas and by tenure and type;
- Demonstrates how these will be delivered;
- Identifies the resources required to deliver these priorities; and
- Enables the involvement of key partners, both internally, across the relevant Council services, and externally between a range of strategic agencies and stakeholders.

1.8 Appended to the SHIP are the standard templates provided by the Scottish Government for each local authority to complete. These summarize the details of key investment priorities on either a site by site or sub-area basis and include information on the following:

Table 1: Housing Priorities (projects not yet approved or onsite);

Table 2: Committed Projects (Planned Expenditure);

Table 3: Committed Projects (Unit Completions); and

Table 4: Council Contributions.

2) Partnership Working and the Development of the SHIP

- 2.1 As in previous years, the preparation of the SHIP is founded on close working relationships between the Council's Housing, Planning and Social Work services as well as the ad hoc involvement of other departments such as Roads and Corporate Services. The SHIP process in Argyll and Bute also reflects a strong collaborative approach with RSLs, land owners, developers and other stakeholders.
- 2.2 At the very local level, on a site by site basis, RSLs and Council officials liaise closely with private developers, local land owners, local community groups and trusts, and a range of other stakeholders to negotiate, enable and deliver viable projects within the context of the LHS and the framework of the SHIP. This work is channelled via the SHIP Development Group, whose core membership includes representation from:
- The Scottish Government's local area Housing Supply Team;
 - Argyll & Bute Council Housing Services
 - Argyll & Bute Council Planning & Regulatory Services
 - Argyll & Bute Council Adult Care Services
 - Argyll Community Housing Association
 - Fyne Homes Housing Association
 - Dunbritton Housing Association
 - West Highland Housing Association
 - Link Housing Association
 - Bield Housing Association
 - Loch Lomond & Trossachs National Park
 - NHS Highland
- 2.3 The work of the SHIP Development Group in turn informs the decisions of the Argyll & Bute Strategic Housing & Communities Forum which comprises a wide range of key partners from the Community Planning Partnership and which constitutes the overarching body with ultimate responsibility for overseeing the implementation and monitoring of the LHS. The Strategic Forum is also responsible for making appropriate recommendations to the Council's Executive Committee and for lobbying the Scottish Government in respect of housing issues in Argyll and Bute.
- 2.4 Other stakeholders and strategic partners, such as Scottish Water or Scottish Land & Estates, participate in the process on an ad hoc basis as appropriate.
- 2.5 Building on the strong relationships that have been developed over recent years, in particular with Health and Social Work, the Council will continue to review the SHIP process and encourage greater participation from other relevant stakeholders such as Occupational Therapists for example and particular needs groups

3) The Strategic Framework & Policy Context

3.1 The Scottish Government has acknowledged that it will continue to face constraints in available resources for the foreseeable future. Together with the Convention of Scottish Local Authorities, the Scottish Federation of Housing Associations, the construction industry and other partners, the government is continuing to work to identify alternative models for future funding. “**Homes fit for 21st Century**” set out the Scottish Government’s strategy for housing over the period 2011-2020 and focuses in particular on:-

- Investigating new ways of generating investment in affordable housing I
- Making better use of existing housing stock M
- How people are supported in the housing market H
- Reducing carbon emissions R

3.2 The challenges for affordable housing providers will be to rely less on public funding and more on new sources of finance, alternative financial investment models, new products, wider income generation and improved management of existing resources.

3.3 The Scottish Government expects local authorities to assist this process, where appropriate in the current economic climate, through Affordable Housing Policies, provision of land, use of Council Tax on Second/Empty Homes and other resources where this would stimulate development of affordable housing.

3.4 Since the publication of the previous Argyll & Bute SHIP in 2010, there have been a number of developments in national and local policy which will impact on this latest plan, and which continue to influence the focus of investment priorities between existing stock and new build; and between the provision of “bricks and mortar” solutions and the provision of support services and infrastructure capacity. These developments include:

- The implementation of the Housing (Scotland) Act 2010
- The launch of a national Housing Strategy for Older People
- The outcome of the Scottish Government’s Investment & Innovation Funding initiative
- The outcomes of the first round of the Change Fund initiative
- The progress of the proposed welfare reform and changes to Housing Benefits
- The outcome of consultation on the Council’s Main Issues Report and the ongoing preparation of the authority’s Local Development Plan.
- The adoption of the Loch Lomond & Trossachs National Park Plan

- The Scottish Government’s Centre for Housing Market Analysis appraisal of the Argyll & Bute Housing Needs & Demand Assessment in March 2011 as “robust & credible”.
- Council Member’s approval of the fully revised Local Housing Strategy in November 2011

4) Local Housing Strategy – Outcomes, Priorities and Targets

4.1 As indicated in previous SHIPs, the Council continues to ensure that the investment programme and priorities set out in this document closely reflect the key outcomes and targets defined within the LHS, and that these remain firmly based upon the assessment of housing need and demand (HNDA) for the authority area. In March 2011, the Centre for Housing Market Analysis appraised the Council’s fully updated HNDA as “robust and credible” and therefore this was approved as a sound basis for setting the revised LHS outcomes, priorities and targets. Following further wide-ranging stakeholder consultation in 2010/11 for both the LHS and the Local Development Plan Main Issues Report, the Council was able to redefine new, high level supply targets for the five year period 2011-2016. In November 2011, the Council’s Executive fully endorsed and approved the finalised LHS.

4.2 The strategy is based on a single, core vision:

“To realize the potential of our communities by ensuring that people have access to affordable, sufficient and suitable housing in Argyll & Bute”

Supporting this are four high level aims:

- o facilitate access to sufficient and affordable housing** T
- o reduce the incidence of homelessness** T
- o support people to live independently in their own homes** T
- o improve the quality and condition of housing** T

4.3 The SHIP will play a key role in achieving each of these aims, however, its primary focus is to support strategic aim one and the associated strategic outcome, that:

“People successfully access a choice of suitable and affordable housing options in the areas that they want to live and can participate in the housing market.”

4.4 The LHS sets out a number of key targets that are relevant for the SHIP:

- minimum of 330 new affordable homes over three years (around 80% for social rent & 20% for alternative intermediate tenures);
- n effective landbank of sites where there is evidence of housing need
- Affordable Housing Policy which provides the framework for joint

- 4.5 **HNDA Affordable Housing Shortfalls** - The HNDA has identified substantial shortfalls in affordable housing across all areas with the exception of Bute which exhibits an increasing surplus over the next five and ten years. The cumulative shortfall for Argyll and Bute as a whole is estimated to be in the order of 4,440 units over the next ten years, or an annual requirement for around 444 additional homes/tenancies. Levels of unmet need are most significant in Helensburgh & Lomond, however, there are critical and relatively high levels of unmet need in most of the island areas too.
- 4.6 **LHS Supply Targets** - The LHS translates this massive HNDA shortfall into realistic and pragmatic supply targets, in accordance with Scottish Government guidance and professional best practice, by making an assumption that as much as 75% of this figure could be addressed by measures other than the provision of new build homes. It is anticipated that the implementation of a Housing Options approach to addressing individual housing need, combined with more effective use of existing stock (including increased and improved access to the private rented sector; more effective matching of supply and demand in the social rented stock; and bringing significant numbers of empty properties back into use) plus significant investment for *in situ* solutions (such as repairs and improvements; aids & adaptations; and housing support) will together help to reduce the requirement for new build provision via the SHIP substantially, from 440 to 110 units annually.
- 4.7 When disaggregated across individual Housing Market Areas, the HNDA indicates the following relative levels of need:

HMA	As % of Total HNDA Requirement
Helensburgh & Lomond	30.4%
Mull & Iona	22.2%
Islay, Jura & Colonsay	15.3%
Lorn	11.8%
Mid Argyll	11.4%
Coll & Tiree	5.9%
Cowal	2.3%
Kintyre	0.7%
Bute	surplus
Argyll & Bute Totals	100%

NB. However, there are a number of additional factors that must be considered in determining relative priority for future investment at HMA level (and particularly at the level of individual settlements within and across HMAs). The level of recent and ongoing development activity on Mull, for example, will have impacted on this island's relative ranking, whereas areas such as Islay, Coll or Tiree which have seen little or no affordable new build at all will consequently move up the list of priorities for future investment. Section 5 provides further detail on the prioritization process.

- 4.8 In addition, given the degree of uncertainty regarding the implementation of the proposed alternative housing market interventions, and the nature of the assumptions that have been made regarding the potentially substantial impact these would have on reducing the huge shortfalls in affordable housing, the supply targets must not be considered as a maximum goal but rather as the realistic and pragmatic, albeit still challenging, minimum threshold which is to be delivered.
- 4.9 The LHS states explicitly that the Council and its partners will continue to strive to deliver sufficient housing to meet *all* of the identified need in Argyll and Bute. If additional funding becomes available, based on the past ability and capacity of the Council and local RSLs to provide new affordable houses successfully and within reasonable costs, then the SHIP partnership is confident that it could deliver affordable housing at least at, or possibly above, previous peak levels i.e. around 150-200 houses each year. This in turn would help to reduce the pressure on delivering alternative solutions to housing need.
- 4.10 **Supply Targets by Tenure** – The LHS sets out a general principle that overall new build provision should focus on social rented properties (approximately 80%) with the balance (circa 20%) being for alternative, intermediate tenures. This is based on the findings of the HNDA and, in particular, an analysis of the potential impact of low cost home ownership and shared equity options providing subsidy for first time buyers and other target groups. It should be noted that this proportionate tenure split applies to the cumulative total SHIP target and will vary on a site by site basis and annually, dependent on specific needs and circumstances in each case.
- 4.11 **Supply Targets by Size** – All property sizes are projected to be in short supply throughout the next five years, but particular shortages arise in 1 and 2 bedroom properties and also in 4 bedroom accommodation. As with the tenure targets, each individual project will vary as to size requirements, however, as a general principle, the SHIP will promote the delivery of smaller properties as far as is feasible, in line with the findings of the HNDA and the continuing evidence of the HOME Argyll common housing register.

4.12 Particular Needs Targets – Over time, the unmet requirements for affordable housing are projected to shift increasingly towards provision of general needs accommodation, albeit, there are evident mismatches in the supply and demand for certain forms of specialist housing such as wheelchair and extra care accommodation, and particularly medium dependency amenity housing. The LHS specifies a target of 10% of new build over the life of the strategy should be suitable to meet the needs of particular households, e.g. older people, those with a physical or mental disability and other vulnerable groups. In addition, the extent and nature of the future ageing population, for instance, will necessitate strategic investment in the development and delivery of housing based care, support and aids and adaptations. Therefore, the ultimate LHS objectives are not totally focused on net increases in provision but in ensuring that, for instance, the substantial numbers of older households in privately owned accommodation can sustain independent living. To this end, the Council is developing a more integrated partnership with NHS Highland to ensure that the SHIP process is fully aligned with the developing Change Fund agenda “Reshaping Care for Older People”.

4.13 The finer detail of the programme will be arrived at through specification of suitable type and size of accommodation for individual developments, taking into account the needs of actual households on the waiting list.

4.14 Medical Adaptations

The provision of aids and adaptations is a strategic priority within the LHS, given that this constitutes the greatest single category of housing need across the authority (around 27% of all current households in need). In total, 2,000 households in Argyll & Bute can potentially resolve housing unsuitability with the provision of aids or adaptations, although it is important to note that due to the profile of the older housing stock in this authority, many existing properties may not be technically suitable for adaptation.

4.15 Without investment on the scale assumed by the HNDA, i.e. that all those who need assistance will get it, these households will remain in unsuitable housing. This means that the HNDA is likely to be a conservative measure of need and the requirement for new build solutions would consequently increase significantly. Having said this, focused investment in aids and adaptations is likely to be substantially more cost effective than the provision of alternative housing to meet specialist needs. It should also be noted that a significant proportion of those requiring aids and adaptations are outright owners and who may have considerable property equity despite being potentially cash poor. The Council aims to assist such owners through its Scheme of Assistance to improve private sector property condition and amenity.

4.16 It is currently estimated that there is an average annual requirement for up to 375 subsidised adaptations across Argyll & Bute, with the majority

(60%) being in RSL properties. Given the diverse range of adaptations required and the differing funding structures involved for RSLs and private properties, it is difficult to project actual costs, however the following table summarises the potential requirement for grant support in Argyll and Bute on an annual basis.

Estimated Annual Grant Requirement for Adaptations in Argyll & Bute		
Tenure	Waiting List/ Requirement (est)	Total Cost (est)
RSLs (Stage111s)	225	£450,000
Private Sector (PSHG)	150	£800,000
A&B Total	375	£1,250,000

NB. Relative costs across tenures are not necessarily comparable and do not equate simply to the volume of adaptations, given the very wide variety of types of individual adaptation involved.

5) Prioritising the Programme

- 5.1 Given the current economic climate and anticipated constraints in public expenditure over the foreseeable future, Local Authorities are required to prioritise projects very clearly in the SHIP and to be transparent in the application of the criteria and methodology used for this prioritisation.
- 5.2 Prioritising investment depends on a range of factors, including relative need and demand, land availability and development constraints. In the annexed templates to this SHIP, Table 1 lists the housing investment priorities within the local authority area for the next three years. Subject to availability of investment, these are the general areas or settlements which the Council would like to see developed over that planning period.
- 5.3 The Scottish Government guidance allows local authorities to choose whether to detail these priorities on a site by site basis or at housing sub-area level or a combination of both (with councils deciding what the definition of sub-areas should be). It is the view of Argyll and Bute Council that the latter approach, combining individual sites and wider sub-areas (i.e. the local Housing Market Areas as defined in the LHS), is most appropriate for the current SHIP given the lack of resource planning assumptions and uncertainties over future investment processes. This will give the Council and its partners clear guidance on the relative priorities and a robust framework within which efforts should be focused, whilst also allowing sufficient flexibility to review and restructure the programme as circumstances evolve and resource planning assumptions are confirmed over the planning period.
- 5.4 The LHS set out the priority ranking of HMAs on the basis of (a) total and relative need as identified in the HNDA, as well as (b) the strategic economic and regeneration priorities of the Council and its community planning partners. Within each HMA, investment is mainly targeted at communities identified as having the greatest affordable housing pressures. These priorities recognize the importance of investing in small rural communities as well as larger communities. The communities have been identified through consideration of:

the relative and absolute pressure on the existing affordable housing; the ability to meet need in the wider housing market area; and recent investment patterns; as well as deliverability in terms of site ownership, lack of infrastructure or planning constraints, etc

5.5 While basic housing need remains the fundamental criteria for prioritising projects by housing market area, a more refined evaluation process is required to reflect the range of factors, as well as the variation in need and demand, affecting this prioritisation at the very localised settlement (or letting) area within a rural and island authority such as Argyll & Bute. Localised “hotspots” or pressured areas may well be masked within the wider geographic markets or sub-areas. Therefore, the Council also employs the following key indicators for prioritising specific projects in administering its own Strategic Housing Fund:-

Criteria	Description	Indicator	Ranking
Criteria 1	Identified need by HMA	HNDA – total shortfall in affordable housing	1
Criteria 2	Pressure ratios by settlement	CHR - waiting list applicants per available let on an annual basis	2
Criteria 3	Homeless Pressure	HL1s - total applicants per HMA & relative time to close cases	3
Criteria 4	Social stock levels	Proportion of existing RSL stock to total number of dwellings on CTR	4
Criteria 5	Wider Strategic Fit	Direct resource links with Economic Development Action Plan or other community regeneration initiatives	5
Criteria 6	Particular Needs by HMA	HNDA/CHR – total shortfall for special needs accommodation & evidence from waiting list	6
Criteria 7	Risk/Deliverability	Satisfies key development criteria (site ownership; planning consent; resourced; infrastructure constraints)	7

5.6 The LHS also makes clear that the relative priority of HMAs and communities will be subject to annual review through the SHIP process to reflect any changes in pressure or need or to take account of the impact of recent or ongoing development activity. This SHIP, therefore, proposes some revisions to the original list of priorities, as follows:

Rank	Area	Potential sites/Projects
High	Islay	Bowmore; (a low priority reserve site in Port Ellen may provide additional capacity if sufficient funding becomes available in future)
High	Helensburgh	Golf Course; Hood Court; West King St
High	Lomond	Arrochar/Succoth (a second phase of development in Arrochar and other areas such as Luss will be held in reserve as low priorities, subject to available resources)
High	Oban	Dunbeg; Glenshellach; Oban Central
Medium	Tiree	Crossapol

Medium	Dunoon	Dunclutha; Victoria Park;
Medium	Mull	Tobermory
Medium	Mid Argyll	Inveraray; Tarbert
Low	Lorn	Appin/Port Appin; Taynuilt
Low	Cowal	Strachur

5.7 At this stage, part of the practical prioritisation process has been influenced by the availability of sites which are already within RSL or Council ownership and therefore can be brought forward relatively easily, or alternatively potential sites which are already under consideration and subject to negotiation between RSLs and owners. Ultimately, final preference will be influenced by project costings therefore the above list of potential sites is indicative only. It should also be noted that other areas such as Iona, Port Ellen and Ardfern remain priorities but having now secured initial funding these have therefore been moved onto the “committed/planned” programme, as detailed in Tables 2 and 3 of the annex.

5.8 Section 4 above also sets out the rationale for the preferred tenure split, size and type of property that will be prioritized in principle, and reiterates that this preference will be confirmed on a site by site basis, dependent on local circumstances and needs. In general, the provision of social rented homes will be prioritized over intermediate tenures such as shared equity, shared ownership or mid market rent. Given the findings of the HNDA, priority will tend to be given to smaller sized properties, particularly 1 or 2 bedrooms although consideration will be given in certain locations and circumstances to larger sizes, particularly 4 bedrooms. The main requirement according to the HNDA is for general needs accommodation (over 90% of total need) therefore this type of provision will also receive greater priority in general although special needs accommodation will be targeted and prioritized on specific sites.

6) Investment Strategy – Completed, Committed & Planned Outputs

- 6.1 Details of the planned affordable housing programme for the three-year period covered by the SHIP are set out in Tables 2 and 3 of the annex to this document. For each project, these tables outline (a) the committed investment from the Scottish Government's Affordable Housing Supply Programme (AHSP) in the year of draw down, which is due only upon completion, and (b) the total number of units to be delivered. The tables do not include details of total costs or additional funding sources.
- 6.2 The planned programme includes all projects with committed funding which are currently onsite and due to be completed after 1st April 2012 or are anticipated to commence onsite before April 2015. Projects which have completed prior to April 2012 are not included in the new programme. Since the publication of the previous SHIP in November 2010, a number of new build projects have been delivered.

COMPLETED PROJECTS 2011/12		
HMA	Project / Site	Provision
Bute	Old Courthouse, Rothesay	25 GN, Shared Equity.
Cowal	Donich Park Lochgoilhead,	18 GN, Social Rent
Cowal	Arkinglas Estate	2 GN, Rural Homes for Rent
Cowal	Harmony Court, Dunoon LIFT	10 GN, Shared Equity
Lorn	Kilmelford	1 Particular Needs unit
Mid Argyll	Lochgilphead High 1(b)	17 SN & GN, Shared Equity
Mid Argyll	Lunga Estate/Ardfern	2GN, Rural Homes for Rent
Various	Rural Home Ownership Grant	2xMid Argyll; 2xTiree; 1xMull; 1xLorn

This does not include 2 refurbished homes in community ownership on Gigha and the reconfiguration of 15 self-contained flats for temporary accommodation at Shore Street in Oban, nor a number of long term void properties in the RSL sector which have been brought back into the effective stock under ACHA's Business Plan repositioning and SHQS improvement programmes.

6.3 Affordable Housing outputs – potential provision

Table 3 in the SHIP Annex indicates that the current affordable housing programme with committed investment could potentially deliver an additional 371 homes over the next three years, of which 288 (78%) would be for social rent and 83 (22%) for mid market rent, shared equity or some other form of intermediate tenure. Some potential issues have been flagged by partners particularly in relation to certain projects which are to receive funding through the Scottish Government's Investment & Innovation Fund and this may lead to slippage in the programme, however, assuming sufficient funding is available to support the core programme in full, then the distribution of the new build properties across individual HMAs would be as follows:-

COMMITTED PROGRAMME 2012-2014			
HMA	Provision 2012-14 (onsite or with secured funding)	HNDA 10 Year Affordable Shortfall (minus 2011 completions)	Committed Provision as % of HNDA 10 Year Shortfall
Helensburgh & Lomond	102	-933	10.9%
Mull & Iona	37	-696	5.3%
Islay, Jura & Colonsay	8	-552	1.4%
Lorn	72	-429	16.8%
Mid Argyll	90	-363	24.8%
Coll & Tiree	0	-191	0.0%
Cowal	24	-127	18.9%
Kintyre	38	-73	52%
Argyll & Bute	371	-3,364	11%

Of this total, around 53 houses have so far been identified to meet particular needs, primarily as elderly amenity accommodation. This represents around 14% of the programme and would be well in excess of the LHS target. This reflects the priorities emerging from the enhanced intelligence sharing and forward planning as a result of the work done locally with Housing, Health & Social Work partners.

- 6.4 Given the uncertainties over available funding, the uncommitted, planned programme is of necessity more difficult to elucidate and quantify. However, based on the assumption that funding will become available and all other constraints can be addressed as anticipated, then the following additional provision could be delivered or at least commenced onsite over the next three to five years:

PLANNED PROVISION 2012 – 2014		
Area	Potential sites/Projects	Provision
Islay	Bowmore; Port Ellen;	21
Helensburgh	Golf Course; Hood Court; West King St;	58
Lomond	Arrochar/Succoth; Luss	30
Tiree	Crossapol;	6
Oban	Dunbeg Phase 2; Glenshellach; Oban Central	124
Dunoon	Dunclutha; Victoria Park;	38
Mull	Tobermory	20

Mid Argyll	Inveraray; Tarbert	16
Cowal	Strachur	3
Lorn	Appin/Port Appin; Taynuilt	12
Various	Empty Homes	30
Argyll & Bute Total		358

- 6.5 In addition, any land banking opportunities and windfall sites which emerge over the next three years will be assessed for priority as they arise and factored into the current development programme and subsequent updates of the SHIP.

7) Managing Risk and Mitigating Constraints

- 7.1 As with previous SHIPs, the Council is keen to focus primarily on a realistic programme that can be delivered, or at least commenced onsite, within the current three to five-year planning period. This document is intended as a working tool, which is designed to inform investment decisions, rather than proposing a set of aspirations. Therefore it is important that any development constraints are identified at an early stage in the process and measures are taken to ameliorate these as far as possible. The following paragraphs provide brief details of potential risks and constraints in general and on a site-by-site basis and outline the actions being taken to mitigate these. In particular, this section aims to provide assurance that, if funding is secured, any other constraints can be resolved by the time of estimated site start of the relevant project.

- 7.2 In summary, the main risks which might threaten the delivery of the SHIP can be categorised as:
1. **Funding:** lack of sufficient and/or timely investment;
 2. **Effective Land Supply:** lack of suitably located sites with adequate unit capacity;
 3. **Development Constraints:** issues around Planning and/or design; ownership; or infrastructure.

7.3 Funding/Resource Constraints

Funding constraints remain the fundamental factor and the key risk associated with the delivery of the planned programme. These constraints encompass not only the overall reduction in core Scottish Government investment and public subsidy generally (together with associated reductions in benchmark figures per unit) and the current lack of certainty over future resource planning assumptions, but also the fact that committed government grant will only become available upon completion of a project which places further pressures on RSLs and developers to front fund developments.

- 7.4 In addition to these constraints, the availability of private finance generally is reduced while the cost of borrowing and level of debt being carried by RSLs has significantly increased. This coupled with the public subsidy /

private finance balance (which shifted from a traditional 70/30 split to a model which is closer to 33% public subsidy and 66% private finance) and further pressure on subsidy levels require RSLs to increasingly consider project viability. In addition, locally based RSLs have emphasised the increased risk they face in delivering and selling shared equity units in the current economic climate. The Council has been required to provide loan facilities on at least two occasions to counter this particular problem

- 7.5 To mitigate these risks in general terms, the Council and its partners acknowledge the importance of improving the efficiency and effectiveness of housing provision across the authority area and maximising available resources. Joint procurement measures and other collaborative working arrangements have been explored within the SHIP Development Group, taking account of the Scottish Government's proposals in "Firm Foundations" and partners are actively pursuing potential opportunities in the future
- 7.6 The investment strategy is therefore likely to be subject to significant change, and it will be necessary to revisit the programme as and when budgets are confirmed. The Council and its partners recognise that they will need to work closely to review and further prioritise the existing programme. Further discussion of resources, and in particular the Council's role in supporting project investment, is contained in Section 8 below.

7.7 Effective Land Supply

The RSLs in Argyll and Bute currently hold sufficient landbanks to utilise any immediately available development funding. In Lorn the limited opportunities within the town of Oban itself will be addressed to some extent by expanding provision within the Dunbeg corridor and exploring the potential of certain smaller, rural settlements. In Helensburgh it is a continuing priority for the SHIP process to secure adequate sites to address local need.

- 7.8 Overall, the Council is confident that a sufficiently "generous" supply of land to meet the level of identified housing need, and the minimum LHS targets, have been allocated in both the local authority's Main Issues Report, and emerging Local Plan, and in the Loch Lomond & Trossachs National Park Plan. All of the development sites included in the SHIP programme are deemed to be effective given that they are already zoned for housing development in these plans. Many of the sites identified are of relatively small capacity. The costs associated with progressing smaller sites in the more remote rural areas are likely to be higher if developed as standalone projects. However it is envisaged that where practical through partnership working with private developers on adjacent sites the risk of such sites not being developed on cost grounds will be reduced. For further details on the land supply which underpins the SHIP, see the LHS and these relevant Local Plans.

7.9 Site Ownership

A number of the key projects in the planned SHIP programme are currently already owned by either an RSL or the Council, with the remainder being owned privately. This reflects the decision to focus in this SHIP on a core programme of projects which are not subject to ownership issues or significant infrastructure or planning constraints.

7.10 Where the land is held in private ownership, it is difficult to predict at this stage the extent to which the current economic downturn, the uncertain housing market, and crucially the lack of government resource planning assumptions referred to above, will impact on start dates for projects. As far as possible, therefore, this SHIP focuses on projects with reasonable potential for proceeding at some point.

7.11 Some RSL partners have also raised concerns that in the current climate the application of the Affordable Housing Policy will make site development less attractive and sites are only likely to be developed where there is a pressure to secure a return in the short term. However, in the medium to long term, the private ownership of many sites in Argyll and Bute means that the Affordable Housing Policy will have a role in securing a sufficient supply of affordable housing through developer contributions.

7.12 The Council also continues to explore the assets it has available in terms of the retained landbank, as outlined in previous SHIPs. This will continue to be monitored on an ongoing basis. The Council will continue to work actively with landowners, developers and RSLs to encourage the development of sites, providing practical support where required.

7.13 Site Constraints

The core SHIP programme deliberately focuses on sites that are not subject to significant development constraints such as contaminated brownfield sites or those with restricted infrastructure capacity such as roads or water supply. However, in a small number of cases within certain high priority pressured areas with evidence of a substantial shortfall in affordable housing, it may be necessary to consider such sites in the absence of more practicable or easily-progressed sites. Apart from the site constraint itself there may be costs associated with carrying out remedial works and this places a further constraint on site development.

7.14 Efficiencies and Investment Reform

There is a clear strategic imperative at both national and local levels to secure efficiencies and maximise affordable housing units within available budgets. Simultaneously, this has to be balanced against equally strong national policy regarding more rigorous build quality standards, which lead to conflicting pressures in terms of resources required per unit. RSLs and their partners continue to highlight concerns in balancing cost and

quality considerations, especially given the rising cost of securing private finance at present.

7.16 The Scottish Government is currently promoting various alternative grant subsidy solutions beyond the traditional housing investment framework, which may assist in delivering more affordable housing in certain circumstances. The Council and its strategic partners in Argyll and Bute will continue to monitor these developments with interest, however, as indicated in previous SHIPs and the LHS itself, some caution has been expressed in considering some of the collaborative approaches being put forward as best practice nationally, as bulk procurement is not without its difficulties in the current climate. Factors such as financial standing, funding capacity and experience also need to be considered as part of the equation. There are of course also factors which are outwith the control of an RSL, such as land values, abnormal development costs and servicing restrictions which can affect the efficiencies that can be realistically achieved within a project, particularly so in the rural context of an authority like Argyll and Bute. Local RSLs have identified this issue and are currently committed to exploring effective measures for maximising procurement efficiencies through volume, but also continuity of work and standardisation of specifications and products.

7.17 Commuted Sums

The Council has not to date collected monies from commuted sums in lieu of developer contributions for affordable housing although this remains a potential option within the Affordable Housing Policy. Future resources accrued through this mechanism are likely to remain fairly modest, but these could be valuable in securing additional funding which will help progress certain developments. Further clarification of the calculation and operation of the commuted sums option is required, and currently Council planning staff are liaising with colleagues from the National Park Authority on this issue. The timing of receipt of such sums is difficult to predict at present and therefore it is hard to commit them within the SHIP programme. In addition, where development has not taken place on a designated site and further planning consents are applied for beyond the initial five years, the timescale for receiving commuted sums could be over an even longer timescale. In most cases, it is presumed that onsite or offsite provision would be preferred to the option of a commuted sum.

7.18 Mitigating Constraints: site by site

The following table summarises those projects which may be subject to constraint and indicates how SHIP partners aim to mitigate potential risks.

Area/Project	Potential Constraint	Mitigation	Risk of failing to meet timescales
Planned/Committed Projects			

Hermitage Academy	Mixed use site/ Planning issues.	Ongoing negotiations between partners.	May 2012 start onsite anticipated. Low risk
Dunbeg Phase 1	Issues regarding funding package	WHHA working to resolve financial issues. Future phases will be determined once the outcome of this primary phase has been appraised	Due onsite May 2012. Low to medium risk
Ulva, Mull	Proposals subject to revision due to condition of properties.	Council & RSL liaising with community on appropriate model	Site start due 2012. High risk
Area/Project	Potential Constraint	Mitigation	Risk of failing to meet timescales
Potential Priority Projects that have yet to secure funding			
Bowmore, Islay	Mixed-use site in private ownership.	Strong community consensus & positive lead from Estate owner regarding housing component of proposals.	Large-scale project – timing may be an issue, therefore medium risk in short term but low risk in longer term.
Helensburgh, West King St.	Ownership of site.	Joint RSL partnership (DHA & Link) working closely with owner.	Medium risk of commencing within SHIP period.
Arrochar / Succoth	Roads/Infrastructure.	Council Roads & RSL negotiations progressing to resolution	Low risk for an initial phase within SHIP period. Higher risk of any additional phase in same period.
Oban, Glenshellach	Site ownership & feasibility of mixed tenure package.	RSL negotiations with landowner/developer	Medium risk associated with cost.
Oban Central	Ownership issues & potential community opposition	Tripartite negotiations between Council/RSL and Developer.	Medium to high risk of project start within SHIP period.
Dunbeg Phase 2	Large mixed-tenure site. Funding package.	Progress will be dependent on an appraisal of delivery/ outcome of Phase 1	Medium to high risk that this phase will not commence within SHIP period.
Dunoon, Dunclutha	Council/ RSL/Developer issues.	Council/RSL negotiations.	Medium risk for onsite start within SHIP period

NB. It should be noted that prior to publication of this SHIP at least one of the successful Innovation Fund projects had to be withdrawn due to technical issues and lack of buy-in from potential owners. This unfortunate outcome highlights that all projects, including those in the committed programme, are subject to potential risks.

8) Resourcing the Programme

- 8.1 Ultimately, delivery of the SHIP is predicated on adequate and timeous resources being available to the Council and its partners. Table 1 in the annex provides an indication of the range of potential public and private financial resources which may be available and would be required to deliver the planned programme. Table 2 in the annex sets out details of the core AHSP (the Scottish Government programme which has replaced the historic AHIP and the Investment & Innovation Fund introduced in 2011/12) that has been committed for Argyll and Bute over the three-year period. The following paragraphs provide additional detail regarding these resources and in particular gives a clear description of the contribution that the Council is making to assist the delivery of the SHIP via its own Strategic Housing Fund.
- 8.2 In total, over the next three years, the Scottish Government has committed approximately **£8.637m** to Argyll and Bute to deliver the core projects. This does not include total additional funding requirement for the programme from private finance, Council contributions or alternative sources. The Scottish Government investment comprises £3.649m carried over from previous AHIP commitments and £4.988m from the Investment & Innovation Fund. The following tables breakdown the investment for each funding stream by project and HMA.

SCOTTISH GOVERNMENT SUBSIDY (AHIP/HAG CARRY OVER)		
Project	HMA	AHIP Legacy
Ardenslate, Dunoon	COWAL	0.086
Clydeview, Helenesburgh	HELENSBURGH & LOMOND	1.468
Park Sq. Campbeltown	KINTYRE	0.609
Lochgilphead High Phase 2	MID ARGYLL	0.586
Tobermory Phase 2	MULL & IONA	0.900
RHOGs	various	
	A&B Total	3.649

INVESTMENT & INNOVATION FUND 2011/12			
Project	HMA	RSL Stream	Innovation stream
Hermitage Academy	HELENSBURGH & LOMOND	1.973	
Dunbeg Phase 1	LORN		1.903
Dalmally	LORN	0.390	
Lochgilphead High Phase 3	MID ARGYLL		0.572
Ulva, Mull	MULL & IONA		0.080
Gigha	KINTYRE		0.070
A&B Totals		2.363	2.625

In addition, there are a few projects in the programme which have either already drawn down all Scottish Government funding in previous years or which do not require funding from this source.

8.3 Other Scottish Government Initiatives

In addition to the core Affordable Housing Supply Programme (AHSP) which has replaced the historic HAG/AHIP framework (and which includes social rent, LIFT and Mid Market Rent projects), the Scottish Government is currently promoting a range of complementary initiatives which may influence the delivery of SHIP targets and LHS outcomes. The following table summarizes this Council's appraisal of each initiative and the implications for the current SHIP.

Scottish Govt. Initiative	Implications for SHIP
National Housing Trust (NHT)	A second tranche of NHT was implemented in 2011/12 but Argyll & Bute Council and its strategic partners remain of the view that the provision of mid market rental homes for limited prescribed periods only, under the terms of this scheme, is not a strategic priority at this time nor an effective longer term solution to the acute housing need within this local authority.
Council House Building (CHB)	Having transferred the ownership and management of its housing stock in 2006, the Council does not retain the structural or resource capacity to administer a direct building programme at this time. A potential bid for a second tranche of CHB was considered under the terms of the original Investment & Innovation Fund which would allow Councils and RSLs to work in partnership however that option is no longer available within the revised framework and so the Council will not be undertaking the direct role of developer.
House-building Infrastructure Loan Fund (HILF)	This scheme provides loan funding to support the provision of on-site, enabling, physical infrastructure and other work genuinely required to commence house-building projects and thereby accelerate house-building in the current economic climate. The first round was completed in 2011 and no further tranches have been announced at this time. The

	Council will continue to support partners should further funding become available under this initiative, in circumstances where infrastructure constraints prohibit development in priority areas.
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8.4 Programme Costs

The revised framework for the Scottish Government's new AHSP has yet to be confirmed, however, it is assumed that the current level of government subsidy available to housing associations to construct new housing in rural areas is likely to remain at around £40,000 per rented unit (3 person equivalent). These assumptions have been used to build up project costs for the planned programme set out in Table 1, but it is recognised that actual scheme costs may be higher depending on local conditions and other development factors. Concern has been expressed by some RSLs that the previous HAG/ private finance gearing ratio of 50%, which is linked to the provision of affordable housing for sale, will present challenges in terms of accessing funding for the programme in the current economic climate. This position will be kept under review.

8.5 To summarise, the assumptions used were as follows:

Total Unit Cost = **£120,000²**

AHSP/Scottish Government subsidy per unit of rented housing = **£40,000**

Private Finance per unit of rented housing = **£80,000**

No inflation has been factored into the resource assumptions made.

In the case where unit costs exceed this baseline model or where the likely available AHSP and private finance are insufficient to deliver this average unit cost, then additional resources such as the Council's Strategic Housing Fund may be available to bridge the gap.

8.6 Based on the above assumptions, in addition to the committed sum of £8.837m, a further **£13m** approximately would be required from the Scottish Government's AHSP over the next three years to progress the 358 planned units in the priority programme (see Table 1 in the Appendix).

8.7 The Council's Contribution

As well as leading and facilitating the SHIP process in its role as the strategic housing authority, with significant commitment of officer input and dedicated time, the Council also makes a substantial contribution to the delivery of the programme in terms of maximization of resources. In particular, in the current context of reduced public subsidy and limited access to private finance, the Council's **Strategic Housing Fund (SHF)** has a critical role to play in ensuring the viability of many projects.

² See the Scottish Government's "Infrastructure Investment Plan, 2011", December 2011.

Note, however, that local RSLs calculate total unit benchmark costs of circa £130k for islands.

- 8.8 Full details of the Strategic Housing Fund are outlined in previous SHIPs and in the current LHS. It was established in 2007 and mainly comprises the revenue derived from the Council Tax on second homes with additional resources from residual HRA monies and will potentially include future commuted sums. Between 2008 and 2011, the SHF contributed over **£2.8m** in support of around **171** new affordable homes. As of April 2012, a further **£7.357m** has been committed to ensure the delivery of the successful Investment & innovation Fund bids and other RSL or community projects across Argyll and Bute which otherwise would be unlikely to progress. This will deliver around **208** additional homes.
- 8.9 Over the SHIP planning period, it is estimated that a further £1.7m approximately per annum could accrue to the current SHF balance which as of March 2012 totaled around **£4.594m**. This will be subject to any further amendments to national legislation and local policy regarding Council Tax. In February 2012, the Scottish Government completed a consultation exercise on the “Council Tax On Long-Term Empty Properties And The Housing Support Grant” and the results of this may have implications for the future development of the SHF. The Council has also made a commitment within the current LHS to promote the return of at least 10 empty properties per annum back into effective affordable housing supply and this will be supported through SHF grants. Levels of grant will be determined as part of the proposed review of criteria for allocation of the Strategic Housing Fund which will be carried out after the Local Government Election in May.
- 8.10 In addition to the core SHF, in November 2011 the Council approved an additional and innovative funding tranche to be ring fenced for the purposes of supporting small scale rural developments in areas of acute housing pressure with a view to sustaining and helping to regenerate fragile communities outwith the main population centres. The Council initially made a commitment to allocate grant funding of £0.75m via this Rural Housing Development Fund (RHDF) but in light of the very positive response to the competitive bidding process, the total allocation was increased to **£0.954m** which will deliver 16 new homes to rent and one shared equity property. These are also now incorporated in the core programme set out in Tables 2 and 3 of the SHIP annex.

8.11 **Other Local Authority Initiatives**

In addition to the use of Council Tax revenue from second and long term empty homes, and potential Developer Contributions via the Council's Affordable Housing Policy, there are other potential funding mechanisms whereby local authorities can assist in the delivery of the SHIP. The council has been approached by RSL partners, for instance, to consider the option of providing wider loan facilities based on its corporate capital borrowing powers. This proposal will be considered as part of the review of the Strategic Housing Fund and the Council's strategic contribution to

housing development. The Council will also consider the potential mechanism of providing loans to targeted home purchasers via a Local Authority Mortgage Scheme and, subject to satisfactory legal agreements, it is anticipated that this could be a positive assistance to the aims and outcomes of the SHIP.

9) Equalities

- 9.1 The Equality Act 2010 requires all public authorities to promote equality on the grounds of gender, race, disability, religion or belief, age, sexual orientation, gender reassignment, pregnancy and maternity. All policies, plans and strategies must be developed within the context of the equalities and diversity agenda.
- 9.2 The LHS and SHIP are explicitly founded on the principle that the housing needs of *all* the communities that we serve must be taken into account and that related equalities issues should be addressed. Building on the Equalities Impact Assessment carried out for the original SHIP, a comprehensive and updated assessment was also carried out for the full LHS in 2011 and this SHIP has been developed within that framework to reflect any implications flowing from the translation of strategic aims into housing priorities.
- 9.3 In practical terms, evidence about the needs of different communities and equalities groups has been collected as part of the HNDA process which underpins both the LHS and SHIP. The strategic planning process has also gone beyond the basic requirement to consult widely with diverse sectors of the population, and this SHIP also benefits from the work of the LHS co-production pilot group which has involved informal equality-proofing in respect of disabilities.
- 9.4 All projects within the SHIP, and in particular those seeking public subsidy from the Council or Scottish Government, are required to meet basic design and building standards (for instance, to Housing for Varying Needs standard as a minimum) and should incorporate adequate provision to meet any identified particular needs. Prioritisation of projects will give due weight to those which incorporate elements of design or additional specifications for specialist forms of housing where the local profile of need and demand indicates a requirement. The committed and planned programmes include provision for elderly and disabled residents and through the close partnership working with Social Work, OTs and Health, the SHIP will continue to ensure the strategic aims of the LHS are carried forward.
- 9.5 In practice, this commitment will ensure:

- building all new affordable housing to Housing for Varying Needs Standards;
- implementing design solutions which help to meet the needs of disabled and infirm households;
- assessing and seeking to resolve the needs and aspirations of households with community care needs with our partners;
- developing communities with a good mix of households by seeking on-site affordable housing appropriate to local requirements;
- allocating housing via HOME Argyll which has strong commitment to equal opportunities; and
- provision of affordable housing in rural communities which helps to

10) Energy Efficiency & Climate Change

- 10.1 Argyll and Bute Council has made a strong commitment within the Single Outcome Agreement and the Corporate Plan to the national priority of sustainable development through improving energy efficiency and environmental standards in new housing developments, and to the aim of reducing carbon dioxide emissions and ultimately helping to meet the challenge of climate change. This Council, as with all public bodies, is required to meet its duties arising from the Climate Change (Scotland) Act 2009 and the LHS and SHIP have been developed to ensure that the provision of new affordable housing complies with the terms of the Act.
- 10.2 The Council requires affordable housing developments to have a low environmental impact and to contribute to the LHS objectives of addressing fuel poverty and to ensure at least minimum standards of sustainability as required under Scottish Building Standards Agency regulations. RSL partners are already working to sustainability principles which promote local material sourcing, recycling, insulation standards, and renewable energy, as far as possible within the current financial climate. It is expected that all SHIP partners will continue to follow these principles to the best of their abilities despite the resourcing constraints under which they are currently operating.
- 10.3 Local RSLs in Argyll and Bute have already established a strong track record in exploring and delivering such synergies and initiatives with the full support of the Council. As one example, the report “21st Century Heating in Rural Homes” published by Scotland’s consumer watchdog, Consumer Focus Scotland, in March 2012, highlights the innovative off-gas heater case study of West Highland Housing Association which installed a locally-sourced wood-chip, boiler-run system generating electricity and hot water for 89 properties in its development in Glenshellach, Oban. 60 more homes are to be retro-fitted later this year with the successful, low carbon, district heating system. A significant

proportion of Argyll and Bute's rural properties are not connected to the gas grid and many rely on costly oil heating.

10.4 One of the main evaluation criteria for any project seeking public subsidy from the Scottish Government or the Council is the extent to which it complies with energy efficiency standards and can demonstrate that the development will maximise energy efficiency and accessibility. This could encompass a range of methods such as:

- the introduction of renewable technologies (particularly those which reduce CO₂ emissions whilst improving energy performance);
- methods of improving thermal efficiency of housing;
- the promotion and sharing of sustainable housing principles and good housing management; and
- the coordination of a local education programme for tenants, residents, and owners in mixed tenure schemes, with key partners, including Alienergy, to highlight the benefits of low carbon lifestyles with regard to energy consumption.

10.5 Sustainable Design

The SHIP and LHS are closely aligned with the Local Development Plan processes and the Council and its partners will explore sustainable design principals, not only to addresses climate change and provide energy efficient homes, but also to contribute to the creation of safe, sustainable communities which have a real sense of identify and place. In order to achieve a sense of community in new developments (whilst also delivering low environmental impact housing) we will work with partners to ensure a range of factors are considered. When developing new areas sustainability principles will also be central to the design process and will consider:

- a choice of high quality housing of different designs, across a range of tenures;
- the built environment, services and public spaces are accessible by all residents;
- the needs of residents with disabilities are considered;
- the availability of shared indoor and outdoor space for community activities; and
- community involvement in the planning and design of new projects.

10.6 For new social housing developments, the Council will also consider utilising procurement methods to achieve sustainability. In partnership with RSLs and developers, the Council will seek to promote the principle that contracts should be awarded to organisations with a strong sustainability ethos and working methods.

10.7 **Strategic Environmental Assessment (SEA)** - Under the Environmental (Scotland) Act 2005, all public bodies must decide whether their plans, policies and strategies require a Strategic Environmental Assessment

(SEA). As the “Responsible Authority” under the terms of the Act, the Council has determined that the SEA requirement for the LHS (and by association it’s annex, the SHIP) has been met through previous scoping exercises and that a full SEA is not required in this instance. The primary document in relation to land use planning is the Local Development Plan which will be subject to the full SEA and which will ultimately cover all housing projects set out in the SHIP and the general environmental impact of new housing development. The SHIP is an investment plan which sits underneath the LHS and sets out how the LHS objectives can be delivered. It will therefore not change the directions set out in the LHS and Development Plans. The SEA for the current LHS is available online via the LHS link at www.argyll-bute.gov.uk/

11) Monitoring and Review

- 11.1 The SHIP is reviewed annually by the Scottish Government and affordable housing outcomes are monitored regularly by the Council’s Executive; partners on the Strategic Housing & Communities Forum; as well as the boards and committees of the individual SHIP Development Group members. In addition, monitoring of the SHIP forms part of the Council’s internal Performance Management System, Pyramid, and will continue to inform wider, ongoing review of the Single Outcome Agreement.
- 11.2 In addition, as appropriate, wider stakeholder involvement will be sought via consultation with local communities and relevant particular interest groups. All pertinent feedback will help to inform the ongoing development and annual revisions of the SHIP.

12) Conclusion

- 12.1 This Argyll and Bute Strategic Housing Investment Plan for 2012/13 to 2014/15 sets out a very ambitious but realistic programme for the delivery of up to 371 new affordable homes, and potentially a further 358 completions or onsite starts within that period, including a substantial proportion for special needs. The majority of this provision would be for social rent but an element would be for alternative, intermediate tenures such as shared equity or mid market rent. While this is an extremely challenging target and would be a significant achievement in itself, it would, nevertheless, only represent approximately 22% of the total housing shortfall within Argyll and Bute, which is currently estimated to be around 3,364 affordable homes over the next nine years, albeit not all of this shortfall should or could be addressed through the provision of new build housing.
- 12.2 Around £8.637m has already been committed by the Scottish Government, together with around £7.357m from the Council's Strategic Housing Fund, to sustain the core programme. Over and above this investment, the planned programme of priority projects could require up to £13m in additional subsidy from the Scottish Government's AHSP and at least a further £5m from the Council's Strategic Housing Fund plus other funding from private finance and/or RSLs themselves.
- 12.3 The development of the SHIP is necessarily an ongoing, iterative process and, given the various uncertainties regarding Resource Planning Assumptions and other financial commitments, this Plan must remain at this stage an interim and tentative work in progress. In the current climate it is also important that strategic planning retains a degree of flexibility to allow for adjustments and revision as circumstances continue to evolve. Nevertheless, the Council believes this plan provides clear direction for future priority developments and

sets out a reasonably robust framework for the delivery of affordable housing in the immediate future in Argyll and Bute.

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