



## **BUDGETING PACK 2019/20**

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ARGYLL AND BUTE COUNCIL  
STRATEGIC FINANCE

COUNCIL  
21 FEBRUARY 2019

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**INTRODUCTORY REPORT AND RECOMMENDATIONS FOR BUDGET PAPERS**

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**1. EXECUTIVE SUMMARY**

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

**REVENUE PACK**

**Budget Consultation – Findings Report**

- 1.2 This report summarises the feedback provided by local communities to the Council's budget planning consultation.
- 1.3 1,500 responses were received from across Argyll and Bute and from residents aged 12-75+.

**Service Plans 2019-22**

- 1.4 This report is to present the draft Service Plans for 2019-22 for the 2019-20 budget allocation. Service Plans are a core part of the Council's Performance and Improvement Framework (PIF). They set out the Business Outcomes that each Service will work to deliver over the period of the plan. They include the resources, both revenue and personnel, that are available to deliver on these Outcomes.
- 1.5 Work has continued to improve the quality and number of Business Outcomes. The Business Outcomes have been reduced from 32 to 17. The 17 Business Outcomes have been mapped to the Argyll and Bute Outcome Improvement Plan (ABOIP), the Corporate Plan and the Administration's Priorities. They reflect the structure of the Council and service delivery.

**Assessing Equality and Socio Economic Impact**

- 1.6 The Council as a public authority has a duty under the Equality Act 2010, the Public Sector Equality Duty 2011, the Fairer Scotland Duty (Part one of the Equality Act) and the Island (Scotland) Act (2018) to have due regard to their provisions when making strategic financial decisions. This is done through assessing the potential impact of the decision on equality through Equality and Socio-Economic Impact Assessments (EQSEIAs).
- 1.7 This report outlines for members the process that has been undertaken to ensure that due regard is given to equalities, islands and the Fairer Scotland duties in the decision making process on service choices and presents a strategic EQSEIA for the Budget Reconstruction programme to advise on overall impact.

## Revenue Budget Overview

- 1.8 This report summarises the overall revenue budget position covering funding, expenditure and savings. It also sets out the assumptions and proposals around non-pay inflation and the cost and demand pressures for inclusion in the revenue budget.
- 1.9 The funding excluding ring-fenced grants for 2019-20, as advised in the provisional settlement, and amended in the letter from the Cabinet Secretary for Finance, Economy and Fair Work on 31 January 2019 is £190.215m. If you compare the provisional settlement of £190.215m to the cash funding in 2018-19, taking into consideration the monies not distributed yet (£0.671m), the funding reduction is £0.923m or 0.5%. If you allow for the settlement commitments in relation to HSCP and Carer's Act on the basis that they will require additional matched expenditure, the funding reduction is £3.091m or 1.6%.
- 1.10 The Council Tax budget for 2018-19 was set at £47.674m. This included a 3% increase and a 0.50% growth in the Council Tax base. This is the starting position for 2019-20. In terms of the growth in the Council tax base it had been assumed within the previous budget outlook that growth would be between 0.25% and 0.75%. These assumptions will continue to be in place for 2020-21 and 2021-22 and 0.5% growth has been built into 2019-20 budget amounting to £0.238m.
- 1.11 The UK Treasury has made two changes to the SCAPE (Superannuation Contribution's Adjusted for Past Experience) discount rate assumptions for the Teachers' Pensions and this results in an increase to the teachers' employers' contribution rate which will cost an additional £1.846m from 2019-20. In September, the Government said that departments and devolved administrations would need to meet the increase in costs from the first change but it would support them with the increased cost from second change. It is expected that additional funding will be announced as part of the Spring Budget. Estimated additional income equal to 79% of the cost (£1.458m) has been included within the budget.
- 1.12 The budget for 2018-19 has been rolled forward into 2019-20 and the main changes are as follows:
- Base Budget Adjustments amounting to £0.330m.
  - Increases to employee budgets in respect of pay inflation, increments and the increase on teachers' pensions amounting to £5.978m.
  - Non-pay inflation of £1.031m.
  - Cost and Demand pressures of £1.460m.
  - Increase to Live Argyll Management Fee of £0.113m.
- 1.13 In respect of the payment to the Health and Social Care Partnership, The Scottish Government letter on 31 January 2019 introduced flexibility in the funding local authorities can allocate to Integration Authorities in order to help local authorities balance their own budgets. The 2019-20 allocation can be reduced by 2.2% compared to 2018-19, however, the additional £160m funding within the settlement must be passed on (£2.168m currently distributed). The payment to the HSCP is an issue for Council to agree, however, as there have been conditions placed on the funding allocations in previous years, referenced to base budgets, it would be wise

for the Council to take this into consideration when setting this year's budget in order to provide as much flexibility as possible in the future.

- 1.14 There are a number of measures to balance the budget that had previously been agreed, summarised as follows:
- Management Operational Savings reported to Council on 26 October 2017 with increased savings in 2019-20 of £0.299m.
  - Policy options agreed by Council on 22 February 2018, within increased savings in 2019-20 of £1.151m.
  - Changes to the loans charges profile savings of £0.900m.
- 1.15 There are a number of measures to balance the budget that are for Council approval, summarised as follows:
- General inflationary increase to fees and charges resulting in £0.270m of additional income.
  - Further fees and charges increases over and above inflation in respect of car parking resulting in £0.050m of additional income.
  - Increase Council Tax by 4.79% next year, the maximum that Councils are permitted to increase it by resulting in £2.295m of additional income.
  - New management/operational savings reported to Policy and Resources Committee on 13 December 2018 amounting to £2.090m.
  - New policy savings options reported amounting to £1.873m.
- 1.16 If Members agreed to all the proposals noted within the report, this would produce a balanced budget in 2019-20 with a surplus of £1.032m.
- 1.17 The budget gap over 2020-21 and 2021-22 across each scenario is summarised in the table below.

<b>Budget Gap</b>	<b>2020-21 £000</b>	<b>2021-22 £000</b>	<b>Total £000</b>
Best Case	2,523	3,214	<b>5,737</b>
Mid-Range	5,560	7,083	<b>12,643</b>
Worst Case	10,706	12,920	<b>23,626</b>

- 1.18 There remains a significant budget gap in future years and the Transformation Board have already identified a number of longer term options worthy of pursuit.
- 1.19 The Council are asked to consider a funding request in relation to the Royal National Mod and Kintyre Recycling Limited. Further they are asked to approve the funding for Events and Festivals in 2020-21 and give consideration to approving the funding for the Supporting Communities Fund in 2020-21.

### **Fees and Charges**

- 1.20 This report sets out proposals for increases in fees and charges and the resulting impact on income included in the revenue budget.
- 1.21 The general increase to fees and charges is proposed at 3% for 2019-20 and this is expected to generate additional income of £0.270m. There are further increases

recommended over and above inflation in respect of some roads and amenity services and these would generate further income of £0.050m.

- 1.22 There is a separate report to the Policy and Resources Committee on 14 February 2019 in relation to the proposed parking pilot for Oban, Lorn and the Isles.
- 1.23 There are proposals for new charges in relation to registrars printing copy certificates, pre-application meetings and private water supplies. It is recommended that all new charges are implemented from 22 February 2019 rather than wait until the new financial year.
- 1.24 The changes proposed to the Social Work fees and charges are noted within the report and have been the subject of a report to the Integrated Joint Board on 30 January 2019.
- 1.25 The 3% additional increase over and above general inflation on piers and harbours is estimated to generate additional income of £0.164m which is ring fenced to fund asset improvements.

### **Revenue Budget Monitoring Report as at 31 December 2018**

- 1.23 This report provides a summary of the current revenue budget monitoring position to ensure net expenditure is contained within budget. It provides corporate and departmental information with comparisons on a forecast outturn and a year to date basis.
- 1.24 There is a forecast overspend of £2.041m as at the end of December 2018. The overspend is in respect of the following:
  - Overspend of £0.371m in relation to anticipated pay award for 2018/19 based on the most recent offer made
  - Overspend of £2.998m in Social Work due to unidentified IJB savings allocated to Social Work, shortfall in delivering the planned savings as well as the net impact of service demand
  - Overspend of £0.350m in relation to Education ASN due to a significant increase in demand
  - Overspend of £0.083m in relation to a shortfall in savings for the Catering and Cleaning project.
  - Overspend of £0.080m in relation to additional staff costs within pupil transport
  - Overspend of £0.047m relating to airports PSA contract
  - Reduction in income of £0.050m in relation to public conveniences
  - Underspend on fleet retained budget of £0.669m due to a decision to delay replacing vehicles.
  - Underspend on apprenticeship levy budget of £0.090m
  - Underspend on superannuation auto enrolment budget no longer required of £0.281m
  - Underspend on utilities across the Council £0.124m.
  - Underspend within Customer Services directorate of £0.200m
  - Underspend within Education in relation to vacancies £0.100m
  - Underspend of £0.021m in relation to the Valuation Joint Board payment being less than budget

- Underspend of £0.122m in relation to Hub Schools
- Income received in excess of budget across various areas £0.260m
- Variety of smaller variances £0.020m.

1.25 Where the forecast outturn position is recurring in nature, this has already been accounted for as part of the budget outlook position.

### **Financial Risks Analysis 2019-20**

- 1.26 This report set out the risks identified as part of preparing the revenue budget and makes an assessment of the potential financial impact of these. The financial risks are monitored routinely throughout the year and actions put in place to mitigate risks.
- 1.27 A number of Council wide risks, both revenue and capital have been identified along with risks for each department and service of the Council. For each departmental risk the financial impact has been quantified and the likelihood assessed based on the standard risk matrix.
- 1.28 There are currently 45 departmental risks totalling £5.336m. Only 1 of the 45 departmental risks are categorised as likely with no risks categorised as almost certain.

### **Reserves and Balances**

- 1.29 This report summarise the reserves and balances, sets out an analysis of risk around the adequacy of reserves and balances and proposes a level of contingency to be held in the General Fund Reserve.
- 1.30 The Council has a total of £56.183m usable reserves as at the end of 31 March 2018. Of this balance, £1.515m relates to the Repairs and Renewals Fund, £4.326m relates to Capital Funds and the remainder is held in the General Fund, with £43.717m of the balance earmarked for specific purposes.
- 1.31 The General Fund contingency level remains at 2% of net expenditure. This monetary level has been adjusted to take account of the revised net revenue expenditure proposed for 2019-20, and a top up of £0.096m is required towards the contingency. The revised contingency at 2% of net expenditure amounts to £4.822m.
- 1.32 There is currently an estimated surplus over contingency, after accounting for the earmarked balance that can be released back to reserves is £3.040m. The forecast outturn for 2018-19 is currently estimated to be £2.041m overspent which could reduce the balance as at 31 March 2019 to £0.999m, however, this is an estimated position and is subject to change.

	<b>£000</b>
Unallocated General Fund Balance as at 31 March 2018	1,899
Balance no longer required	1,237
Transfer to contingency to maintain 2% level	(96)
<b>Revised Unallocated General Fund Balance</b>	<b>3,040</b>
Current Forecast Outturn for 2018-19 as at 31 December 2018	(2,041)
<b>Estimated Unallocated General Fund Balance as at 31 March 2019</b>	<b>999</b>

## **CAPITAL PACK**

### **Capital Plan Summary**

- 1.33 This report details the revisions proposed to the capital plan approved in February 2018 for the period 2019-20 and extends the capital plan out for a further 2 years to 2021-22. The revisions are based on updated capital funding assumptions, phasing and cost changes.
- 1.34 The annual General Capital Grant for 2019-20 that was previously estimated when the plan was agreed last year was £12.938m. The updated General Capital Grant is now £12.262m, and is therefore a £0.676m reduction on previous estimate. The 2019-20 General Capital Grant has been used as the basis for the 2020-21 and 2021-22 block allocations available to Services.
- 1.35 The amount of capital resources allocated to Private Sector Housing Grant (PSHG) is £1.033m per annum, similar to previous years.
- 1.36 The additional Specific Grant monies must be spent on Cycling, Walking and Safer Streets and therefore an additional £0.143m will be built into the programme for this.
- 1.37 The restricted capital funding of £18.682m is noted within Appendix 2. This relates to income which is restricted to specific projects and this has been matched with expenditure against the project, thereby showing the gross cost of the project.
- 1.38 A comparison between the capital plan as at December 2018, including the new block allocations for 2020-21 and 2021-22 has been compared to the estimated funding and there is surplus up to 2021-22 of £1.865m.
- 1.39 Included with the surplus are two projects within the current capital plan reporting an underspend. The first is in relation to the project at Kilmahew/St Peter's and NVA have now wound up business in July 2018 and although some elements of the project were delivered, the works did not involve any drawdown on the Council commitment. The other is in relation to the Kintyre's Renewable Hub where the project has come in less than budget. It is recommended that the budget is removed from both these projects in the capital plan.
- 1.40 There are other cost pressures identified in respect of Campbeltown Flood Scheme, CARS Lochgilphead and Helensburgh and HSCP Block Allocation. If Council agree to fund these pressures the surplus will reduce to £0.929m. It is recommended that

this balance is retained within earmarked reserves as a capital plan contingency.

### **Corporate Asset Management Strategy**

- 1.41 This report outlines the overall approach to managing the asset base of the Council.

### **Corporate Asset Management Plan**

- 1.42 This report identifies key issues for this planning cycle in managing the asset base, the proposed actions and any red risk assets not addressed through the proposed Capital Plan. It includes the Asset Group Summaries.

## **2. RECOMMENDATIONS**

- 2.1 It is recommended that the Council:

- a) Note and give consideration to the findings from the Council's budget planning consultation.
- b) Approve all service plans, subject to updating the budget figures in line with the budget agreed for 2019-20.
- c) Note that through the EQSEIA process, we have paid due regard to our duties under the Equality Act 2010, our associated Fairer Scotland Duty and the Islands Act. Note that some of the savings proposals have an impact in some of areas, but this has been given due regard. There are no impacts identified through the EQSEIA process that show actual or potential unlawful discrimination.
- d) Approve a base allocation to the Health and Social Care Partnership of £57.132m for 2019-20 in addition to an in-year payment of £1.236m. Approve indicative allocations base for 2020-21 and 2021-22 to be £57.132m with a further in-year payment of £1.236m in both years. The level of future years funding is subject to the level of Scottish Government funding and the Council's overall financial position in future years.
- e) Agree to defer the pay-back of the 2017-18 Social Work overspend by the HSCP by 1 year, resulting in repayments of £0.100m in 2019-20, £0.300m in 2020-21 and £0.755m in 2021-22. This will alter the payments as noted in recommendation (d).
- f) Approve the adjustment to the Live Argyll Management Fee, resulting in a management fee in 2019-20 of £3.692m. Approve the increase in the Management Fee for 2020-21 as was previously agreed when the Trust was established and note that the fee for 2021-22 will be subject to review on the basis that the Trust should have been able to grow its income streams and the management fee will reduce.
- g) Approve the revenue estimates for 2019-20 and that consequently the local tax requirement estimated at £50.457m is funded from Council Tax. Approve the following rates and charges for the year, 2019-20:
  - i. Council Tax to be paid in respect of a chargeable dwelling in Band "D"

- of £1,308.33 representing a 4.79% increase.
  - ii. Council Tax to be paid in respect of a chargeable dwelling in each of the other valuation bands in accordance with Section 74(1) of the Local Government Finance Act 1992 as amended.
  - iii. Business Rates as determined by Scottish Ministers.
- h) Approve the new management/operations savings as outlined in Appendix 5 and the policy savings options as outlined in Appendix 6 of the revenue budget overview report noting that any savings approved will change the budget position as noted above.
- i) Approve the revenue budget for 2019-20 as set out in the revenue budget overview report.
- j) Give consideration to approving the funding requests for the Royal National Mod (£0.120m) and Kintyre Recycling Limited (£23,330).
- k) Approve the funding for Events and Festivals for 2020-21 in order that the grant application process can commenced during 2019-20.
- l) In a similar position to the Events and Festivals funding, consider approving the funding for the Supporting Communities Fund in 2020-21 in order that the grant application process can commence during 2019-20.
- m) Approve the following in relation to fees and charges with effect from 1 April 2019 unless otherwise noted:
  - i. Approve the proposals for the fees and charges inflationary increase of 3% and approve the charges that are over and above inflation. Note that this would generate additional income of £0.320m in total.
  - ii. Approve the new charges in relation to registers printing copy certificates, pre-application meetings and private water supplies and agree that these charges will be implemented from 22 February 2019.
  - iii. Approve the new charges in relation to the proposed parking pilot for Oban, Lorn and the Isles as per the Policy and Resources Committee report on 14 February 2019.
  - iv. Approve the changes proposed to the Social Work fees and charges.
  - v. Approve all other charges as noted within the Fees and Charges Schedule.
- n) Note the revenue budget monitoring position as at 31 December 2018.
- o) Note the financial risks analysis.
- p) Approve the contingency level for the General Fund balance at a level of 2% of net expenditure, equivalent to £4.822m and note the report on reserves and balances.
- q) Approve the capital plan block allocations for 2020-21 and 2021-22 and the contribution to the private sector housing grant for these years as noted in the capital summary report.

- r) Approve the following changes to the capital plan:
  - i. Approve that additional funding of £0.514m is allocated to the Helensburgh Waterfront Project and £0.510m to Dunoon CHORD in line with the current reported overspends on these projects.
  - ii. Approve the removal of the Kilmahew/St Peter's project from the capital plan and transfer the £0.250m to the capital plan surplus.
  - iii. Approve that the underspend of £0.423m on the Kintyre Renewables Hub project is removed from the capital plan and transferred to the capital plan surplus.
  - iv. Approve that the £0.500m funding that was accelerated from the Education Block allocation in 2019-20 towards Dunoon Primary School is re-instated and used towards the projects originally intended for.
  - v. Approve a 20% contribution towards the Campbeltown Flooding Scheme to 2019-20 of £0.159m.
  - vi. Approve the full capital ask of £0.200m towards the CARS Lochgilphead Project, profiled over 2019-24.
  - vii. Approve the full capital ask of £0.327m towards the CARS Helensburgh Project, profiled over 2020-25.
  - viii. Approve an additional allocation of £0.250m for the Health and Social Care block allocation in 2019-20 to be used for asset sustainability.
- s) Approve the capital plan as set out in Appendix 3 of the capital plan summary.
- t) Approve that the remaining capital plan surplus of £0.929m is retained within earmarked reserves as a capital plan contingency.
- u) Approve the Corporate Asset Management Strategy.
- v) Approve the Corporate Asset Management Plan and the Asset Group Summaries.

### **3. IMPLICATIONS**

- 3.1 Policy – There are policy implications associated with proposals to balance the revenue budget as well as the policy options that have been subject to employee consultation.
- 3.2 Financial – The report outlines the revenue budget position over 2019-20 to 2021-22 and the funding and commitments for the capital plan 2019-22.
- 3.3 Legal – Any legal implications have and will be considered when developing the savings options required for the revenue budget. The funding for new capital expenditure may not address all the statutory and regulatory requirements in relation to health and safety.
- 3.4 HR – Any HR implications have and will be considered when developing savings options required for the revenue budget. There are risks that the capital funding available will have an impact on the sustainability of the property design team and the design team within Roads and Amenity Services.

- 3.5 Fairer Scotland Duty – Equality and Socio-Economic Impact Assessments have been carried out where appropriate for savings options already agreed or developed. Equality and Socio-Economic Impact Assessments will be a key consideration in developing future savings proposals.
- 3.6 Risk – There is a separate report assessing financial risks and there is also an overall assessment of risk included within the separate report on Reserves and Balances. In respect of the capital programme, there are risks around the level of capital receipts, future grant funding and there are a number of red risks highlighted within the corporate asset management plan.
- 3.7 Customer Service – There may be some customer service implications arising from previously agreed savings options and the new policy options. Future customer service implications will be considered when developing savings options.

**Kirsty Flanagan**  
**Head of Strategic Finance**  
**6 February 2019**

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

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ARGYLL AND BUTE COUNCIL

COUNCIL

CUSTOMER SERVICES

21 February 2019

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**BUDGET CONSULTATION –FINDINGS REPORT**

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**1.0 EXECUTIVE SUMMARY**

- 1.1 Argyll and Bute Council aims to work with, as well as for, the people of Argyll and Bute. We therefore held a consultation exercise seeking the views of our citizens on priorities for the council.
- 1.2 More than 1,500 people responded, almost twice as many as last year.
- 1.3 This report outlines the feedback they provided for elected members' consideration.

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ARGYLL AND BUTE COUNCIL

COUNCIL

CUSTOMER SERVICES

21 February 2019

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## BUDGET CONSULTATION –FINDINGS REPORT

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### 2.0 INTRODUCTION

2.1 This report summarises the feedback provided by local communities to the council's budget planning consultation, for consideration by elected members.

### 3.0 DETAIL

#### Consultation approach

- 3.1 The council carries out budget consultation exercises to ensure that communities have the opportunity to get involved in the process of setting the council budget.
- 3.2 This year's consultation asked people to tell us about their priorities for the work of Argyll and Bute Council.
- 3.3 It was promoted in a variety of ways, from social media and website links, to email, in council customer service points, and via the council's Youth Services.
- 3.4 People could give views on the council's website, in printed copies available council offices, through our Youth Services, and via our Citizens Panel (a representative section of the local population).
- 3.5 We received 1,500 responses from across Argyll and Bute and from residents aged 12 – 75+. This is almost twice as many as last year.
- 3.6 People were free to respond to all or only parts of the consultation.

#### Key findings – the role and services of the council

- 3.7 Respondents were asked what mattered most to them about the role of the council:
  - The overall priority is that we deliver a wide range of services
  - This is the first choice preference for all respondents other than young people, whose first priority is that the council is a major employer in the area.
  - The top three priorities given via 'other' comments are that: we care for vulnerable people, deliver value-for-money, statutory services, and provide environmental services.

3.8 We asked people which services they use most:

- The most used service category overall is roads/harbours
- This is also the first choice for all respondents other than for young people, who most use education services.
- The most used via 'other' comments are: social care services, leisure services and toilets.

3.9 People were asked to indicate their priorities for 2019/20:

- Overall priorities are:
  - education for children;
  - environmental services; and
  - roads/harbours
- These three categories were first, second and third choice for all respondents other than for young people, who chose education for children, roads/harbours and public transport.
- Priority given via 'other' comments are: social care services for vulnerable people, care for the elderly and support for community groups.

### **Key services: transforming our work**

3.10 Respondents were asked for their ideas on making savings/raising income. Recurring ideas include:

- reduce management costs
- close small schools
- reduce bureaucracy

3.11 What council services or processes would people use if they were available?

- The majority of people said they would use any service on-line as long as it's easy to do
- A minority number of people said they need face-to-face and/or telephone services rather than on-line

3.12 More detail on ideas for making savings/raising income, and any other comments on the role and services of the council, is set out in Appendix 1.

3.13 In line with council practice, and in support of the comment from a number of respondents that the council should 'listen to local people', we will provide an outline of how findings from this consultation contribute to budget decisions, following the Council meeting in February.

## **4.0 CONCLUSION**

- 4.1 Many people gave time and thought to this year's consultation. This report and its appendices set out findings from this consultation for consideration by elected members.

## **5.0 IMPLICATIONS**

- 5.1/2 Policy/Financial: Feedback from the consultation is set out in this report for elected members to consider in progressing planning our future.
- 5.3 Legal : None
- 5.4 HR : None
- 5.5 Equalities :The consultation was designed to reach a wide range of people in line with our duties under the Equality Act 2010.
- 5.6 Risk: None
- 5.7 Customer Service: Providing feedback on actions taken as a result of this consultation will highlight the value of citizens taking the time get involved in setting the council's budget.

### **Executive Director Douglas Hendry**

#### **For further information contact:**

Jane Fowler, Head of Improvement and HR

Jane Jarvie, Communications Manager/Genna Lugue, Research and Engagement Officer, 01546 604323

#### **Policy Lead: Councillor Rory Colville**

#### Appendix

Appendix 1: Ideas on making savings/ other comments

**Appendix 1: Ideas for savings / other comments on the role and services of the council**

**Question 4: Any other comments on the role and services of the council?**

Additional comments include:

- Reduce senior and middle management costs
- Reduce staff/councillor costs
- Reduce the number of primary schools
- Maintain roads and infrastructure
- Better public transport and annual travel pass for young people
- Support island as well as mainland communities
- Support community groups
- Listen to local people

**Question 5: what suggestions do you have for raising income or making savings?**

Comments include:

- Run a lottery
- Reduce management costs
- Full recovery of council tax
- Close small primary schools
- Reduce agency staff/consultants
- Use volunteering where you can
- Stop Gaelic bi-lingual signs
- Develop marine-based businesses
- Set public service level agreements so people know what to expect
- Promote tourism/events
- Wind turbine / renewable energy / hydro schemes / solar panels
- Address depopulation
- Ensure value for money from external suppliers
- Bring families to the area by showing community spirit and quality of life
- Sell unused buildings
- Use council assets for commercial contracts
- Stop non-statutory functions
- Use waste: charge for collecting garden waste; run a waste incineration plant that generates power and income
- Charge campervans and lorries for overnight stays

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**ARGYLL AND BUTE COUNCIL****COUNCIL****Customer Services****21 February 2019**

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**Draft Service Plans 2019-22 For 2019/20 Budget Allocation**

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## **1.0 EXECUTIVE SUMMARY**

1.1 The purpose of this report is to present to the Policy and Resources Committee the Draft Service Plans 2019-22 for the 2019/20 budget allocation. The Service Plans support the delivery of the Corporate Plan.

1.2 The Strategic Management Team agreed at their meeting on 19<sup>th</sup> September 2016 to proceed with three-year service plans with a one-year budget, the Draft Service Plans attached cover the 2019-22 period for the 2019/20 budget allocation.

**Draft Service Plans 2019-22 For 2019/20 Budget Allocation**

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## **2.0 INTRODUCTION**

2.1 Service Plans set out the Business Outcomes that each Service will work to deliver over the period of the plan. The Strategic Management Team agreed at their meeting on 19th September 2016 to proceed with three-year service plans with a one-year budget. The Draft Service Plans attached cover the 2019-22 period for budget allocation for 2019/20.

## **3.0 DETAIL**

3.1 The Strategic Management Team agreed at their meeting on 19th September 2016 agreed to proceed with three-year service plans with a one-year budget. The Draft Service Plans attached cover the 2019-22 period for the 2019/20 budget allocation.

3.2 Service Plans are a core part of the Council's Performance and Improvement Framework (PIF). They set out the Business Outcomes that each Service will work to deliver over the period of the plan. They include the resources, both revenue and personnel, that are available to deliver on these Outcomes.

Service Plans clearly identify how different Services are contributing to the same Business Outcome along with the appropriate resources. Once approved the Service Plans are built in Pyramid and illustrated as Service Scorecards.

3.3 Work has continued to improve the quality and number of Business Outcomes. The Business Outcomes have been reduced from 32 to 17. The 17 Business Outcomes have been mapped to the Argyll and Bute Outcome Improvement Plan (ABOIP), the Corporate Plan and the Administration's Priorities. They reflect the structure of the Council and service delivery.

Appendix 1 illustrates the Business Outcomes mapped to the Corporate Outcomes.

3.4 Work has also continued to improve the format, consistency and use of plain language in the Service Plans. This has resulted in the Service Plans containing a reduced number of success measures, but more appropriate and less operational in nature. To enable a better overview high level strategic plans and strategies are now also noted in the Service Plans. The Service Plans remain 2-part with a strategic 'locked-down' top level and operational, flexible lower level. These changes support

high-level scrutiny and strategic focus by Elected Members.

3.5 The Draft Service Plans 2019-22 include the Challenges that the Services are currently aware they face, along with key Improvements that each Service has identified it will work towards. The Improvements are monitored and reported on by Senior Officers with additional Improvements added as they arise.

3.6 HR&OD supported Heads of Service throughout the service planning process and undertook a quality assurance exercise.

3.7 Appendix 2 presents the Draft Service Plans 2019-22 in the following order –

- i) Community Services Department
- ii) Customer Services Department
- iii) Development and Infrastructure Department
- iv) Chief Executive's Unit

#### **4.0 CONCLUSION**

4.1 The Draft Service Plans 2019-20 for 2019/20 budget allocation support high-level scrutiny and strategic focus by Elected Members with a more consistent use of plain language throughout and are aligned to the delivery of the Corporate Plan.

#### **5.0 IMPLICATIONS**

5.1 Policy - None

5.2 Financial - None

5.3 Legal - None

5.4 HR - None

5.5 Equalities - None

5.6 Risk - None

5.7 Customer Service – The Draft Service Plans 2019-22 for the 2019/20 revenue budget allocation show improved use of content, consistency and use of plain language.

#### **Executive Director of Customer Services**

Douglas Hendry

#### **For further information contact:**

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Sonya Thomas, Performance and Improvement Officer.

**Policy Lead**

Rory Colville

**APPENDICES**

Appendix 1 – Business Outcomes 2019-22

Appendix 2 – Draft Service Plans 2019-22 for 2019/20 budget allocation.

Appendix 1

Joint Over-arching Vision	Argyll and Bute’s Economic Success is built on a growing population						
Council Mission	Making Argyll and Bute a place people choose to Live, Learn, Work and do Business						
	Choose Argyll, Love Argyll						
	A Place people choose to Live			A Place people choose to Learn	A Place people choose to Work and Do Business		Getting It Right
Corporate Outcomes	People live active healthier and independent lives	People will live in safer and stronger communities	Children and young people have the best possible start	Education, Skills and training maximise opportunities for all	Our economy is diverse and thriving	We have an infrastructure that supports sustainable growth	
Business Outcomes	We Ensure Information And Support Is Available For Everyone	Our Communities Are Protected And Supported	Our Looked After Young People Are Supported By Effective Corporate Parenting	All Our Children And Young People Are Supported To Realise Their Potential.	We Support Businesses, Employment And Development Opportunities	Our Infrastructure Is Safe And Fit For The Future	We Are Efficient And Cost Effective
	We Provide Support, Prevention And Opportunities To Help People Make Better Lifestyle Choices	Our Natural And Built Environment Is Protected And Respected	The Support And Lifestyle Needs Of Our Children, Young People, And Their Families Are Met.	All Our Adults Are Supported To Realise Their Potential	We Influence And Engage With Businesses and Policy Makers	Our Communities Are Cleaner And Greener	We Engage And Work With Our Customers, Staff And Partners
	We Enable A Choice Of Suitable Housing Options				Argyll & Bute Is Promoted To Everyone		We Encourage Creativity And Innovation To Ensure Our Workforce Is Fit For The Future
CROSS-CUTTING	Socio-Economic Duty, Equalities, Gaelic						
OUR VALUES	<p align="center"><b>Caring, Committed, Collaborative &amp; Creative</b>  <b>Cùramach, Dealasach, Cruthachail agus Com-pàirteach</b></p>						

## Education (2019-2022)

### The principal purpose of the Service is to:

Education Services is responsible for the delivery of all aspects of Education. The Service provides Early Learning and Child Care, Primary Education, Secondary Education, Education Psychological Services, 16+ Learning Choices, Youth Services and Adult Learning.

The Service employs 1463 FTE

### The Service faces the following significant challenges:

Implementation of a number of legislative and policy changes.

Implementing transformation savings whilst providing an effective service.

Prepare for the delivery of the increase in the number of hours of Early Learning and Child (ELC) care provision.

Improving attainment and achievement of all children and young people whilst closing the attainment gap and responding to national challenges e.g. National Improvement Framework

Responding to challenges around recruitment and retention of staff.

Implementing a digital strategy that provides technology to improve learning and teaching.

### The difference the Service makes:

The Service contributes to the following Business Outcomes:

BO106	Our looked after young people are supported by effective corporate parenting	£980,218
BO107	The support and lifestyle needs of our children, young people, and their families are met	£7,843,913
BO108	All our children and young people are supported to realise their potential	£69,535,004
BO109	All our adults are supported to realise their potential	£626,539
BO116	We engage and work with our customers, staff and partners	£55,687
BO117	We encourage creativity and innovation to ensure our workforce is fit for the future	£12,464
	Central Management Costs	£254,106
		<b>£79,307,931</b>

## Education (2019-2022): success measures

	SM Code	Success measures	Target	Timescale	Benchmark
<b>BO106</b>		<b>Our looked after young people are supported by effective corporate parenting</b>			
	ED106_01	Provide a Looked After Children annual performance report to the Corporate Parenting Board.	Completion and presentation of annual performance report	FQ3 annually	No benchmark
	ED106_02	Increase positive destinations for looked after children in Argyll and Bute	79% FQ1 19/20 onwards 85% FQ1 20/21 onwards	FQ1 19/20 FQ1 20/21	Previous years performance: FQ1: 86% FQ2&3: 93%

	SM Code	Success measures	Target	Timescale	Benchmark
<b>BO107</b>	<b>The support and lifestyle needs of our children, young people, and their families are met</b>				
	ED107_01	Improve our parental engagement in line with new Parental Engagement Strategy	2 Newsletters 1 Annual Conference	Newsletters: Quarterly Annual Conference: FQ1 20/21	No benchmark
	ED107_02	Phasing in of 1140 hours of Early Learning and Childcare (ELC) by 2020	Phase 3 Phase 4	FQ2 2019/20 FQ2 2020/21	No benchmark
	ED107_03	To support and review the implementation of the wellbeing application in schools	All schools using wellbeing application	FQ3 19/20	No benchmark
	ED107_04	Develop and evaluate the use of guidance for partner agencies to enhance collaborative working with the Education Psychology Service.	Biannual survey with sample of stakeholders across agencies	FQ1 19/20 FQ3 19/20	No benchmark
	ED107_05	Production and roll out of an Education Service mental health and wellbeing strategy	Complete	FQ1 20/21	No benchmark
	ED107_06	Appropriate flexible learning plans and activity agreements are in place for secondary school pupils who are following this learning pathway	100%	Annually FQ3	No benchmark
	ED107_07	Review community learning delivery model	Complete	FQ4 19/20	No benchmark
	ED107_08	All Early Learning Centres and Primary schools that use PATHS have the appropriate tools and support for effective implementation	Complete	FQ1 20/21	No benchmark

SM Code	Success measures	Target	Timescale	Benchmark
<b>BO107</b>	<b>The support and lifestyle needs of our children, young people, and their families are met</b>			
ED107_09	Support the increase in the uptake of available Grants, Allowance and Entitlements.  Increase from 2018/19 baseline Clothing Grants Free School meals Education Maintenance Allowance	10% increase from 2017/18 baseline figures: 1,350 young people in receipt of Clothing Grants 262 young people in receipt of EMA 9.45% of A&B young people in receipt of FSM	FQ2 19/20	FSM - 16.3% of Scottish pupils receive FSM (not including P1-P3) 29% of eligible pupils receive EMA Nationally
ED107_10	Develop additional support needs training calendar for teachers and support staff	Complete	FQ2 19/20	No benchmark
ED107_11	Early level and childcare learners spend 50% of their funded time outdoors.	70%	FQ4 20/21	TBC
ED107_12	Organise and host a training and moderation session for Gaelic Medium teaching staff	Complete	FQ4 19/20	No benchmark
ED107_13	All Gaelic Medium primary school provision will have a rigorous system of assessment, tracking and monitoring detailing a curriculum rational	Complete	FQ4 20/21	No benchmark
ED107_14	Educational Psychologist Improvement Plan	Complete	FQ2 Annually (19/20)	No benchmark

	SM Code	Success measures	Target	Timescale	Benchmark
<b>BO108</b>	<b>All our children and young people are supported to realise their potential</b>				
	ED108_01	Undertake an annual audit of curriculum models across all secondary establishments with follow up support and challenge as required	100%	FQ1 19/20 FQ1 20/21	Previous years performance: 100%
	ED108_02	Continue to improve outcomes in performance within national qualifications at SCQF 5 (National 5)	81%	Annual FQ2 19/20	Previous years performance (Authority Data):79.86% National Data: TBC
	ED108_03	Children achieve their appropriate developmental milestones by Primary 1	70%	FQ1 2019 FQ1 2020	No benchmark
	ED108_04	Children and young people reach their potential for their age and ability as per Scottish Government Stretch Aims by 2020	85%	FQ2 19/20	No benchmark
	ED108_05	Support and promote the uptake of non assessed SQA awards	Increase from 10% to 16%	FQ1 19/20 FQ1 20/21	National benchmark: 16%
	ED108_06	Maintain the percentage of school leavers attaining vocational qualifications at SCQF level 5 and above	18%	FQ2 19/20	Previous years performance:
	ED108_07	Support/promote the uptake of wider achievement outcomes for young people as part of their curriculum package including Duke of Edinburgh, Dynamic Youth Awards, Youth Achievement	Increase 2017/18 baseline of 3% to 16% to be in line with National figures	FQ4 19/20	16% of all presentations throughout Scotland were reflective of wider achievement
	ED108_08	Produce annual plan which sets out achievement of strategic priorities set out in the National Improvement Framework (NIF)	Complete	FQ4 19/20 FQ4 20/21	No benchmark

	SM Code	Success measures	Target	Timescale	Benchmark
<b>BO108</b>	<b>All our children and young people are supported to realise their potential</b>				
	ED108_09	All schools engage in training to improve reliability of teacher professional judgement in line with national expectations in order to raise attainment.	100%	FQ2 19/20 FQ2 20/21	Current National data: 100%
	ED108_10	Hold authority wide capacity building opportunities for young people to encourage involvement in local and National decision making.	3	FQ2 19/20	Previous years performance: 3 per annum
	ED108_11	All establishments have a minimum of one community/business partner.	60% 70%	FQ2 19/20 FQ2 20/21	No benchmark
	ED108_12	Develop and implement a nurture strategy for Argyll and Bute with an associated sustainable training model, based on assessment of need	Complete	FQ1 20/21	No benchmark
	ED108_13	Continue to train and support primary pupils to become digital leaders	1 event	FQ3 19/20	No benchmark
	ED108_14	Education Annual Plan	Complete	FQ2 19/20	No benchmark
	ED108_15	Literacy & Numeracy Action Plans	Complete	FQ1 Annually (19/20)	No benchmark

	SM Code	Success measures	Target	Timescale	Benchmark
<b>BO109</b>	<b>All our adults are supported to realise their potential</b>				
	ED109_01	Increase the number of adults engaging with Community Based Adult Learning	1352	FQ4 Annually	1300 adults per annum Argyll and Bute wide/325 per quarter
	ED109_02	Increase the number of externally accredited learning outcome options available to adults	60	FQ4 Annually	Currently performance:55 activities offered
	ED109_03	Increase the number of adults receiving dedicated literacy and numeracy support	451	FQ4 Annually	440 adults per annum Argyll and Bute wide / 110 per quarter
<b>BO116</b>	<b>We engage and work with our customers, staff and partners</b>				
	ED116_01	Work towards the completion of CS Excellence Standard	Achieving CS Excellence Standard	FQ2 19/20	No benchmark
	ED116_02	Undertake a minimum of 3 surveys with pupils, staff and parents on the quality of education provision and learning experiences	Survey devised and implemented	FQ2 19/20	No benchmark
	ED116_03	Customer Service Strategy	Complete	FQ4 Annually	No benchmark
<b>BO117</b>	<b>We encourage creativity and innovation to ensure our workforce is fit for the future</b>				
	ED117_01	Continue to expand the leadership programme to support growing our own leaders	Complete	FQ2 19/20	No benchmark
	ED117_02	Support probationer teachers working within Argyll & Bute	6 probationer support days 100% probationers complete	FQ1 19/20 FQ1 20/21 FQ1 21/22	Current probationer completion rate:100%

## Education (2019-2022): Service improvements

### Business Outcome

SI Code	BORef	Improvement Action	Completion date	Source of improvement	Source detail
<b>The support and lifestyle needs of our children, young people, and their families are met</b>					
ED107_01i	BO107	Fully implement access to 1140hrs for all eligible children across Argyll and Bute	2020/21	Other	Legislation
ED107_02i	BO107	Work to improve attendance rate in all schools and to minimise exclusions in order to ensure maximum time available for attainment for all	2019/20	Self-evaluation	
ED107_03i	BO107	Re-align adult and youth services into a unified community learning structure.	2019/20	Other	Council restructuring and service redesign
ED107_04i	BO107	Explore how current ASN staffing levels can more effectively meet the needs of the children and young people within our care	2019/20	Self-evaluation	

## Appendix 2

### Business Outcome

SI Code	BORef	Improvement Action	Completion date	Source of improvement	Source detail
<b>All our children and young people are supported to realise their potential</b>					
ED108_01i	BO108	Stretch Aims for literacy and numeracy. Demonstrate improvements in childrens progress within literacy and numeracy in line with the National stretch aims	2019/20 & 2020/21	Other	National Improvement Framework
ED108_02i	BO108	By the end of S3 Authority data indicates 95% of young people achieve in line with National expectations	2020/21	Other	National Improvement Framework

## Customer and Support Services (2019-2022)

### The principal purpose of the Service is to:

Customer and Support Services provides a range of first line contact facilities for council customers through a network of customer service points in all the main towns, a telephony based service and the council's web site, and carries out the registration of births, deaths and marriages. It is also responsible for collection of local taxes and administers housing benefit, discretionary housing payments, the council tax reduction scheme and the Scottish Welfare Fund. It also provides a range of services to internal council departments including provision of ICT, the Intranet Hub, creditor payments and the procurement and commissioning of goods and services.

The Service employs 207 FTE

### The Service faces the following significant challenges:

Review how the Internet is accessed, a move to SWAN may allow a single hop to the Internet which has the potential to reduce demands for increased bandwidth and costs. Provide increased bandwidth as opportunities permit for this on a cost-effective basis.

Maintain PSN and Cyber Essentials Plus and PCI-DSS accreditation. Increase the adoption of IT service management framework, provide more customer responsive ICT services.

Implement Barclay Review changes for NDR. Fully utilise the Discretionary Housing Payment and Scottish Welfare Fund monies but not overspend. Increase take-up of Council Tax and Benefits online facilities and use of text reminders to improve payments.

Encourage take-up of more efficient customer channels and provide a greater range of council services through the website through a single authentication and promoting digital first.

Improve contract management, support local businesses to supply our goods and services, and increase use of electronic ordering, and improve demand management.

Support health and social care integration by improving access to selected council applications. Also to commission services to meet the requirements of the locality plans.

### The difference the Service makes:

The Service contributes to the following Business Outcomes:

BO101	We ensure information and support is available for everyone	£1,398,757
BO102	We provide support, prevention and opportunities to help people make better lifestyle choices	£965,176
BO110	We support businesses, employment and development opportunities	£1,367,652
BO113	Our infrastructure is safe and fit for the future	£3,865,455
BO115	We are efficient and cost effective	£528,676
	Central Management Costs	£213,527
		<b>£8,339,243</b>

## Customer and Support Services (2019-2022): success measures

SM Code	Success measures	Target	Timescale	Benchmark
<b>BO101</b>	<b>We ensure information and support is available for everyone</b>			
CS101_01	Maintain current accuracy rate for registration service	Target error rate 1.85% . (up from 1.8%)	Annually in arrears by NRS.	ABC error rate 2016 1.86% National Rate 2015 - 2.27%
CS101_02	Improve customer satisfaction levels	% satisfied or very satisfied with service: 95% face to face 95% telephony 90% emails or webforms 95% Registration 70% Website	Quarterly Face to Face - twice yearly	Most immediate previous Customer satisfaction survey outcomes: face to face: 96.2% telephony: 92.6% emails: 88% Web site:70%  Registration: No Data yet
CS101_03	Increase the percentage of telephone service enquiries (not service requests) that are dealt with at the first point of contact by the Customer Service Centre (CSC).	64% for Planning 60% for Social Work 77% for Regulatory 62% for General Enq 91% for all other services	Quarterly	2017/18 Actuals Planning 66% Social Work 58% Regulatory 80% General Enquiries 62% All other services 91.2%

	SM Code	Success measures	Target	Timescale	Benchmark
<b>BO101</b>	<b>We ensure information and support is available for everyone</b>				
	CS101_04	Maintain low call abandon rate	Abandon rate below 6.25%	Monthly	Abandon Rate 2017/18 = 6.4% and April- July 2018 =7.1%
	CS101_05	Maintain average answered talk time 3.5 minutes	Average answered talk time below 3.50 decimal minutes	Quarterly	Average answered talk time target only met in 6 out of past 12 months and July was spot on 3.5 mins.
	CS101_06	Maintain percentage of self service directory calls successfully routed	Target 79%	Monthly	2017/18 was 79.5%, but July 2018 dipped to 76.2%.
	CS101_07	Increase Self Service Contacts so that they equal or exceed 60% of all contacts over the year and total online transactions should increase by 2,000 per quarter from the current baseline (these vary seasonally).	60% of CSC and Web interactions all year. FQ1 =83k, FQ2 74k, FQ3 70k, FQ4 72k online transactions.	Quarterly	2017/18 and FQ1 2018/19 = 60.1% based on detailed breakdown of mediated and self service transactions across all channels.
	CS101_08	Increase Volume of Smart Assistant transactions and % success rate of those that result in self service (deflection rate)	Deflection Rate: FQ1 = 20%, FQ2=21%, FQ3=22%,FQ4=23%. Customer Interactions FQ1 = 850, FQ2 = 950, FQ3=1000,FQ4=1100	Quarterly	Average Deflection rate April-July 2018 = 20%, Request volume FQ1 2018 = 835

SM Code	Success measures	Target	Timescale	Benchmark
<b>BO101</b>	<b>We ensure information and support is available for everyone</b>			
CS101_09	Increase Website Search Success Rate	70% Success rate	Monthly	FQ1 2018/19 = 68.8% however that was using customer feedback. We are looking at using CLUDO metrics to give a more empirical %.
CS101_10	Increase % of Tell Us Once Enrichments completed on behalf of Registration customers	Death Enrichments 75% Birth Enrichments 45%	Quarterly	Deaths were 74% in 2017/18 and births 41%

	SM Code	Success measures	Target	Timescale	Benchmark
<b>BO102</b>		<b>We provide support, prevention and opportunities to help people make better lifestyle choices</b>			
	CS102_01	Distribute as much of the Discretionary Housing Payment (DHP) funding to those that need the support most	min of 96% of total fund spent	Quarterly	We spent 98.5% in 2017/2018. Funding is adjusted retrospectively to actual spend.
	CS102_02	Scottish Welfare Fund claims processed promptly and accurately and annual spend is maximised.	99.5% of Crisis Grant claims within 1 day  95% of Community Care grant applications in 15 days  Annual spend as a percentage of programme funding is a minimum 97.5%	Quarterly	Scottish avg 2017/18 CGs 98% within 1 day;  Scottish average 2017/2018 is 98%
	CS102_03	Process all new benefit claims and changes in circumstance promptly and accurately	New claims within average 21 days  Changes within an average of 6 days  Accuracy rate of min 96%	Quarterly	Scottish average 2017/2018 22 days for new claims  Scottish average 2017/2018 5 days for changes,  Scottish average accuracy rate 2014/2015 is 94%

	SM Code	Success measures	Target	Timescale	Benchmark
<b>BO110</b>	<b>We support businesses, employment and development opportunities</b>				
	CS110_01	Increase the percentage of suppliers that are paid within 30 days	Minimum of 95.5%	Quarterly	Scottish Avg. 93.08% for 2016/17
	CS110_02	Increase the total value of rates (NDR) relief awarded	Target £13.8m by 31 March 2020	Quarterly	No external benchmark. £13.5m awarded June 2018
	CS110_03	The Net Cost of NDR discretionary relief within the annual budget	Within budget of £173,500 throughout the year.	Quarterly	No external benchmark
	CS110_04	Maintain the percentage of all Small Medium Enterprises (SMEs) that win Council contracts	75%	Quarterly	Past Performance 83% in 16/17
	CS110_05	Work towards improving our annual score in the new Procurement Commercial Improvement Programme Assessment	76%	Annual - September 2020 (next assessment)	June 2016: 70%
	CS110_06	Maintain the percentage of all Council spend that is either under a contract or a Service Level Agreement (SLA)	90%	Quarterly	Avg. contracted spend 2016/17: 90.1%
	CS110_07	Collaborative contracts expanded with other local authorities and H&SCP (Team Measure)	1 new collaborative contract awarded	31 March 2020	No external benchmark
	CS110_08	Increase the number of tangible community benefits that are delivered through the contracts we award locally	25% of all contracts >£100K for services >£500K for works	Quarterly	None - now measuring local CBCs only
	CS110_09	Increase percentage of purchase transactions done through systems and therefore efficiently	FQ1: 59% FQ2: 61% FQ2: 63% FQ4: 65%	Quarterly	51.2% in 2016/17 55.1% FQ1: 2017/18

	SM Code	Success measures	Target	Timescale	Benchmark
<b>BO110</b>		<b>We support businesses, employment and development opportunities</b>			
	CS110_10	No purchase order no payment project rolled out to 2 more services	Go live by 31 March 2020	Quarterly 31 March 2020	No external benchmark
	CS110_11	Maintain the percentage of local suppliers that bid for business through the procurement portal	20%	Quarterly	Past Performance: 15.3% in 16/17

	SM Code	Success measures	Target	Timescale	Benchmark
<b>BO113</b>		<b>Our infrastructure is safe and fit for the future</b>			
	CS113_01	ICT and Digital Strategy Action Plan	Complete	Ongoing review of related actions by 31 March each year	No external benchmark
	CS113_02	During specified core time (which is linked to the service requirements) the unscheduled application down-time will be minimised.	<0.8%	Monthly	SOCITM benchmarking - Less than 1% unscheduled application downtime during specified core time.
	CS113_03	During specified core time (which is linked to the service requirements) the unscheduled infrastructure down-time will be minimised.	<1%	Monthly	SOCITM Benchmarking - Less than 1% unscheduled downtime during specified core time.
	CS113_04	Our IT applications and databases are within one version of current, this maintains the vendors support and allows the use of new applications facilities.	85%	Monthly	No external benchmark.
	CS113_05	Maintain the average time to resolve ICT incidents.	< 4.5 hours	Quarterly	No direct external benchmark - SOCITM uses more complex time bandings depending on type
	CS113_06	Seasonal upgrades completed on time as requested by our users.	100%	Quarterly	No external benchmark

	SM Code	Success measures	Target	Timescale	Benchmark
<b>BO113</b>	<b>Our infrastructure is safe and fit for the future</b>				
	CS113_07	Maintain our high average success score achieved for our IT projects.	> 82%	Quarterly	SOCITM KPI 3 (80%)
	CS113_08	IT capital programme projects are delivered on time and within budget	100%	Monthly	No External Benchmark
<b>BO115</b>	<b>We are efficient and cost effective</b>				
	CS115_01	Maintain collection of Non-Domestic Rates (NDR)	97.5% NDR cumulatively at March 2020 (including year end accruals)	Quarterly	Scottish Average 2016/2017 NDR 96.94%
	CS115_02	Increase level of collection of Council Tax	96.0% Council Tax cumulatively at March 2020 (including year end accruals)	Quarterly	Scottish average 2016/17 Council Tax 95.98%
	CS115_03	Manage the cost of collecting Council Tax per chargeable dwelling	Max Cost of £8.40 per chargeable dwelling for year to 31 March 2020	Annual	Performance at £9.09 per chargeable dwelling in 2016/2017 as per CIPFA Directors of Finance Stats
	CS115_04	Total Outstanding Sundry Debtors' balances aged over 3 months to remain below target	Aged debt over 3 months not to exceed £900k by 31 March 2020	Quarterly	£889k at March 2018

## Customer and Support Services (2019-2022): Service Improvements

### Business Outcome

SI Code	BORef	Improvement Action	Completion date	Source of improvement	Source detail
<b>We ensure information and support is available for everyone</b>					
CS101_01i	BO101	Research and implement collaboration functionality to the Hub in 2018/19	31 March 2020	Customer Service Action Plan	
CS101_02i	BO101	Corporate Customer Service Development Plan to be agreed at start of year and fulfilment tracked quarterly and C&SS Tasks completed.	31 March 2020	Customer Service Action Plan	
CS101_03i	BO101	Ensure year 2 Web Strategy tasks are completed	31 March 2020	Other	Web Strategy action plan
CS101_04i	BO101	Retain Customer Service Excellence Accreditation at Re-assessment in September 2019.	30 September 2019	Customer Service Action Plan	
CS101_05i	BO101	Undertake customer led review of current 2015-19 Customer Service Strategy.	Draft Strategy ready November 2019. Full Approval by February	Customer Service Action Plan	

## Appendix 2

### Business Outcome

SI Code	BORef	Improvement Action	Completion date	Source of improvement	Source detail
<b>We ensure information and support is available for everyone</b>					
CS101_06i	BO101	Implement agreed digital transformation tasks for 2019/20	31 March 2020	Other	Transformation Board task
<b>We provide support, prevention and opportunities to help people make better lifestyle choices</b>					
CS102_01i	BO102	Deliver 2019/20 Action Plans for Anti-Poverty	31 March 2020	Other	Anti-Poverty strategy and action plan
CS102_02i	BO102	Promote the update of newly developed single assessment for all local authority delivered benefits and increase levels of automated award. Target 80% of all school clothing/meals to be awarded in this way	30 September 2019	Customer Service Action Plan	
<b>We support businesses, employment and development opportunities</b>					
CS110_01i	BO110	Implement new contract monitoring toolkit on all high risk contracts and maintain quarterly review data for these contracts. Targets for number of contracts managed in this was FQ1: 50, FQ2: 70 FQ3: 85 FQ4: 100	31 March 2020	PCIP improvement plan	Action plan to improve Procurement Capability score
<b>Our infrastructure is safe and fit for the future</b>					
CS113_01i	BO113	90% of IT Capital Spend Budget committed by 31 December 2019	31 December 2019	Other	Asset Management Board requirement

## Facility Services (2019-2022)

### The principal purpose of the Service is to:

Facility Services provides a range of support to all other Council Services through teams which manage assets, catering, cleaning, school and public transport, property design and improvement, property maintenance and energy consumption. The service has responsibility for the Council's Corporate Asset Management processes together with the design and delivery of property related capital projects. In addition, Facility Services manages and supports public transport contracts and community transport initiatives.

The Service employs 330 FTE

### The Service faces the following significant challenges:

Ensuring the delivery of Property Maintenance, School Transport and Catering and Cleaning Services to statutory standards while operating within the context of reducing budgets.

Support the development of opportunities for efficiency and asset sharing between the Council and our Community Planning Partners.

The delivery of the Council's Legionella Management Plan will be impacted if resources are restricted.

Managers continue to address both short term and long term absence, although allocating sufficient time to ensure this is done can be difficult due to operational demands.

Ensuring the delivery of Facility Services Transformation Projects whilst maintaining day to day service delivery.

### The difference the Service makes:

The Service contributes to the following Business Outcomes:

BO104	Our communities are protected and supported	£2,716,423
BO107	The support and lifestyle needs of our children, young people, and their families are met	£612,973
BO113	Our infrastructure is safe and fit for the future	£9,405,902
BO114	Our communities are cleaner and greener	£30,000
	Central Management Costs	£266,611
		<b>£13,031,909</b>

## Facility Services (2019-2022): success measures

	SM Code	Success measures	Target	Timescale	Benchmark
<b>BO104</b>		<b>Our communities are protected and supported</b>			
	FS104_01	The average subsidy per passenger accessing Council funded public transport is maintained.	FQ1: £1.80 FQ2: £1.80 FQ3: £2.00 FQ4: £2.80	Annual FQ4	No external benchmarking. Performance will be measured against the rolling annual average.
<b>BO107</b>		<b>The support and lifestyle needs of our children, young people, and their families are met</b>			
	FS107_01	Quality meals are provided to all pupils, within managed cost margins	Minimise quarterly food cost variance of +/- 5%	Quarterly	No external benchmark. Benchmark will be previous year's performance 5%
	FS107_02	Achieve acceptable nutrition levels for all measurable micronutrients when providing two Primary menu changes per year that comply with Schools (Health Promotion and Nutrition)(Scotland) Act 2007	2 per annum	FQ1 and FQ3	2 per annum

	SM Code	Success measures	Target	Timescale	Benchmark
<b>BO113</b>		<b>Our infrastructure is safe and fit for the future</b>			
	FS113_01	The Council's Property Capital Plan, Building Maintenance Protocol and asset management processes ensures that operational buildings are suitable for their current use.	65%	Annual FQ2	Scottish average LGBF return rate TO BE CONFIRMED ONCE DATA IS AVAILABLE.
	FS113_02	The Council's Property Capital Plan, Building Maintenance Protocol and asset management processes ensures that operational buildings are maintained to a satisfactory condition.	80%	Annual FQ2	Scottish average LGBF return rate TO BE CONFIRMED ONCE DATA IS AVAILABLE.
	FS113_03	Legionella Management - Deliver the site-based remedial works identified by the Water Quality Risk Assessment Programme for Council properties	Complete	Quarterly FQ4 2019/20	No external benchmarking is available. Target is to complete the remedial works programme by end of FQ4 2019/20.
	FS113_04	All statutory tests, inspections and maintenance for Council Properties are carried out.	Complete	Quarterly FQ4 2019/20	No external benchmarking is available. Benchmarking will be against last year's performance; 100%
	FS113_05	Our school transport is regularly inspected through spot checks	48 inspections per annum FQ1:12 FQ2:24 FQ3:36 FQ4:48	Quarterly FQ4	No external benchmarking. Benchmarking will be against last year's performance: 48

	SM Code	Success measures	Target	Timescale	Benchmark
<b>BO113</b>		<b>Our infrastructure is safe and fit for the future</b>			
	FS113_06	The Council's Property Capital Plan is delivered on time (for projects managed by Property Services)	Complete	Quarterly FQ4	No external benchmarking is available. Benchmarking will be against last year's performance: 93%
	FS113_07	Our customer satisfaction reports show improved cleaning standards that are rated good or above within Council buildings.	>=90%	Quarterly	85% (APSE benchmarking average customer response rate 2016/17)
<b>BO114</b>		<b>Our communities are cleaner and greener</b>			
	FS114_01	Deliver the Council's property related carbon reduction target.	Complete	Annual FQ4	100%

## Facility Services (2019-2022): Service improvements

### Business Outcome

SI Code	BORef	Improvement Action	Completion date	Source of improvement	Source detail
<b>We encourage creativity and innovation to ensure our workforce is fit for the future</b>					
FS117_01i	BO117	Ensure that the Catering and Cleaning Working Group keep the project workstreams on track to deliver the expected savings/additional income.	FQ4 2021/22	Other	

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## Governance and Law (2019-2022)

### The principal purpose of the Service is to:

Governance and Law administers the core services within which the governance arrangements of the Council and Community Planning Partnership are undertaken. It includes a range of internal and external support services including for the Council, other Departments, Council Committees, Community Councils, the Children's Panel and Elected Members and delivers legal services that include litigation, licensing and conveyancing. The service is responsible for delivering all elections, the Civil Contingencies function and information compliance duties such as Freedom of Information, Data Protection, corporate complaints and records management.

The Service employs 38 FTE

### The Service faces the following significant challenges:

Advising on and where appropriate dealing with the effects of Brexit, and the implementation of forthcoming Scottish legislation including Planning (Scotland) Bill, Prescription (Scotland) Bill & Scottish Crown Estate Bill.

Organising and running of scheduled and unscheduled Elections and Referendums - e.g. Scottish Parliament May 2021; Local Govt and UK Parliament May 2022 plus any associated activity potentially arising from matters of constitutional reform.

New governance arrangements associated with supporting the outcome of National and Local Governance Review and Council priorities, e.g. development and implementation of Rural Growth Deal, integrated working arrangements with HSCP, Localism etc.

Implementation of the Community Empowerment Act 2016 and Islands ( Scotland ) Act 2018.

Additional workload generated by renewal of approximately 500 licences held by personal licence holders and contribution to and implementation of the PACE Programme (Permanence and Care Excellence).

Ensuring compliance with the timescales in the GDPR and Records Management development plans across the Council and HSCP particularly in light of organisational resourcing constraints.

### The difference the Service makes:

The Service contributes to the following Business Outcomes:

BO104	Our communities are protected and supported	£132,793
BO107	The support and lifestyle needs of our children, young people, and their families are met	£33,698
BO110	We support businesses, employment and development opportunities	-£103,869
BO115	We are efficient and cost effective	£1,605,973
BO116	We engage and work with our customers, staff and partners	£196,338
	Central Management Costs	£208,090
		<b>£2,073,023</b>

## Governance and Law (2019-2022): success measures

	SM Code	Success measures	Target	Timescale	Benchmark
<b>BO104</b>		<b>Our communities are protected and supported</b>			
	GL104_01	Number of Anti-social Behaviour cases resolved within agreed timescale of 13 weeks.	80%	Quarterly	Previous year's data available April 2019. 2017/18: 100%
<b>BO107</b>		<b>The support and lifestyle needs of our children, young people, and their families are met</b>			
	GL107_01	Number of fully trained and serving Children's Panel members.	40-50	Quarterly	Previous year's data available April 2019. 2017/18: 45

	SM Code	Success measures	Target	Timescale	Benchmark
<b>BO110</b>		<b>We support businesses, employment and development opportunities</b>			
	GL110_01	The percentage of occasional liquor licence applications that are determined within 32 working days.	100%	Quarterly	Previous year's data - available April 2019. 2017/2018 - 100%
	GL110_02	The percentage of taxi licences and civic government licences where there are objections or representation are processed within 50 working days.	95%	Quarterly	Previous year's data - available April 2019. 2017/2018 - 71 %
	GL110_03	The percentage of Personal liquor licence applications with no objections that are determined within 32 working days.	95%	Quarterly	Previous year's data -available April 2019. 2017/2018 - 95.6%
	GL110_04	The percentage of extended hours liquor licence applications that are determined within 32 working days.	100%	Quarterly	Previous year's data - available April 2019. 2017/2018 - 100%
	GL110_05	The percentage of Civic Government Licence Applications with no objections or representations that are determined within 32 working days (except Taxi licences).	100%	Quarterly	Previous year's data - available in April 2019. 2017/2018 - 97.6%

	SM Code	Success measures	Target	Timescale	Benchmark
<b>BO115</b>		<b>We are efficient and cost effective</b>			
	GL115_01	Percentage of complaints resolved at stage 1 (within 5 working days)	75%	Quarterly	Previous year's data - available in April 2019. 2017/18: 68%
	GL115_02	Percentage of subject access requests responded to within the Data Protection Act timescales.	100%	Quarterly	Previous year's data - will be available in April 2019. 2017/18: 75%
	GL115_03	Percentage of draft minutes published and action mandates issued within a week.	96%	Quarterly	Previous year's data - available April 2019. 2017/18: 100%
	GL115_04	Percentage of responses made within the timescales for Freedom of Information requests.	100%	Quarterly	Previous year's data - available April 2019. 2017/18 :96%
	GL115_05	The performance standards set by the Electoral Commission are met.	100%	Quarterly	Past Performance: 100%
	GL115_06	All property transactions (conveyances, leases, securities, discharges) are completed by agreed date	100%	Quarterly	Previous year's data - available in April 2019. 2017/18 - 100%
	GL115_07	Section 75 Planning agreements are registered within 4 months from receipt of titles	100%	Quarterly	Previous year's data - available in April 2019. 2017/18 - 100%

	SM Code	Success measures	Target	Timescale	Benchmark
<b>BO115</b>		<b>We are efficient and cost effective</b>			
	GL115_08	Compliance with General Data Protection Regulations development plan.	100%	Annually FQ4	Previous year's data - available in April 2019. New measure.
	GL115_09	Compliance with Records Management Development Plan	100%	Annually FQ4	Previous year's data - available in April 2019. New measure.
	GL115_10	Percentage of Members satisfied with Casebook facility for managing constituency workload.	19/20: 60% 20/21: 70% 21/22: 80%	Annually FQ3	Previous year's data will be available in January 2019. 2017 - 47%
	GL115_11	The percentage of substantive responses made within one working day for all urgent legal advice requests.	100%	Quarterly	Previous year's data - available in April 2019. 2017/2018 - 100%
	GL115_12	The percentage of responses within 20 working days for non-urgent legal advice requests provided there is no extension agreement in place.	100%	Quarterly	Previous year's data - available in April 2019. 2017/2018 - 100%

	SM Code	Success measures	Target	Timescale	Benchmark
<b>BO116</b>		<b>We engage and work with our customers, staff and partners</b>			
	GL116_01	Percentage of Members very satisfied or satisfied with member services support.	90%	Annually FQ3	Previous year's data will be available in January 2019. 2017/18: 90%
	GL116_02	Percentage of Community Councils who feel supported by the service.	75%	Annually FQ4	Previous year's data - available April 2019. 2017/18 :75%

## Governance and Law (2019-2022): Service improvements

### Business Outcome

SI Code	BORef	Improvement Action	Completion date	Source of improvement	Source detail
<b>We ensure information and support is available for everyone</b>					
GL101_01i	BO101	Arrange Community and Business Resilience events in local communities	March 2020 and yearly thereafter	Other	The Council is a Category 1 Responder under the Civil Contingencies Act 2004 and there is a statutory requirement as well as a best practice requirement to ensure we prepare our communities and council services to respond to emergency and resilience issues.

## Appendix 2

### Business Outcome

SI Code	BORef	Improvement Action	Completion date	Source of improvement	Source detail
<b>The support and lifestyle needs of our children, young people, and their families are met</b>					
GL107_01i	BO107	Implementation of the PACE Programme (Permanence and Care Excellence) will lead to improving permanence for looked after children, working with all local agencies involved in improving the wellbeing of these children.	March 2020	Other	The Permanence and Care Excellence (PACE) programme has evolved to support multi-agency partners rise to the challenge of ensuring that every child should have a stable home that offers them nurturing relationships as early as possible. Using a whole systems approach, PACE is focused on supporting evidence-informed sustainable improvement in systems, process and practices critical to good permanence practice.

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## Appendix 2

### Business Outcome

SI Code	BORef	Improvement Action	Completion date	Source of improvement	Source detail
<b>We are efficient and cost effective</b>					
GL115_01i	BO115	Increase Elected Member Transactions through paperless processes e.g. improved iPad functionality, on-line surgeries, expenses.	March 2022	Customer Service Action Plan	Commitment to service improvement in Customer Service Action Plan
GL115_02i	BO115	Support EDI address improvements in process and response times to Members enquiries to ensure Casebook effectively supports Elected Members manage their constituency caseload.	March 2020	Audit or inspection key recommendation	Outcome from Member Support Services Audit August 2018
GL115_03i	BO115	Re-indexing of titles to Council property to accord with Council UPRN and digitization of Council titles to create speedier access to title information.	March 2020	Other	Departmental Service Plan commitment to improve efficiency and customer service
GL115_04i	BO115	Implementation of Halarose Election Management System	June 2019	Customer Service Action Plan	Commitment detailed in Customer Service Action plan to support culture of continuous improvement.

## Appendix 2

### Business Outcome

SI Code	BORef	Improvement Action	Completion date	Source of improvement	Source detail
<b>We are efficient and cost effective</b>					
GL115_05i	BO115	Implementation of Records Management Development Plan to improve corporate approach to record keeping and meet legislative requirements.	March 2020 and yearly thereafter	Other	Agreed management plan to meet Public Records (Scotland) Act 2011
GL115_06i	BO115	Implementation of General Data Protection Regulations Development Plan to improve corporate approach to data protection and managing personal information and meet legislative requirements.	March 2020 and yearly thereafter	Other	Agreed management plan to meet requirements of General Data Protection Regulations 2016 and the Data Protection Act 2018

Appendix 2

Business Outcome

SI Code	BORef	Improvement Action	Completion date	Source of improvement	Source detail
<b>We engage and work with our customers, staff and partners</b>					
GL116_01i	BO116	Retain the Customer Service Excellence Award and annually review thereafter.	August 2019	Customer Service Action Plan	This is a commitment detailed in the Governance and Law Customer Service Action Plan.

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## Improvement and HR (2019-2022)

### The principal purpose of the Service is to:

As a team of professionals and support staff we drive improvement through change and support business objectives in the interest of the people we employ and the people we serve. Areas of activity relate to: human resources, payroll, organisational development, performance and improvement, health and safety; corporate communications.

The Service employs 59 FTE

### The Service faces the following significant challenges:

Managing the implications of the Living Wage and the erosion of pay differentials.

Adapting to meet the changing needs of our customers in an uncertain environment. Managing the expectations of the services we can deliver.

Managing the challenges presented through Health and Social Care Integration.

Providing communications support as Service implement changes.

### The difference the Service makes:

The Service contributes to the following Business Outcomes:

BO101	We ensure information and support is available for everyone	£275,478
BO112	Argyll and Bute is promoted to everyone	£0
BO115	We are efficient and cost effective	£902,066
BO116	We engage and work with our customers, staff and partners	£642,931
BO117	We encourage creativity and innovation to ensure our workforce is fit for the future	£832,124
	Central Management Costs	£284,640
		<b>£2,937,239</b>

## Improvement and HR (2019-2022): success measures

	SM Code	Success measures	Target	Timescale	Benchmark
<b>BO101</b>		<b>We ensure information and support is available for everyone</b>			
	IHR101_01	Maintain the number of positive news promotions that are issued	500	Quarterly	New Measure, includes social media
<b>BO112</b>		<b>Argyll and Bute is promoted to everyone</b>			
	IHR112_01	Publish an Equalities Mainstreaming Report	Published	FQ1 2019/20 FQ1 2021/22	No Benchmark

	SM Code	Success measures	Target	Timescale	Benchmark
<b>BO115</b>		<b>We are efficient and cost effective</b>			
	IHR115_01	Percentage of payroll accuracy	99.6%	Quarterly	New Measure
	IHR115_02	Value of benefits identified by Services following Improvement Workshops. Financial: Time: Morale:	No Targets Cumulative totals	Quarterly	New Measure
	IHR115_03	Value of benefits implemented by Services following Improvement Workshops. Financial: Time: Morale:	No Targets Cumulative totals	Quarterly	New Measure
	IHR115_04	Cost of HR operations per employee (Head count, including casuals)	No Target	Annual	£270.03 per head FQ4 2017/18 Head Count
	IHR115_05	Cost of Strategic Organisational Development per employee (Head count, including casuals)	No Target	Annual	£155.74 per head FQ4 2017/18 Head Count
	IHR115_06	Percentage of HR contracts that are issued within 5 working days of receipt of the Successful Candidate Form	90%	Quarterly	100%?

	SM Code	Success measures	Target	Timescale	Benchmark
<b>BO116</b>	<b>We engage and work with our customers, staff and partners</b>				
	IHR116_01	Corporate Health and Safety Plan	Complete	31st March 2021	New Measure
	IHR116_02	Increase views of 'Cascade' the internal information tool	10%	Quarterly	New Measure
	IHR116_03	Health and safety competence assessments for contractors are carried out within 10 working days	100%	Quarterly	100%
	IHR116_04	Increase Social Media followers - Facebook by 10% Twitter by 10% Instagram by 10% LinkedIn by 10%	Facebook followers target: 9,540  Twitter followers target: 12,430  Instagram followers target: 2,650  LinkedIn followers target: 1,770	Quarterly Profiled - FB:150;200;250;300 Tw:200;230;340;360 Ins:30;50;70;90 Lind:20;30;50;60	New Measure - %age increases on FQ3 2017/18 performance
	IHR116_05	Communication enquiries are dealt with promptly and within deadlines	85%	Quarterly	2018/19 target:
	IHR116_06	Percentage of accidents and incidents assessed and where applicable an investigation is initiated within 1 working day	100%	Quarterly	100%

	SM Code	Success measures	Target	Timescale	Benchmark
<b>BO117</b>	<b>We encourage creativity and innovation to ensure our workforce is fit for the future</b>				
	IHR117_01	Implement People Strategy	Complete	FQ4 2021/22	No Benchmark
	IHR117_02	A council-wide self-evaluation programme is delivered	Complete	Quarterly FQ4 2021/22	New Measure
	IHR117_03	Self-evaluation programme is reviewed at end of Yr. 1, Yr2, Yr. 3	Complete	Annual FQ2 2019/20 FQ2 2020/21 FQ2 2021/22	New Measure
	IHR117_04	Maintain high satisfaction levels of all corporate courses delivered based on completed evaluation forms	85%	Quarterly	Previous year's performance: 98%
	IHR117_05	Maintain the number of modern apprenticeships created and commenced	60	FQ4 2019/20	No Benchmark
	IHR117_06	Modern apprentices going on to positive destinations after completion of programme with Argyll and Bute Council	95%	FQ4 2020/21	No Benchmark

## Improvement and HR (2019-2022): Service improvements

### Business Outcome

SI Code	BORef	Improvement Action	Completion date	Source of improvement	Source detail
<b>We are efficient and cost effective</b>					
IHR115_01i	BO115	Development of new People Strategy	FQ1 2020/21	Other	
IHR115_02i	BO115	Options appraisal for reconfiguration of pay and grading model to accommodate Living Wage	April 2020	Other	
IHR115_03i	BO115	BPR programme developed that focuses on HR transactional / operational processes	FQ1 2019/20	Employee suggestion	Comments requested and received from staff show that some transactional processes are frustrating. Identify these and develop a programme to re-engineer.
IHR115_04i	BO115	Public Performance Reporting (PPR)Improvement plan. HROD and Communication teams working together to review our current PPR methods with a view to develop an improvement plan	FQ3 2019/20	Other	PPR is a statutory requirement, there is a need to review how we currently report our performance with a view to improving overall engagement

Appendix 2

Business Outcome

SI Code	BORef	Improvement Action	Completion date	Source of improvement	Source detail
<b>We are efficient and cost effective</b>					
IHR115_05i	BO115	Develop connections across Services to improve employee communications	FQ2 2019/20	Self-evaluation	Service redesign and customer engagement

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# Economic Development and Strategic Transportation (2019-2022)

## The principal purpose of the Service is to:

To work in partnership to attract external investment that delivers SME business support, sectoral growth, key physical and digital infrastructure enhancements to grow our economy, to improve local skills, create and retain high quality jobs and build sustainable communities that will attract residents, businesses and visitors.

The Service employs 64 FTE

## The Service faces the following significant challenges:

To ensure that the area's economic assets and our limited resources are allocated efficiently and effectively with regard to Argyll's economic development priorities, opportunities and growth ambitions.

Delivering a transformational Rural Growth Deal that recognises key strategic priorities and the scale of external investment required.

Brexit could potentially have far reaching implications for the Argyll economy given we are a net benefactor of EU Structural Funds, LEADER and EMFF.

Our current population projections will require a significant net in-migration to offset the natural change and support repopulation and subsequent economic growth.

Ensuring we have a sufficiently trained and skilled workforce to take advantage of our key economic opportunities and challenges.

A continued reduction in capital budgets that are necessary to attract external capital and revenue funding streams into Argyll & Bute.

To better communicate the many economic opportunities, successes and positive economic outcomes we have in Argyll & Bute.

To inspire, inform, connect and guide communities to realise their full economic potential.

## The difference the Service makes:

The Service contributes to the following Business Outcomes:

BO110	We support businesses, employment and development opportunities	£1,148,944
BO111	We influence and engage with businesses and policy makers	£304,469
BO112	Argyll and Bute is promoted to everyone	£443,456
BO113	Our infrastructure is safe and fit for the future	£1,436,573
	Central Management Costs	£283,984
		<b>£3,617,426</b>

## Economic Development and Strategic Transportation (2019-2022): success measures

	SM Code	Success measures	Target	Timescale	Benchmark
<b>BO110</b>		<b>We support businesses, employment and development opportunities</b>			
	ET110_01	Deliver the Rural Growth Deal.	To reach a Heads of Terms agreement.	FQ3 2019/20	Monies received per person.
	ET110_02	Increase visitor numbers by delivering a strategic tourism marketing campaign in partnership with AITC (Argyll & The Isles Tourism Cooperative).	10% on previous calendar year.	6 monthly updates (June and December/January).	Scottish figures from VisitScotland.
	ET110_03	12 month survival rate of new businesses.	77%	Quarterly FQ4 2019/20	No benchmark
	ET110_04	Number of existing businesses supported.	200 per annum.	Quarterly FQ4 2019/20	2017/18 Performance: 267
	ET110_05	Number of new business start-ups supported.	100 per annum	Quarterly FQ4 2019/20	2017/18 Performance: 108
<b>BO111</b>		<b>We influence and engage with businesses and policy makers</b>			
	ET111_01	Achieve a fair allocation of the UK's Shared Prosperity Fund and External Funding. External Funding Achieved: Lobbying activities and briefings undertaken: Papers and consultations responded to:	£'s Received cumulative Actions: On Track	Quarterly	Other Local Authorities through SLAED.

	SM Code	Success measures	Target	Timescale	Benchmark
<b>BO112</b>	<b>Argyll and Bute is promoted to everyone</b>				
	ET112_01	Deliver the Dunoon CARS (Conservation Area Regeneration Scheme) and Rothesay TH (Townscape Heritage) projects.	50% delivery of Dunoon CARS and Rothesay TH	Annually FQ4 2019/20	No benchmark
	ET112_02	Deliver the Tarbet and Lochgilphead Regeneration Fund.	50% delivery of Tarbert Lochgilphead Regeneration Fund	Annually FQ4 19/20	Benchmark through Scottish CARS Forum.
	ET112_03	Deliver the Campbeltown CARS (Conservation Area Regeneration Scheme) project.	100%	31 March 2020. FQ4 2019/20.	No benchmark
<b>BO113</b>	<b>Our infrastructure is safe and fit for the future</b>				
	ET113_01	Re-development and refurbishment of the Rothesay Pavilion.	Complete	31 July 2019	No benchmark
	ET113_02	Helensburgh Waterfront Development Project - main construction contract.	Contract awarded.	31 May 2019	No benchmark

## Economic Development and Strategic Transportation (2019-2022): Service improvements

### Business Outcome

SI Code	BORef	Improvement Action	Completion date	Source of improvement	Source detail
<b>We support businesses, employment and development opportunities</b>					
ET110_01i	BO110	Provide comprehensive and user-friendly economic profiles aimed at informing business growth opportunities.	Every 6 months.	Other	Easily accessible economic information and intelligence to a wide audience. National and local statistics, various sources.
ET110_02i	BO110	Digital interactive map reflecting digital roll-out of investment.	July 2019	Other	Web site publication.
<b>We are efficient and cost effective</b>					
ET115_01i	BO115	Economic development re-design implemented.	30 September 2019.	Other	Budget process.

# Planning, Housing and Regulatory Services (2019-2022)

## The principal purpose of the Service is to:

Planning, Housing and Regulatory Services is an outward looking service which seeks to harness development opportunities, support our communities to realise their potential by enhancing access to housing, supporting businesses, protecting the public and improving the economic, social and environmental wellbeing of the area by ensuring that development takes place in a sustainable manner.

The Service employs 129 FTE

## The Service faces the following significant challenges:

Implementation of Regulatory Reform Act and associated 'penalty clause' related to Planning Performance Framework – potential for planning fees to be reduced by the Scottish Government in the event of poor performance.

Workforce Planning needs in Building Standards – half of the existing team of professional officers are due to retire within the next five years.

Delivering the Strategic Housing Investment Plan (SHIP) and challenge/risk of failing to meet expectations in new affordable housing targets.

Implementing Housing First and Wrap Around Care policy changes from the Scottish Government – ensuring availability of suitable temporary accommodation and housing support.

Across Regulatory Services, to ensure that service priorities for environmental health, animal health and welfare, trading standards and licensing standards are aligned with available resources and meet statutory duties.

Ensuring medium to longer term financial planning supports Council priorities in a sustainable manner – addressing potential shortfalls in planning fee income.

## The difference the Service makes:

The Service contributes to the following Business Outcomes:

BO102	We provide support, prevention and opportunities to help people make better lifestyle choices	£338,718
BO103	We enable a choice of suitable housing options	£2,576,016
BO104	Our communities are protected and supported	£1,120,884
BO105	Our natural and built environment is protected and respected	£46,014
BO110	We support businesses, employment and development opportunities	£910,976
BO111	We influence and engage with businesses and policy makers	£291,517
BO116	We engage and work with our customers, staff and partners	£1,437
	Central Management Costs	£499,557
		<b>£5,785,119</b>

## Planning, Housing and Regulatory Services (2019-2022): success measures

	SM Code	Success measures	Target	Timescale	Benchmark
<b>BO102</b>		<b>We provide support, prevention and opportunities to help people make better lifestyle choices</b>			
	PR102_01	Protecting health through the delivery of the formally approved Joint Health Protection Plan with NHS Highland, Highland Council and Argyll and Bute Council.( 18-20 plan)	40% (year 1) 90% (year 2)	Every 6 months	Plan target: 40% of plan by 31/12/19 and 90% by 31/12/2020
	PR102_02	The percentage of clients satisfied that they are better able to deal with their financial problems following support and intervention by debt counselling.	90%	Quarterly	None, other than internal target
	PR102_03	Amount of income generated by Welfare Rights.	£2.5m per year	Quarterly	Internal benchmark: £2.3m
<b>BO103</b>		<b>We enable a choice of suitable housing options</b>			
	PR103_01	Number of new affordable homes completed per annum.	75	Annually FQ4	Strategic Housing Investment Plan: 75 per annum
	PR103_02	The percentage of positive homeless prevention interventions (prevent 1).	50%	Quarterly	Local Housing Strategy: 50%
	PR103_03	Number of empty properties back in use per annum.	25 per annum	Annually FQ4	Local Housing Strategy: 25 per annum

	SM Code	Success measures	Target	Timescale	Benchmark
<b>BO104</b>	<b>Our communities are protected and supported</b>				
	PR104_01	Increase the percentage of broadly compliant food businesses as a result of our enforcement interventions.	85%	Quarterly	National benchmark/target 87%
	PR104_02	Resolve public health service requests within 20 working days	80%	Quarterly	None, other than internal target
	PR104_03	Undertake enforcement intervention programme to high risk premises in respect of environmental health, trading standards, animal health and welfare and licensing standards	95%	Quarterly	Previous years performance and other LA's
<b>BO105</b>	<b>Our natural and built environment is protected and respected</b>				
	PR105_01	Respond to Building warrant applications within 20 days	80%	Quarterly	Previous quarter's performance
	PR105_02	Respond to Completion Certificate applications within 10 days.	80%	Quarterly	Previous quarter's performance
	PR105_03	The percentage of our service users who are happy with our service. (Building Standards)	90%	Quarterly	90%

	SM Code	Success measures	Target	Timescale	Benchmark
<b>BO110</b>	<b>We support businesses, employment and development opportunities</b>				
	PR110_01	Maintaining a Local Development Plan less than 5 years old.	On track with Development Plan Scheme	Quarterly	Large Rural Authorities LDP Delivery on track to Development Plan Scheme.
	PR110_02	Achieve an above national average level of planning application approval rates.	Above 95%	Quarterly	National Performance Statistics (Annual)
	PR110_03	Maintain an effective five year supply of housing land demonstrated in a housing land audit. (NB: this is supply of available land, not housing completions)	Supply maintained	FQ4 19/20 FQ4 20/21 FQ4 21/22	Large Rural Authorities Benchmark Club / NPPF. Maintain 5 years land supply.
	PR110_04	Determine 'All Local Planning Applications' within a time period no greater than 10% above the National Average	10 weeks	Quarterly	National Performance Statistics (Annual) + Heads of Planning Scotland (HoPS) Benchmarking Group
<b>BO111</b>	<b>We influence and engage with businesses and policy makers</b>				
	PR111_01	Enforcement intervention is consistent and fair with businesses supported throughout	80% measured by customer survey responses	Every 6 months	Previous years survey outcomes
	PR111_02	Resolve trading standards business requests within 14 days from receipt of enquiry.	80%	Quarterly	National target 88%

	SM Code	Success measures	Target	Timescale	Benchmark
<b>BO116</b>		<b>We engage and work with our customers, staff and partners</b>			
	PR116_01	Improve customer satisfaction and market the Building Standards service commercially to become self-funding.	FQ4 19/20: 95% FQ4 20/21: 100%	Annually FQ4	Audited annually Commercialisation income 2017/18 £100k

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## Planning, Housing and Regulatory Services (2019-2022): Service improvements

### Business Outcome

SI Code	BORef	Improvement Action	Completion date	Source of improvement	Source detail
<b>We provide support, prevention and opportunities to help people make better lifestyle choices</b>					
PR102_01i	BO102	Deliver the redesign of advice services and monitor its effectiveness to cope with demand from vulnerable and non-vulnerable clients	31/03/2021	Best value review	Review of advice services committee report and independent review

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## Appendix 2

### Business Outcome

SI Code	BORef	Improvement Action	Completion date	Source of improvement	Source detail
<b>We enable a choice of suitable housing options</b>					
PR103_01i	BO103	Develop between Planning and Housing an integrated production process for the SHIP and LHS which will utilise GIS based information to improve knowledge of proposed RSL housing sites, thus ensuring a more accurate and improved housing delivery programme, and ultimately helping to maximise utilisation of available Scottish Government Funding for Affordable Housing.	2019 FQ4	Employee suggestion	Opportunity for improvement has been revealed as a result of the merge of Planning and Housing.

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## Appendix 2

### Business Outcome

SI Code	BORef	Improvement Action	Completion date	Source of improvement	Source detail
<b>Our communities are protected and supported</b>					
PR104_01i	BO104	To complete the Food Control Improvement Plan and the Action Plan developed following the external audit by Food Standards Scotland (FSS)	31/12/2019	Audit or inspection key recommendation	Food Control Improvement Plan agreed by Committee in September 2016 and FSS audit report
PR104_02i	BO104	Implement an action plan to meet the new requirements for the monitoring and regulation of private water supplies , and to protect the health of those on private supplies	31/12/2019	Other	New statute and duty

## Appendix 2

### Business Outcome

SI Code	BORef	Improvement Action	Completion date	Source of improvement	Source detail
<b>Our natural and built environment is protected and respected</b>					
PR105_01i	BO105	Continue with our trial of the building standards surveyor mobile working solution derived by Idox for building standards site inspection works.	March 2019	Employee suggestion	This improvement seeks to ensure a faster and more customer focused on site service delivery
PR105_02i	BO105	Produce and submit a Verification Performance Report (Business Plan) to Scottish Government .	Annually	Other	Building Standards Division of the Scottish Government (BSD)

## Appendix 2

### Business Outcome

SI Code	BORef	Improvement Action	Completion date	Source of improvement	Source detail
<b>We support businesses, employment and development opportunities</b>					
PR110_01i	BO110	Review of the Planning Enforcement Charter every two years	June 2020	Other	Section 158 of the Town and Country Planning Act 1997 requires the planning authority to prepare an enforcement charter setting out how the enforcement system works, in particular the role of the planning authority and the service standards it sets itself. Circular 10/2009 sets out the requirement for the charter to be kept under review and re-published at least every two years.
PR110_02i	BO110	Update and Improve 2 Conservation Area Appraisals / annum.	Annually FQ4	Other	Need to deliver CARS regeneration schemes on the back of up to date Conservation Area Appraisals and customer interest.

## Appendix 2

### Business Outcome

SI Code	BORef	Improvement Action	Completion date	Source of improvement	Source detail
<b>Argyll and Bute is promoted to everyone</b>					
PR112_01i	BO112	Production of the annual Planning Performance Framework (PPF) Report for Planning Services	FQ2 Annually	Other	The PPF Report is the Planning Service's annual balanced scorecard report which is submitted to the Scottish Government for feedback.
PR112_02i	BO112	Run the Argyll and Bute Sustainable Design Awards to recognise and promote exemplars of high quality, sustainable design that have been delivered within Argyll and Bute.	Every three years	Other	Service Improvement identified within PPF 7 (2017/18) submission.
PR112_03i	BO112	Promoting awareness and knowledge of outdoor leisure routes in the Argyll and Bute Core Path network by creating visual view-points layer within "Where To Go Outdoors Website"	FQ4 19-20	Employee suggestion	The development of the where to go outdoors site has been very popular with the public and this is a logical improvement to increase its usage further.

## Appendix 2

### Business Outcome

SI Code	BORef	Improvement Action	Completion date	Source of improvement	Source detail
<b>Our infrastructure is safe and fit for the future</b>					
PR113_01i	BO113	Explore avenues for innovative delivery of housing with partner agencies such as HIE, RSLs, and create an action programme to implement.	2019 FQ4	Other	Improvement came about as a result of an independent report into the subject by HIE, and subsequent recommendation by the Strategic Housing Forum.

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## Appendix 2

### Business Outcome

SI Code	BORef	Improvement Action	Completion date	Source of improvement	Source detail
<b>We are efficient and cost effective</b>					
PR115_01i	BO115	Fully digitalise all document and evidence exchanges for LDP2 Examination in Public.	FQ1 2020/21	Employee suggestion	Previous successful partial digital transfer at the previous Examination and encouragement by the Scottish Government.
PR115_02i	BO115	Formalise the joint working arrangements we have in place in respect of the North of Scotland Trading Standards Alliance and identify other opportunities across Regulatory Services	31/03/2021	Self-evaluation	Identified by service management and through discussions with staff and other local authorities
PR115_03i	BO115	To review current performance measures and to identify better outcomes/targets across Regulatory Services	31/3/2020	Self-evaluation	Association of Public Services and Excellence Performance Network

## Appendix 2

### Business Outcome

SI Code	BORef	Improvement Action	Completion date	Source of improvement	Source detail
<b>We engage and work with our customers, staff and partners</b>					
PR116_01i	BO116	Retain Customer Service Excellence Award for Building Standards and attain award across Planning and Regulatory Services	March 2019 and annually	Customer Service Action Plan	
PR116_02i	BO116	To actively participate in the ongoing work on public health reform in Scotland and to identify key actions which will be necessary to ensure that public health at a local level is protected and that there are appropriate arrangements in place at a strategic and operational level to reflect national changes (e.g. Public Health Scotland)	31/03/2021	Other	Scottish Governments Public Health Reform and Public Health Priorities

## Appendix 2

### Business Outcome

SI Code	BORef	Improvement Action	Completion date	Source of improvement	Source detail
<b>We encourage creativity and innovation to ensure our workforce is fit for the future</b>					
PR117_01i	BO117	Develop "virtual team cross service working" with: Oban Strategic Development Framework (Roads / Facilities / Planning /Eco Dev); Alignment of LDP& LOIP (Community Planning and Planning); Delivery of Kirk Road & Dunbeg Masterplan (Housing Planning, Roads, Eco Dev, Education, Legal).	2022	Annual Performance Review	Virtual teams have been identified as an efficient and effective mechanism for project delivery.

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## Roads and Amenity Services (2019-2022)

### The principal purpose of the Service is to:

To ensure that Argyll and Bute's roads and marine infrastructure enables the safe and convenient movement of people and goods across a geographically diverse area by utilising fit for purpose vehicles and plant equipment. In addition, the service also maintains the physical appearance of Argyll and Bute by managing open spaces, cemeteries street cleaning, refuse collection and waste management in line within a changing landscape of legislation and local authority requirements.

The Service employs 501 FTE

### The Service faces the following significant challenges:

Fulfilling our statutory duties within the context of reducing budgets. These include burying the dead, maintaining a safe road network, collecting and disposing of waste and providing lifeline ferry services to island communities.

Delivery of a revised waste strategy that is affordable and compliant. At this moment we are planning for future services without knowing the full detail of future legislation.

Delivering a programme of depot rationalisation and merging operational teams to maximise effective delivery of services in the current financial context.

Delivering the Council's financial contributions to national programmes such as Local Flood Risk Management Plan and Timber Transport. Delivering cashable savings through collaboration/joint working with other authorities, agencies and stakeholders.

Recruitment and retention of workforce as a result of reducing budgets and financial uncertainty both at a local, national and European level.

Managing our communities expectations on service delivery with a reducing budget, workforce and service specification. Ensuring a customer focus to service requests and improved access to information online through an integrated HUB delivering best value

### The difference the Service makes:

The Service contributes to the following Business Outcomes:

BO113	Our infrastructure is safe and fit for the future	£2,125,057
BO114	Our communities are cleaner and greener	£15,537,377
BO115	We are efficient and cost effective	£639,696
	Central Management Costs	£1,606,581
		<b>£19,908,711</b>

## Roads and Amenity Services (2019-2022): success measures

	SM Code	Success measures	Target	Timescale	Benchmark
<b>BO113</b>		<b>Our infrastructure is safe and fit for the future</b>			
	RA113_01	No weight restrictions are in place on our roads where there are no alternative routes and where there is a local need for unrestricted vehicular access. This will be dependent on sufficient budget provision to enable infrastructure to be maintained.	No unacceptable weight restrictions	Quarterly FQ4 2021/22	No additional weight restrictions to be introduced
	RA113_02	Number of days lost due to breakdowns of ferry vessels across all four Council provided services.	No more than 10 days (in total across all four services)	Quarterly FQ4 2021/22	< 10 days in total
	RA113_03	Number of days lost due to breakdown or maintenance of our marine assets or infrastructure	Zero days lost due to closure of marine asset.	Quarterly. Ongoing - assets are subject to regular inspection.	No lost days due to unplanned works
	RA113_04	Percentage of street lighting repairs completed within 10 days.	75%	Quarterly up to FQ4 2021/22	Nil - local measure
	RA113_05	The percentage of roads which are in need of maintenance.  (There is a time lag between the actual condition and the reported condition due to surveys only covering part of the network each year).	<54.4% (Red and Amber combined)	Annual FQ4	2017/19 54.4% 2016/18 55.5% 2015/17 54.2% 2014/16 54.4%

	SM Code	Success measures	Target	Timescale	Benchmark
<b>BO114</b>		<b>Our communities are cleaner and greener</b>			
	RA114_01	Percentage of waste recycled, composted and recovered	40%	Quarterly	Previous years SEPA certified percentage for recycling
	RA114_02	Achieve reduction in waste to landfill	21,500 tonnes	Quarterly	Previous years actual
	RA114_03	Percentage of overall street cleanliness - measured against Keep Scotland Beautiful national criteria.	73%	Quarterly	LEAMS
<b>BO115</b>		<b>We are efficient and cost effective</b>			
	RA115_01	Percentage of scheduled bin collections on time.  This is in the context of collecting 2.08M bins per year.	96%	Quarterly	Previous years figures
	RA115_02	Reduce the time taken to respond to correspondence.	10% reduction on previous year.	Quarterly	Years 16/17 output

## Roads and Amenity Services (2019-2022): Service improvements

### Business Outcome

SI Code	BORef	Improvement Action	Completion date	Source of improvement	Source detail
<b>Our communities are protected and supported</b>					
RA104_01i	BO104	Deliver the Flood Risk Management Plan. Undertake studies for Helensburgh coastal, Kilcreggan, Oban, Lochgilphead, Tarbert and Clachan. Deliver Campbeltown Flood Protection Scheme.	December 2019	Other	Studies completed by December 2019, subject to funding being available, delivery of the Campbeltown Protection scheme delivered by 2023
<b>Our infrastructure is safe and fit for the future</b>					
RA113_01i	BO113	Develop a condition index similar to that used for roads prioritisation for bridges and retaining walls. This to be used to help estimate a backlog maintenance value. This will help to ensure that Argyll and Bute's road network is maintained at a safe level and is available for both long distance journeys and local communities.	Ongoing	Other	Staff have an extensive knowledge of the bridges and walls and through the programme of structural assessments and regular inspections can identify infrastructure that may give rise to unacceptable weight restrictions.

## Business Outcome

SI Code	BORef	Improvement Action	Completion date	Source of improvement	Source detail
<b>Our infrastructure is safe and fit for the future</b>					
RA113_02i	BO113	Annual review of a rolling 10 year Marine Asset Management Plan which is updated on a regular basis. A detailed survey of our marine assets is being carried out to ensure that any works required can be programmed into the plan. This plan will deliver proportionate and effective marine infrastructure to support lifeline ferries, commercial and leisure use.	Rolling 10 year plan to be reviewed by December each year	Other	Information gathered from User Group meetings / Principal surveys / Meetings with Transport Scotland and Calmac.
RA113_03i	BO113	Ferry replacement plan developed	April 2019	Other	
<b>Our communities are cleaner and greener</b>					
RA114_01i	BO114	Delivery of revised waste strategy. This strategy takes cognisance of the Biodegradable Municipal Waste ban coming into force in January 2021 and links directly to the operation of services and ensuring compliance with all relevant legislation.	April 2020	Self-evaluation	<ul style="list-style-type: none"> <li>- 25 year financial waste model</li> <li>- National Legislation</li> <li>- October 2012 Council report setting out current waste strategy</li> <li>- 2001 contract with Renewi (formerly Shanks) coming to its natural end in 2026</li> </ul>

## Appendix 2

### Business Outcome

SI Code	BORef	Improvement Action	Completion date	Source of improvement	Source detail
<b>Our communities are cleaner and greener</b>					
RA114_02i	BO114	To investigate and scope out the potential introduction of electric vehicles to Argyll and Bute Council will continue to monitor the market and ascertain whether electric vehicles offer a viable travel range.	April 2020	Other	
<b>We are efficient and cost effective</b>					
RA115_01i	BO115	Delivery of a fleet/ vehicle replacement strategy which highlights the requirements of Argyll and Bute Councils delivery of service. The strategy details the process that will be adopted whilst providing a working platform for the Council's fleet department and service user departments.	April 2019	Self-evaluation	<ul style="list-style-type: none"><li>- Existing budget reports</li><li>- Fleet review from external providers Fleetsave</li><li>- Reducing budgets requiring alternative and innovative ways of working</li></ul>

## Business Outcome

SI Code	BORef	Improvement Action	Completion date	Source of improvement	Source detail
<b>We are efficient and cost effective</b>					
RA115_02i	BO115	Structural redesign based on transformational savings agreed as part of the February 2018 budget process. This includes merging the operational teams in roads and amenity and creating a control hub. In addition, the hub will coordinate correspondence and member enquiries to ensure that the service can deliver on its aspiration of creating a culture of customer care.	April 2019 for an operational hub with ongoing development beyond 2019	Employee suggestion	<ul style="list-style-type: none"> <li>- Reducing revenue budgets have brought about a radical rethink in how frontline staff are deployed and line managed to ensure that we can maximise both flexibility and resilience to the competing demands that challenge the team.</li> <li>- Feedback from staff following four area based workshops seeking suggestions for transformation and innovation</li> <li>- The desire to bring two dispirit workforces together as one harmonious unit</li> </ul>

**We engage and work with our customers, staff and partners**

RA116_01i	BO116	Increase the number of Pier and Harbour user group meetings to allow adequate consultation with facility users. Hold a minimum of one engagement meeting at each of our major piers and harbours per year.	April 2019	Other	
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## Strategic Finance (2019-2022)

### The principal purpose of the Service is to:

The service purpose is to maintain high standards of financial management and control, contribute to corporate management and leadership and support officers and members in an effective and responsive manner. This is achieved by providing strategic financial advice, accounting and budgeting services, treasury management as well as internal audit and assurance. The Head of Strategic Finance is the Council's Chief Financial Officer (Section 95 Officer).

The Service employs 40 FTE

### The Service faces the following significant challenges:

Ensuring medium to longer term financial planning supports Council priorities in a sustainable manner. This is in a climate of one year settlements.

Managing the Council's Treasury Management function to ensure that we safeguard the Council's money and get the best possible return. This is particularly challenging due to the unknowns around the wider economic operating environment.

Ensuring service delivery is aligned to stakeholders needs within the available resources.

Ensuring audit coverage provides appropriate assurance in respect of governance, risk and control.

### The difference the Service makes:

The Service contributes to the following Business Outcomes:

BO102	We provide support, prevention and opportunities to help people make better lifestyle choices	£0
BO115	We are efficient and cost effective	£1,698,692
		<b>£1,698,692</b>

## Strategic Finance (2019-2022): success measures

	SM Code	Success measures	Target	Timescale	Benchmark
<b>BO102</b>		<b>We provide support, prevention and opportunities to help people make better lifestyle choices</b>			
	SF102_01	Money Skills Argyll Project - the number of participants who complete all the activities on their action plan	25 participants per month	Monthly	No benchmark
	SF102_02	Money Skills Argyll Project - the number of participants who sign up to a personal action plan	36 participants per month	Monthly	No benchmark
	SF102_03	Money Skills Argyll project on target to achieve the project outcomes: improve the money management skills of participants and reduce debt as a barrier to social inclusion	38 new participants engaging in programme per month	Monthly	No benchmark

	SM Code	Success measures	Target	Timescale	Benchmark
<b>BO115</b>	<b>We are efficient and cost effective</b>				
	SF115_01	Medium to Longer Term Financial Plan updated	Complete	Annually FQ4	Reviewed Annually
	SF115_02	Production of Unaudited Accounts	Complete	Annually FQ1	30 June
	SF115_03	Production of Audited Accounts	Complete	Annually FQ2	30 September
	SF115_04	Annual Efficiency Statement produced	Complete	Annually FQ1	August
	SF115_05	Medium term budget outlook reviewed and updated	Complete	Quarterly	Quarterly
	SF115_06	Distribution of routine reports to budget holders	Complete 4 days after period closedown	Monthly	4 days after period closedown
	SF115_07	Internal Audit Level of satisfaction	80%	Quarterly	80%
	SF115_08	Return on investment of surplus funds at least equal to 7 day money market LIBID rate	Equal to or greater than 7 day money market LIBID rate	Monthly	7 day money market LIBID rate
	SF115_09	Review treasury management practice (TMP) statements	100%	Annually FQ4	100%
	SF115_10	Treasury and Investment Strategy approved	Approved by Council	Annually FQ4	31 March
	SF115_11	Review of Strategic Risk Register	Complete	Bi-annual - FQ1 and FQ3	Bi-annual
	SF115_12	Percentage of audit plan completed	100%	Quarterly	100%

	SM Code	Success measures	Target	Timescale	Benchmark
<b>BO115</b>		<b>We are efficient and cost effective</b>			
	SF115_13	Percentage of audit recommendations accepted by management	100%	Quarterly	100%
	SF115_14	Comprehensive financial monitoring pack prepared	Complete 15 days after period closedown	Bi-monthly	Complete 17 days after period closedown

## Strategic Finance (2019-2022): Service improvements

### Business Outcome

SI Code	BORef	Improvement Action	Completion date	Source of improvement	Source detail
<b>We are efficient and cost effective</b>					
SF115_01i	BO115	Conduct a review of the 2017-18 year end process, including engagement with the external auditors and implement any agreed actions to strengthen the process in 2018-19.	30 June 2019	Self-evaluation	
SF115_02i	BO115	Review capital monitoring and reporting arrangements to ensure that any slippages or over and underspends are reported timeously. Inclusion of a funding page to the monitoring report would enhance the current reporting arrangements ensuring that future borrowing requirements can be planned with increased ease/accuracy.	30 June 2019	Self-evaluation	
SF115_03i	BO115	Roll out scrutiny arrangements during 2018-19, and based on lessons learned during the first two scrutiny exercises, adapt/improve the process as required in 2019-20.	30 June 2019	Self-evaluation	
SF115_04i	BO115	Streamline the treasury management processes to be more efficient whilst ensuring that any new arrangements have improved resilience, are robust and are fit for purpose.	30 June 2019	Self-evaluation	

## Community Planning and Community Development (2019-2022)

### The principal purpose of the Team is to:

The team works in partnership with communities and organisations to enable long lasting projects that make a long lasting difference to the lives of those in Argyll and Bute.

Community Planning provides the overall management, development and delivery of Community Planning in Argyll and Bute; focussing on strategic and local partnership working to add value and address gaps.

Community Development supports community groups; providing advice and support on funding, training, engagement and local action plans. The team distributes a Supporting Communities Fund.

The Team employs 7 FTE

### The Team faces the following significant challenges:

Legal requirements for the service have increased through the Community Empowerment (Scotland) Act 2015 including plans at local level for community planning, and participation request process.

The Scottish Government have introduced Community Choices. This encourages Councils to increase community empowerment in financial decision making. Our pilot projects with Supporting Communities Fund have highlighted the resource and equalities impacts.

Use of digital and social media is increasing for community groups and the team needs to be able to support groups to use and access this whilst maintaining the balance of support to those unable to use or access digital media.

### The difference the Team makes:

The Service contributes to the following Business Outcomes:

BO102	We provide support, prevention and opportunities to help people make better lifestyle choices	£0
BO104	Our communities are protected and supported	£406,106
BO116	We engage and work with our customers, staff and partners	£150,314
		<b>£556,420</b>

## Community Planning and Community Development (2019-2022): success measures

	SM Code	Success measures	Target	Timescale	Benchmark
<b>BO102</b>		<b>We provide support, prevention and opportunities to help people make better lifestyle choices</b>			
	CP102_01	Number of training courses delivered	8	Annually	No benchmark, new measure
	CP102_02	Number or Percentage of participants who feel more confident following a community training event	80%	Annually	No benchmark, new measure
<b>BO104</b>		<b>Our communities are protected and supported</b>			
	CP104_01	Percentage of groups who say their effectiveness has increased as a result of capacity building by the team	75%	Annually	No Benchmark, new measure
	CP104_02	The information given was easy to understand	75%	Annually	No Benchmark, new measure
	CP104_03	Percentage of groups who have achieved 90% or more of the aims they identified	75% of respondents	Annually	No Benchmark. New Measure
	CP104_04	Number of capacity building support sessions with community groups	360 per annum (cumulative)	Quarterly	360 per annum
	CP104_05	Percentage of groups whose users say they increased in confidence or wellbeing	75%	Annually	No benchmark, new measure

	SM Code	Success measures	Target	Timescale	Benchmark
<b>BO116</b>		<b>We engage and work with our customers, staff and partners</b>			
	CP116_01	The CPP Bulletin is found to be timely, informative and easy to understand.	75% of respondents to an annual survey	Annually	No benchmark, new measure
	CP116_02	Issues raised at Area Community Planning Groups are considered and responded to by the Management Committee.	90%	Annually	No benchmark, new measure

## Community Planning and Community Development (2019-2022): Team improvements

### Business Outcome

SI Code	BORef	Improvement Action	Completion date	Source of improvement	Source detail
<b>Our communities are protected and supported</b>					
CP104_01i	BO104	Improve communication and understanding of role and remits of CPP members and purposes of meetings.	June 2019	Self-evaluation	Improvement identified at Development Day in September 2018 from self-assessment. A welcome pack is being developed for this.
CP104_02i	BO104	Revised set of Strategic Delivery Plans	September 2019	Self-evaluation	Improvement identified at Development Day in September 2018 from self-assessment. New outcome leads were agreed by February 2019 and these are remitted to revise the strategic delivery plans.
CP104_03i	BO104	Create an Outcome Leads Group to improve prioritisation and delivery on key cross-cutting policy areas.	June 2019	Self-evaluation	Improvement identified at Development Day in September 2018 from self-assessment. The improvement is to maximise use of partners time and ensure shared understanding of priorities and action.

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**ARGYLL AND BUTE COUNCIL****COUNCIL****CUSTOMER SERVICES****21 FEBRUARY 2019**

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**BUDGET SAVINGS – ASSESSING EQUALITY AND SOCIO ECONOMIC IMPACT**

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**1.0 EXECUTIVE SUMMARY**

- 1.1 The Council as a public authority has a duty under the Equality Act 2010, the Public Sector Equality Duty 2011, the Fairer Scotland Duty (Part one of the Equality Act) and the Island (Scotland) Act (2018) to have due regard to their aims when making strategic financial decisions. This is done through assessing the potential impact of the decision on equality through Equality and Socio-Economic Impact Assessments (EQSEIAs).
- 1.2 This report outlines for members the process that has been undertaken to ensure that due regard is given to equalities, islands and the Fairer Scotland Duty in the decision making process on service choices and presents a strategic EQSEIA for the Budget Reconstruction programme to advise on overall impact.

This report has no direct financial implications, but provides information to inform the Council's decision on the 2019/20 budget.

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ARGYLL AND BUTE COUNCIL

COUNCIL

CUSTOMER SERVICES

21 FEBRUARY 2019

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## BUDGET RECONSTRUCTION – ASSESSING EQUALITY AND SOCIO ECONOMIC IMPACT

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### 2.0 INTRODUCTION

- 2.1 The Council as a public authority has a duty under the Equality Act 2010, the Public Sector Equality Duty 2011, the Fairer Scotland Duty (Part one of the Equality Act) and the Island (Scotland) Act (2018) to have due regard to their aims when making strategic financial decisions. This is done through assessing the potential impact of the decision on equality through Equality and Socio-Economic Impact Assessments (EQSEIAs).
- 2.2 This report outlines for members the process that has been undertaken to ensure that due regard is given to equalities, islands and the Fairer Scotland Duty in the decision making process on service choices and presents a strategic EQSEIA for the Budget Reconstruction programme to advise on overall impact.

### 3.0 DETAIL

- 3.1 The Council as a public authority has a duty to have due regard to those groups protected under the Equality Act 2010, the Public Sector Equality Duty 2011, the Fairer Scotland Duty (Part one of the Equality Act) and the Island (Scotland) Act (2018), must have 'due regard' to the need to eliminate unlawful discrimination, harassment and victimisation as well as to advance equality of opportunity and foster good relations between people who share a protected characteristic and those who do not.
- 3.2 **Protected characteristics:** The protected characteristics covered by the Equality Act (2010) are:
- Age
  - Disability
  - Gender reassignment
  - Marriage and civil partnership
  - Race
  - Religion or belief
  - Sex
  - Pregnancy and maternity
  - Sexual orientation.

The areas to be considered as a result of the Fairer Scotland Duty and the Islands Act are as follows:

- Mainland rural population
- Island populations

- Low income
- Low wealth
- Material deprivation
- Area deprivation
- Socio-economic background
- Communities of place
- Communities of interest

3.3 The council discharges this duty by assessing the impact through Equality and Socio Economic Impact Assessments (EQSEIAs). The first step is to determine if a proposal relates to a strategic decision or affects people in any way. If it does, an EQSEIA is required. This was done as the proposals were being developed by Heads of Service through the Transformation Board, which is led by the Executive Director of Customer Services, includes senior management and a representative of the Joint Trade Unions.

This approach complies with the Equality and Human Rights Commission Guidance (EHRC), which states that:

*Assessments of the equality and socio-economic impact on must be carried out at a **formative stage** so that the assessment is an integral part of the development of a proposed policy.*

- 3.4 The Budget is a strategic decision which requires a full EQSEIA. Assessments for the individual savings proposals were carried out by services between October and November 2018, as part of the preparation process and prior to public consultation on the detailed options. This gave services an indication of which savings options had a potential impact in terms of the legislation. This process identified that some of the savings do have an impact on particular groups as set out in Tables 1 and 2 of the attached EQSEIA.
- 3.5 The assessments carried out have considered the impact on service users and on the workforce. The EQSEIAs were prepared and finalised taking into account the information gathered through the council's budget consultation exercise and other information gathered through consultation and engagement. The process of developing the savings proposals was through the Transformation Board,
- 3.6 Informed by the individual savings options, a strategic EQSEIA has been carried out to assess the overall, strategic impact of the savings options on equality and socio-economic groups and on the workforce. This assessment is attached as an Appendix to this report for members' information and to take into consideration when reaching a final decision.
- 3.7 The strategic EQSEIA sets out the overall purpose of the Budget Reconstruction process and provides assurance to members that mitigating actions have been identified and will be put in place if the Council decides to take the savings option. The Strategic EQSEIA has been developed by a process of analysing all of the EQSEIAs prepared as part of the proposal design process and then assessing the overall cumulative impact in terms of the Council's Duties.
- 3.8 The strategic EQSEIA identifies that there are no cumulative impacts of the savings proposals that impact disproportionately on a specific group.

- 3.9 There are no impacts identified through the EQSEIA process that show actual or potential unlawful discrimination.
- 3.10 Members are advised that the Equality Act 2010, the Public Sector Equality Duty 2011, the Fairer Scotland Duty (Part one of the Equality Act) and the Island (Scotland) Act (2018) duties do not prevent public bodies, such as the Council, from making decisions such as service reductions. The Council's duty is to pay due regard to the legislation and use the impact assessments to inform their decision making. The duties enable the council to demonstrate that it is making financial decisions in a fair, transparent and accountable way, considering the needs and rights of different members of the community. These duties have been discharged by the Council for the Budget Reconstruction process through the EQSEIA.

#### **4.0 CONCLUSION**

- 4.1 The Council as a public authority has a duty under the Equality Act 2010, the Public Sector Equality Duty 2011, the Fairer Scotland Duty and the Islands Act to have due regard to the aims of those duties when making financial decisions. This is done through assessing the potential impact of the decision on equality through Equality and Socio Economic Impact Assessments (EQSEIA) and identifying any mitigating measures.
- 4.2 This report and the accompanying strategic Equality and Socio Economic Impact Assessment, informed by specific options EQSEIAs, overall assessment analysis and the resultant mitigating actions demonstrate compliance with those duties.

#### **5.0 IMPLICATIONS**

- 5.1 Policy: The report complies with the Council's equality and diversity policy
- 5.2 Financial: None from this paper
- 5.3 Legal: Equality Act 2010, the Public Sector Equality Duty 2011, the Fairer Scotland Duty (Part one of the Equality Act) and the Island (Scotland) Act (2018)
- 5.4 HR: none directly from this paper, but there will be HR implications from the savings proposals that affect employees, but there are none directly from this paper
- 5.5 Fairer Scotland Duty:
- 5.5.1 Equalities - protected characteristics – As identified in the attached EQSEIA
  - 5.5.2 Socio-economic Duty – As identified in the attached EQSIEA
  - 5.5.3 Islands: As identified in the attached EQSEIA
- 5.6 Risk: Risk has been mitigated by carrying out EQSEIAs and a strategic EQSEIA on the savings proposals
- 5.7 Customer Service: None

**Executive Director of Customer Services**

**Policy Lead Rory Colville**

Jan 2019

**For further information contact:** Jane Fowler, Head of Improvement and HR on 01546 604466

**APPENDICES**

Appendix 1 – Budget Reconstruction – Strategic Equality and Socio Economic Impact Assessment

## Argyll and Bute Council: Equality and Socio-Economic Impact Assessment

## Section 1: About the proposal

<b>Title of Proposal</b>
Budget Reconstruction Savings Proposals 2019/20

<b>Intended outcome of proposal</b>
To deliver redesigned services that meet the Council's revenue budget reduction targets.

<b>Description of proposal</b>
<p>The overall budget proposal contains a series of service redesign proposals that have been developed through the Transformation Board. The process was based on the assessment by Heads of Service in relation to statutory and non-statutory service areas, identifying the de minimus required to remain within the law.</p> <p>The proposals will deliver £1.873m revenue savings and reduce 49.2 Full Time Equivalent jobs.</p> <p>The detailed savings are set out in the associated 2019/20 Budget papers – policy options.</p>

<b>Business Outcome(s) / Corporate Outcome(s) to which the proposal contributes</b>
The proposals impact across all Business Outcomes

<b>Lead officer details:</b> The lead officer for each savings proposal is the relevant Head of Service. The lead officer for the strategic Equality and Socio Economic Impact Assessment (EQSEIA) is the Head of Improvement and HR	
Name of lead officer	<b>Jane Fowler</b>
Job title	<b>Head of Improvement and HR</b>
Department	<b>Customer Services</b>
<b>Appropriate officer details:</b> There are appropriate officers for each proposal – the Heads of Service. The appropriate officer leading the overall proposal is Douglas Hendry, Executive Director for Customer Services.	
Name of appropriate officer	<b>Douglas Hendry</b>
Job title	<b>Executive Director – Customer Services</b>
Department	<b>Customer Services</b>
Sign off of EqSEIA	D. Hendry
Date of sign off	<b>Jan 2019</b>

<b>Who will deliver the proposal?</b>
<p>The proposals will be delivered by the Heads of Service as follows:</p> <ul style="list-style-type: none"> <li>Head of Customer and Support Services</li> <li>Head of Roads and Amenity Services</li> <li>Head of Education (Early Years and Lifelong Learning)</li> <li>Head of Education (Teaching and Learning)</li> <li>Head of Planning, Housing and Regulatory Services</li> <li>Head of Economic Development and Strategic Transportation</li> <li>Executive Director – Customer Services</li> </ul>

**Section 2: Evidence used in the course of carrying out EqSEIA**

**Consultation / engagement**

Heads of Service have consulted with staff groups affected to develop options and proposals for service redesign.

They have also engaged with potential external funders, affected community groups, including Colonsay Community Council, Jura Development Trust, Tiree Community Business. External bodies consulted include the Deputy Registrar General.

The services have also identified information from wider public consultations pertaining to their proposals.

**Data**

Data has been gathered by Heads of service from a range of sources that are specified in the service EQSEIAs

**Other information**

Heads of Service have looked at alternative service delivery models in local authorities, engaged with third and private sector providers, drawn on professional networks and service specific data and engaged with partner organisations. The Heads of Service have also looked at the performance information relating to their service and analysed the potential impact of the proposed change to service users.

**Gaps in evidence**

There are a small number of service proposals where the impact is not known. This will be monitored and assessed by the head of service during implementation of the proposal if it is approved.

### Section 3: Impact of proposal

#### Budget Reconstruction Proposals 2019/20 - Cumulative Impact

	Negative		No Impact
	Positive	x	Don't know

**Table 1 – Impact on Service users**

Ref	Proposal	Equalities Impact									Socio Economic Impact								
		Age	Disability	Ethnicity	Sex/Gender	Gender Reassignment	Marriage and Civil Partnership	Pregnancy and Maternity	Religion	Sexual Orientation	Mainland Rural population	Island Population	Low income	Low Wealth	Material Deprivation	Area Deprivation	Socio-economic Background	Communities of Place	Communities of Interest
PHRS04/07	Biodiversity, Local Plan Team																		
PHRS14	Marine and Coastal																		
PHRS16	Regulatory Services (Trading Standards)																		
EDST02	Business Gateway																		
EDST03	Economic Growth reduction of post																		
EDST05	Removal of Road Safety Unit																		
RAS05	Grounds Environment 10% reduction																		
RAS09	Reduction in Roads Management																		
RAS11	Removal of School Crossing Patrollers service																		
RAS15	Reduction in Environmental Warden Service by 5 posts																		

		Equalities Impact									Socio Economic Impact								
		Age	Disability	Ethnicity	Sex/Gender	Gender Reassignment	Marriage and Civil Partnership	Pregnancy and Maternity	Religion	Sexual Orientation	Mainland Rural population	Island Population	Low income	Low Wealth	Material Deprivation	Area Deprivation	Socio-economic Background	Communities of Place	Communities of Interest
SSSRVW 01	Corporate management review																		
CSS02	Rationalise Customer Service Points																		
CSS03/05	Centralise Housing Benefits processing																		
CSS04	Restructure creditors team and increase income																		
CSS10	Creditor payments phased automation																		
ED05	Restructure of Youth and Adult Learning			X		X		X											
ED06	Music Instruction											X	X	X	X	X	X	X	

**Table 2 – Impact on Employees**

		Equalities Impact										Socio Economic Impact								
		Age	Disability	Ethnicity	Sex/Gender	Gender Reassignment	Marriage and Civil Partnership	Pregnancy and Maternity	Religion	Sexual Orientation	Mainland Rural population	Island Population	Low income	Low Wealth	Material Deprivation	Area Deprivation	Socio-economic Background	Communities of Place	Communities of Interest	
Ref	Proposal																			
PHRS04/07	Biodiversity, Local Planning																			
PHRS14	Marine and Coastal																			
PHRS16	Regulatory Services (Trading Standards)																			
EDST02	Business Gateway																			
EDST03	Economic Growth reduction of post																			
EDST05	Removal of Road Safety Unit																			
RAS05	Grounds Environment 10% reduction																			
RAS09	Reduction in Roads Management																			
RAS11	Removal of School Crossing Patrollers service																			
RAS15	Reduction in Environmental Warden Service by 5 posts																			
SSSRVW01	Cross cutting management structure review																			
CSS02	Rationalise Customer Service Points																			

		Equalities Impact									Socio Economic Impact								
		Age	Disability	Ethnicity	Sex/Gender	Gender Reassignment	Marriage and Civil Partnership	Pregnancy and Maternity	Religion	Sexual Orientation	Mainland Rural population	Island Population	Low income	Low Wealth	Material Deprivation	Area Deprivation	Socio-economic Background	Communities of Place	Communities of Interest
CSS03/05	Centralise Housing Benefits processing																		
CSS04	Restructure creditors team and increase income																		
CSS10	Creditor payments phased automation																		
ED05	Restructure of Youth and Adult Learning			X															
ED06	Music Instruction																		

**If any ‘don’t know’s have been identified, at what point will impacts on these groups become identifiable?**

The areas of service that have identified ‘don’t know’ in any particular sections will ensure that work is carried out during the planning and implementation phase if the proposal is to be approved by Council.

**How has ‘due regard’ been given to any negative impacts that have been identified?**

In each case, the savings proposal has taken into consideration the impact on the service users and the employees.

It is clear that there are a range of groups impacted, but no single group is impacted more than any other.

In terms of service users, it is clear from the assessments matrix of impacts above that there are some savings that have an impact on particular groups. These are addressed and mitigated in a range of ways by the Heads of Service. Mechanisms for mitigation include the use of online service delivery, focusing the resulting service on users with higher levels of need, providing additional, alternative means of making information available through other existing networks and concentrating on prioritising statutory areas of service only.

In terms of the employee profile, it is noted that there are a large number of employees affected with potential redundancy or with significant change to their posts. There is no specific impact on one group over another – the savings range from frontline, lower grade front line employees such as School Crossing patrollers, administrative/clerical staff and LETs operatives, through technical and team lead posts, professional and managerial to senior management and Heads of Service. All employees are supported through the redundancy and change process by the policies and procedures that we have in place. If an employee does not wish to leave the organisation, we provide support and training opportunities to seek suitable alternatives to redundancy. The age profile of the staff affected is predominantly in the older age category, but this is not unexpected as the Council provides an early retirement severance package. This aligns with our Strategic Workforce Plan in terms of the age profile of the organisation. The location of the majority of the staff is on the mainland in our towns. There are a small number of posts affected on the islands and we will offer specific support to these employees, recognising the challenge of redeployment in these locations. The Council takes into consideration all suggestions brought forward by the Joint Trades Unions in statutory consultation to mitigate redundancy.

**Section 4: Interdependencies**

**Is this proposal likely to have any knock-on effects for any other activities carried out by or on behalf of the council?**

Y

**Details of knock-on effects identified**

Overall the budget proposals will reduce levels of service, which must be recognised. Each proposal will have different specific impacts and these are detailed in the individual

EQSEIAs. There are no particular knock on effects that impact on any one group disproportionately as a result of the overall package of savings proposals.

**Section 5: Monitoring and review**

**Monitoring and review**

The Heads of Service will, through the implementation of approved proposals, monitor the impact of the changes on service users and employees, giving due regard to those groups where they currently do not know the impact.

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**ARGYLL AND BUTE COUNCIL****COUNCIL****STRATEGIC FINANCE****21 FEBRUARY 2019**

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**REVENUE BUDGET OVERVIEW 2019-20 to 2021-22**

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**1. EXECUTIVE SUMMARY**

- 1.1 This report summarises the position with regard to the key issues surrounding the revenue budget estimates and setting of council tax for 2019-20. It also provides budget estimates for 2020-21 and 2021-22; within the report the mid-range estimates are noted, with the best case and worse case estimates included in Appendix 1.
- 1.2 The draft Scottish Budget for 2019-20 was announced by the Cabinet Secretary for Finance, Economy and Fair Work on 12 December 2018 and the Local Government Finance Circular, providing provisional revenue and capital funding allocations, published on 17 December 2018. The budget information was provided for one year only and is subject to Parliamentary approval.
- 1.3 Following the Budget Bill Stage 1 debate in Parliament on 31 January 2019, a letter from the Cabinet Secretary for Finance, Economy and Fair Work was sent to the COSLA President with a copy to Leaders of all Scottish local authorities. It advised of a package of further measures covering local taxation and local government finance.
- 1.4 If you compare the settlement of £190.215m to the cash funding in 2018-19, taking into consideration the monies not distributed yet (£0.671m), the funding reduction is £0.923m or 0.5%. If you allow for the settlement commitments in relation to HSCP and Carer's Act on the basis that they will require additional matched expenditure, the funding reduction is £3.091m or 1.6%.
- 1.5 The Council Tax budget for 2018-19 was set at £47.674m. This included a 3% increase and a 0.50% growth in the Council Tax base. This is the starting position for 2019-20. In terms of the growth in the Council tax base it had been assumed within the previous budget outlook that growth would be between 0.25% and 0.75%. These assumptions will continue to be in place for 2020-21 and 2021-22 and 0.5% growth has been built into 2019-20 budget amounting to £0.238m.
- 1.6 The UK Treasury made two changes to the SCAPE (Superannuation Contribution's Adjusted for Past Experience) discount rate assumptions for the Teacher's Pensions and this results in an increase to the teachers' employers' contribution rate which will cost an additional £1.846m from 2019-20. In September, the Government said that departments and devolved administrations would need to meet the increase in costs from the first change but it would support them with the increased cost from second change. It is expected that additional funding will be announced

as part of the Spring Budget. The Scottish Government letter on 31 January 2019 advised that additional income of 79% of the cost (£1.458m) is expected and this has been included within the budget.

- 1.7 The budget for 2018-19 has been rolled forward into 2019-20 and the main changes to the 2019-20 base budget are summarised below:
- Remove budget allocation of £0.260m in support of the One Council approach to property. This amount was allocated in 2018-19 for two years and the 2019-20 amount will be earmarked at the end of 2018-19 and carried forward into 2019-20.
  - Add back one-off project savings in 2018-19 only of £0.249m.
  - Reduction of £0.010m for Argyll and the Isles Tourism Co-operative as previously agreed.
  - Base adjustment for apprenticeship levy for Live Argyll of £0.020m.
  - Increase of £0.371m to employee budgets to reflect the latest pay award offer for 2018-19.
  - Increase in respect of the new monies received as part of the settlement, amounting to £0.098m.
- 1.8 The employee cost increases for 2019-20 amount to £5.978m and this includes pay inflation, based on the latest pay offer, increments, employee base changes and the increase to teachers pensions.
- 1.9 Only unavoidable/inescapable inflation has been included within 2019-20 and this amounts to £1.031m. This includes utilities, non-domestic rates, catering purchases, contract inflation and landfill tax.
- 1.10 There are a number of cost and demand pressures for 2019-20, amounting to £1.460m summarised as follows:
- IT Software £0.019m
  - Annual Service Payment New Schools £0.349m
  - Carbon Reduction Scheme £0.013m
  - School and Public Transport Contracts £0.054m
  - Local Development Plan £0.068m
  - Waste Financial Model £0.266m
  - Catering and Cleaning Undeliverable Saving £0.083m
  - ASN Demand £0.608m.
- 1.11 The Local Government Finance Circular 8/2018 advises of additional funding of £160m that is allocated for Health and Social Care and Counselling Services. It was clear from the Finance Circular that social care budgets for allocation to Integration Authorities and funding for school counselling services must be £160m greater than the 2018-19 recurrent budgets. The Scottish Government letter on 31 January 2019 introduced flexibility in the funding local authorities can allocate to Integration Authorities in order to help local authorities manage their own budgets. The 2019-20 allocation can be reduced by 2.2% compared to 2018-19, however, the additional £160m funding must be passed on. 2.2% of the 2018-19 allocation is £1.236m.

- 1.12 The payment to the HSCP is an issue for Council to agree, however, as there have been conditions placed on the funding allocations in previous years, referenced to base budgets, it would be wise for the Council to take this into consideration when setting this year's budget in order to provide as much flexibility as possible in the future.
- 1.13 The management fee for Live Argyll has previously been agreed to 2020-21. The increase between 2018-19 and 2019-20 is £0.093m and there is also a base budget transfer of £0.020m in respect of the Apprenticeship Levy.
- 1.14 The budget gap prior to any measures to balance the budget is £7.896m in 2019-20.
- 1.15 There are a number of measures to balance the budget that had previously been agreed, summarised as follows:
- Management Operational Savings reported to Council on 26 October 2017 with increased savings in 2019-20 of £0.299m.
  - Policy options agreed by Council on 22 February 2018, with increased savings in 2019-20 of £1.151m.
  - Changes to the loans charges profile savings of £0.900m.
- 1.16 There are a number of measures to balance the budget that are for Council approval, summarised as follows:
- General inflationary increase (3%) to fees and charges resulting in £0.270m of additional income.
  - Further fees and charges increases over and above inflation in respect of car parking resulting in £0.050m of additional income.
  - Increase Council Tax by 4.79% for 2019-20, the maximum that Councils are permitted to increase it by, resulting in £2.295m of additional income.
  - New management/operational savings reported to Policy and Resources Committee on 13 December 2018 amounting to £2.090m.
  - New policy savings options reported to Policy and Resources Committee on 13 December 2018 amounting to £1.873m.
- 1.17 If Members agreed to all the proposals noted within this report, there would be a balanced budget in 2019-20 with a surplus of £1.032m.
- 1.18 The budget gap over 2020-21 and 2021-22 across each scenario is summarised in the table below.

<b>Budget Gap</b>	<b>2020-21 £000</b>	<b>2021-22 £000</b>	<b>Total £000</b>
Best Case	2,523	3,214	<b>5,737</b>
Mid-Range	5,560	7,083	<b>12,643</b>
Worst Case	10,706	12,920	<b>23,626</b>

- 1.19 There remains a significant budget gap in future years and the Transformation Board have already identified a number of longer term

options worthy of pursuit.

- 1.20 The Council are asked to consider a funding request in relation to the Royal National Mod and Kintyre Recycling Limited. Further they are asked to approve the funding for Events and Festivals in 2020-21 and give consideration to approving the funding for the Supporting Communities Fund in 2020-21.

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**ARGYLL AND BUTE COUNCIL****COUNCIL****STRATEGIC FINANCE****21 FEBRUARY 2019**

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**REVENUE BUDGET OVERVIEW 2019-20 to 2021-22**

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**2. INTRODUCTION**

- 2.1 This report summarises the position with regard to the key issues surrounding the revenue budget estimates and setting of council tax for 2019-20. It also provides budget estimates for 2020-21 and 2021-22; within the report the mid-range estimates are noted, with the best case and worse case estimates included in Appendix 1.
- 2.2 Regular reports on the budget outlook 2019-20 to 2021-22 have been presented to Members throughout the year. Reports were presented to the Policy and Resources Committee on 24 May 2018, 16 August 2018, 18 October 2018 and 13 December 2018 in addition to a further update at a Members Seminar held on 28 January 2019.

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

- 3.1.1 The draft Scottish Budget for 2019-20 was announced by Derek MacKay, the Cabinet Secretary for Finance, Economy and Fair Work, on 12 December 2018. The budget information was provided for one year only.
- 3.1.2 The Local Government Finance Circular 8/2018, published on 17 December 2018, provides detail of the provisional total revenue and capital funding allocations for 2019-20. The provisional total funding allocations form the basis for the annual consultation between the Scottish Government and COSLA ahead of the Local Government Finance (Scotland) Order 2019 being presented to the Scottish Parliament in late February 2019.
- 3.1.3 The Circular outlines that the Scottish Government will work in partnership with local government to implement the budget and the joint priorities in return for the full funding package worth £11.1 billion which includes;
- Baselining from 2019-20 of the full £170 million additional revenue investment announced earlier this year at Stage 1 of the Budget Bill for 2018-19;
  - An additional £210 million revenue and £25 million capital to support the expansion in funded Early Learning and Childcare (ELC) entitlement to 1,140 hours by August 2020;
  - For 2019-20 local authorities will continue to have the flexibility to increase Council Tax by up to a maximum of 3%, which could

- potentially generate around £80 million to support services;
- In addition to the £66 million baselined provision from 2018-19, a further £40 million is included to extend Free Personal and Nursing Care for under 65s, as set out in the Programme for Government, and continued implementation of the Carers (Scotland) Act 2016;
- £120 million to be transferred from the health portfolio to Local Authorities in-year for investment in integration, this includes £12 million for school counselling services;
- Taken together, the total additional funding of £160 million allocated to Health and Social Care and Mental Health is to be additional to each Council's 2018-19 recurrent spending on social care and not substitutional. It means that Local Authority social care budgets for allocation to Integration Authorities (plus those retained for non-delegated social care functions) and funding for school counselling services must be £160 million greater than 2018-19 recurrent budgets;
- Continue to commit an overall funding package of £88 million in the local government finance settlement to support both maintaining the pupil teacher ratio at a national level and ensuring that places are provided for all probationers who require one under the teacher induction scheme. It is recognised that discussions on teachers' pay are on-going through the tri-partite Scottish Negotiating Committee for Teachers and any additional allocation to fund a negotiated agreement will require to be agreed;
- An indicative allocation of £3.3 million for Barclay implementation costs;
- Repayment in full of the re-profiled £150 million capital funding; and
- A new £50 million Town Centre Fund to enable local authorities to stimulate and support place-based economic improvements and inclusive growth through a wide range of investments which contribute to the regeneration and sustainability of town centres.

3.1.4 Following the Budget Bill Stage 1 debate in Parliament on 31 January 2019, a letter from the Cabinet Secretary for Finance, Economy and Fair Work was sent to the COSLA President with a copy to Leaders of all Scottish local authorities. It advised of a package of further measures covering local taxation and local government finance. The changes to the provisional settlement are:

- An increase in the core resource local government settlement of £90m.
- Continue to provide an earmarked £160m from the Scottish Government for health and social care investment to support social care and mental health services – including those under the direction of Integration Authorities – whilst, as part of this package, allowing local authorities the flexibility to offset their adult social care allocations to Integration Authorities in 2019-20 by 2.2% compared to 2018-19, i.e. by up to £50m across all local authorities to help them manage their own budgets.
- Provide local authorities with the flexibility to increase the Council Tax by 3% in real terms, which equates to 4.79% next year.
- Bringing forward a three year funding settlement for local government from 2020-21 budget onwards; and to develop a rules based

framework for local government funding in partnership with COSLA that would be introduced for the next Parliament.

### Scottish Government Funding for Argyll and Bute Council

3.1.5 The funding excluding ring-fenced grants for 2018-19 noted within the February 2018 budget pack was £191.037m. Since this time, there has been a number of funding announcements from the Scottish Government which increased the funding by a further £0.772m to £191.809m. The funding excluding ring-fenced grants for 2019-20, as advised in the provisional settlement, is £188.589m. Adding on our Council's share of the additional £90m (£1.626m) announced on 31 January 2019 brings our funding to £190.215m.

3.1.6 The table below represents the changes between 2018-19 and 2019-20.

	<b>£000</b>
Funding Budget 2018-19 as per budget pack	191,037
Discretionary Housing Payment	583
1+2 Languages	44
Adjustment to Changes line	(2)
Access to Sanitary Products – Schools	28
Access to Sanitary Products – Public Bodies	14
Free Child Burials	3
Whole System Approach (Youth Justice)	25
Homelessness	30
School Clothing Grant	47
<b>Updated Funding 2018-19 (FC 8/2018)</b>	<b>191,809</b>
Updating of Indicators (this relates to the updating of the various funding indicators used to determine overall grant – they are updated based on a range of factors, but mainly population)	(602)
Other Changes	(2,702)
Assumed Council Tax Contribution	(169)
Loans Charges Support	(276)
Change to the floor	(968)
Monies not distributed yet - Discretionary Housing Payments, 1+2 Languages , Access to Sanitary Products (Public Bodies), Homelessness	(671)
Settlement Commitments - HSCP	2,168
<b>Provisional Settlement 2019-20 (FC 8/2018)</b>	<b>188,589</b>
Additional Funding announced 31 January 2019	1,626
<b>Total Settlement 2019-20</b>	<b>190,215</b>

3.1.7 If you compare the settlement of £190.215m to the cash funding in 2018-19, taking into consideration the monies not distributed yet (£0.671m), the funding reduction is £0.923m or 0.5%. If you allow for the settlement commitments in relation to HSCP and Carer's Act on the basis that they will require additional matched expenditure, the funding reduction is £3.091m or 1.6%.

- 3.1.8 In considering the estimates of future years funding, I have reflected on the three previous years and taken into consideration the funding reduction after additional monies and also any settlement commitments.
- 2017-18 funding reduction of 3.2%
  - 2018-19 funding reduction of 1.5%
  - 2019-20 funding reduction of 1.6%.
- 3.1.9 Over the last two years the reduction in funding has been lower than it was in previous years, helped by parliamentary budget negotiations and appreciating the pressure on local government core funding. It is extremely difficult to estimate future funding levels particularly when this current year and the previous two years the initial provisional settlement announced was then increased following the Stage 1 budget bill.
- 3.1.10 I would consider a prudent estimate to be in the range of 1.5% (best case) and 2.5% (worst case) with a mid-range of 2.0%. The worst case is based on the percentage reduction in 2019-20 prior to the additional funding announcement on 31 January 2019. I will keep this position under review and will revise as further intelligence becomes available. It is welcomed that there will be a three year funding settlement from 2020-21 as this provides certainty around the funding.

### **Council Tax**

- 3.1.11 The Council Tax budget for 2018-19 was set at £47.674m. This included a 3% increase and a 0.50% growth in the Council Tax base. This is the starting position for 2019-20.
- 3.1.12 In terms of the growth in the Council tax base it had been assumed within the previous budget outlook that growth would be between 0.25% and 0.75%. These assumptions will continue to be in place for 2020-21 and 2021-22 and 0.5% growth has been built into 2019-20 budget amounting to £0.238m.
- 3.1.13 Councils now have discretion to increase Council Tax by a maximum of 3% each year. As noted with the 31 January 2019 letter, the 3% increase is now 3% in real terms which is stated as 4.79% in 2019-20. Within this report, I will present the budget gap, prior to any decisions and therefore at this stage in the report, the Council tax base is assumed to remain at the same level as 2018-19. The percentage increase in Council tax is noted in paragraph 3.10.2 and feeds into the final estimated budget surplus/(gap).
- 3.1.14 The estimated council tax income over the next three years is noted in the table below.

	<b>Draft 2019-20 £000</b>	<b>Mid- Range Estimate 2020-21 £000</b>	<b>Mid- Range Estimate 2021-22 £000</b>
Council tax base 2018-19	47,674	47,674	47,674
Growth at 0.5% each year	238	478	719
<b>Total Council Tax Income</b>	<b>47,912</b>	<b>48,152</b>	<b>48,393</b>

### UK Government Funding for Teachers Pensions

- 3.1.15 The UK Treasury has made two changes to the SCAPE (Superannuation Contribution's Adjusted for Past Experience) discount rate assumptions for the Teacher's Pensions.
- In Budget 2016 it announced a reduction from 3% to 2.8%, with effect from April 2019.
  - In September 2018 it proposed a further reduction to 2.4% from April 2019.
- 3.1.16 Keeping all other assumptions unchanged, a lower discount rate would result in higher contribution rates at the next scheme valuations. In September, the Government said that departments and devolved administrations would need to meet the increase in costs from the 2016 Budget announcement in full. It would support them with the increased cost resulting from the 2018 announcement in 2019-20, but not necessarily beyond that. No announcement of funding has yet been made for 2019-20 but it is expected within the Spring Statement on 13 March 2019.
- 3.1.17 The timing of the additional funding is not helpful for Councils setting their budget in February. At the end of December, the Directors of Finance Section considered a consistent treatment of this issue and the view was to provide from the full cost and two thirds of the income. This is because Treasury had already stated they would not provide funding for the reduction in the discount rate from 3% to 2.8%, however, they are looking at funding for the reduction to 2.4%. In the Scottish Government letter of 31 January 2019 it notes that local authorities were assuming a shortfall of 33% in the funding for these costs but Scottish Government analysis is that this shortfall is likely to be closer to 21% and local authorities should no longer have to budget for the difference between 33% and 21%. The letter goes onto say that there is a commitment to continue to press the UK Government to meet the full cost of these changes. The letter gives a further commitment that they will pass on to local government the consequentials that they receive towards the employers' cost increase for local government Teachers' Pension schemes.
- 3.1.18 There remains a risk for budgeting for income that has not been confirmed yet, however, the risk is reduced as there is a commitment by the UK Treasury to pass on funding and further there is a commitment that Scottish Government will pass on the consequentials. There is a further

risk that the distribution formula doesn't cover the estimated cost for the Council.

3.1.19 The additional cost in 2019-20 is estimated to be £1.846m. If UK Government fund 79% of this, then the Council would receive additional income of £1.458m.

3.1.20 The Spending Review next year will settle the funding for costs beyond 2019-20 arising from the valuations, however, it is assumed to be baselined, within all scenarios. If further information suggests that the funding will not be baselined, I will update future year's estimates.

### Total Funding

3.1.21 The table below summarises the total estimated funding over the next three years, based on the provisional settlement.

	<b>Draft 2019-20 £000</b>	<b>Mid- Range Estimate 2020-21 £000</b>	<b>Mid- Range Estimate 2021-22 £000</b>
Scottish Government funding	190,215	186,411	182,683
Council Tax income	47,912	48,152	48,393
UK Government estimated funding Teachers Pensions	1,458	1,458	1,458
<b>Total Funding</b>	<b>239,585</b>	<b>236,021</b>	<b>232,534</b>

## 3.2 Base Budget

3.2.1 As with previous years the base budget for 2019-20 is the current year's approved budget adjusted as follows:

- for any one-off items included within 2018-19 that aren't carried forward into 2019-20;
- for any previously agreed items for future years; and
- for any funding adjustments since the 2018-19 budget was agreed.

3.2.2 The split of the base budget across services and other central commitments will be based on a snapshot of the copy budget for 2018-19 as this is the most up to date budget provision reflecting any coding improvements and virements up until this time.

3.2.3 The base budget for 2018-19 was £236.303m. The changes to the base budget are noted in the following paragraphs.

3.2.4 There were two one-off items agreed as part of the 2018-19 budget that need to be adjusted for as follows:

	<b>£000</b>
Remove budget allocation of £0.260m in support of the One Council approach to property. The amount allocated in 2018-19 was for 2018-19 and 2019-20.	(260)
Add back one-off project savings	249
<b>Reduction to revenue baseline budget</b>	<b>(11)</b>

3.2.5 At the Council meeting in February 2017, Council agreed to continue to fund the Argyll and the Isles Tourism Co-operative (AITC) for a further three years, £0.050m in 2017-18, reducing to £0.040m in 2018-19 and reducing to £0.030m in 2019-20. For future years, it has been assumed that the funding will cease beyond 2019-20 in the best case scenario and in the worst case and mid-range scenarios it has been assumed that the funding will continue at the 2019-20 level. This will be a matter for Members to consider as part of the 2020-21 budget.

3.2.6 There is a change to the base budget relating to an accounting transfer between Live Argyll and the Council budget in respect of the apprenticeship levy. There is no bottom line impact on the Council position. The Council had budgeted for the cost of the apprenticeship levy for all staff, but an allocation had never been included within the management fee for Live Argyll. The apprenticeship levy for Live Argyll employees at the date of transfer amounted to £0.020m and it is now proposed that this should be added to the management fee and the base Council budget reduced by the corresponding amount.

3.2.7 A further change to the base budget is in respect of the impact of the pay award for 2018-19. The 2018-19 budget, for all pay groups, was based on the public sector pay commitment of 3% for those earning below £36,500, 2% for those earning above £36,500 with a cap of a £1,600 rise for those earning above £80,000. The negotiations are still ongoing however, the base adjustment is based on the latest offer, as noted below and has been calculated at £0.371m. This amount assumes that the commitment made by Scottish Government to fund the teachers increase above the public sector pay commitment, the main grade scale increase and also the additional 2% increase for promoted posts is fully funded. There is a risk that the funding is not sufficient.

Latest offers key headlines:

- SJC – 3.5% in 2018-19 with a cap of £1,600 for those earning above £80,000, 3% in 2019-20 and 3% in 2020-21
- SNCT – 3% in each year 2018-19 to 2020-21, changes to main grade scale and additional increase for promoted posts
- Craft Workers – same as SJC
- Chief Officers – same as SJC.

3.2.8 Although the majority of the funding from the Scottish Government is not ring fenced, there are individual elements of money that are provided as part of the settlement with the expectation that they are used to deliver the service intended. The base budget needs to be adjusted to reflect the

additional costs for delivering on these funding commitments and the budget increase is limited to the funding. The settlement commitments in respect of Social Care are noted within the Health and Social Care Partnership section of this report.

	<b>Increase £000</b>
Access to Sanitary Products	27
School Clothing Grants	52
Whole System Approach (Youth Justice)	25
Reduction to British Sign Language (Scotland) Act 2015	(6)
<b>Total Increases</b>	<b>98</b>

3.2.9 The revised base budget over the next three years is summarised in the table below.

	<b>Draft 2019-20 £000</b>	<b>Mid- Range Estimate 2020-21 £000</b>	<b>Mid- Range Estimate 2021-22 £000</b>
Base Budget 2018-19	236,303	236,303	236,303
One-off changes	(11)	(11)	(11)
AITC Funding	(10)	(10)	(10)
Live Argyll Apprenticeship Levy Transfer	(20)	(20)	(20)
2018-19 Pay Award	371	382	394
Funding Commitments	98	98	98
<b>Revised Base Budget</b>	<b>236,731</b>	<b>236,742</b>	<b>236,754</b>

### 3.3 Employee Costs

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

3.3.2 In terms of the level of employee budgets for 2019-20, the expectation would be that the budget would reflect the 2018-19 budget plus any increase due to incremental progression, inflation and any other unavoidable employee cost increases less previously approved employee budget savings. For 2019-20 there is an overall decrease on the employee budget base of £0.103m. This is a small amount and in the main is linked to employee turnover.

3.3.3 The pay award estimate is one that has been subject to change. Negotiations are currently ongoing in respect of a multi-year pay offer

commencing in 2018-19. The estimates for 2019-20 and 2020-21 are based on the latest offer as noted in paragraph 3.2.7. The estimates for 2021-22 (out-with the multi-year offer) have been assumed to be between the range of 2.5% (best case) and 3.5% (worst case) with a mid-range of 3%.

- 3.3.4 The cost of employee increments for 2019-20 equates to £0.848m. Every year it is assumed that most employees will be on the top of the scale and therefore there should be no further incremental cost, however, there is still a turnover on the employee base and as a result, staff may leave who are on the top point of the grade, with a new/transferred employee commencing on the bottom point of the grade. This gives rise to an incremental cost which can be partly offset by a decrease to the employee base. For 2019-20 and 2020-21 the cost of employee increments has been estimated at half of the 2019-20 cost within the mid-range scenario, the same level as 2019-20 in the worst case scenario and zero (will be absorbed) in the best case scenario.
- 3.3.5 Paragraphs 3.1.15 to 3.1.20 provide the background to the increase in teacher's pensions costs. The increased employers' contribution rate takes effect from 1 April 2019 and is estimated to cost £1.846m.
- 3.3.6 The changes to the employee budgets estimated over the next three years for Council Services are summarised in the table below. The employee cost increases relating to the Health and Social Care Partnership are summarised within paragraph 3.6.10.

	<b>Draft 2019-20 £000</b>	<b>Mid- Range Estimate 2020-21 £000</b>	<b>Mid- Range Estimate 2021-22 £000</b>
Change to employee base	(103)	(103)	(103)
Pay Award	3,387	6,876	10,466
Increments	848	1,272	1,696
Teacher's Pension Increase	1,846	1,846	1,846
<b>Total Employee Increases</b>	<b>5,978</b>	<b>9,891</b>	<b>13,905</b>

### 3.4 Non-Pay Inflation

- 3.4.1 The position remains that only unavoidable/inescapable inflation has been included for 2019-20, this is with a view to only including a provision in the budget for an inflationary increase where it is absolutely required. The inflationary increases for 2019-20 for Council Services are noted below with further detail provided in Appendix 2.

<b>Service</b>	<b>Inflation Category</b>	<b>Amount</b>
Council Wide	Utilities – Electricity and Heating	74
Council Wide	Utilities – Water	12
Council Wide	Non-Domestic Rates	138

Education	Pre-Primary Partner Uplift	16
Facility Services	Catering and Milk	139
Facility Services	School and Public Transport	50
Special Projects	Community Pools Uplift	20
Special Projects	NPDO	246
Special Projects	Hub Schools	79
Roads and Amenity Services	Landfill Tax	85
Roads and Amenity Services	Waste PPP Contract	154
Roads and Amenity Services	Street Lighting Electricity	18
<b>Total</b>		<b>1,031</b>

3.4.2 In terms of the budget outlook for 2020-21 and 2021-22, the same level of unavoidable/inescapable non-pay inflation has been built into the best case and mid-range scenarios, with a 1% general inflation built into the worst case scenario. The overall additional budget requirement for non-pay inflation estimated over the next three years is summarised in the table below. The inflationary increases relating to the Health and Social Care Partnership are summarised within paragraph 3.6.10.

	<b>Draft 2019-20 £000</b>	<b>Mid- Range Estimate 2020-21 £000</b>	<b>Mid- Range Estimate 2021-22 £000</b>
<b>Unavoidable/inescapable Non-Pay Inflation</b>	<b>1,031</b>	<b>2,062</b>	<b>3,093</b>

### 3.5 Cost and Demand Pressures

3.5.1 Over the last few years, services have worked on the basis of having to contain any cost and demand pressures within current resources where possible. The cost and demand pressures identified for Council services are noted in the table below, with further detail provided in Appendix 3. An allowance for unidentified cost and demand pressures has been included from 2019-20 onwards at £0.250m per annum within the mid-range scenario and £0.500m per annum within the worst case scenario. The inflationary increases relating to the Health and Social Care Partnership are summarised within paragraph 3.6.10.

	<b>Draft 2019-20 £000</b>	<b>Mid- Range Estimate 2020-21 £000</b>	<b>Mid- Range Estimate 2021-22 £000</b>
Housing Benefit Admin Subsidy	0	60	120
IT Software	19	19	19

Annual Service Payment New Schools	349	349	349
Asbestos Management	0	40	40
Carbon Reduction Scheme	13	13	13
School and Public Transport Contracts	54	54	54
Local Development Plan	68	22	0
Waste Financial Model	266	266	266
Catering and Cleaning Undeliverable Saving	83	83	83
ASN Demand	608	737	865
Unidentified/Unknown Cost and Demand Pressures	0	250	500
<b>Total Cost and Demand Pressures</b>	<b>1,460</b>	<b>1,893</b>	<b>2,309</b>

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

3.6.1 The budget agreed on 22 February 2018, approved indicative allocations for the HSCP at the same level agreed for 2018-19 subject to the level of Scottish Government funding and the Council's overall financial position in future years.

3.6.2 There is one change to the base budget due to a change in accounting treatment in respect of fleet. Budgets were previously held in services in relation to capital charges for fleet, these have now been centralised to ensure that the fleet replacements/purchases are co-ordinated centrally and as such the capital elements of the fleet charges have been centralised. There is no bottom line impact of this accounting change, both the actuals and budgets are affected. The payment to the Health and Social Care Partnership will reduce by £0.189m in respect of this and the expenditure budget within the partnership will also reduce to reflect the lower charge.

3.6.3 The Local Government Finance Circular 8/2018 published on 17 December 2018, advises of total additional funding of £160m that is allocated to Health and Social Care and Mental Health and has to be additional to each Council's 2018-19 recurrent spending on social care and not substitutional. The Circular further says that this means the Local Authority social care budgets for allocation to Integration Authorities and funding for school counselling services must be £160m greater than the 2018-19 recurrent budgets (see update to this in paragraph 3.6.5). The breakdown of the additional £160m is:

- £108m Health and Social Care – A&B share £1.980m.
- £10m Implementation of Carer's Act – A&B share £0.183m.
- £12m Counselling Services – still to be distributed.
- £30m Free Personal Care Under 65s – still to be distributed.

3.6.4 The amount for Health and Social Care £1.980m and Implementation of

Carer's Act £0.183m requires to be passed over to the Health and Social Care Partnership. The funding for Counselling Services and Free Personal Care for Under 65s has still to be distributed. It is unclear at this stage as to whether the Counselling Services will fall within the remit of the Council or the HSCP.

- 3.6.5 There is additional funding of £0.005m included within the settlement for Sensory Impairment and this should also be passed over to the HSCP.
- 3.6.6 As noted in paragraph 3.1.4, a letter from the Cabinet Secretary for Finance, Economy and Fair Work advised of changes to the provisional settlement. One change is in respect of introducing flexibility in the funding local authorities can allocate to Integration Authorities in order to help local authorities manage their own budgets. The 2019-20 allocation can be reduced by 2.2% compared to 2018-19, however, the additional £160m funding must be passed on. 2.2% of the 2018-19 allocation is £1.240m.
- 3.6.7 The payment to the HSCP is an issue for Council to agree, however, as there have been conditions placed on the funding allocations in previous years, referenced to base budgets, it would be wise for the Council to take this into consideration when setting this year's budget in order to provide as much flexibility as possible in the future. It is my recommendation that should the Council wish to continue funding the HSCP at the same level as last year (plus our share of the additional £160m), this would be better presented as a reduced baseline allocation of 2.2% less than 2018-19 with an in-year funding allocation equal to this reduction.
- 3.6.8 One further issue is in respect of the pay-back of the 2017-18 overspend. The Council agreed that the 2017-18 overspend of £1.155m be repaid over three years. Repayments were agreed to be £0.100m in 2018-19, £0.300m in 2019-20 and £0.755m in 2020-21. The agreement was also due to be reviewed at the end of 2018-19. Due to the estimated overspend in 2018-19, the HSCP have not been able to repay the 2018-19. At the Integrated Joint Board meeting on 30 January 2019, the Board instructed officers to engage with the Council to request that the repayment arrangements be deferred for one year which would result in a repayment of £0.100m in 2019-20, £0.300m in 2020-21 and £0.755m in 2021-22. This will require Council approval. Repayments will be transferred to the unallocated General Fund balance, rather than reduce the Council in year budget gap.
- 3.6.9 The payment to the HSCP, amended to reflect the revised pay-back request, is summarised in the table below.

	<b>Draft 2019-20 £000</b>	<b>Mid- Range Estimate 2020-21 £000</b>	<b>Mid- Range Estimate 2021-22 £000</b>
Baseline funding 2018-19	56,389	56,389	56,389
Adjust Fleet Capital Charges	(189)	(189)	(189)
2.2% reduction as per settlement flexibilities	(1,236)	(1,236)	(1,236)
HSCP Funding as per Finance Circular (Share of £108m)	1,980	1,980	1,980
Implementation of Carer's Act	183	183	183
Sensory Impairment	5	5	5
<b>Base Payment to HSCP</b>	<b>57,132</b>	<b>57,132</b>	<b>57,132</b>
Additional in-year payment (not part of base-line)	1,236	1,236	1,236
<b>Revised Payment to HSCP</b>	<b>58,368</b>	<b>58,368</b>	<b>58,368</b>
Less 2017-18 overspend pay-back	(100)	(300)	(755)
<b>Net Payment to HSCP</b>	<b>58,268</b>	<b>58,068</b>	<b>57,613</b>

3.6.10 Members should note that the payments noted above assume that the HSCP will absorb any inflationary and cost and demand pressures. The latest inflation and cost and demand pressures for Social Work have been discussed with the HSCP Chief Financial Officer and are summarised in the table below with further detail contained within Appendix 4.

	<b>Draft 2019-20 £000</b>	<b>Mid- Range Estimate 2020-21 £000</b>	<b>Mid- Range Estimate 2021-22 £000</b>
2018-19 Pay Award	169	169	169
2019-20 Pay Inflation	962	1,953	2,973
Pay Increments	91	185	281
Non-Pay Inflation	766	1,931	2,982
Older People Growth	320	645	975
Care Services for Younger Adults	178	359	537
Sleepovers Night Rates	171	171	171
National Care Home Contract	299	610	933
Continuing Care of Looked After Children	226	463	712
Carer's Act (fully funded in 2019-20)	183	230	534
Carer's Act – reduce pressure to 2019-20 funding	0	(47)	(351)
Allowance for Unknown Cost and Demand Pressures	0	250	500
<b>Total Social Work Pressures</b>	<b>3,365</b>	<b>6,919</b>	<b>10,416</b>

### 3.7 Payment to Live Argyll

- 3.7.1 A report on the Leisure and Libraries Trust Financial Agreement was presented to the Policy and Resources Committee on 17 August 2017. The Committee agreed the management fee for three full financial years to 2020-21. The increase between 2018-19 and 2019-20 is £0.093m and a further increase of £0.096m in 2020-21. This represents a 2.6% increase year on year.
- 3.7.2 A three year financial arrangement was agreed on the basis that the Trust will be able to grow its income streams and over time the percentage of the trust expenditure represented by the management fee will reduce. In terms of the 2021-22 payment to Live Argyll (out-with the original three year agreement), it has been assumed that the payment would reduce by 2% in the best case scenario equal to our SG funding reduction estimate in the mid-range scenario, remain at a flat rate equal to the 2020-21 payment in the mid-range scenario, and would increase by 2.6% in the worst case scenario, as per current SLA increase.
- 3.7.3 Also added into the 2019-20 payment is a base budget transfer from 2018-19 in respect of the apprenticeship levy of £0.020, there is a corresponding adjustment to the Council's base budget for the apprenticeship levy.

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

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

	<b>Draft 2019-20 £000</b>	<b>Mid- Range Estimate 2020-21 £000</b>	<b>Mid- Range Estimate 2021-22 £000</b>
Base Budget	236,731	236,742	236,754
Employee Cost Changes	5,978	9,891	13,905
Non-Pay Inflation	1,031	2,062	3,093
Cost and Demand Pressures	1,460	1,893	2,309
Increase/(Decrease) to HSCP allocation	2,168	2,168	2,168
Increase/(Decrease) to Live Argyll payment	113	209	209
<b>Total Net Expenditure</b>	<b>247,481</b>	<b>252,965</b>	<b>258,438</b>
Funding	239,585	236,021	232,534
<b>Budget Surplus / (Gap) Cumulative</b>	<b>(7,896)</b>	<b>(16,944)</b>	<b>(25,904)</b>

### 3.9 Measures to Balance the Budget – Previously Agreed

- 3.9.1 As part of the work of the Transformation Board management/operational savings were identified for 2018-19 to 2020-21 and reported to the Council meeting on 26 October 2017. The increase in savings from 2018-19 to 2019-20 amount to £0.299m.
- 3.9.2 A number of policy options for 2018-19 to 2020-21 were agreed at the Council meeting on 22 February 2018. The increase in savings from 2018-19 to 2019-20 amount to £1.151m.
- 3.9.3 As reported in previous years, the loans charges profile was being reduced by £1.000m each year, with the final reduction in 2019-20. As part of the budget agreed in 2018-19 an additional £2.8m was allocated to roads in 2018-19 and this was to be met from not taking the full saving in loans charges from 2019-20 onwards. The cost of the borrowing is estimated at £0.100m in 2019-20 increasing to £0.200m in 2020-21 when repayment of the principal will be required.
- 3.9.4 A longer term redesign of catering and cleaning services was expected to achieve a further £0.446m of savings by 2021-22. One of the workstreams was in connection with shared services and this workstream is not progressing as quickly as anticipated and as the Argyll and Bute HSCP is already working to deliver significant savings from its catering service, there is a clear risk that the saving for this workstream of £0.274m will not be deliverable or will not deliver by 2021-22. For the budget outlook, I have assumed full delivery of the £0.446m savings in the best case scenario and £0.172m of savings in mid-range and worst case scenario by year 2021-22.
- 3.9.5 The table below summarises the previously agreed measures to balance the budget.

	<b>Draft 2019-20 £000</b>	<b>Mid- Range Estimate 2020-21 £000</b>	<b>Mid- Range Estimate 2021-22 £000</b>
Management/Operational Savings Agreed October 2017	299	625	625
Policy Savings Agreed February 2018	1,151	2,437	2,437
Loans Charges profiling	900	800	800
Catering and Cleaning Service Choices	0	0	172
<b>Total Measures to Balance the Budget</b>	<b>2,350</b>	<b>3,862</b>	<b>4,034</b>

### 3.10 Measure to Balance the Budget – For Council Approval

- 3.10.1 There is a separate report included in the budget pack which relates to

fees and charges together with the detailed schedule of charges for 2019-20. The general increase to fees and charges is proposed at 3% for 2019-20, this was the increase applied in 2018-19. The general inflationary increase would give additional income of £0.270m. There are further increases recommended over and above inflation in respect of car parking and these would generate further income of £0.050m. In terms of the outlook for 2020-21 and 2021-22 fees and charges have been estimated at between a 1% and 5% increase with 3% for the mid-range.

- 3.10.2 Councils have had the discretion to increase Council Tax by a maximum of 3% each year since 2017-18. As noted in paragraph 3.1.4, a letter from the Cabinet Secretary for Finance, Economy and Fair Work advised of changes to the provisional settlement. One change was to provide local authorities with the flexibility to increase the Council Tax by 3% in real terms, which equates to 4.79% next year. In light of the estimated reduction in the Scottish Government funding together with cost increases in respect of pay, inflation and other pressures, I have assumed that the Council would wish to increase the Council Tax by 4.79%, however, this is a matter for Council to decide. In terms of the future years, I have assumed no increase in the worst case scenario, a 3% increase in the mid-range scenario and a 4.79% increase in the best case scenario.
- 3.10.3 New savings options for 2019-20 have now been identified as a result of the work led by the Transformation Board. The savings options have been classified into management/operational options where there are no policy implications and will not result in any redundancies and policy options, where there are either policy or staffing implications. All policy options have been categorised into statutory duty, statutory power or non-statutory service. The savings options identified propose a reduction to the Council's staffing of 49.2FTE within 2019-20 should they all be accepted by Members.
- 3.10.4 A summary of the savings identified are noted in the table below with further high level detail contained within Appendix 5 and 6. There are also detailed templates for the policy options included within Appendix 6. The amount of savings may differ to those that were reported to the Policy and Resources Committee on 13 December 2018 as officers have further developed the options and refined the amount of savings, taking into consideration lead-in time to implement.

<b>Saving Type</b>	<b>2019-20 £000</b>	<b>2020-21 £000</b>	<b>2021-22 £000</b>
Management/Operational	2,090	1,638	1,398
Policy	1,873	2,499	2,574
<b>Total</b>	<b>3,963</b>	<b>4,137</b>	<b>3,972</b>

### **3.11 Budget Gap AFTER Measures to Balance the Budget**

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

	<b>Draft 2019-20 £000</b>	<b>Mid- Range Estimate 2020-21 £000</b>	<b>Mid- Range Estimate 2021-22 £000</b>
Estimated Budget Gap Prior to Measures to Balance Budget	(7,896)	(16,944)	(25,904)
Previously Approved Savings Measures	2,350	3,862	4,034
Fees and Charges 3% Increase	270	540	810
Fees and Charges additional income over and above inflation	50	50	50
Council Tax 4.79% Increase in 2019-20, thereafter 3% Increase	2,295	3,827	5,427
New Management/Operational Savings	2,090	1,638	1,398
New Policy Savings	1,873	2,499	2,574
<b>Budget Surplus / (Gap) Cumulative</b>	<b>1,032</b>	<b>(4,528)</b>	<b>(11,661)</b>
<b>Budget Surplus / (Gap) In Year</b>	<b>1,032</b>	<b>(5,560)</b>	<b>(7,083)</b>

3.11.2 The table above demonstrates that if Members agreed to all the proposals already noted within this report there would be a balanced budget in 2019-20 with a surplus of £1.032m. There remains estimated significant savings required in 2020-21 and 2021-22.

3.11.3 There are a number of proposals for Council to give consideration to and agree or otherwise:

- Level of non-pay inflation
- Identified cost and demand pressures
- Payment to HSCP and Live Argyll
- Level of fees and charges increase
- Level of Council Tax increase
- New Management/Operational and Policy Options savings.

Any change to what is assumed/estimated within this report, will change the estimated budget surplus/(gap) and Council should be mindful of the savings required in future years.

3.11.4 By way of further explanation on the budget surplus/(gap) estimates, the budget gap in 2020-21 is £4.528m if Council use the 2019-20 surplus in a one-off manner. If Council use the surplus in 2019-20 in a recurring way, the expenditure in 2020-21 will rise by the amount of the recurring expenditure and therefore the gap could potentially increase to £5.560m.

3.11.5 Appendix 6 provides a summary of the draft budget for 2019-20 at service level.

### 3.12 Balancing Future Years Budget

3.12.1 The budget gap over 2020-21 and 2021-22 across each scenario is summarised in the table below.

<b>Budget Gap</b>	<b>2020-21 £000</b>	<b>2021-22 £000</b>	<b>Total £000</b>
Best Case	2,523	3,214	<b>5,737</b>
Mid-Range	5,560	7,083	<b>12,643</b>
Worst Case	10,706	12,920	<b>23,626</b>

3.12.2 In view of the future savings requirements, the Transformation Board have identified a number of longer term options that are worthy of pursuit:

- Renewables Investments
- Digital Transformation
- Further rationalisation of face to face service provision
- Further office rationalisation.
- Continuation of One Council Property Approach
- Further review of Loans Charges
- Review of Fees and Charges
- Employee Terms and Conditions
- Sustainable Education as part of the Northern Alliance.

### 3.13 FUNDING REQUESTS

3.13.1 Council are asked to consider hosting the Mod in Oban in 2023 and consider formally committing to this with the Royal National Mod (RNM) and as part of this consider providing the £0.120m financial support to the RNM. There is currently a budget provision in relation to the Mod within the base budget amounting to £0.040m. There is a report to Policy and Resources Committee on 14 February 2019 in relation to this issue.

3.13.2 Kintyre Recycling Limited (KRL) are contracted to the Council to collect and recycle recyclable materials from premises in the Kintyre area. KRL have served a contract variation notice on the council seeking additional contract payments. The Council is asked to agree to extend the contract with KRL until August 2019, which if agreed requires additional funding of £23,330. There is a report to Policy and Resources Committee on 14 February 2019 in relation to this issue.

3.13.3 Council are asked to approve the funding for Events and Festivals for 2020-21 in order that the grant application process can commence during 2019-20. The level of funding agreed for Events and Festivals for 2019-20 (excluding the Mod) was £0.113m.

3.13.4 In a similar position to the Events and Festivals funding, the Council may

also wish to consider approving the funding for the Supporting Communities Fund in 2020-21 in order that the grant application process can commence during 2019-20. The level of funding for 2018-19 was £0.098m and this has been rolled forward and included in the base budget for 2019-20.

#### **4. CONCLUSION**

- 4.1 This report summarises the position with regard to the key issues surrounding the revenue budget and setting of council tax for 2019-20. It also provides estimates of the budget outlook for 2020-21 and 2021-22.
- 4.2 If Members agreed to all the proposals already noted within this report this would produce a balanced budget in 2019-20 with a surplus of £1.032m.
- 4.3. There remains a significant budget gap in future years and the Transformation Board have already identified a number of longer term options worthy of pursuit.
- 4.4 The Council are asked to consider a funding request in relation to the Royal National Mod and Kintyre Recycling Limited. Further they are asked to approve the funding for Events and Festivals in 2020-21 and give consideration to approving the funding for the Supporting Communities Fund in 2020-21.

#### **5. IMPLICATIONS**

- 5.1 Policy – There are policy implications associated with the new saving options and also previously agreed savings options which impact 2019-20 and beyond.
- 5.2 Financial – The report outlines the budget position over 2019-20 to 2021-22.
- 5.3 Legal – Any legal implications have and will be considered when developing the savings options.
- 5.4 HR – Any HR implications have and will be considered when developing savings options.
- 5.5 Fairer Scotland Duty – Equality and Socio-Economic Impact Assessments have been carried out where appropriate for savings options already agreed or developed. Equality and Socio-Economic Impact Assessments will be a key consideration in developing future savings proposals.
- 5.6 Risk – There is a separate report assessing financial risks and there is also an overall assessment of risk included within the separate report on Reserves and Balances.
- 5.7 Customer Service – There may be some customer service implications arising from the new savings options. Future customer service

implications will be considered when developing savings options.

**Kirsty Flanagan**  
**Head of Strategic Finance**  
**6 February 2019**

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

**APPENDICES:**

Appendix 1 – 2020-21 and 2021-22 Budget Outlook Scenarios

Appendix 2 – Non-Pay Inflation Estimates 2019-20

Appendix 3 - Cost and Demand Pressures 2019-20 to 2021-22

Appendix 4a/b – Health and Social Care Partnership Cost Pressures

Appendix 5 – New Management/Operational Savings

Appendix 6 – New Policy Options Savings Summary and Templates

Appendix 7 – Service Summary of Budget Position

	Draft	Best Case Scenario		Mid-Range Scenario		Worst Case Scenario	
	2019-20 £000	2020-21 £000	2021-22 £000	2020-21 £000	2021-22 £000	2020-21 £000	2021-22 £000
Base Budget	236,303	236,303	236,303	236,303	236,303	236,303	236,303
Base Budget Adjustments	330	311	323	341	353	341	353
<b>Revised Base Budget</b>	<b>236,633</b>	<b>236,614</b>	<b>236,626</b>	<b>236,644</b>	<b>236,656</b>	<b>236,644</b>	<b>236,656</b>
Pay Award	3,387	6,876	9,987	6,876	10,466	6,876	11,064
Pay Increments	848	846	846	1,272	1,696	1,696	2,544
Change to employee base	(103)	(103)	(103)	(103)	(103)	(103)	(103)
Teachers Pensions Increase	1,846	1,846	1,846	1,846	1,846	1,846	1,846
<b>Total Employee Cost Changes (Council Services)</b>	<b>5,978</b>	<b>9,465</b>	<b>12,576</b>	<b>9,891</b>	<b>13,905</b>	<b>10,315</b>	<b>15,351</b>
<b>Non-Pay Inflation - Council Services</b>	<b>1,031</b>	<b>2,062</b>	<b>3,093</b>	<b>2,062</b>	<b>3,093</b>	<b>2,796</b>	<b>4,561</b>
Universal Credit - HB Admin Grant	0	60	120	60	120	60	120
New Schools Unitary Charges	349	349	349	349	349	349	349
Asbestos Management Plan	0	20	20	40	40	60	60
Carbon Reduction Scheme	13	0	0	13	13	25	25
Renewal of School and Public Transport Contracts Mid Argyll and Lorn	54	54	54	54	54	54	54
Local Plan Enquiry	68	22	0	22	0	22	0
Waste PPP Financial Model	266	266	266	266	266	266	266
Catering Hub (Catering and Cleaning Service Choices) - undeliverable Saving	83	83	83	83	83	83	83
Anti-Virus Software	19	19	19	19	19	19	19
ASN Demand	608	608	608	737	865	822	1,036
General Allowance for Unidentified Cost and Demand Pressures	0	0	0	250	500	500	1,000
<b>Total Cost and Demand Pressures</b>	<b>1,460</b>	<b>1,481</b>	<b>1,519</b>	<b>1,893</b>	<b>2,309</b>	<b>2,260</b>	<b>3,012</b>
Settlement Commitments							
British Sign Language - remove one-off funding	(6)	(6)	(6)	(6)	(6)	(6)	(6)
Access to Sanitary Products - additional funding	27	27	27	27	27	27	27
School Clothing Grants - additional funding	52	52	52	52	52	52	52
Whole System Approach (youth justice) - additional funding	25	25	25	25	25	25	25
<b>Total Settlement Commitments (excluding HSCP)</b>	<b>98</b>	<b>98</b>	<b>98</b>	<b>98</b>	<b>98</b>	<b>98</b>	<b>98</b>
<b>Adjustment to Health and Social Care Partnership Payment</b>	<b>2,168</b>	<b>2,168</b>	<b>2,168</b>	<b>2,168</b>	<b>2,168</b>	<b>3,012</b>	<b>3,856</b>
<b>Adjustment to Live Argyll Management Fee</b>	<b>113</b>	<b>209</b>	<b>134</b>	<b>209</b>	<b>209</b>	<b>209</b>	<b>307</b>
<b>Total Estimated Expenditure PRIOR to measures to balance the budget</b>	<b>247,481</b>	<b>252,097</b>	<b>256,214</b>	<b>252,965</b>	<b>258,438</b>	<b>255,334</b>	<b>263,841</b>
Scottish Government Grant	190,215	187,362	184,552	186,411	182,683	185,460	180,824
UK Government Funding - Teachers Pensions	1,458	1,458	1,458	1,458	1,458	1,458	1,458
Council Tax	47,912	48,271	48,633	48,152	48,393	48,032	48,152
<b>Total Funding</b>	<b>239,585</b>	<b>237,091</b>	<b>234,643</b>	<b>236,021</b>	<b>232,534</b>	<b>234,950</b>	<b>230,434</b>
<b>Budget Surplus / (Gap) PRIOR to measures to balance the budget</b>	<b>(7,896)</b>	<b>(15,006)</b>	<b>(21,571)</b>	<b>(16,944)</b>	<b>(25,904)</b>	<b>(20,384)</b>	<b>(33,407)</b>
Measures to Balance the Budget - Already Approved							
Loans Charges Profile Adjustment and Savings	900	800	800	800	800	800	800
Catering and Cleaning Longer Term Redesign (Service Choices February 2016)	0	0	446	0	172	0	172
Management/Operational Savings Identified October 2017	299	625	625	625	625	625	625
Policy Savings Options agreed February 2018	1,151	2,437	2,437	2,437	2,437	2,437	2,437
Measures to Balance the Budget - For Council Approval							
Fees and Charges	320	770	1,220	590	860	410	500
Council Tax Increase	2,295	4,746	7,366	3,827	5,427	2,301	2,307
New Management/Operational Savings Identified December 2018	2,090	1,638	1,398	1,638	1,398	1,638	1,398
New Policy Options Identified December 2018	1,873	2,499	2,574	2,499	2,574	2,499	2,574
<b>Total Measures to Balance the Budget</b>	<b>8,928</b>	<b>13,515</b>	<b>16,866</b>	<b>12,416</b>	<b>14,293</b>	<b>10,710</b>	<b>10,813</b>
<b>Budget Surplus / (Gap) Cumulative AFTER measures to balance the budget</b>	<b>1,032</b>	<b>(1,491)</b>	<b>(4,705)</b>	<b>(4,528)</b>	<b>(11,611)</b>	<b>(9,674)</b>	<b>(22,594)</b>
<b>Budget Surplus / (Gap) In Year AFTER measures to balance the budget</b>	<b>1,032</b>	<b>(2,523)</b>	<b>(3,214)</b>	<b>(5,560)</b>	<b>(7,083)</b>	<b>(10,706)</b>	<b>(12,920)</b>

## 2019-20 Councils Non-Pay Inflation by Department

## Appendix 2

Department	Service	Inflation Category	Basis of Inflation	Inflation 2019-20 £000
Council Wide	Council Wide	Utilities - Electricity and Heating	This is a volatile area and it is difficult to predict the inflation. No inflation was applied in 2018-19 as the base budget was deemed to be sufficient, but have assumed inflation at CPI rate of 2.5% (July 2018) for 2019-20.	74
Council Wide	Council Wide	Utilities - Water	This is a volatile area and it is difficult to predict the inflation. No inflation was applied in 2018-19 as the base budget was deemed to be sufficient, but have assumed inflation at CPI rate of 2.5% (July 2018) for 2019-20.	12
Council Wide	Council Wide	Non Domestic Rates	Based on current RPI as at end of July 2018	138
<b>Council Wide Total</b>				<b>224</b>
Community Services	Education	Pre-Primary Partner Provider Uplift	Inflationary increase agreed as per service choices	16
<b>Community Services Total</b>				<b>16</b>
Customer Services	Facility Services	Catering Purchases and Milk	Estimated 8% increase predicted as a result of price volatility - there is a risk that this could be substantially higher.	139
Customer Services	Facility Services	School and Public Transport Contract Fuel Uplifts	Inflation to fuel element of transport contracts based on projected fuel price increases. Only the fuel element of the contracts would be affected by this uplift.	50
Customer Services	Special Projects	Community Pool Subsidies	Based on current RPI as at end of July 2018	20
Customer Services	Special Projects	NPDO Schools	NPDO Schools contracts are subject to inflation year on year. Inflation, per the contract pay mechanism, applied to the payments only i.e. account code 44000 as the income is linked to Education FM payment.	246
Customer Services	Special Projects	Hub Schools	Hub-DBFM Schools contracts are subject to inflation year on year. Inflation, per the contract pay mechanism, is applied to the payments only i.e. account code 44000 as the grant income is fixed for the term of the contract.	79
<b>Customer Services Total</b>				<b>534</b>
Development and Infrastructure	Roads and Amenities	Landfill Tax	Calculation is based on a formula approach similar to last year.	85
Development and Infrastructure	Roads and Amenities	Waste PPP Contract	85% of RPIX as at end of Q2 2018	154
Development and Infrastructure	Roads and Amenities	Street Lighting Electricity	This is a volatile area and it is difficult to predict the inflation. No inflation was applied in 2018-19 as the base budget was deemed to be sufficient, but have assumed inflation at CPI rate of 2.5 (July 2018) for 2019-20.	18
<b>Development and Infrastructure Total</b>				<b>257</b>
<b>Grand Total</b>				<b>1,031</b>

COUNCIL COST AND DEMAND PRESSURES 2019-20 to 2021-22

APPENDIX 3

Department	Service	Cost/Demand Pressure	Draft	Best Case		Mid-Range		Worst Case	
			2019-20 £000	2020-21 £000	2021-22 £000	2020-21 £000	2021-22 £000	2020-21 £000	2021-22 £000
Customer Services	Customer and Support Services	Universal Credit “Full” Service went live in Sept 2018, but managed migration has been deferred to 2020. The DWP will reduce the Housing Benefit Administration Subsidy they pay to the Council as some claimants come off of Housing Benefit processed by Council staff and go onto Universal Credit processed by the DWP. It is too early to fully predict what the impact will be on the Council’s caseload. DWP announce funding allocations each December. For 2019/20 we are benefitting from transitional protection. These figures represent our best estimates at this time.	0	60	120	60	120	60	120
Customer Services	Customer and Support Services	Additional resource required to ensure all Council IT software, including Education, has appropriate anti—virus protection.	19	19	19	19	19	19	19
Customer Services	Executive Director	Profile of the annual service payment (previously referred to as unitary charge) in respect of the new schools.	349	349	349	349	349	349	349
Customer Services	Facility Services	There is an ongoing need for the Council to manage the activities associated with delivery of the Asbestos Management Plan. An earmarked reserve equivalent to £90k per annum was agreed by the Council in FQ2 2017 which should allow the management arrangements to be funded until FQ2 2020 on the understanding that this provision is the subject of ongoing review. From a budgetary perspective, the worst case scenario is that funding of the anticipated staff resource will continue to be required beyond 2020.	0	20	20	40	40	60	60
Customer Services	Facility Services	The annual payment of allowances under the Carbon Reduction Commitment scheme ends in its present form on 31 March 2019. There is the risk that this may lead to the introduction of a more punitive regime.	13	0	0	13	13	25	25
Customer Services	Facility Services	Renewal of school and public transport contracts in Mid Argyll and Lorn in July 2018. Additionally, impact of new tender in Bute and Cowal 2019-20	54	54	54	54	54	54	54
Customer Services	Facility Services	The Council agreed to a number of Service Choices savings at the budget meeting in February 2016. One of the savings options was the longer term redesign of catering and cleaning and it was expected that savings for Phase 1 circa £0.331m could be achieved by March 2018-19 and a further £0.446m of savings for Phase 2 to be achieved by 2021-22. Included in the savings for 2018-19 was £0.048m for the development of the catering distribution hub and also £0.035m for drinks provision increase. This distribution hub project is on hold indefinitely and will only be delivered should other external funding be available to enable it. The drinks provision charge was lower than recommended creating this ongoing shortfall. A cost pressure has been build into all three scenarios for this undeliverable saving.	83	83	83	83	83	83	83

COUNCIL COST AND DEMAND PRESSURES 2019-20 to 2021-22

APPENDIX 3

Department	Service	Cost/Demand Pressure	Draft	Best Case		Mid-Range		Worst Case	
			2019-20 £000	2020-21 £000	2021-22 £000	2020-21 £000	2021-22 £000	2020-21 £000	2021-22 £000
Development and Infrastructure	Planning and Regulatory Services	Local Development Plan. There is a requirement for the Council to have a local plan enquiry every 5 years as part of legislation - as this is a one-off cost every five years there is no resource included within the current budget.	68	22	0	22	0	22	0
Development and Infrastructure	Roads and Amenity	Waste Financial Model - This relates to the financial model that has been updated to reflect waste costs until 2027-28. The estimated cost pressure for 2019-20 is £266k. The bio-municipal waste landfill ban comes into place in January 2021 and it should be noted that this could lead to possible variations with the Renewi contract.	266	266	266	266	266	266	266
Education	Education	The demand for ASN support in Argyll and Bute has continued to grow with a significant increase in, and early identification of children and young people presenting with complex additional support needs, including mental health difficulties. In 2018-19, there has been a substantial increase in ASN provision, resulting in a forecast overspend for the financial year. It is anticipated that growth continues over the next 3 years however the extent of this growth is difficult to determine. Scottish Government statistics show that the number of pupils identified with ASN has increased markedly since 2010 and there continue to be year on year increases. These increases are likely due to continued improvements in recording and the introduction of the additional need types 'Child plans' and 'Other' in 2011. Scottish Government statistical datasets show that the percentage of school roll in mainstream schools of pupils with ASN has increased by approximately 3% year on year. Within many authorities, this means increased numbers of children accessing specialist provision.	608	608	608	737	865	822	1,036
Council Wide	Council Wide	General provision for unidentified Cost and Demand Pressures	0	0	0	250	500	500	1,000
<b>TOTAL</b>			<b>1,460</b>	<b>1,481</b>	<b>1,519</b>	<b>1,893</b>	<b>2,309</b>	<b>2,260</b>	<b>3,012</b>

**SOCIAL WORK - COST AND DEMAND PRESSURES**

**APPENDIX 4**

Service	Cost/Demand Pressure	Best Case			Mid Range			Worst Case		
		2019-20 £000	2020-21 £000	2021-22 £000	2019-20 £000	2020-21 £000	2021-22 £000	2019-20 £000	2020-21 £000	2021-22 £000
All Services	2018-19 Pay Award Estimated Increase based on latest pay offer.	169	169	169	169	169	169	169	169	169
All Services	Based on current pay offer of 3.5% in 2018-19, 3% in 2019-20 and 3% in 2020-21 - assume the same in 2021-22.	962	1,953	2,973	962	1,953	2,973	962	1,953	2,973
All Services	Cost of increments.	91	185	281	91	185	281	91	185	281
All Services	Non-pay inflation - the largest element of the non-pay inflation is in respect of the Living Wage uplift.	754	1,907	2,946	766	1,931	2,982	777	1,953	3,015
Adult Care	The number of older people is increasing and older people are living longer with significant health and support needs and significant expectations of the support they are entitled to receive. Demand pressure estimates 3% growth in homecare and care home placements, this increase is supported by the growth in clients and care requirements over a number of years although in some areas the service capacity is being fully utilised and service expansion is proving difficult. The best case recognises the current capacity limits, the mid-range reflects 1.5% growth and the worst case reflects 3% growth.	0	0	0	320	645	975	641	1,302	1,983
Adult Care	There has been continuing increase in demand for care and support services for profoundly disabled younger adults (ie under 65) whose parents have historically provided care but are no longer able to. The best case assumes new demand will be met from attrition or reductions in existing services, the mid-range reflects demand of 1.5% and the worst case reflects demand of 3%.	0	0	0	178	359	537	356	723	1,079
Adult Services	Reflects the cost of bringing sleepovers for commissioned social care providers into line with the Scottish Living Wage (SLW) by 2019-20. There may be some reduction in the best case scenario if the number of sleepovers can be reduced, this will be kept under review. Note: after the switch to a SLW based rate, year on year increases will be included within the annual non-pay inflation estimate.	171	171	171	171	171	171	171	171	171
Adult Services	National Care Home Contract: Contract rates are negotiated on an annual basis with representatives of the Scottish care home sector by Scotland Excel. The best case scenario figures provided are based on an annual increase of 3% (in-line with the 2019/20 increase in the Scottish Living Wage rounded to the nearest whole number), the mid range reflects an increase of 4% and the worst case 5%.	224	455	693	299	610	933	373	765	1,177

**SOCIAL WORK - COST AND DEMAND PRESSURES**

**APPENDIX 4**

Service	Cost/Demand Pressure	Best Case			Mid Range			Worst Case		
		2019-20 £000	2020-21 £000	2021-22 £000	2019-20 £000	2020-21 £000	2021-22 £000	2019-20 £000	2020-21 £000	2021-22 £000
Children and Families	Continuing Care of Looked After Children: Part 11 of the Children and Young People (Scotland) Act 2014 introduced new provisions requiring Social Work to continue to provide accommodation for Looked After and Accommodated Children (LAAC) born after 1 April 1999 from their 16th birthday until they reach 21 years if the child chooses to remain in their current or equivalent alternative accommodation. Based on the expenditure trend over the period 2014/15 to 2018/19. the average annual increase in spending is 5%. The best case reflects an increase of 2.5%, the mid range 5% and the worst case 7.5%.	113	229	348	226	463	712	339	703	1,095
Adult Services	Carer's Act: Carers Act commenced on 1 April 2018. Funding allocated as part of the £66m social care funding, the cost pressure represents the share of funding in relation to the Carers Act and this funding will be the basis of the agreement of the eligibility criteria. There are concerns re the Scottish Government fully funding the commitment and implications of the Act and there is no funding allocation for replacement care, costs will be closely monitored during 2018-19.	183	230	534	183	230	534	183	230	534
Adult Servies	Carer's Act: Cap cost pressure to the level of funding in 2019-20 until confirmation of future years funding is known.	0	(47)	(351)	0	(47)	(351)	0	(47)	(351)
All Services	Provision for Unknown Cost and Demand Pressures	0	0	0	0	250	500	0	500	1,000
<b>Total</b>		<b>2,667</b>	<b>5,252</b>	<b>7,764</b>	<b>3,365</b>	<b>6,919</b>	<b>10,416</b>	<b>4,062</b>	<b>8,607</b>	<b>13,126</b>

Revenue Budget Preparation 2019-20  
List of Management/Operational Savings

Appendix 5

Ref	Service	Service Package	Description of Option	2019-20 Budget Reduction £000	2019-20 FTE Reduction	2020-21 Budget Reduction £000	2020-21 FTE Reduction	Future Years Budget Reduction £000	Future Years FTE Reduction
	All Services	Auto-enrolment	A provision was created in last years budget for staff being auto-enrolled into the pension scheme. Based on the current superannuation budgets and the staff now within the superannuation scheme, this provision is no longer required.	281	0.0	281	0.0	281	0.0
	All Services	Increase vacancy savings target Council wide	Increase overall council vacancy savings target by £200k. In context, £140 million is spent on staff costs across council.	200	0.0	200	0.0	200	0.0
	All Services	Apprenticeship Levy possibility of a recurring savings	Review of apprenticeship levy budget identifies budget not required.	80	0.0	80	0.0	80	0.0
	Special Projects	NPDO and Hub Contract Management	It is necessary to budget on an annual basis for the actual costs the Council is contractually obliged to pay in respect of the NPDO and Hub Schools contracts. Prudent contract management can deliver savings against these budgeted costs and it is considered feasible to deliver savings of £100K in 2019/20. There after saving to be determined for one year in advance	100	0.0	TBC	0.0	TBC	0.0
	Customer and Support Services	Council Tax Debt Recovery	New collection activities planned including using nudge theory through use of social media and introduction of SMS text reminders to send payment reminders to residents who are late in paying their council tax, along with additional joint working with sheriff officers targeting accounts with no payment arrangements or earnings arremts in place, and introduction of Water Direct to increase collections on water only accounts (which benefits both Council and Scottish Water as a proportion of all overall collections is retained by each). Two additional staff are needed to support these activities, and after their costs a net increase in collections of £250k p.a. is anticipated	250	0.0	250	0.0	250	0.0
	Roads and Amenity Services	Piers and Harbours maintenance	Revenue provision for piers and harbours underspend over the last two years - downsize to actual current level of spend	200	0.0	200	0.0	200	0.0
SF01	Strategic Finance	Accounting and Budgeting	Service re-structure	5.0	0.0	5.0	0.0	5.0	0.0
PHRS03	Planning, Housing and Regulatory Services	Animal Health and Welfare	Increasing income and adjusting budget and transportation costs	5.8	0.0	5.8	0.0	5.8	0.0

**Revenue Budget Preparation 2019-20**  
**List of Management/Operational Savings**

**Appendix 5**

Ref	Service	Service Package	Description of Option	2019-20 Budget Reduction £000	2019-20 FTE Reduction	2020-21 Budget Reduction £000	2020-21 FTE Reduction	Future Years Budget Reduction £000	Future Years FTE Reduction
	Roads and Amenity Services	Review of Fleet Replacement	All non essential expenditure on fleet purchase suspended. Extension of lifecycle of vehicles. Priority replacement to high maintenance vehicles with reliability problems.	562	0.0	210	0.0	-30	0.0
ED01	Education	Removal of contingency budgets	Requirement for budget has reduced year on year - proposed that the remaining balances are removed.	227	0.0	227	0.0	227	0.0
ED03	Education	Primary and Scondary Education	Right sizing of school meal income budget to align with actuals. Reduction in central absence cover budget for non teaching staff.	179	0.0	179	0.0	179	0.0
				<b>2,090</b>	<b>0.0</b>	<b>1,638</b>	<b>0.0</b>	<b>1,398</b>	<b>0.0</b>

**Revenue Budget Preparations 2019-20**  
**List of Policy Options**

**Appendix 6**

Ref	Service	Service Package	Description of Option	2019-20 Budget Reduction £000	2019-20 FTE Reduction	2020-21 Budget Reduction £000	2020-21 FTE Reduction	Future Years Budget Reduction £000	Future Years FTE Reduction
PHRS04/07/10	Planning, Housing and Regulatory Services	Biodiversity & Local Development Plan Team & GIS	Reduction of 1 post			63	1.0	63	1.0
PHRS12/13	Planning, Housing and Regulatory Services	Homelessness & Housing Strategy	Transfer £100k for staff costs to SHF	100	0.0	100	0.0	100	0.0
PHRS14	Planning, Housing and Regulatory Services	Marine and Coastal Development	Staffing redesign	46	1.0	46	1.0	46	1.0
PHRS16	Planning, Housing and Regulatory Services	Trading Standards	Reduction of 0.5 post	11.25	0.5	15	0.5	15	0.5
EDST02	Economic Development and Strategic Transportation	Business Gateway	Reduction of 1.8 posts	23	0.0	23	0.0	98	1.8
EDST03	Economic Development and Strategic Transportation	Economic Growth	Reduction of 1 post	49	1.0	49	1.0	49	1.0
EDST05	Economic Development and Strategic Transportation	Road Safety Unit	Removal of Service	74	1.7	99	1.7	99	1.7
RAS05	Roads and Amenity Services	Grounds/Environment	10% reduction to service	120	6.0	180	6.0	180	6.0
RAS09	Roads and Amenity Services	Roads Management	5% Reduction in staffing costs	39	1.0	39	1.0	39	1.0
RAS11	Roads and Amenity Services	School Crossing Patrollers	Removal of Service	115	6.91	170	6.91	170	6.91
RAS12	Roads and Amenity Services	Street Lighting	11% reduction to controllable budget	50	0.0	50	0.0	50	0.0
RAS15	Roads and Amenity Services	Environmental Warden Service	Reduction of 5 FTE. The service would focus on the income generation elements, including commercial waste agreements. This would be at the expense of the enforcement of dog fouling, littering, flytipping etc.	105	5.0	140	5.0	140	5.0
SSRVW01	Cross Cutting	Management/Structure Review	Cross cutting bottom up review of current service delivery arrangements to deliver efficiency and management cost reduction.	375	6.0	500	6.0	500	6.0
CSS02	Customer and Support Services	Customer Service Centre and Digital Service Team	Rationalisation of certain customer service points and increased service delivery through digital channels	39.7	1.9	79.4	1.9	79.4	1.9

Revenue Budget Preparations 2019-20  
List of Policy Options

Appendix 6

Ref	Service	Service Package	Description of Option	2019-20 Budget Reduction £000	2019-20 FTE Reduction	2020-21 Budget Reduction £000	2020-21 FTE Reduction	Future Years Budget Reduction £000	Future Years FTE Reduction
CSS03/05	Customer and Support Services	Admin of CT/HB, collection of CT and domestic Water and Sewerage charges and CT/NDR debt recovery Scottish Welfare Fund (SWF), the Welfare Reform Working Group (WRWG) and the Anti-Poverty Strategy,	Centralise Housing Benefit processing and re-structure teams	125	3.6	200	5.6	200	5.6
CSS04	Customer and Support Services	NDR, Sundry Debt, BIDs and MACC billing and collection, and Cash Collection	Increase in income and re-structure team	11	1.0	21	1.0	21	1.0
CSS08/09	All Services	Procurement Savings	Increased focus by Procurement and Commissioning Team on contract and demand management by services. This will require a redesign of the PCT team but will not alter the overall number of FTE. Cashable savings coming from this new approach will be identified and removed from service budgets.	250	0.0	250	0.0	250	0.0
CSS10	Customer and Support Services	Creditor Payments / Payment of Members and staff Expenses	Phased removal of posts due to increased use in electronic systems	16	1.0	35	1.8	35	1.8
ED02	Education	Central/ Management Costs	Removal of vacant posts	49	1.5	49	1.5	49	1.5
ED05	Education	Youth and Adult Learning	Review of Youth and Adult Learning Provision	248	10.07	330	17.1	330	17.1
ED06	Education	Music Instruction	Review of Instrumental Music Provision	27	1.0	61	1.3	61	1.3
				<b>1,873</b>	<b>49.2</b>	<b>2,499</b>	<b>60.3</b>	<b>2,574</b>	<b>62.1</b>

## RE-CONSTRUCTING THE COUNCIL'S BUDGET

Head of Planning, Housing and Regulatory Services		Ref: PHRS04, 07 & 10
Name of service delivery area	Biodiversity, Local Development Planning Team, GIS	
Responsible 3 <sup>rd</sup> Tier manager	Matt Mulderrig	
Legislative basis for provision of the service – tick as appropriate	Budget	
Statutory duty	✓	Biodiversity £48,941 / Local Development Planning £423,844, GIS£145,414. 10.8FTE.
Statutory power	✓	£
Non-statutory service	✓	£

**Part A – Please provide a summary of current service and how it is delivered****Statutory duties:**

- (The [Nature Conservation \(Scotland\) Act \(2004\)](#) and [Wildlife and Natural Environment \(Scotland\) Act 2011](#) requires us to provide a Biodiversity Duty Report every three years and to produce and keep up to date a Biodiversity Duty Action Plan adopted by the PPSL in April 2016.
  - The support provided by the Local Biodiversity Officer to Development Management replaces Scottish Natural Heritage's role as a Statutory Consultee at local level as they now comment only on the planning applications which are of national interest.
  - Community Empowerment Act 2015 requires the production of a Food Growing Strategy and the potential identification and allocation of land for allotments.
  - The council must prepare a Development Plan every five years. It provides information on what type of development should take place (and where), and which areas should not be developed. The council must use the Development Plan to decide how to respond to planning applications. The council's current Development Plan is due for replacement in March 2020.
  - Local authorities are required to carry out environmental assessments on qualifying plans, programmes or strategies. They must also monitor the environment effects of the implementation of plans that have been subject to environmental assessment.
  - The council can designate Conservation Areas that are of special architectural or historic interest, and subsequently it must publish proposals for the preservation and enhancement of any parts of its area which are conservation areas.
  - The Local Development Policy Team contributes to the work of the Roads Team to ensure integration between the Flood Risk Management Plan and Local Development Plan.
  - The LDP team provides input to the annual report on the work led by Facility Services to adapt to climate change.
  - The council requires to provide an annual return on the amount of vacant and derelict land.
  - The planning authority works in partnership with other council services, public agencies, RSLs, private sector developers and communities to facilitate delivery of appropriate development.
  - The development policy team provides specialist advice to some planning applications and listed building and conservation area consents where necessary, and in certain cases advice on interpretation and implementation of LDP policy.
  - Complying with INSPIRE regulations by making standardised data sets publically available.
  - Providing and hosting an on-line Local Development Plan.
  - Provide a service to name streets and properties and house numbers.
  - Mapping of electoral ward, community council and polling district boundary changes and associated census profiling.
  - Provide a council wide Geographic Information System (GIS) and associated data management.
- **Statutory powers:**
- The council can request that a building within its area is deemed a listed building by Historic Environment Scotland (HES) if it appears that the building is of special architectural or historical interest and is in danger of demolition or alteration in such a way as to affect its character as a building of interest.

- Councils may also provide supplementary guidance, such as development briefs or master plans for particular sites, and more detailed policies.

### Part B - Please summarise the savings proposal for consideration

It is possible to provide a reduced and minimum level of service for both Biodiversity and Local Development Plan by reducing the combined team at officer level (LGE11) by one FTE. It is proposed this could be delivered by succession planning over a period of time as follows:

- One officer level post is removed in March 2020.
- The Local Development Planning and Biodiversity Team work more closely and flexibly together to cover the reduced staffing.

This saving cannot be delivered before this time because of the critical phase at which the production of the Local Development Plan 2 is (production of the Proposed Plan and a DPEA Examination), and the introduction of new statutory responsibilities to the team as a result of the Community Empowerment Act requiring work around identifying allotments and producing a food growing strategy.

The GIS / CAG team when compared with other local authorities is a leading performer, due to the skill and expertise and dedication of staff, not staff numbers. It is considered that the current design of the service is appropriate for providing an efficient service. However work force and succession planning presents an opportunity for a minor service re-design, shifting management responsibility and growing a graduate trainee to ultimately provide a £15,658 saving in staff costs. It is proposed this saving is delivered in March 2020 as follows:

- A graduate trainee will be employed through the Graduate Training Scheme as early as possible in 2019 and this will be funded through a proposed earmarked reserve. Essential skills can be transferred through work shadowing. The trainee will be expected to complete a funded distance learning GIS degree course commencing in September 2019 with graduation in September 2022.
- The GIS manager post is removed in March 2020, this being a suitable time period for essential skills transfer. The graduate trainee post will ultimately attain LGE10. The essential overlap / skills transfer cannot be delivered without the earmarked reserve or other funding.

#### Implications/risks:

- Redesign presents opportunities for workforce and succession planning, contributing to ongoing Growing Our Own work.
- Need to ensure effective transfer of essential skills to avoid loss of professional experience and knowledge.
- Effective essential skills transfer will require funding.
- Timing of saving critical – taking earlier than March 2020 will impact on LDP2 timescales.

#### For this alternative delivery model please indicate the proposed savings and any FTE/Headcount reduction

	2019-20			2020-21			2021-22		
	£'000	FTE	H/count	£'000	FTE	H/count	£'000	FTE	H/count
Dev Policy/Biodiversity				48	1	1	48	1	1
GIS				15			15		
Sub saving description									
<b>TOTAL</b>				<b>63</b>	<b>1</b>	<b>1</b>	<b>63</b>	<b>1</b>	<b>1</b>

#### Please confirm whether an Equality and Socio Economic Impact Assessment (EqSEIA) is (a) required and (b) if it has been completed in respect of this proposal – tick as appropriate

EqSEIA Required	Yes	
EqSEIA complete	Yes	
Sent to <a href="mailto:equality@argyll-bute.gov.uk">equality@argyll-bute.gov.uk</a>	Yes	

## RE-CONSTRUCTING THE COUNCIL'S BUDGET

Head of Planning, Housing and Regulatory Services		Ref: PHRS012 & 13
Name of service delivery area	Homelessness and Housing Strategy	
Responsible 3 <sup>rd</sup> Tier manager	Matt Mulderrig	
Legislative basis for provision of the service – tick as appropriate	Budget Homelessness and Housing Support: £2,309,157, Housing Strategy: £291,297	
Statutory duty	✓	
Statutory power		£
Non-statutory service		£

**Part A – Please provide a summary of current service and how it is delivered****Statutory duties:**

**Homelessness**: A local authority has a duty to carry out an assessment of homelessness in its area and to prepare and submit a homelessness strategy for preventing and alleviating homelessness in its area. Thereafter the statutory duties include:

1. Free availability of advice and information
2. A duty to make enquiries into the circumstances of any person presenting as homeless or threatened with homelessness. There were 517 homeless applications made to Argyll and Bute Council in 2017/18.
3. Provide interim accommodation while enquiries are continuing, during any review and thereafter until statutory duties are discharged. Housing Services manage 112 temporary accommodation units – 23 Serviced accommodation placements and 89 temporary tenancies in the community. 293 tenancies were created in 2017/18 and managed by Housing Services staff.
4. The primary duty owed to persons found to be homeless but not intentionally homeless is to ensure that permanent accommodation becomes available for the applicant.

**Housing Support**: The local authority must assess the support needs of persons found to be homeless or threatened with homelessness, and ensure that prescribed housing support services are provided as required to any person assessed as being in need of them. We have contracts with third sector organisations (HELP, Carr Gomm, Women's Aid and Blue Triangle Housing Association) to provide prescribed support services. 564 households were provided with Housing Support during 2017/18.

**The Local Housing Strategy**: The statutory duty on the local authority is to produce a local housing strategy. As the strategic housing authority, we carry out a continuous HNDA (housing needs and demand) process, based on a combination of commissioned research, and in-house data collation and statistical analysis. This is monitored on an annual basis with a comprehensive update for formal submission to Scottish Ministers every five years. Section 72 of the Housing Act (2006) requires the local authority to prepare and make publicly available a Scheme of Assistance for private sector housing.

**The Strategic Housing Investment Plan (SHIP)**: Involves facilitating, promoting and funding a 3-5 year rolling new build programme in partnership with local RSLs, the Scottish Government and other stakeholders.

**The Strategic Housing Fund (SHF)**: Used for council house building, bringing empty properties back into affordable housing use, land acquisition for affordable housing development and purchasing off the shelf houses from private developers for affordable housing use.

A specialist Empty Homes Officer forms part of the Housing Strategy Team. 55 long term empty properties were brought back into use in 2017/18.

**The Housing Contribution Statement (HCS)** is a statutory requirement and the primary strategic interface between the Housing sector and the Health and Social Care Partnership(HSCP).

**MAPPA (Multi Agency Public Protection Arrangements):** MAPPA was established under the terms of the Management of Offenders (Scotland) Act 2005. Environmental Risk Assessments (ERA) are carried out when an offender is being released from prison, an offender is being considered for a permanent offer of housing, an offender has notified a change of address and on an annual basis if the offender's address has remained the same. 79 ERA requests were issued in 2017/18. Attendance at 46 MAPPA case meetings was required in 2017/18.

**Corporate Parenting:** Identifying suitable housing is an essential part of the corporate parenting role when dealing with looked after and accommodated young people up to the age of 26.

**Community Justice:** At a local level, strategic planning and service delivery is now the responsibility of local community justice partners. Suitable housing has been identified as a key priority and the Scottish Government published a document called Suitable Housing On Release for Everyone (SHORE) in 2017.

**Common Allocation Policy (HOMEArgyll):** Argyll and Bute Council is a full partner in the Common Allocation Policy. The council is responsible for the IT system which holds all the applicant information and from which allocations of social housing are made in Argyll and Bute.

In total there are 19 FTE (13 homelessness / 6 housing strategy).

**Part B - Please summarise the savings proposal for consideration**

Homelessness and Housing Strategy are two separate budget areas. Currently £100,000 is transferred from Homelessness to cover part of the staff costs of Housing Strategy.

As the work of the Housing Strategy Team is all considered to fall within the potential remit of the Strategic Housing Fund, the savings proposal is to cover an additional £100,000 of the Housing Strategy staff costs from the Strategic Housing Fund, and to cease the £100,000 transfer from Homelessness. This will provide a £100,000 saving in the Homelessness budget.

In total the Strategic Housing Fund (combining its existing contribution of 140k, and the proposed saving of 100k) will now contribute 240k to cover 6FTE within the housing strategy team.

**For this alternative delivery model please indicate the proposed savings and any FTE/Headcount reduction**

	2019-20			2020-21			2021-22		
	£'000	FTE	H/count	£'000	FTE	H/count	£'000	FTE	H/count
Homelessness	100			100			100		
Sub saving description									
Sub saving description									
<b>TOTAL</b>	<b>100</b>			<b>100</b>			<b>100</b>		

**Please confirm whether an Equality and Socio Economic Impact Assessment (EqSEIA) is (a) required and (b) if it has been completed in respect of this proposal – tick as appropriate**

EqSEIA Required	No	
EqSEIA complete		
Sent to <a href="mailto:equality@argyll-bute.gov.uk">equality@argyll-bute.gov.uk</a>		

## RE-CONSTRUCTING THE COUNCIL'S BUDGET

<b>Head of Planning, Housing and Regulatory Services</b>		<b>Ref: PHRS14</b>
<b>Name of service delivery area</b>		Marine and Coastal Development
<b>Responsible 3<sup>rd</sup> Tier manager</b>		Matt Mulderrig
<b>Legislative basis for provision of the service – tick as appropriate</b>		<b>Budget</b>
<b>Statutory duty</b>	✓	£95,535
<b>Statutory power</b>	✓	£
<b>Non-statutory service</b>	✓	£
<b>Part A – Please provide a summary of current service and how it is delivered</b>		
<b>Statutory duties:</b>		
Pre-application planning advice and specialist input to planning applications (including EIA screening and scoping) for the aqua-culture industry and other coastal development applications. Marine and Coastal input into Local Development Plan.		
<b>Statutory powers:</b>		
Regional Marine Plans: Have participated in creation of Clyde Marine Planning Partnership and actively partake in regular meetings to begin production of the Clyde Regional Marine Plan. As work progresses input required from Argyll and Bute is expected to increase.		
A further regional marine plan will be required for Argyll covering (Mull, Tiree and Coll, Colonsay, Islay, Jura and Gigha etc). The area covered by the plan is entirely within Argyll and Bute and will therefore require much greater input from the council.		
<b>Non-statutory elements:</b>		
Influencing review of National Marine Plan and wider marine planning (Scottish Coastal Forum, MSP Group). Responding to government consultations – influencing marine policy and strategy.		
Supporting local fishing industry – influencing work of IFG and allocation of FLAG monies.		
Service is delivered by two specialist officers based in Oban.		
<b>Part B - Please summarise the savings proposal for consideration</b>		
As a starting point for this exercise, an activity audit of the Marine and Coastal Development Policy Unit has been carried out, listing all separate regular activities. Those activities prioritised as essential were:		
<ul style="list-style-type: none"> <li>• Provide internal advice on aquaculture EIA screening and scoping</li> <li>• Provide internal advice on aquaculture planning applications - including committees, hearings and appeals</li> <li>• Attending Clyde Marine Planning Partnership meetings and workshops</li> <li>• Internal liaison/discussion on Clyde Marine Plan</li> <li>• Reporting progress and gaining approval for key stages of developing Clyde Marine Plan and further Regional Marine Planning as it emerges.</li> <li>• Infrastructure audit for maritime industries</li> <li>• Input to preparation of proposed LDP (review of policy/SG)</li> </ul>		

The Marine and Coastal Development Policy Manager recently resigned. As an interim measure the Marine and Coastal Development Officer has been asked to fulfil some of the responsibilities of the vacant manager post.

It is considered acceptable that one officer could perform the essential functions only. This would need to be a professional officer post, but would not need to have any management function. It is proposed that an LGE11 post would be appropriate, and that this could replace the current two posts at LGE12 and LGE9.

This post would be line managed by one of the Development Policy Senior Strategy/Policy officers which would have the benefit of creating closer integration with the rest of the Development Policy Team and greater sharing of knowledge and expertise.

The proposal would be to offer up this as a service saving as soon as the new post has been evaluated and appointed. This is anticipated to be 1<sup>st</sup> April 2019.

The saving does not make any change to current staffing levels.

**Implications/risks:**

- Essential service elements will be prioritised over non-essential functions given new resource levels.

**For this alternative delivery model please indicate the proposed savings and any FTE/Headcount reduction**

	2019-20			2020-21			2021-22		
	£'000	FTE	H/count	£'000	FTE	H/count	£'000	FTE	H/count
Replace 2 posts with one	46	1	1	46	1	1	46	1	1
Sub saving description									
Sub saving description									
<b>TOTAL</b>	<b>46</b>	<b>1</b>	<b>1</b>	<b>46</b>	<b>1</b>	<b>1</b>	<b>46</b>	<b>1</b>	<b>1</b>

**Please confirm whether an Equality and Socio Economic Impact Assessment (EqSEIA) is (a) required and (b) if it has been completed in respect of this proposal – tick as appropriate**

EqSEIA Required	Yes	
EqSEIA complete	Yes	
Sent to <a href="mailto:equality@argyll-bute.gov.uk">equality@argyll-bute.gov.uk</a>	Yes	

## RE-CONSTRUCTING THE COUNCIL'S BUDGET

Head of Planning, Housing and Regulatory Services		Ref: PHRS16
Name of service delivery area	Regulatory Services (Trading Standards)	
Responsible 3 <sup>rd</sup> Tier manager	Alan Morrison	
Legislative basis for provision of the service – tick as appropriate	Budget	
Statutory duty	√	£439,762 (18/19)
Statutory power	√	£
Non-statutory service	√	£15,000
<b>Part A – Please provide a summary of current service and how it is delivered</b>		
<p>1. Trading Standards is a statutory service within Regulatory Services with a duty to enforce a wide range of Primary Legislation (Acts) and subordinate legislation relating to consumer protection. We aim to protect Argyll and Bute's residents, visitors and businesses and maintain a fair and safe trading environment where local businesses and consumers can thrive.</p> <p>2. We are a regulatory service dealing with a wide range of Scottish, UK and European legislation relating to the quality, quantity, price, description and safety of goods and services. We also enforce various controls relating to age restricted products (tobacco etc.). The service delivers a range of statutory duties placed on the council, as well as non-statutory or discretionary activities which directly benefit consumers and businesses.</p> <p>3. Budget: There is little opportunity to reduce existing budget, as options were taken as part of the services choices savings in 2016, where a 50% savings target was achieved. Staff costs comprise 90% of the TS budget.</p> <p>4. Resources:</p> <ol style="list-style-type: none"> <li>As part of the service choices savings (50% reduction), resources within the trading standards team will have reduced from 9.6 FTE in March 2017 to 6 FTE by 1<sup>st</sup> April 2019. The team consists of a Trading Standards Manager, and an operational team of three Trading Standards Officers and two Regulatory Services Officers. They are based in Oban, Lochgilphead, Dunoon and Helensburgh.</li> <li>Resources are directed to statutory duties and an integrated approach is being developed with other local authorities to create a North of Scotland Trading Standards Alliance as part of the new service design.</li> <li>Our enforcement strategy complies with the Scottish Government's Strategic Regulators Code and is targeted, proportionate, risk-based, and consistent. Current resources are targeted at areas of greatest risk and are intelligence-led from a variety of different sources (e.g. Regulatory Services, police, other local authorities, customs etc.). This enables a response to local and national issues.</li> <li>Feed enforcement is to be transferred from Local Authorities to the Food Standards Agency as of the 1<sup>st</sup> April 2019 (subject to approval of amendments to legislation) with a subsequent reduction in Councils Grant Aided Expenditure which will be redirected to FSS to fund this work. The impact will be a reduction of £17,000 in GAE which equates to further staff savings (0.4FTE) from the trading standards budget, in addition to any savings identified from budget reconstruction. The Council submitted a formal tender to undertake this work, on behalf of the FSs, across Argyll and Bute and West Dunbartonshire. Scottish Government advised that due to contractual issues, they have now cancelled the contract (for the second time). Discussions have been held with FSS on the possibility of this Council undertaking this work on a memorandum of understanding subject to agreement on the specification, terms and conditions and budget. Initial discussions were positive and we await further contact from FSS.</li> </ol>		
<b>Part B - Please summarise the savings proposal for consideration</b>		
<p><b>The savings proposal seeks to reduce the service to a minimum statutory level and to stop providing a range of discretionary and non-statutory activities.</b></p> <p>There are few opportunities within trading standards to generate significant levels of income without legislative change. Shared services are already being progressed through the North of Scotland Trading Standards Alliance.</p>		

**Implications/risks:**

1. The minimum statutory service will result in services such as call-blockers, promoting consumer protection and self-help, no longer being delivered. Consumers (individuals and businesses) would need to seek advice and support from other sources.
2. There is potential that by not undertaking this “preventative work”, there will be a decrease in consumer awareness of issues, less protection for vulnerable people and a greater risk of consumer harm to those in our communities.
3. It may lead also to increased fair trading and consumer safety criminality and so an increase in consumer complaints.
4. There will be no capacity to cover absence within the team, to conduct major investigations, to contribute to corporate, national and partnership activities, or to carry out the work which is necessary to effectively re-orientate our service in the short-term to address internet crime.

It should be noted that the implications of Brexit, whilst unknown, are likely to create a need for new or revised regulatory controls in a wide range of areas including trading standards and environmental health. The National Improvement Service has identified that there is likely to be a need for stronger regulatory frameworks and additional resourcing post Brexit. This position will be clearer once the Brexit negotiations have been concluded.

**For this alternative delivery model please indicate the proposed savings and any FTE/Headcount reduction**

	2019-20			2020-21			2021-22		
	£'000	FTE	H/count	£'000	FTE	H/count	£'000	FTE	H/count
Sub saving description	11.25	0.5	1	15	0.5	1	15	0.5	1
Sub saving description									
Sub saving description									
<b>TOTAL</b>	<b>11.25</b>	<b>0.5</b>	<b>1</b>	<b>15</b>	<b>0.5</b>	<b>1</b>	<b>15</b>	<b>0.5</b>	<b>1</b>

**Please confirm whether an Equality and Socio Economic Impact Assessment (EqSEIA) is (a) required and (b) if it has been completed in respect of this proposal – tick as appropriate**

EqSEIA Required	Yes	
EqSEIA complete	Yes	
Sent to <a href="mailto:equality@argyll-bute.gov.uk">equality@argyll-bute.gov.uk</a>	Yes	

## RE-CONSTRUCTING THE COUNCIL'S BUDGET

<b>Head of Economic Development and Strategic Transportation</b>		<b>Ref:</b> EDST02
<b>Name of service delivery area</b>	Business Gateway	
<b>Responsible 3<sup>rd</sup> Tier manager</b>	Ishabel Bremner	
<b>Legislative basis for provision of the service – tick as appropriate</b>	<b>Budget</b>	
<b>Statutory duty</b>		£
<b>Statutory power</b>	√	£326,674 (2018/19)
<b>Non-statutory service</b>		£
<b>Part A – Please provide a summary of current service and how it is delivered</b>		
<p><b>Business Gateway</b></p> <p>Business Gateway is a national service, delivered via local authorities, providing free, confidential and impartial advice to new and existing businesses in Scotland. At the local level, Argyll and Bute Business Gateway delivers a service across the whole of the Argyll and Bute Council area to help businesses start, survive and grow.</p> <p>The Scottish Government has agreed eight priorities for Business Gateway and the services that must be provided by the local authority are specified in a National Service Specification.</p> <p>The Business Gateway service is delivered by a small in-house team of 6.2 FTE staff across a dispersed geographical area. With 3.2 FTE Business Advisers this is lower than that compared with other council areas across the Highlands and Islands area which have already experienced reductions in staff.</p> <p>In 2017-18 the service supported 267 existing businesses, 108 start-ups (with a combined 144 projected jobs and £5.5m projected turnover), delivered 549 Business Adviser sessions and 115 workshops with a combined 641 attendees.</p> <p>Business Gateway supports the longer-term objective of increased productivity and earning power as set out in the UK's Industrial Strategy and the framework for a competitive and fairer Scotland the key focus of Scotland's Economic Strategy.</p> <p>The Business Gateway service aligns to the Argyll and Bute Council priority of championing economic development, working in partnership with businesses and supporting targeted economic development within local areas as part of a strategic approach. Business Gateway support makes an important contribution to the aim of growing the local economy, through assisting the development of SMEs who cannot access enterprise agency support. Business Gateway also identifies emerging businesses with high growth potential on ensure that such businesses are referred to the appropriate enterprise agency for further support in their growth. In short, Business Gateway provides support to businesses that is not available from enterprise agencies.</p> <p>In addition to the core Business Gateway service, the team manage and deliver the Business Gateway Local Growth Accelerator Programme 2015-18. Designed to help local businesses realise their growth potential, the £372k programme has to date awarded 88 grants and 32 expert advice sessions, supporting 70 unique SMEs in total. The programme is at 90% of target for committed spend and 96% for SMEs supported, on track to hit all targets by programme closure at the end of December 2018. The programme levers 50% ERDF funding. Businesses are already enquiring about a Phase 2, for which the council could lever in 70% ERDF.</p>		
<b>Part B - Please summarise the savings proposal for consideration</b>		
An additional saving of £23k with regard to the proposed match funding contribution for Phase 2 of the Local Growth Accelerator Programme could be taken in 2019/20 onwards. This will be predicated on Phase 2 of the Local Growth Accelerator Programme being fully funded from the		

West of Scotland Loan Fund surplus due to be transferred to Business Gateway for the sole purpose of SME development. The Policy and Resources Committee, 16<sup>th</sup> August 2018, approved the use of half of this surplus as match funding for Phase 2 and the other half for SME support linked to the Rural Growth Deal if opportunities were identified. Supporting the growth of small businesses is at the heart of the Rural Growth Deal, which justifies the full use of this surplus as match funding.

Any reduction in headcount removes the ability for Business Gateway to deliver the proposed Phase 2 Local Growth Accelerator Programme. Phase 2 could deliver a £483k three year programme of support to growing businesses, at no additional cost to the council, but requires the current complement of Business Gateway staff resource to enable its delivery.

To allow Business Gateway to deliver discretionary activity aligned to the remaining opportunity to lever in European funding, it is proposed that a review of staffing resources is made during 2020/21, aligning to the requirement for a redesign of the Economic Development and Strategic Transportation Service, to be realised, as appropriate, for the financial year 2021/22.

### **Implications/risks**

With Phase 2 targets based on actual demand this creates a high degree of confidence that Phase 2 can be delivered as proposed. The phasing of spend and claims can be accurately predicted, assuming there is timely approval and no changes made to the programme guidance.

The identified risks are:

- 1) Reductions in year-on-year council budgets could mean the identified match funding is no longer available. However, this risk can be mitigated if the £150k from the West of Scotland Loan Fund surplus due to be transferred to Business Gateway for the sole purpose of SME development can be use as match funding (not just 50% as per the August Policy and Resources Committee Committee paper), at no additional cost to the council. Supporting the growth of small businesses is at the heart of the Rural Growth Deal (where the other 50% of surplus was to be allocated).
- 2) Reductions in Business Gateway headcount will mean there will be no staff capacity to deliver Phase 2. This can be mitigated by delaying the review of the Business Gateway staff complement until at least 2020/21 given the ERDF funding will require to be fully committed by the end of December 2021, but noting that there will still be a requirement for staff to undertaking funding claims until the end of March 2022.
- 3) Given that business demand is strong (all Phase 1 funding now committed and the first claim now approved) If Phase 2 is not progressed this will result in reputational risk and a loss of £483k of investment over three years to growing businesses across Argyll and Bute. It is recommended that Phase 2 is approved.

**For this alternative delivery model please indicate the proposed savings and any FTE/Headcount reduction**

	2019-20			2020-21			2021-22		
	£'000	FTE	H/count	£'000	FTE	H/count	£'000	FTE	H/count
Grant allocation costs	23			23			23		
Staff review but to be aligned with the EDST service redesign process							75 (tbc)	1.8 (tbc)	1.8
<b>TOTAL</b>	<b>23</b>			<b>23</b>			<b>98</b>	<b>1.8</b>	

**Please confirm whether an Equality and Socio Economic Impact Assessment (EqSEIA) is (a) required and (b) if it has been completed in respect of this proposal – tick as appropriate**

EqSEIA Required	Yes	
EqSEIA complete	Yes	
Sent to <a href="mailto:equality@argyll-bute.gov.uk">equality@argyll-bute.gov.uk</a>	Yes	

## RE-CONSTRUCTING THE COUNCIL'S BUDGET

<b>Head of Head of Economic Development and Strategic Transportation (EDST)</b>			<b>Ref: EDST03</b>						
<b>Name of service delivery area</b>			Economic Growth						
<b>Responsible 3<sup>rd</sup> Tier manager</b>			Ishabel Bremner						
<b>Legislative basis for provision of the service – tick as appropriate</b>			<b>Budget</b>						
<b>Statutory duty</b>						£			
<b>Statutory power</b>			√			£			
<b>Non-statutory service</b>						£			
<b>Part A – Please provide a summary of current service and how it is delivered</b>									
<p>The council's Economic Growth section of the Economic Development Service (EDST) aligns to the Argyll and Bute Council priority of championing economic development, working in partnership with businesses and supporting targeted economic development within local areas as part of a strategic approach. The Economic Growth/Development service is the only body focusing on economic development and growth interventions solely in Argyll and Bute, unlike the enterprise agencies that have a far wider Highlands and Islands and rest of Scotland remit.</p> <p>Economic Growth contributes to achieving the outcomes and long term objectives outlined in the UK's Industrial Strategy with a focus on boosting the productivity and earning power of people throughout the UK, and Scotland's Economic Strategy which sets out a framework for a competitive and fairer Scotland.</p> <p>Economic Growth comprises of four teams and 10 FTE staff, including the Promotion and Marketing Officer. The Promotions and Marketing Officer post, with expertise in digital and other marketing, provides dedicated cross service support for sustainable economic development and the promotion of Argyll and Bute as a place to live, invest and visit.</p>									
<b>Part B - Please summarise the savings proposal for consideration</b>									
It is proposed to delete the Promotions and Marketing officer post which is vacant. This activity will now be taken forward in partnership with the council's Communications Team and the EDST support officer who provides additional support for the Economic Growth Team in terms of supporting business growth and associated promotional work.									
<b>For this alternative delivery model please indicate the proposed savings and any FTE/Headcount reduction</b>									
	<b>2019-20</b>			<b>2020-21</b>			<b>2021-22</b>		
	£'000	FTE	H/count	£'000	FTE	H/count	£'000	FTE	H/count
Removal of the Promotions and Marketing Post.	48.97	1	1	48.97	1	1	48.97	1	1
<b>TOTAL</b>	<b>48.97</b>	<b>1</b>	<b>1</b>	<b>48.97</b>	<b>1</b>	<b>1</b>	<b>48.97</b>	<b>1</b>	<b>1</b>
<b>Please confirm whether an Equality and Socio Economic Impact Assessment (EqSEIA) is (a) required and (b) if it has been completed in respect of this proposal – tick as appropriate</b>									
EqSEIA Required					No				
EqSEIA complete									
Sent to <a href="mailto:equality@argyll-bute.gov.uk">equality@argyll-bute.gov.uk</a>									

<b>Head of Economic Development</b>		<b>Ref: EDST05</b>
<b>Name of service delivery area</b>	<b>Road Safety Unit</b>	
<b>Responsible 3<sup>rd</sup> Tier manager</b>	<b>Moya Ingram</b>	
<b>Legislative basis for provision of the service – tick as appropriate</b>	<b>Budget £99,191</b>	
<b>Statutory duty</b>		£
<b>Statutory power</b>		£
<b>Non-statutory service</b>	✓	<b>£99,191</b>
<b>Part A – Please provide a summary of current service and how it is delivered</b>		
<b>Staff</b>		
<ul style="list-style-type: none"> <li>The Road Safety Unit's primary function is education, training and promoting road safety message to all categories of road user. (One FTE staff member and one part time term time staff member - 1.7 FTE total staff).</li> </ul>		
<b>Services</b>		
<ul style="list-style-type: none"> <li>Road Safety Unit delivers road safety education, promotion and training programme across educational establishments – pre-schools, primary and secondary schools. Over 500 children complete road safety cycle training per annum and over 100 complete road safety pedestrian training. The Road Safety Team are based in Lochgilphead and travel across Argyll and Bute to deliver services.</li> <li>The unit works in partnership with early years establishments to begin introducing very young children to the language of road safety. A significant amount of work is delivered through Argyll and Bute Council's primary schools. A full programme of activities and national resources are available for schools to help children develop their road safety awareness.</li> <li>Practical training in the form of pedestrian training and cyclist training takes place giving children the chance to encounter real road situations in a controlled environment. iCycle training takes place through Argyll and Bute Council's schools in either Primary 6 or 7, where children are taught basic manoeuvres and learn the rules of the road. The Road Safety Unit provides training to volunteer iCycle training instructors across Argyll. iCycle resource was developed in house by the road safety unit and won a Scottish National Transport Award.</li> <li>All schools have access to the comprehensive road safety resources developed through Road Safety Scotland. These are linked to the Curriculum for Excellence and are designed to provide a full programme of road safety for Early, First and Second level stages.</li> <li>The unit also delivers road safety education for specific categories of road user e.g. motorcyclists via production of Biker Magazine and training/advice events, child car seat checks for members of the public.</li> <li>The team, in partnership with DRIVESafe in Argyll and Bute, administers a grant of £75 to new drivers completing the Pass Plus Scheme. Pass Plus is an additional course aimed at new drivers living in Argyll and Bute who would like to further improve their confidence and driving skills after passing their practical test. It was designed by the Driving Standards Agency (DSA) with the help of insurers and the driving instruction industry.</li> <li>Partnership work with Police Scotland, Scottish Fire and Rescue, Road Safety Scotland and Road Safety West of Scotland to jointly work on various road safety initiatives.</li> <li>Following the 2018/19 budget meeting the Road Safety Unit prioritise, as part of their work plan, measures to make travel to school safer/more child friendly and to reduce congestion at school gates. In 2018/19 the RSU has worked closely with schools to make travel to school safer and more child friendly. This has included school-specific actions such as securing external funding to create new scooter/bike parking, work to create a footpath link to school, and campaign work to reduce congestion at school gates e.g. inconsiderate parking for example on zig zags.</li> </ul>		
<b>Part B - Please summarise the savings proposal for consideration</b>		
This service is non-statutory and the proposal is to cease the provision of this service.		
<b>Implications/risks</b>		
The risks of having no Road Safety Unit Service are as follows:-		

- Non-delivery of road safety education, promotion and training programme across educational establishments – pre-schools, primary and secondary schools. Risk of no tailored delivery of road safety education to specific categories of road user e.g. motorcyclists with production of Biker Magazine and training/advice events, child car seat checks for members of the public.
- Reputational damage. iCycle training to volunteer trainers at primary schools would not be delivered, Streetfeet pedestrian training would not be delivered to primary schools.
- Non delivery of Pass Plus Scheme offering a grant for additional driving skills after passing their practical test.
- Risk of compulsory redundancy for one FTE and one Part time/Term time equivalent.
- No partnership working with Road Safety West of Scotland, community emergency services partners, Road Safety Scotland to jointly work on various road safety initiatives.
- Proposal does not affect the significant work the Roads and Amenity Service team do to further road safety in partnership with Transport Scotland.

#### **Conclusion**

- Following the last review the current 1.7 FTE was considered the bare minimum to deliver a credible service. There is therefore no scope for scaling back staff other than removing the service with the loss of 1.7 FTE.

**For this alternative delivery model please indicate the proposed savings and any FTE/Headcount reduction**

	2019-20			2020-21			2021-22		
	£'000	FTE	H/count	£'000	FTE	H/count	£'000	FTE	H/count
Sub saving description	<b>£74,393</b>	1.7	1.7	<b>£99,191</b>	1.7	1.7	<b>£99,191</b>	1.7	1.7
Sub saving description									
Sub saving description									
<b>TOTAL</b>	<b>£74,393</b>	<b>1.7</b>	<b>1.7</b>	<b>£99,191</b>	<b>1.7</b>	<b>1.7</b>	<b>£99,191</b>	<b>1.7</b>	<b>1.7</b>

\*2019/20 savings will be reduced and a part year saving made due to notice period requirements for redundancy etc.

**Please confirm whether an Equality and Socio Economic Impact Assessment (EqSEIA) is (a) required and (b) if it has been completed in respect of this proposal – tick as appropriate**

EqSEIA Required	Yes	
EqSEIA complete	Yes	
Sent to <a href="mailto:equality@argyll-bute.gov.uk">equality@argyll-bute.gov.uk</a>	Yes	

<b>Head of Roads and Amenity Services</b>		<b>Ref: RAS05</b>
<b>Name of service delivery area</b>		<b>Grounds/Environment</b>
<b>Responsible 3<sup>rd</sup> Tier manager</b>		Tom Murphy
<b>Legislative basis for provision of the service – tick as appropriate</b>		<b>Budget</b> £1,825,429
<b>Statutory duty</b>	✓	£ A breakdown of budget is not provided as this would require an excessive amount of time to establish.
<b>Statutory power</b>	✓	
<b>Non-statutory service</b>	✓	
<b>Part A – Please provide a summary of current service and how it is delivered</b>		
<p>The service is responsible for the maintenance of amenity open spaces, play areas, sport pitches including stadiums and it also delivers floral bedding displays and hanging baskets. The service is also responsible for the maintenance and upkeep of burial grounds and war memorials across the council area. Other works include general cleanliness such as weed control, including the control of invasive species, removal of detritus (including trunk roads), litter collection and removal of debris from open space areas.</p> <p>The service generates a modest amount of income through providing support to events such as Oban Live, Bute/Cowal Highland Gatherings, Tiree Live and Helensburgh Pipe Band Championships to name but a few. This service also carries out 'contract work' for other public sector bodies. Again, the levels of income are modest but officers will continue to look for new opportunities.</p> <p>While the council has no statutory obligation to deliver grounds services, it is recognised that well maintained open spaces contributes significantly to the economy of the local area by making it attractive for tourists. Well maintained amenity and grassland areas make the area more attractive which is beneficial for both tourism and the various events that take place.</p> <p>The service maintains the council's high-profile recent capital investments to improve the streetscape and open space of the area which has understandably raised public expectations of maintenance standards.</p> <p>Over recent years there have been significant change processes applied to this area of the service. This includes contractual changes to terms and conditions (annualised hours, hours contracted to include weekend working which reduces overtime and flexibility across each of the operational teams – roads, amenity, waste etc.), changes to specification and programme.</p> <p>Between 2012/13 and the current date, the service has been reduced by 49.6%: between 2014 and now the budget has reduced from £2.744M to £1.825M; and in 2012/13, as part of the Streetscene Review, the service took a saving of £938k.</p>		
<b>Part B - Please summarise the savings proposal for consideration</b>		
<p>The proposal for this service through this template is a 10% reduction to current resources.</p> <p>This further 10% would result in a reduction in the level of grassland maintenance, street sweeping, and maintenance of pitches and play areas. This would be noticeable with either a reduction to maintenance of all grassland areas or alternatively high profile areas being maintained to a standard similar to current day and lower priority areas being left to grow wild.</p> <p>As part of the reduction in service delivery, it would be proposed that spring bedding displays would cease but summer bedding continue. We will endeavour to seek sponsorship for any of the bedding</p>		

areas to reduce the reduction in grassland maintenance; however, from previous attempts there is limited confidence..

The council would have to make provision to ensure it continued to meet its health and safety obligations in relation to interference and damage to the road network (ref Part VIII Roads Scotland Act 1984), which would mean a level of budget remaining for grass cutting.

Reducing the grounds team would reduce the overall operational resilience which would affect services such as winter maintenance, and severe weather support. It would also potentially reduce resilience in the event of a pandemic flu outbreak where additional burials would place a high demand on this area of service. In times of peak demand, Roads, Amenity and Waste services will deliver services to the area most in need.

Should this saving option be progressed, it is suggested that an area by area specification be brought to the EDI Committee for consideration. This would set out the frequency of grass cuts, sweeping and cleansing and the areas that would not be treated for each of the four administrative areas. The budget reduction would be taken pro rata from existing budgets, for each of the four areas.

**Implications/risks:**

- Risk of debris, litter and discarded items being left, increased flytipping etc. with potential claims for third party injuries.
- As longer grassland is harder to maintain, reducing grassland maintenance would increase wear and tear on equipment which would have an impact on reliability and increase repair costs.
- Detrimental effect on economic development and tourism.
- Reduced ability to pursue commercial opportunities.

**For this alternative delivery model please indicate the proposed savings and any FTE/Headcount reduction**

	2019-20			2020-21			2021-22		
	£'000	FTE	H/count	£'000	FTE	H/count	£'000	FTE	H/count
Sub saving description	120k	6	6	180k	6	6	180k	6	6
Sub saving description									
Sub saving description									
<b>TOTAL</b>	120k	6	6	180k	6	6	180k	6	6

\*2019/20 savings will be reduced and a part year saving made due to notice period requirements for redundancy etc.

**Please confirm whether an Equality and Socio Economic Impact Assessment (EqSEIA) is (a) required and (b) if it has been completed in respect of this proposal – tick as appropriate**

EqSEIA Required	Yes	
EqSEIA complete	Yes	
Sent to <a href="mailto:equality@argyll-bute.gov.uk">equality@argyll-bute.gov.uk</a>	Yes	

## RE-CONSTRUCTING THE COUNCIL'S BUDGET

<b>Head of Roads and Amenity Services</b>		<b>Ref: RAS09</b>
<b>Name of service delivery area</b>		Roads Management (Network, Asset, Traffic Management)
<b>Responsible 3<sup>rd</sup> Tier manager</b>		Hugh O'Neill
<b>Legislative basis for provision of the service – tick as appropriate</b>		<b>Budget</b> £1,946,233
<b>Statutory duty</b>	✓	This is not captured or time coded, however an initial estimate would be £1.8million
<b>Statutory power</b>		£
<b>Non-statutory service</b>	✓	This is not captured or time coded, however an initial estimate would be £150,000
<b>Part A – Please provide a summary of current service and how it is delivered</b>		
<p>Argyll and Bute Council Network and Standards Team manage the roads network and assets for the Argyll and Bute area.</p> <p>Legislation dictates we maintain a record of our roads asset inventory. In order to do this, officers carry out numerous duties including inspecting road assets ensuring they are safe and fit for purpose. The service's asset management systems ensure that limited resources can be invested in ways that give the best possible return. Forward-looking documents such as the Annual Status and Options Report (ASOR) provide forecasts on road conditions based on different levels of investment and likely levels of deterioration. This advanced asset management ensures that sound investment decisions are made. Data gathering, storage and interrogation is all carried out within this service area.</p> <p>Officers also provide elected members, partner agencies and local community groups with advice and guidance on a multitude of other areas such as FOIs/Community Participation Requests/safe routes to schools etc.</p> <p>A significant restructure is currently underway which merges both the roads and amenity operational teams into one delivery team. As part of the restructure, an operational control hub is also being established. The control hub will bring together all programming, scheduling, monitoring and planning functions. This will reduce duplication across the area teams and brings budget savings through further staff reductions as agreed at the February 2018 budget meeting.</p>		
<b>Part B - Please summarise the savings proposal for consideration</b>		
<p>The formation of the Hub will allow the reduction of a further member of staff which is currently sitting as a vacant post giving a saving of £39K.</p> <p><b>Implications/risks:</b></p> <ul style="list-style-type: none"> <li>• Current staffing levels/resources are not affected. Reduction of one in the number of posts on the establishment.</li> </ul>		
<b>For this alternative delivery model please indicate the proposed savings and any FTE/Headcount reduction</b>		

	2019-20			2020-21			2021-22		
	£'000	FTE	H/count	£'000	FTE	H/count	£'000	FTE	H/count
Sub saving description	39	1	1	39	1	1	39	1	1
Sub saving description									
Sub saving description									
<b>TOTAL</b>	<b>39</b>	<b>1</b>	<b>1</b>	<b>39</b>	<b>1</b>	<b>1</b>	<b>39</b>	<b>1</b>	<b>1</b>

Please confirm whether an Equality and Socio Economic Impact Assessment (EqSEIA) is (a) required and (b) if it has been completed in respect of this proposal – tick as appropriate

EqSEIA Required	Yes	
EqSEIA complete	Yes	
Sent to <a href="mailto:equality@argyll-bute.gov.uk">equality@argyll-bute.gov.uk</a>	Yes	

## RE-CONSTRUCTING THE COUNCIL'S BUDGET

Head of Roads and Amenity Services						Ref: RAS 11			
Name of service delivery area			School Crossing Patrollers						
Responsible 3 <sup>rd</sup> Tier manager			Hugh O'Neill						
Legislative basis for provision of the service – tick as appropriate						Budget			
Statutory duty						£			
Statutory power						£			
Non-statutory service			✓			£ 170,000			
<b>Part A – Please provide a summary of current service and how it is delivered</b>									
<p>Argyll and Bute Council provides dedicated school crossing patrollers to primary schools throughout the full area. This is not a statutory requirement, A recent policy change removed lunchtime crossing cover. This policy change also included the removal of school crossing patrollers from locations in and around Argyll and Bute where there are controlled crossing facilities. Cover is now only provided in the morning and at school closing times.</p> <p>Current service provision:</p> <ul style="list-style-type: none"> <li>• School crossing patrollers at start and end of school day for primary school routes where required.</li> <li>• Management of school crossing patrollers.</li> </ul>									
<b>Part B - Please summarise the savings proposal for consideration</b>									
<p>This is a non-statutory service and the proposal is to withdraw it completely.</p> <p>Parents are responsible for accompanying their children to school and roads are designed to provide pedestrians with safe routes.</p> <p><b>Implications/risks:</b></p> <ul style="list-style-type: none"> <li>• Reputational risk to the council where communities have come to expect the council to deliver this service.</li> <li>• Reduced contribution to the objective for the area that people live in safer and stronger communities.</li> </ul>									
<b>For this alternative delivery model please indicate the proposed savings and any FTE/Headcount reduction</b>									
	2019-20			2020-21			2021-22		
	£'000	FTE	H/count	£'000	FTE	H/count	£'000	FTE	H/count
Sub saving description	115	6.91	28	170	6.91	28	170	6.91	28
Sub saving description									
Sub saving description									
<b>TOTAL</b>	<b>115</b>	<b>6.91</b>	<b>28</b>	<b>170</b>	<b>6.91</b>	<b>28</b>	<b>170</b>	<b>6.91</b>	<b>28</b>

Please confirm whether an Equality and Socio Economic Impact Assessment (EqSEIA) is (a) required and (b) if it has been completed in respect of this proposal – tick as appropriate

EqSEIA Required	Yes	
EqSEIA complete	Yes	
Sent to <a href="mailto:equality@argyll-bute.gov.uk">equality@argyll-bute.gov.uk</a>	Yes	

<b>Head of Roads and Amenity Services</b>		<b>Ref: RAS12</b>
<b>Name of service delivery area</b>	<b>Street Lighting</b>	
<b>Responsible 3<sup>rd</sup> Tier manager</b>	Hugh O'Neill	
<b>Legislative basis for provision of the service – tick as appropriate</b>		<b>Budget £1,168,881</b>
<b>Statutory duty</b>	✓	We do not capture this information, however an estimate is £1 million
<b>Statutory power</b>		£
<b>Non-statutory service</b>	✓	We do not capture this information, however an estimate is £170,000

**Part A – Please provide a summary of current service and how it is delivered**

The Roads Scotland Act 1984 S35 states:

- (1) The Local Roads Authority shall provide and maintain lighting for roads or proposed roads which are or will be maintainable by them and which in their opinion ought to be lit.

**Statutory duties:**

Existing lighting stock

- Maintain existing street lights (there is only a requirement to maintain what is in place. There is no requirement to provide additional street lighting).
- Maintain essential navigation lights for piers and harbours – SLA in place to meet national standards – This links in with Template for Piers and Harbours and is funded from piers and harbours.
- Maintain traffic lights, pedestrian crossings, signs at designated school zones
- Maintain flashing 20mph signs
- Maintain all lit signs
- Maintain lit bollards
- Energy charges for existing lighting stock met by the Council

New lighting

- Where the road is adopted, street lights in new developments are also adopted and maintained. Subsequent energy charges are borne by the council.

**Non statutory elements:**

Design of new developments

- Review and approve designs from developers, where developers have carried out their own designs, re street lighting proposals
- Inspection of new installations
- Offer design service for small developments – recharge as per earlier policy changes

Miscellaneous requests

- Reposition single columns for residents where requested (and appropriate) – this is a chargeable service
- Install bunting and flags, cross street banners, hanging baskets etc as requested – this is a rechargeable service
- Reposition CCTV cameras as requested by the Police - recharged
- Support for events – switch on/off lights – recharged

- Repair, install, switch on, and take down festive lighting – not currently charged but only has one year to run (2018) until handed over to the various community groups. Beyond 2018/19 any requests will be fully recharged.
- Consideration will be given to bid for the design and build for new lighting in new developments.

Currently the service is completing a refit to LED of approximately 14,000 lights. This innovative project saves approximately 50% of the council’s energy bill and also significantly contributes to carbon reduction.

**Part B - Please summarise the savings proposal for consideration**

The approved Street Lighting Budget is £1,168,881, within this the Electricity Budget is £716,000. Savings against this have already been taken through the LED project. Reduced energy consumption and corresponding energy costs are used to fund the loans charges for the LED project.

Whilst the overall budget is £1,168,881, the controllable budget is £452,881. The remainder is tied up in energy costs and loans charges.

A saving of £50K is proposed, delivered by prioritising safety-related and urgent repairs, reducing material-intensive, non-urgent repairs and a reduction in materials and equipment used. This equates to an 11% reduction on the controllable budget. There would be no change to staffing levels due to the relatively small team size and the geography of Argyll and Bute.

**Implications/risks:**

- This saving would impact on routine lighting maintenance levels and response times for non-emergencies.
- While the LED project has significantly reduced the amount of reactive maintenance (dark lamps etc.), there are still significant issues to be resolved surrounding cable faults, fifth core cables and aging columns. A number of the columns will be addressed through the LED project, but there will still be a significant ongoing maintenance requirement for lighting installations.
- Removing £50k from this budget and prioritising on an operational basis may result in longer response times for non-emergency repairs.

**For this alternative delivery model please indicate the proposed savings and any FTE/Headcount reduction**

	2019-20			2020-21			2021-22		
	£'000	FTE	H/count	£'000	FTE	H/count	£'000	FTE	H/count
Sub saving description	50			50			50		
Sub saving description									
Sub saving description									
<b>TOTAL</b>	<b>50</b>			<b>50</b>			<b>50</b>		

**Please confirm whether an Equality and Socio Economic Impact Assessment (EqSEIA) is (a) required and (b) if it has been completed in respect of this proposal – tick as appropriate**

EqSEIA Required	Yes	
EqSEIA complete	Yes	
Sent to <a href="mailto:equality@argyll-bute.gov.uk">equality@argyll-bute.gov.uk</a>	Yes	

## RE-CONSTRUCTING THE COUNCIL'S BUDGET

<b>Head of Roads and Amenity Services</b>		<b>Ref: RAS15</b>
<b>Name of service delivery area</b>		<b>Warden Service</b>
<b>Responsible 3<sup>rd</sup> Tier manager</b>		Tom Murphy
<b>Legislative basis for provision of the service – tick as appropriate</b>		<b>Budget £275,743</b>
<b>Statutory duty</b>	✓	£75,000 estimated cost
<b>Statutory power</b>	✓	£180,000 estimated cost
<b>Non-statutory service</b>	✓	£20,000 estimated cost
<b>Part A – Please provide a summary of current service and how it is delivered</b>		
<p>This service is delivered across four geographical areas by nine staff using eight vehicles. As part of the 2017/18 budget proposal, four additional wardens were put in place on a temporary twelve months basis, these temporary roles have now all ended. The duties provided by the Warden Service include: litter enforcement; fly tipping; dog control; dog fouling; stray dogs; car parking enforcement; abandoned vehicle removal; enforcement of waste collections; commercial waste duty of care; Local Environmental Audit and Management System (LEAMS); pest control; education (informative talks to schools and community groups); promoting public campaigns; attending public events; working with partner agencies i.e. landlords, housing associations; speaking to businesses on customer habits e.g. cigarette butts outside pubs; travelling persons' sites (liaising with people on site, internal and external agencies); supply of black bags and arranging uplift while people in situ; monitoring area for waste deposits; second domestic bin monitoring; monitoring and approval of assisted pull-outs; graffiti investigations and removal; fly posting investigations and removal; community clean-ups; enforcement of fixed penalty notices and reports to the Procurator Fiscal; and liaising with housing associations and other agencies such as Police Scotland, SEPA and SSPCA.</p> <p>The Warden Service is involved in delivering a wide range of tasks which have a high public expectation in local service delivery.</p> <p>The Argyll and Bute Council area covers 2667 square miles. With the nine permanent wardens this equates to one warden covering 296.3 square miles. With the reductions proposed in this template, this would increase the area to 667 square miles per warden on average.</p>		
<b>Part B - Please summarise the savings proposal for consideration</b>		
<p>The budget for the warden service consists of staff costs and vehicles. Removing £140k/50% of the budget will result in removing half of the team.</p> <p>Due to legal requirements the following statutory tasks cannot be reduced or cease:</p> <ul style="list-style-type: none"> <li>• Dog control</li> <li>• Stray dogs</li> <li>• Abandoned vehicles – could be dealt with by the Roads Department</li> <li>• LEAMS (local environmental audit and management system)</li> </ul> <p><b>Implications/risks:</b></p> <ul style="list-style-type: none"> <li>• The remainder of the warden duties would be significantly reduced.</li> <li>• There would be a risk to income from commercial waste contracts</li> <li>• There would be a risk of increased cost, reduced income and detrimental effect to the environment through less compliance with recycling.</li> <li>• Reduced level of service could result in reputational damage and an increase in the number of complaints to the council.</li> </ul>		

**For this alternative delivery model please indicate the proposed savings and any FTE/Headcount reduction**

	2019-20			2020-21			2021-22		
	£'000	FTE	H/count	£'000	FTE	H/count	£'000	FTE	H/count
Sub saving description	105	5	5	140	5	5	140	5	5
Sub saving description									
Sub saving description									
<b>TOTAL</b>	<b>105</b>	<b>5</b>	<b>5</b>	<b>140</b>	<b>5</b>	<b>5</b>	<b>140</b>	<b>5</b>	<b>5</b>

**Please confirm whether an Equality and Socio Economic Impact Assessment (EqSEIA) is (a) required and (b) if it has been completed in respect of this proposal – tick as appropriate**

EqSEIA Required	Yes	
EqSEIA complete	Yes	
Sent to <a href="mailto:equality@argyll-bute.gov.uk">equality@argyll-bute.gov.uk</a>	Yes	

<b>Chief Executive</b>		<b>Ref: SSRVW01</b>
<b>Name of service delivery area</b>	<b>Management Review</b>	
<b>Responsible manager</b>	Executive Director of Customer Services/Chief Executive	
<b>Legislative basis for provision of the service – tick as appropriate</b>	<b>Budget</b>	
<b>Statutory duty</b>		£32.5m
<b>Statutory power</b>		£
<b>Non-statutory service</b>		£

**Part A – Please provide a summary of current service and how it is delivered**

The total council revenue budget is £234m. £71.5m is the responsibility of the two Education Heads of Service and £41.5m is covered by the three Heads in Development and Infrastructure Services. The other five Heads of Service in Customer Services and the Chief Executive's Unit cover mainly support services with a budget of £32.5m. The council relies on a range of professional support services to enable frontline services to continue to deliver and to ensure that the council meets the complex regulatory requirements, set down in statute, required of a democratic, public sector body. Support Services have evolved over time in response to statutory requirements, service change and customer feedback.

The current senior management arrangements with support service activities grouped under five Heads of Service have been in place since 2010. The most recent review of the support services as a whole was undertaken in 2013/14 when there was between 20—25% of savings made to each service along with some changes in responsibilities and alignment. Since then, changes have been restricted to service reviews or savings through service choices driven to meet savings targets set for each service – with no system wide consideration of any cross cutting impacts, amalgamations or delivery of savings through re-design. Potential synergies through bringing together groups of staff with common skill sets and the possibilities of reducing hand-offs between services where projects or pieces of work are of a multi-service nature have been identified. In addition, savings over that period have been concentrated on lower graded staff which has created perceptions of inequality across management layers.

The Heads of Support Services and their respective teams looked across all the 25 service activity template areas which had been created as part of the budget re-construction exercise. This was to avoid any narrow single service focus, challenge the status quo and encourage the suggestion of new solutions. The aim was to generate cost effective synergies which could be achieved through the re-grouping and integration of service “chunks” with the consequent removal of potential management and supervisory duplication of tasks and knowledge.

Following the initial stage of the review looking at potential synergies across the five heads of service remits that provide Support Services (Heads of Facility Services; Improvement and HR; Governance and Law; Strategic Finance; and Customer and Support Services) potential opportunities/ impacts on the remits of Heads of Service in Development and Infrastructure were identified. This has prompted a wider review of the senior management structure of the council which is exploring these opportunities and which will deliver a wider range of potential savings.

**Part B - Please summarise the savings proposal for consideration**

The outcome of the assessments by relevant management teams is the identification of a reduced number of service groupings which can be classified under thematic headings, which are based on an analysis of the nature, form and scope of the work carried out by staff when undertaking the service activity. It focuses on close relationships and connectivity in both the type of transactions undertaken and the skill sets and knowledge required of individuals and teams. Significantly, there was a largely consensus view across the range of services that this could be delivered. Assembling

services into a revised set of groupings provides more integrated and cohesive cohorts of skill sets, experience and knowledge which should translate into a robust intelligent client team to promote and protect the council's best interests. It should also develop a transferable skills base that should enhance career development and opportunities for support staff in this area in the longer term.

Whilst the final detail of the service groupings and consequently posts that will be affected is under development, there is a confidence that this is likely to result in a reduction in the total number of heads of service of two posts and a minimum of four 3<sup>rd</sup> tier posts in 2019/20 with the strong potential of further reductions being identified in future years.

As with all savings, there are risks associated with reducing the number of senior management posts within the council and members will be conscious of the reduction in capacity of the organisation to manage the wide range of services, responsibilities and communications. There is similarity to the reduction in the capacity of the organisation more generally over the last ten years. It will further broaden the range of services that any chief officer or 3<sup>rd</sup> tier manager is responsible for, making it increasingly likely that the subject specialists will sit at 4<sup>th</sup> tier or below. This is already a significant feature in the council but will be made even more evident.

The Support Services Review and then wider management review highlighted an opportunity to generate further savings which protect front line services. Given they have emerged from a bottom up approach they result in savings in management posts through the synergies of seamlessly joining up service teams, as a number of management posts could potentially be removed by implementing the proposed changes. These are not without impact on the overall management capacity of the organisation but, in the context of the financial position facing the council, require to be considered. Overall, this review is proposing a recurring annual full year saving of around £500,000 and assumes a part year delivery, in 2019/20 of £375K. The review has considered the wider management structure of the council and offers further potential efficiencies arising from a broader review covering the full council management structure. This work is well advanced and is expected to influence the final shape of the proposals for support services and to offer further efficiency savings for future years.

Taking forward these proposals would support the Chief Executive to report back on the wider management structure of the council, and this, together with permanent arrangements for the Education Service, would be encompassed within a future report.

**For this alternative delivery model please indicate the proposed savings and any FTE/Headcount reduction**

	2019-20			2020-21			2021-22		
	£'000	FTE	H/count	£'000	FTE	H/count	£'000	FTE	H/count
Management rationalisation	375	6	6	500	6	6	500	6	6
Sub saving description									
Sub saving description									
<b>TOTAL</b>	<b>375</b>	<b>6</b>	<b>6</b>	<b>500</b>	<b>6</b>	<b>6</b>	<b>500</b>	<b>6</b>	<b>6</b>

**Please confirm whether an Equality and Socio Economic Impact Assessment (EqSEIA) is (a) required and (b) if it has been completed in respect of this proposal – tick as appropriate**

EqSEIA Required	Yes	
EqSEIA complete	Yes	
Sent to <a href="mailto:equality@argyll-bute.gov.uk">equality@argyll-bute.gov.uk</a>	Yes	

## RE-CONSTRUCTING THE COUNCIL'S BUDGET

Head of Customer and Support Services		Ref: CSS02
<b>Name of service delivery area</b>		<b>Customer Service Points</b>
<b>Responsible 3<sup>rd</sup> Tier manager</b>		Robert Miller, Customer Service Engagement and Transformation Manager
<b>Legislative basis for provision of the service – tick as appropriate</b>		<b>Budget</b>
<b>Statutory duty</b>		£
<b>Statutory power</b>		£
<b>Non-statutory service</b>	YES	£ 398,976.55 (2018/19)

**Part A – Please provide a summary of current service and how it is delivered**

The Customer Service Points (CSPs) work alongside the Customer Service Centre (CSC) to provide mediated access for customers to the full range of council services; complementing the self service channels provided by the Web and Digital Service Teams. The council's nine CSPs have 17.56 FTE employees and provide the face to face (FTF) access that is still used by those customers who prefer not to use digital and also provide a FTF payment service that collected £2.56m in 2018/19. The nine CSPs are located in: Lochgilphead, Oban, Mull, Dunoon, Rothesay, Islay, Campbeltown, Helensburgh and Tiree. The CSPs are the base for the Registration Service and twelve CSP agents also act as registrars when needed, balancing out those workloads in an efficient way and providing essential cover to ensure statutory responsibilities are met.

In addition to the CSPs staffed with council agents, the service funds part time third sector agents based in council-owned premises on Jura and Colonsay, as part of the council's commitment to remote communities. The CSPs also provide the Blue Badge Service on behalf of the Health and Social Care Partnership, manage digital interview facilities for the Passport Office to facilitate the issuing of new passports in our remote communities and provide interview facilities for Police Scotland for those communities with no rural police station. In 2016 a cost comparison with the national SOCITM benchmark costs found the cost per FTF transaction in ABC to be £6.62 compared to the SOCITM cost of £8.62. Since 2016 the CSP headcount has reduced by 3.5 and Rothesay and Tiree CSPs were moved to part time opening.

Due to intertwined CSP and Registration delivery it is important to consider the workloads across both when evaluating the savings proposals below and these are shown in the table below:

Registration District/CSP	TOTAL REGISTRATION	TOTAL CIVIL CEREMONIES	Ranking by Registration Activity	Total CSP Service Requests Logged*	Ranking by CSP Request Activity
CAMPBELTOWN (3 FTE)	202	13	5	9363	3
COLL (HBR*)	0	0	13	0	N/A
COLONSAY (HBR + Funding)	3	1	12	0	N/A
DUNOON (3 FTE)	400	78	4	10862	2
HELENSBURGH (6 FTE)	942	111	1	26632	1
ISLAY (2.8 FTE)	89	15	8	6516	5
ISLE OF BUTE (1.5 FTE)	185	21	6	2815	7
JURA (HBR + Funding)	4	1	11	0	N/A
KILFINICHEN (HBR)	15	3	10	0	N/A
LOCHGILPHEAD (3 FTE)	431	140	2	4026	6
OBAN (3FTE)	451	81	3	8420	4
TIREE (0.4 FTE)	23	4	9	596	9
TOBERMORY (2 FTE)	95	36	7	2749	8
<b>TOTALS</b>	<b>2840</b>	<b>504</b>		<b>71979</b>	
*FTE cover CSP & Registration duties, HBR = Home Based Registrars				*Excludes Reception tasks	

**Part B - Please summarise the savings proposal for consideration**

Certain Customer Service Points could be further rationalised in terms of hours and employee numbers; largely due to lower customer service demand and the fact they don't provide a busy gateway to other services sharing the building. Islay, Campbeltown, Mull, Rothesay, Jura, Colonsay and Tiree are thus in scope

for rationalisation. These CSPs cannot be shut as they are still required for registration activities, passport and blue badge interviews and have occupants from other services. Closure would also represent a significant reduction in physical council presence in these areas. The proposal is therefore to:

1. Retain Helensburgh, Oban and Dunoon as at present with existing staffing and opening hours as these sites are high traffic, act as significant gateways to other services in the building and provide a lead registration office in each Area. They also have marriage/ceremony rooms to help meet statutory responsibilities in that respect.
2. Retain Lochgilphead with existing opening hours as it too is a gateway office, Registration District and has a marriage room, but much lower CSP traffic. Hence an existing 0.5 FTE LGE6 CSP agent post would be converted into a 0.5FTE LGE6 Marriage Officer post to further boost registration income for the West Area on a self-financing basis.
3. Move to part time service point hours at Mull, Campbeltown and Islay CSPs on the same basis as that currently in place for Rothesay (9am- 12.30), which would also be retained as is. Maintain registration staffing at these offices, but reduce service point staffing; with all retained staff becoming cross disciplinary agents/registrars. This also keeps marriage/ceremony facilities and existing Passport/Blue badge provision in these towns. Support Budget at these CSPs could be cut by £5kpa as a result of reduced opening hours.
4. Remove 0.5 FTE LGE6 CSP Agent from Campbeltown as a result of moving to part time opening. Cover can come from the nearby CSC. Repurpose the current 0.8 FTE LGE6 CSP agent on Islay to become a CSC agent to help cope with additional contacts arising from moving CSPs to part time working, but who can also provide CSP cover on Islay if needed. Remove 0.5 LGE6 CSP Agent from Mull as a result of moving to part time opening, although there is no ready cover at this CSP.
5. Close Tiree Service Point, cease funding for Jura and Colonsay Service Points and move to a solely home based registration service on these islands; as currently happens on Coll. Self service digital access to council services will provide an alternative given low volumes. This would save a 0.4 LGE6 CSP Agent post plus a £25k funding contribution; although the council owns the buildings and will need to maintain them unless they are offered as a community buy out resource.

#### Implications/risks:

- Reduced physical council presence on Tiree, Jura, Colonsay.
- Reputational risks.
- Building maintenance costs continue if no alternative use found for council-owned buildings.

**For this alternative delivery model please indicate proposed savings and any FTE/Headcount reduction.**

	2019-20			2020-21			2021-22		
	£'000	FTE	H/count	£'000	FTE	H/count	£'000	FTE	H/count
Reduce Agents at Campbeltown (0.5), Mull (0.5) and Tiree (0.4)	£18,200	1.4	1	£36,400	1.4	1	£36,400	1.4	1
Repurpose L'gilphead CSP agent to self fund Marriage Officer	£6,500	0.5	1	£13,000	0.5	1	£13,000	0.5	1
Contribution to local CSP on Colonsay and Jura	£12,500	0	0	£25,000	0	0	£25,000	0	0
Reduced CSP Support costs	£2,500	0	0	£5,000	0	0	£5,000	0	0
<b>TOTAL</b>	<b>£39,700</b>	<b>1.9</b>	<b>2</b>	<b>£79,400</b>	<b>1.9</b>	<b>2</b>	<b>£79,400</b>	<b>1.9</b>	<b>2</b>

Assumes savings in 2019/20 will commence from 1<sup>st</sup> October.

**Please confirm whether an Equality and Socio Economic Impact Assessment (EqSEIA) is (a) required and (b) if it has been completed in respect of this proposal – tick as appropriate**

EqSEIA Required	Yes	
EqSEIA complete	Yes	
Sent to <a href="mailto:equality@argyll-bute.gov.uk">equality@argyll-bute.gov.uk</a>	Yes	

<b>Head of Customer and Support Services</b>		<b>Ref: CSS03/05</b>
<b>Name of service delivery area</b>		<b>Administration of Council Tax and Housing Benefit, Scottish Welfare Fund, Welfare Reform and Anti-Poverty</b>
<b>Responsible 3<sup>rd</sup> Tier manager</b>		<b>Fergus Walker</b>
<b>Legislative basis for provision of the service – tick as appropriate</b>		<b>Budget</b>
<b>Statutory duty</b>	x	£1,382,481
<b>Statutory power</b>		£
<b>Non-statutory service</b>		£
<b>Part A – Please provide a summary of current service and how it is delivered</b>		
<p>The following services are administered across the council area:</p> <ul style="list-style-type: none"> <li>• 50,000 council tax and water/sewerage accounts</li> <li>• 6,600 live claims for Housing Benefit (HB) and Council Tax Reduction (CTR)</li> <li>• Paying out £21.3m in HB and £5.4m in CTR</li> <li>• Billing £65m in council tax, water and sewerage charges</li> </ul> <p>Front office services are delivered by the Customer Service Centre. Benefits staff are based across all the main towns and islands. Council tax staff are located in Campbeltown. A new council tax and benefits system went live in February 2018. This has reduced annual support and maintenance charges and will shortly provide enhanced online capabilities.</p> <p>Universal Credit Full Service (UCFS) is live in the area. Working age claimants will move from Housing Benefit when they have a specific change in circumstances between 2019 and 2023 and following managed migration starting Nov 2020. Around 40% of the Council's caseload are pension age claimants and will remain on Housing Benefit. CTR will continue to be administered for both pensioners and working age claimants for the foreseeable future. The Housing Benefit Administration grant funding provided by the DWP for 2018/19 is £319,323 which covers around 30% of the cost of the benefits service. This is expected to reduce significantly over the next four years with caseload reduction.</p> <p>The Debt Recovery Team oversees collections of Council Tax and Non-Domestic Rates debt passed to the contracted Sheriff Officers following summary warrant and also collections via attachments of benefit orders and water direct. There is c £26m council tax debt and £8m NDR debt placed with Sheriff Officers.</p> <p>CIPFA Directors of Finance performance indicators 2016/2017 show:</p> <ul style="list-style-type: none"> <li>• Council Tax: Gross cost of collecting Council Tax per chargeable dwelling is £6.85, well below Scottish average of £9.09; in year collection of council tax is 95.79% similar to Scottish average of 95.98%.</li> <li>• Benefits: Gross cost of Administration (GCA) per case is £60.22, well above Scottish average of £38.33. This is adversely affected by the level of distribution of staff across the area. The time for processing new claims for HB performance is 21 days which is below Scottish average of 22 days. The time for processing a change is five days compared to an average of six days.</li> </ul> <p>The Scottish Welfare Fund (SWF) is a national statutory scheme delivered by local authorities. It provides a safety net to people on low incomes. The Scottish Government provides administration funding of £64,863 for 2018/19 and distributes £438,740 programme funding. Our costs exceed the funding provided. The service currently sits in the Discretionary Benefit team which also administers Discretionary Housing Payments (DHP). Each year we receive around 1,500 Crisis Grant applications and 750 Community Care Grant applications.</p> <p>The service currently supports the Welfare Reform Working Group (WRWG) and the Anti-Poverty Strategy action plan. The group will be reformed as a Financial Inclusion and Advice Group from April 2019 and service input will continue to be required.</p>		
<b>Part B - Please summarise the savings proposal for consideration</b>		
<p>The cost of delivering the Benefits service is one of the highest in Scotland. There is a need to reduce these costs in particular. There are two significant factors that drive up these costs: 1) the service is delivered on a decentralised basis making the delivery of support to those distributed staff challenging and expensive; 2) the high level of specialist support staff for training, quality assurance (QA), and subsidy work</p> <p>We plan to reduce the number of assessment staff by three FTE – phased over two years. This can be achieved as follows:</p> <ul style="list-style-type: none"> <li>• Increase joint working between council tax and benefits staff to reduce handovers. There are currently around 250 processes per month where Council Tax liability changes affect benefit entitlement.</li> </ul>		



Service Restructure as above	60	3.6		135	5.6		135	5.6	
Additional income and cost savings	65	0	0	65	0	0	65	0	0
<b>TOTAL</b>	<b>125</b>	<b>3.6</b>		<b>200</b>	<b>5.6</b>		<b>200</b>	<b>5.6</b>	

**Please confirm whether an Equality and Socio Economic Impact Assessment (EqSEIA) is (a) required and (b) if it has been completed in respect of this proposal – tick as appropriate**

EqSEIA Required	Yes	
EqSEIA complete	Yes	
Sent to <a href="mailto:equality@argyll-bute.gov.uk">equality@argyll-bute.gov.uk</a>	Yes	

<b>Head of Customer and Support Services</b>		<b>Ref: CSS04</b>
<b>Name of service delivery area</b>	<b>Non-Domestic Rates (NDR), Sundry Debt, BIDs and MACC billing and collection, and Cash Collection</b>	
<b>Responsible 3<sup>rd</sup> Tier manager</b>	<b>Fergus Walker</b>	
<b>Legislative basis for provision of the service – tick as appropriate</b>	<b>Budget</b>	
<b>Statutory duty</b>	x	£424,904
<b>Statutory power</b>		£
<b>Non-statutory service</b>	x	£(not split out)
<b>Part A – Please provide a summary of current service and how it is delivered</b>		
<p>A combined Non-Domestic Rates and Sundry Debts team of 5 FTE is centrally located in Campbeltown. This team is generic to provide cover across both areas. It bills £38.5m annually in NDR across around 8,000 subjects and £27.4m annually in sundry debt income (nearly 35,000 invoices). Most sundry debtors input is done remotely by users distributed across the council. This team processes some invoices for smaller departments, and does all billing and follow up. Legal Services assist in chasing unpaid sundry debts.</p> <p>A cash and income collection team of 3.5FTE is based in Campbeltown. They handle all cash received through the post, control all transfers for cash received directly into the council's bank accounts including direct debits, standing orders, via post offices, DWP deductions, debit and credit card payments, and sheriff officer payments, and do daily bank reconciliations. They oversee bankings from Customer Service Points and other locations such as schools and Leisure Centres.</p> <p>CIPFA Director of Finance Performance Indicators show that:</p> <p>Non-Domestic Rates (NDR) (Statutory)</p> <ul style="list-style-type: none"> <li>• Cost of Collecting NDR per dwelling is £26.78 which is slightly above the Scottish average of £24.04. Costs vary largely with volume of NDR collected. Collections of NDR are excellent and average c 99% in common with all councils.</li> </ul> <p>Sundry Debt (Non-statutory)</p> <ul style="list-style-type: none"> <li>• The cost of collecting Sundry Debt as a % of the total value is 0.59% which is above the average of 0.37%. This varies primarily with value of debt being collected.</li> <li>• Collection rates are good. Income received as a % of the opening Sundry debt is 84.27% very close to Scottish average of 84.73%.</li> <li>• Our proportion of Debt Outstanding that is more than 90 days old is 29.86% - lower than the Scottish average of 40.73%</li> </ul> <p>The NDR and Sundry Debt Team bill and collect Business Improvement District (BIDS) levies under an operating agreement which provides the legal framework for this work. BID4OBAN and PA23BID have both recently successfully re-balloted and will be around for at least another five years. The income of £13,000 per annum for this work, along with cash collection income from MACC, funds a 0.5 FTE post to do this work. This work is non-statutory.</p> <p>We issue debtors invoices to businesses and residents at the Sound of Kintyre for sewerage charges on behalf of MACC. The council is paid £11 per invoice for the administration and collection of the revenue under an operating agreement which is due to expire on 31 March 2019. This generates income of £3,000 per annum for the council.</p>		
<b>Part B - Please summarise the savings proposal for consideration</b>		
<p>Ongoing essential core functions are:</p> <ul style="list-style-type: none"> <li>• The administration of Non-Domestic Rates (NDR) and Business Improvement Districts (BIDS)</li> <li>• The administration of the council's Sundry Debt invoicing system and the recovery of debt.</li> <li>• The effective recording of all council income and the reconciliation of the council's bank accounts.</li> </ul> <p>The minimum level of service for this service would mean the removal of 1FTE cash post. This is a due to increased efficiencies in the new bank reconciliation model to be implemented in 2018/19.</p>		

Income could be increased through provision of new billing and collection services in similar ways to those for the existing BIDs and for MACC, absorbing that work within the existing team and therefore saving at least £6,500 per annum through increased income.

In addition we propose investigating e-billing for NDR (not available in current system) to save printing, postage and stationery; reviewing payment patterns (improved impact on cash flow); charging penalties for non-return of information (not currently legal but expected to come in as a Barclay review recommendation).

We are proposing a further change which is largely cost neutral and which does not change the number of staff but which would assist with the smooth running of the service alongside the changes proposed for CSS03/5 (council tax, benefits, SWF and anti-poverty). This would be to combine the NDR and sundry debt team leader posts into a single post, with the systems admin team (in other template) taking up some of the work of the previous posts. In addition, there is a new more senior post proposed at LGE11. This will take on some of the responsibilities in the old Revenues Supervisor post which is being combined with the Benefits Performance and Development Manager post into a single new Council Tax and Benefits Operations Manager. This change to the structure of the service would save approximately £21,000.

Summary of FTE changes	2019-20 (and beyond)
Remove 1 NDR / sundry debt team leader post and replace with 1 NDR and Income Manager	0
Remove 0.5 Cash Supervisor	-0.5
Remove 0.5 clerical assistant (Cash) post	-0.5
<b>Total</b>	<b>-1.0</b>

**For this alternative delivery model please indicate the proposed savings and any FTE/Headcount reduction**

	2019-20			2020-21			2021-22		
	£'000	FTE	H/count	£'000	FTE	H/count	£'000	FTE	H/count
Sub saving Service Restructure	11	1		21	1		21	1	
<b>TOTAL</b>	<b>11</b>	<b>1</b>		<b>21</b>	<b>1</b>		<b>21</b>	<b>1</b>	

**Please confirm whether an Equality and Socio Economic Impact Assessment (EqSEIA) is (a) required and (b) if it has been completed in respect of this proposal – tick as appropriate**

EqSEIA Required	Yes	
EqSEIA complete	Yes	
Sent to <a href="mailto:equality@argyll-bute.gov.uk">equality@argyll-bute.gov.uk</a>	Yes	

## RE-CONSTRUCTING THE COUNCIL'S BUDGET

<b>Head of Customer and Support Services</b>		<b>Ref: CSS08-09</b>
<b>Name of service delivery area</b>	<b>Procurement and Commissioning Team</b>	
<b>Responsible 3<sup>rd</sup> Tier manager</b>	Anne MacColl-Smith	
<b>Legislative basis for provision of the service – tick as appropriate</b>	<b>Budget</b>	
<b>Statutory duty</b>	X	£970,404
<b>Statutory power</b>		£
<b>Non-statutory service</b>		£
<b>Part A – Please provide a summary of current service and how it is delivered</b>		
<p>Procurement support is provided to council services to procure required supplies/services/works to fulfil their statutory duties and non-statutory services, ensuring that the support adheres to the statutory duties referred to in the relevant procurement legislation.</p> <p>This support is delivered through Performance Improvement Officers, Category Management Officers, Trainee Purchasing Officers and Purchasing Assistants. This corporate team works via a category management structure which means that they provide direct support to the council's service teams to ensure best value is achieved. Service teams therefore have a lead procurement officer for their needs. The team has developed over the past six years via the council's Growing Our Own project. The team has recruited graduate trainees who receive training and mentoring over a three- year period whilst sitting their procurement exams. Once qualified they are able to progress in the team structure and this ensures we have qualified, suitably trained experienced staff delivering procurement services for the council.</p> <p>70 key contracts are contract managed by the service teams who are responsible for them. Training and support is provided by the Procurement Team to ensure that this is carried out effectively and efficiently. The introduction of the PCS-T Contract Management system will further improve this process. The roll-out of this new system is taking place in late 2018-19.</p> <p>PCT have a proven track record of achieving procurement savings through carrying out high quality front end procurement activity via market testing, category strategies, developing quality tender documentation, evaluation and contract award. Procurement savings achieved during 2017/18 totalled £3,822,889 (cash) and £78,719 (non-cash), for contracts active during the period. For new contracts awarded during the year, where budget information was available, savings against revenue budgets totalled £147,974 and £601,639 against capital budgets. However, once the contracts are awarded there is no real input from the PCT into the contract delivery by the supplier and therefore potential benefits could be missed by the council.</p>		
<b>Part B - Please summarise the savings proposal for consideration</b>		
<p>The alternative delivery model proposed maintains the existing FTE, albeit the skill sets and posts will develop and change. At this stage it is anticipated that £250k annual procurement savings are achievable as a result of the new team structure and emphasis on contract and demand management.</p> <p><b>Detail</b></p> <p>PCT use a standard savings toolkit to ensure consistent methods of recording savings. The aim of the toolkit is to help monitor and track the savings. The proposed restructure of the PCT is to ensure there is sufficient officer capacity to ensure we monitor those savings and contracts are delivered on time and on budget. These savings will be shared with the Head of Strategic Finance to enable Strategic Finance to have sight of savings being achieved on an ongoing basis and in agreement with the Director of Customer Services agree a mechanism to deduct savings from services budgets from financial year 2019/20 onwards.</p>		

The alternative delivery model will enable PCT to challenge services – how and what they are buying? What is being delivered? Are we maximising benefits? Do we need to buy at all? The model will allow the PCT to increase its focus on savings during the term of the contract and support services to challenge how/why they are buying good/supplies to deliver their outcomes.

PCT are proposing to introduce two new roles into the team – the Contract and Demand Management Officer post and PIO Procurement (Commissioning). The Contract and Demand Management Officer post will require to be job evaluated.

The alternative delivery model would introduce five new posts into the team as follows:-

1. One PIO Procurement (Commissioning) LGE12
2. Four contract and demand management officer posts (to be job evaluated) and will remove five existing posts.

The new model will consist of one new performance improvement officer, Procurement (Commissioning) being MCIPs qualified to ensure the statutory legal requirements are still being delivered, supported by one category management officer (existing post) and two new contract and demand officer posts replacing the existing contract monitoring officer posts.

The other two contract and demand management officer posts will be located in both the construction and environment category and corporate and education category. The new model within the commissioning team puts a clearer focus on the statutory procurement function and aligns it with the construction and environment and corporate and education categories.

The removal of the two existing performance improvement officer posts and the two contract and supplier monitoring officer posts within the commissioning side of the team will fund the restructure together with a vacant clerical assistant post.

**For this alternative delivery model please indicate the proposed savings and any FTE/Headcount reduction**

	2019-20			2020-21			2021-22		
	£'000	FTE	H/count	£'000	FTE	H/count	£'000	FTE	H/count
Sub saving description	250	0	0	250	0	0	250	0	0
Sub saving description	0	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>250</b>			<b>250</b>			<b>250</b>		

**Please confirm whether an Equality and Socio Economic Impact Assessment (EqSEIA) is (a) required and (b) if it has been completed in respect of this proposal – tick as appropriate**

EqSEIA Required	No	
EqSEIA complete		
Sent to <a href="mailto:equality@argyll-bute.gov.uk">equality@argyll-bute.gov.uk</a>		

## RE-CONSTRUCTING THE COUNCIL'S BUDGET

<b>Head of Customer and Support Services</b>		<b>Ref:CSS10</b>
<b>Name of service delivery area</b>	<b>Creditors Section</b>	
<b>Responsible 3<sup>rd</sup> Tier manager</b>	Anne MacColl-Smith	
<b>Legislative basis for provision of the service – tick as appropriate</b>	<b>Budget</b>	
<b>Statutory duty</b>	X	£276,303
<b>Statutory power</b>		£
<b>Non-statutory service</b>		£
<b>Part A – Please provide a summary of current service and how it is delivered</b>		
<p>The council has a legal duty to ensure suppliers are paid within 30 days or the supplier may enforce a punitive statutory interest charge. Councils across Scotland have a target of paying invoices within 30 days of receipt of goods or receipt of invoice, whichever is the later. All councils in Scotland are benchmarked in terms of their payment performance and a table is compiled annually. We as a council have exceeded our payment target of 94.5% for 2017/18 and it is anticipated that we will meet our target of paying a minimum of 95% of invoices within 30 days of invoice receipt for 2018/19. We also have a legal duty to pay elected members' allowances and expenses and to maintain/publish public information regarding these.</p> <p>Under the Construction Industry Scheme all council approved sub-contractors are classified into one of three categories. Two of these categories are potentially liable to the tax deduction of either 20% or 30% depending on the information provided on the respective invoice. The deducted amounts are paid at the end of each tax month to HMRC and the supplier is advised accordingly. Failure to adhere to this legislation can result in substantial penalties being incurred by the council.</p> <p>All invoices that have one of five Value Added Tax treatments shown should, under government legislation, be correctly processed in order for the council's monthly VAT return to be submitted to HMRC correctly. If an error is subsequently identified a mis-declaration must be made to HMRC. The penalties for not adhering to this legislation could be significant.</p> <p>All of the above services are provided by the Creditors Team consisting of ten people. The majority of staff carry out predominantly processing duties while the three senior members of staff are responsible for ensuring adherence to all of the above legislation.</p>		
<b>Part B - Please summarise the savings proposal for consideration</b>		
<p>The Creditors Team will continue to meet all its current statutory requirements however will deliver services under an alternative delivery model. There are further opportunities for the team to restructure, reducing their head count from ten to nine at the start of 19/20 financial year (this will be achieved due to temporary 35 hour per week contract ceasing as at 31<sup>st</sup> March 2019) and then from nine to eight at the start of 20/21 financial year with the loss of a 28-hour per week temporary contract. These are dependent on successful development of automated payment processes. These are as follows:-</p> <ul style="list-style-type: none"> <li>• Two new interfaces developed between separate software systems to reduce the number of invoices that require to be keyed manually.</li> <li>• Develop full use of My View system for travel and subsistence claims for all council employees and potentially elected members, although this may take longer to introduce. This will reduce the volume of claims to be processed manually, currently amounting to 150-200 monthly.</li> <li>• Increased use of purchase cards (where appropriate in procurement process).The Creditors Team has introduced the use of corporate purchase cards which will reduce costs and provide new rebates to the council based on the spend via our purchase card usage in 18/19 and 19/20. The Creditors Team will engage pro-actively with services to increase the number of suppliers paid by purchase cards.</li> <li>• Replace petty cash claims with purchase card payments where possible.</li> </ul>		

- Implementation of 'No System Purchase Order No Payment'. Departmental co-operation is essential; the project has already begun to ensure smooth transition for 19/20.
- In line with the change proposed by Facility Services cease support for milk subsidy claims or request financial benefit from subsidy received
- Introduce an automated system for new EMA (Education Maintenance Allowance) and School Clothing Grant recipients. Refunds for Council Tax and NDR are currently automated so the introduction of a similar style system will result in efficiencies both in terms of staff and payment time.
- Ensure that all Council Tax and NDR refunds are made by BACS. This will produce savings in postage, stationery and IT costs.

Implications/risks

- The reduction of the second FTE is dependent on successful delivery of the key interfaces as described above.
- There would be some upfront capital costs in delivering these which will be met from an earmarking of resource from the 2019-20 budget.
- Social Work and Property Services would be required to work alongside ICT and the Creditors Team in delivering these interfaces. Shortage of resources in these services has delayed this work previously.

	2019-20			2020-21			2021-22		
	£'000	FTE	H/count	£'000	FTE	H/count	£'000	FTE	H/count
Removal of 1 FTE in 19-20 and 1 FTE in 20-21 in Creditors these are creditors posts	16	1	1	35	1.8	2	35	1.8	2
Sub saving description									
Sub saving description									
<b>TOTAL</b>	<b>16</b>	<b>1</b>	<b>1</b>	<b>35</b>	<b>1.8</b>	<b>2</b>	<b>35</b>	<b>1.8</b>	<b>2</b>

**Please confirm whether an Equality and Socio Economic Impact Assessment (EqSEIA) is (a) required and (b) if it has been completed in respect of this proposal – tick as appropriate**

EqSEIA Required	Yes	
EqSEIA complete	Yes	
Sent to <a href="mailto:equality@argyll-bute.gov.uk">equality@argyll-bute.gov.uk</a>	Yes	

## RE-CONSTRUCTING THE COUNCIL'S BUDGET

<b>Head of Education: Lifelong Learning and Support</b>			<b>Ref: ED02</b>						
<b>Name of service delivery area</b>			<b>Central/Management Costs</b>						
<b>Responsible 3<sup>rd</sup> Tier manager</b>			Susan Tyre						
<b>Legislative basis for provision of the service – tick as appropriate</b>			<b>Budget</b>						
<b>Statutory duty</b>			£						
<b>Statutory power</b>			£						
<b>Non-statutory service</b>			√ £403,660						
<b>Part A – Please provide a summary of current service and how it is delivered</b>									
<p>The former Community Services establishment included a management trainee and part time admin assistant post which are vacant and there are no plans to recruit. Deletion of these posts have no impact in the current service delivery.</p>									
<b>Part B - Please summarise the savings proposal for consideration</b>									
<p>Vacant posts were inherited from the Community Services Directorate in 2018, following an internal restructure of Directorates. These have been absorbed within the Education Central Support team and have provided an opportunity to realise savings. It is proposed that two vacant posts (1.5FTE) are removed from the current structure to deliver a saving of approximately £49k.</p>									
<b>For this alternative delivery model please indicate the proposed savings and any FTE/Headcount reduction</b>									
	<b>2019-20</b>			<b>2020-21</b>			<b>2021-22</b>		
	£'000	FTE	H/count	£'000	FTE	H/count	£'000	FTE	H/count
Vacant Post Removal	49	1.5	0	49	1.5	0	49	1.5	0
<b>TOTAL</b>	<b>49</b>	<b>1.5</b>	<b>0</b>	<b>49</b>	<b>1.5</b>	<b>0</b>	<b>49</b>	<b>1.5</b>	<b>0</b>
<b>Please confirm whether an Equality and Socio Economic Impact Assessment (EqSEIA) is (a) required and (b) if it has been completed in respect of this proposal – tick as appropriate</b>									
EqSEIA Required			No						
EqSEIA complete									
Sent to <a href="mailto:equality@argyll-bute.gov.uk">equality@argyll-bute.gov.uk</a>									

<b>Head of Education</b>		<b>Ref: ED05</b>
<b>Name of service delivery area</b>	Education Community Learning - Service Redesign	
<b>Responsible 3<sup>rd</sup> Tier manager</b>	Martin Turnbull	
<b>Legislative basis for provision of the service – tick as appropriate</b>		<b>Budget</b>
<b>Statutory duty</b>		£
<b>Statutory power</b>		£
<b>Non-statutory service</b>	√	£1.3M – CLD may be considered a non-statutory service, however there are statutory and regulatory requirements on the Council - <ul style="list-style-type: none"> <li>• Provide adequate and efficient provision of CLD in their area (The Education (Scotland) Act 1980).</li> <li>• To assess need and publish a CLD plan every three years (CLD (Scotland) Regulations 2013).</li> <li>• CLD provision is inspected by HMI (Education Scotland) who publish CLD specific area inspection reports based on their findings.</li> </ul>

#### **Part A – Please provide a summary of current service and how it is delivered**

Community Learning & Development is a professional practice that enables adults and young people to identify their own individual and collective goals, to engage in learning and to take action to bring about change for themselves and their communities.

- Adult learning provides a range of learning opportunities for over 16's that fall under the thematic headings of Employability, Confidence and Wellbeing and Progression. These themes include accredited learning and literacy and numeracy support.
- Youth Services work with young people, aged 11 to 25 to improve their life chances through learning, personal development and active citizenship. Developing the Young Workforce (DYW) and Opportunities for All focus on preparing young people for the world of work, supporting them into positive destinations and reducing youth unemployment.

The service is delivered by teams of qualified CLD Workers and Assistants consisting of 41 posts (30.31FTE).

Adult Learning and Youth Services now operate together under the title of Community Learning and are located within the Education Service. Since the two services were aligned progress has been made towards developing shared plans and outcomes, however there is a need to redesign the service structure to address issues around line management, remits, career progression/development, and staff retention.

#### **Part B - Please summarise the savings proposal for consideration**

The Community Learning Manager was instructed by the Transformation Board to develop service delivery models based on specific budget allocations. This proposal is based on one of the models produced for that exercise.

This service redesign aims to achieve the saving target of £330k, whilst also ensuring a structure is implemented that will provide a robust framework for service delivery within the budget available. The majority of the Community Learning Budget is allocated to staffing costs and the proposed savings will be achieved by the following reduction in posts –

- 1 FTE x LGE 12 Managers Post
- 2 FTE x LGE 9 CLD Posts
- 7.51 FTE x LGE 7 Admin/Youth Work Assistants/Adult Learning Assistants
- An overall reduction of 0.56 FTE in LGE 8 Literacy and Numeracy provision.

The loss of these posts will result in a significant reduction in capacity, which will directly impact on the level of service on offer to vulnerable and disadvantaged young people and adults.

The proposed model deploys Community Learning practitioners (1 x Adult Learning, 1 x Youth Work, 0.5 x Literacy and Numeracy) in each of the six population centres of Helensburgh, Dunoon, Bute, Lochgilphead, Campbeltown and Oban. There will be a limited outreach provision offered to other rural and island communities.

An extra LGE 11 team leader post will be created to make up three team leader posts along with a new LGE 9 Community Learning Improvement Officer post.

In addition to the savings to be achieved on staffing a £20k reduction in revenue budgets will include Young Scot Membership, Outdoor Advisor costs, Playscheme Travel Passes and Adult Learning Course provision. Talks will be held with Young Scot to negotiate a reduced annual payment to ensure Young Scot Cards continue to be available to young people.

**For this alternative delivery model please indicate the proposed savings and any FTE/Headcount reduction**

	2019-20			2020-21			2021-22		
	£'000	FTE	H/count	£'000	FTE	H/count	£'000	FTE	H/count
Community Learning Service Redesign	248	10.07	18	330	10.07	18	330	10.07	18
<b>TOTAL</b>	<b>248</b>	<b>10.07</b>	<b>18</b>	<b>330</b>	<b>10.07</b>	<b>18</b>	<b>330</b>	<b>10.07</b>	<b>18</b>

**Please confirm whether an Equality and Socio Economic Impact Assessment (EqSEIA) is (a) required and (b) if it has been completed in respect of this proposal – tick as appropriate**

EqSEIA Required	Yes	
EqSEIA complete	Yes	
Sent to <a href="mailto:equality@argyll-bute.gov.uk">equality@argyll-bute.gov.uk</a>	Yes	

## RE-CONSTRUCTING THE COUNCIL'S BUDGET

<b>Head of Education, Learning and Teaching</b>		<b>Ref: ED06</b>
<b>Name of service delivery area</b>	<b>Instrumental Music Tuition Service</b>	
<b>Responsible 3<sup>rd</sup> Tier manager</b>	Alison MacDonald, Education Manager	
<b>Legislative basis for provision of the service – tick as appropriate</b>	<b>Budget</b>	
<b>Statutory duty</b>		£
<b>Statutory power</b>		£
<b>Non-statutory service</b>	√	£ 334,391
<b>Part A – Please provide a summary of current service and how it is delivered</b>		
<p>The Music Tuition service in Argyll and Bute is provided for the following groups of instruments which are locally determined: strings, piping, pipe band drumming, woodwind and brass. All children in P4/5 receive an offer of one year of free music tuition that will comprise of at least 26 lessons or a progressive class music experience totalling at least 12 hours. A lesson is 25 minutes long, may be individual, or group depending on local circumstance. Out of 850 pupils in that age group offered tuition this year, 399 (47%) took it up. Thereafter, parents have the option of continuing to purchase the service unless the pupil qualifies for free tuition within one of the following two exemption categories:-</p> <ul style="list-style-type: none"> <li>• Receive free school meals</li> <li>• SQA candidates</li> </ul> <p>In addition to those categories, pupils are able to continue with music lessons by purchasing additional lessons. Music is unique amongst school subjects in offering subsidised additional tuition outwith routine class timetabling. The pattern of service delivery is largely historically based and there is no common provision across the secondary estate and associated primary clusters. 13.34 FTE music instructors are employed to deliver the service. Additionally, Head Teachers can choose to augment provision from within the DMR school budgets to enhance local provision.</p> <p>The net annual budget for 2018/19 is £334,391. A historical saving of £109,000 from the Music Service Review proposal agreed in 2013 had been creating a recurring annual overspend, however, at the Council budget meeting in February 2018 it was agreed that this cost pressure would be funded from the mainstream revenue budget. The total income budget for 18/19 is made up of £132,646 from pupil fee income, £30.6k from an Argyll Piping Trust grant and a historical £10k additional grant income for administration.</p> <p>In 15/16, 1227 pupils received lessons. In 16/17, a budget decision was taken to increase the fees by 50%. In 17/18 the number of pupils taking lessons had dropped to 957 (05/2/2018), a 22% reduction. Over the same period, the percentage of pupils receiving free lessons has risen from just over 40% to 51%. Over the last two years, the number of pupils who did not continue after the free introductory year was 48% and 33% respectively.</p> <p>The term charge for lessons in 2018/19 is £80 equating to an annual cost of £240. There is a small percentage reduction for a sibling and, due to an Argyll Piping Trust subsidy, piping lessons in some areas of Argyll and Bute cost £116.49 annually, a 50% discount. The total additional income generated following the 50% price increase was only 10% due to the drop off in pupil uptake.</p> <p>The number of pupils receiving the service in February 2018 in each secondary cluster and number of staff in each is shown in the undernoted table. It should be noted that overall, nine out of ten pupils do not receive music instruction. 14% of pupils above P4 accessed instrumental music tuition. The percentage of pupils receiving lessons is highest in South Kintyre and Mid Argyll. In these areas the percentage is double that in Bute and Cowal and Oban and Lorn. Only one in twenty pupils receive instruction in Helensburgh and Lomond and North Kintyre.</p>		

**February 2018:**

Area	Roll	Number of pupils learning an instrument	% of pupils learning an instrument	FTE staff
South Kintyre	882	171	19.4	2.1
Bute & Cowal	2252	176	7.8	2.74
Helensburgh & Lomond	3011	151	5	2
Mull	352	43	12.2	0.4
Mid Argyll	963	174	18	2.2
North Kintyre	188	8	4.3	0.2
Oban & Lorn	1925	175	9	2.6
Islay	404	59	14.6	1.1
<b>Total</b>	<b>9977</b>	<b>957</b>	<b>9.6</b>	<b>13.34</b>

Tiree, Coll, Colonsay, Lismore, Jura and Luig are not included in the numbers above as these schools receive money from YMI for Islands Projects. Tiree has a piping tutor funded by the community who comes in from Glasgow.

**Part B - Please summarise the savings proposal for consideration**

Consideration has been given to seeking a contribution from secondary school clusters for DMR funds and/or Pupil Equity Funding to pay for part of the service but this is not viewed as a viable option. The alternative options are to try and increase fee income or reduce staffing costs. Fee increases over the last three years have resulted in a year on year drop in pupil numbers using the service and over the last two years no material increase in income. Consequently, a reduction in staffing numbers is considered the most effective manner in which to achieve savings from the service. It is proposed that over a two year period there is a reduction of 1.3 posts from the overall staff group of 13.34 FTE. The 13.34 FTE staff group are all employed on teacher terms and conditions. In January 2011 the Council removed the employment guarantee for teachers and the Council's Redundancy Policy and procedures now specifically confirms common application to all employees. The Joint Secretaries were approached and confirmed that the matter is for local determination, not for national determination. Therefore, there is provision to make music instructors redundant, but the Union is opposed to the position. Expressions of interest in voluntary redundancy could be sought. These staff are not included in the annual teacher number count.

**Implications/risks:**

- Reputational risk
- Service availability as a result of proposed staff changes

**For this alternative delivery model please indicate the proposed savings and any FTE/Headcount reduction**

	2019-20			2020-21			2021-22		
	£'000	FTE	H/count	£'000	FTE	H/count	£'000	FTE	H/count
Reduce staffing cost	27	1	1	61	1.3	TBC	61	1.3	TBC
Sub saving description									
Sub saving description									
<b>TOTAL</b>	<b>27</b>	<b>1</b>	<b>1</b>	<b>61</b>	<b>1.3</b>	<b>TBC</b>	<b>61</b>	<b>1.3</b>	<b>TBC</b>

**Please confirm whether an Equality and Socio Economic Impact Assessment (EqSEIA) is (a) required and (b) if it has been completed in respect of this proposal – tick as appropriate**

EqSEIA Required	Yes
EqSEIA complete	Yes
Sent to <a href="mailto:equality@argyll-bute.gov.uk">equality@argyll-bute.gov.uk</a>	Yes

APPENDIX 7  
SERVICE SUMMARY OF BUDGET POSITION 2019-20

Department	Service	2018-19	Additional Pay	Other Base	Settlement	Updated Base	Employee	Non-Pay	Cost and	Live Argyll	Measures to	Adjustment to	Social Work	2019-20 Draft
		Budget	Inflation	Budget	Commitments	Budget	Budget	Inflation -	Demand	Management	Balance the	HSCP	Pressures	
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Council Departments:</b>														
Chief Executive's Unit	Chief Executive	813	3	0	25	841	21	0	0	0	0	0	0	862
Chief Executive's Unit	Strategic Finance	1,642	14	0	0	1,656	64	0	0	0	(21)	0	0	1,699
Customer Services	Director of Customer Services	18,951	4	(215)	0	18,740	29	345	349	113	(452)	0	0	19,124
Customer Services	Customer and Support Services	8,163	45	0	0	8,208	304	0	19	0	(192)	0	0	8,339
Customer Services	Facility Services	12,792	48	(427)	0	12,413	382	189	137	0	(88)	0	0	13,033
Customer Services	Governance and Law	1,980	16	(4)	0	1,992	81	0	0	0	0	0	0	2,073
Customer Services	Improvement & Strategic HR	2,818	17	0	(6)	2,829	109	0	0	0	0	0	0	2,938
Development and Infrastructure Services	Director of Development & Infrastructure Services	131	4	0	0	135	17	0	0	0	(116)	0	0	36
Development and Infrastructure Services	Economic Development	4,087	20	(62)	0	4,045	(73)	0	0	0	(355)	0	0	3,617
Development and Infrastructure Services	Planning and Regulatory Services	5,914	41	0	0	5,955	228	0	68	0	(465)	0	0	5,786
Development and Infrastructure Services	Roads and Amenity Services	21,404	75	(958)	0	20,521	697	257	266	0	(1,883)	0	0	19,858
Education	Education	75,236	70	(18)	79	75,367	4,091	16	608	0	(775)	0	0	79,307
<b>Non Departmental:</b>														
Joint Boards	Joint Boards	1,374	0	0	0	1,374	0	0	0	0	0	0	0	1,374
Other Operating Income & Expenditure	Elected Members	1,106	14	(1)	0	1,119	27	0	0	0	0	0	0	1,146
Other Operating Income & Expenditure	Sundry Services	899	0	204	0	1,103	1	86	13	0	(656)	0	0	547
Other Operating Income & Expenditure	Unfunded Pensions	1,554	0	0	0	1,554	0	0	0	0	0	0	0	1,554
<b>Non Controllable Costs:</b>														
Insurances		1,101	0	0	0	1,101	0	0	0	0	0	0	0	1,101
Non Domestic Rates		4,462	0	0	0	4,462	0	138	0	0	0	0	0	4,600
Apprenticeship Levy (Council)		563	0	(19)	0	544	0	0	0	0	(80)	0	0	464
Capital Charges (loans charges)		14,923	0	1,647	0	16,570	0	0	0	0	(1,298)	0	0	15,272
<b>COUNCIL TOTALS</b>		<b>179,913</b>	<b>371</b>	<b>147</b>	<b>98</b>	<b>180,529</b>	<b>5,978</b>	<b>1,031</b>	<b>1,460</b>	<b>113</b>	<b>(6,381)</b>	<b>0</b>	<b>0</b>	<b>182,730</b>
<b>Health and Social Care Partnership:</b>														
Integration Services	Chief Officer	(12,202)	1	0	1,980	(10,221)	(58)	(287)	0	0	0	0	(3,183)	(13,749)
Integration Services	Adult Care	54,641	103	(145)	188	54,787	743	970	968	0	0	0	0	57,468
Integration Services	Children & Families	13,548	61	(44)	0	13,565	355	83	226	0	0	0	0	14,229
Integration Services	Head of Strategic Planning and Performance	402	3	0	0	405	15	0	0	0	0	0	0	420
<b>SOCIAL WORK TOTAL</b>		<b>56,389</b>	<b>168</b>	<b>(189)</b>	<b>2,168</b>	<b>58,536</b>	<b>1,055</b>	<b>766</b>	<b>1,194</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(3,183)</b>	<b>58,368</b>
Rounding		1				1								
<b>TOTAL</b>		<b>236,303</b>	<b>539</b>	<b>(42)</b>	<b>2,266</b>	<b>239,066</b>	<b>7,033</b>	<b>1,797</b>	<b>2,654</b>	<b>113</b>	<b>(6,381)</b>	<b>0</b>	<b>(3,183)</b>	<b>241,098</b>
<b>Funding:</b>														
Scottish Government Funding														190,215
Additional Funding for Teachers Pensions (Estimate)														1,458
Council Tax Income														50,207
Council Tax - Saving Options														250
General Fund Reserves														0
<b>OVERALL FUNDING SURPLUS / (GAP)</b>														<b>1,032</b>

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**ARGYLL AND BUTE COUNCIL**  
**STRATEGIC FINANCE**

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**COUNCIL**  
**21 FEBRUARY 2019**

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**REVENUE BUDGET 2019-20**  
**FEES AND CHARGES**

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**1 EXECUTIVE SUMMARY**

- 1.1 This report provides Members with information in relation to fees and charges for 2019-20.
- 1.2 The Council raises fees and charges for a number of services it delivers and a review of the level of fees and charges is carried out each year.
- 1.3 The general increase to fees and charges is proposed at 3% for 2019-20. This was the increase applied each year between 2013-14 and 2015-16, with a 6% increase applied in 2016-17 and another 3% applied in 2017-18 and 2018-19. This general inflationary increase would equate to additional income of £0.270m.
- 1.4 There are further increases recommended over and above inflation and these are included within paragraph 3.2.3. The charges with an asterisk are not already included within the additional income of £0.270m and are estimated to generate a further £0.050m if approved.
- 1.5 There is a separate report to the Policy and Resources Committee on 14 February 2019 in relation to the proposed parking pilot for Oban, Lorn and the Isles.
- 1.6 Proposals for new charges are noted in section 3.3 and relate to registrars printing copy certificates, pre-application meetings and private water supplies. It is recommended that all new charges are implemented from 22 February 2019 rather than wait until the new financial year.
- 1.7 The changes proposed to the Social Work fees and charges are noted within section 3.4. and have been the subject of a report to the Integrated Joint Board on 30 January 2019.
- 1.8 The 3% additional increase over and above general inflation on piers and harbours is estimated to generate additional income of £0.164m which is ring fenced to fund asset improvements.
- 1.9 There is information on the charges where there is no proposed increase in section 3.6 and a note on charges where they are set by others in section 3.7.
- 1.10 All fees and charges are included within the attached schedule of charges, except for the proposed parking pilot. The schedule will be updated to reflect these new charges if they are approved.

**REVENUE BUDGET 2019-20**  
**FEES AND CHARGES**
**2. INTRODUCTION**

2.1 This report provides Members with information in relation to fees and charges for 2019-20.

**3. DETAIL**

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

**3.2 General Inflationary Increase and Other Increases**

3.2.1 The general increase to fees and charges is proposed at 3% for 2019-20. This was the increase applied each year between 2013-14 and 2015-16, with a 6% increase applied in 2016-17 and another 3% applied in 2017-18 and 2018-19. This general inflationary increase would equate to additional income of £0.270m.

3.2.2 In some cases fees and charges are rounded up or down and that gives a variation from the simple 3%. For some smaller charges, the rounding effect may mean that the charge remains the same.

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

<b>Description</b>	<b>Increase</b>	<b>Reason for Increase</b>
Street Naming	6%	Requesting increase of 6% in line with benchmarking data.
Recycling Charges	8%	Requesting increase of 8% in line with benchmarking data.
Commercial Refuse Collection and Disposal	4%	Due to standard inflation plus landfill tax which is set by the Scottish Government.
Local Authority Residential Care Provision	6%	To bring the charge into line with the average weekly cost of providing the service.
Sleepover Services	18%	To reflect the increased cost of buying the service when sleepover rates are brought in to line with the Scottish Living Wage from late March 2019.
* Off-Street Parking	10p increase	This increase reflects that there

Charges		has been no increase since 2016-17 as the minimum coinage for the *parking meters is 10p.
* On Street Parking Charges	20p increase	This increase reflects that there has been no increase since 2016-17 as the minimum coinage for the parking meters is 10p. It also maintains the differential with off-street parking and promotes off-street parking for longer stays.
* Increase for commercial parking	20%	Commercial Parking generates less income for the same area as car parking charges and the increase seeks to partially re-address this imbalance.
* Increase to permit charges	5%	Increase to better reflect the actual cost of officer time to put in place permits.
* Increase to TTROs	5%	Increase to better reflect the actual cost of officer time to put in place TTROs.

\* The charges with an asterisk are not already included within the additional income of £0.270m and are estimated to generate a further £0.050m if approved.

3.2.4 There is a separate report to the Policy Resources Committee on 14 February 2019 in relation to a proposed parking pilot for Oban, Lorn and the Isles. The report provides for:

- Various permit options including the expansion of permits to include weekly and monthly permits
- A one off annual direct debit payment of £489 (same cost of cash payment)
- A monthly direct debit payment of £50
- All direct debit payments to run continuously until cancelled.

### 3.3 Proposed New Charges

3.3.1 There are a number of new charges proposed and it is recommended that these are implemented from 22 February 2019, rather than wait until the new financial year.

3.3.1 New charges are proposed within the registrars service for printing copy certificates in order to cover the administration and copying costs.

- Printing a copy certificate and delivering within the UK - £15.50
- Printing a copy certificate and delivering outwith the UK - £17.00.

3.3.2 Further to the extension of planning pre-applications charges agreed last year, there is a proposed revision to the chargeable pre-application service to introduce chargeable initiation and follow up meetings, based on customer feedback, expected to stimulate demand for the service through provision of the added flexibility of engagement requested by professional customers to progress

more complex proposals efficiently to formal application stage. It is expected that any additional income will maintain the current budgeted level of income.

- Pre-application initiation and follow up 30 minute meeting - £36.00
- Pre-application initiation and follow up 1 hours meeting - £72.00
- Pre-application initiation and follow up 2 hour meeting - £110.00.

3.3.3 A report to the Planning, Protective Services and Licensing Committee in December 2018 outlined the impact of the Water Intended for Human Consumption (Private Supplies) (Scotland) Regulations 2017 to the Council and proposed a revised charging policy in respect of statutory monitoring samples which are taken from regulated private water supplies (i.e. there is a commercial business using the supply). Those charges are reflected in the fees and charges schedule attached to this report.

### 3.4 Social Work Charges

3.4.1 A report was submitted to the Integration Joint Board (IJB) on 30 January 2019 regarding changes to the Council's Non-Residential Charging Scheme (please note that the scheme is not delegated to the Integration Joint Board and is a reserved matter to the Council). The report provided details on the implementation of Frank's Law, which extends free personal and nursing care to under 65s from 1 April 2019, and confirmation of the annual inflationary increase to rates including further detail on two above inflation increases affecting charges for sleepover services and care home placements in the HSCP's own care homes which have proposed increases of 18% and 6% respectively in order to ensure that the charges reflect the cost of delivering services. The impact of these changes on service users will be limited due to the means testing of sleepover charges and the increase in care home charges impacting a small group of current care home residents who own capital and assets worth in excess of £27,250.

3.4.2 The IJB was also asked to endorse the introduction of three new charges for Telecare services to generate additional income and reflect the evolution of Telecare equipment and its benefits beyond the traditional community alarm provision which has been provided historically. Early estimates suggest that the amount of additional income generated based on the current use of the services affected will be in the region of £0.020m per annum.

<b>Description</b>	<b>Amount</b>
Non - Residential Services - Telecare - Care Assist System - per week	4.50
Non - Residential Services - Telecare - Mobile Devices and Monitoring - per week	2.50
Non - Residential Services - Telecare - Canary System - per week	2.00

3.4.3 The IJB was further asked to endorse the following two changes to the Non-Residential Care Charging Scheme's means test:

#### **Charging Taper Percentage**

The charging taper percentage is currently set at 75%. The calculation example below provides a simple illustration of how the taper percentage is used to calculate a service user's weekly charge:

<b>Description</b>	<b>Amount £</b>
Service user's assessable weekly income	200
Less the weekly allowance left with the service user for living costs	(100)
Residual income (ie income left after taking account of living costs)	100
Service user charge = residual income multiplied by the 75% charging taper percentage	75

It is proposed that the taper percentage is increased to 80% from April 2019 in order to generate additional income to fund service delivery. This would result in a 6.7% increase in the fees paid by the 369 service users who currently pay for their services, amounting to an estimated annual increase in income of circa £0.045m – subject to the impact of Frank's Law which won't be known until all of the affected service user's charges are re-calculated in February/March 2019.

### **Maximum Weekly Charge for Means Tested Services**

To ensure that the means test is fair and does not expose service users to excessive care charges, weekly charges for means tested services are currently capped at £100 per week. The £100 cap has been in place since the charging scheme was introduced in 2011 and has now fallen behind service costs and service user income levels. Subsequently, in order to bring the cap up to date, it is proposed to increase the maximum charge to £125 per week from April 2019. As at December 2018, there were 62 service users whose charge was capped at £100 who would pay up to a maximum of £25 per week more towards their care costs – subject to the impact of Frank's Law. Depending on the circumstances of the individuals affected and the impact of Frank's Law, the additional income generated as a result of this change will range from £0 to a maximum of £0.080m per annum.

- 3.4.4 Finally, the IJB was asked to endorse a Direct Payment First policy in relation to the collection of care charges from service users unless there is a substantive reason for not doing so, such as capacity to give instruction, no access to a suitable bank account or, as raised by an IJB member, where the service user would be likely to incur bank charges as a result of an attempt to collect fees by Direct Debit where they frequently had insufficient funds available in their account. The policy would come into effect from April 2019 with service users having the option to complete a Direct Debit mandate with their care manager, by post via their local Social Work Office or over the phone via the Council's customer contact centre.
- 3.4.5 The Council currently operates a voluntary scheme for people paying their care charges by Direct Debit. At the moment, approaching 60% of the people who pay for their care fees pay via Direct Debit. Our objective is to increase this percentage to as close to 100% as possible in order to improve convenience

and protection for service users, increase collection rates, reduce bad debt charges to the IJB (£0.065m in 2017/18) and reduce payment transaction and recovery costs.

3.4.6 All of the above changes to the Non-Residential Care Charging Scheme were agreed by the IJB for submission to the Council for final approval and the Council is asked to approve the changes which would come into effect from 1 April 2019.

3.4.7 In addition to the above, there remain a number of social work charges which have yet to be finalised. These include those that are set nationally, those which are based on service budgets which are not yet approved by the IJB and those that are subject to negotiation with service providers and COSLA. These include fees and charges that include benefit allowance rates set annually by the Department for Work and Pensions and the personal expenditure allowance for people living in care homes which is set by the Scottish Government, both of which affect the charges for the provision of residential respite services.

### **3.5 Piers and Harbours**

3.5.1 Harbour Fees have been increased by a total of 6%. This 6% increase is split 3% general inflationary increase and 3% additional income which is ring fenced to fund asset improvement and sustainability within the piers and harbours. This is estimated to generate an additional income of £0.164m.

### **3.6 No Inflationary Increase**

3.6.1 There are a number of fees where no inflationary increase has been applied, as follows:

- Homeless Temporary Accommodation – only the service charge is subject to inflation because the rate is linked to the Local Housing Allowance to keep them affordable.
- Helensburgh and Lomond Civic Centre Hire charges for rooms and halls. These charges were only introduced in October 2018 and have not been inflated to allow time for this business to develop.
- Sale of meals and milk to pupils. A 10% increase was introduced in 2018-19 and a further increase could be considered in the future taking into consideration price/uptake.
- Public Convenience entrance fee due to the refurbishment of the turnstiles.
- Blue Badges - currently charging the maximum allowed.
- Customer Services Licences – Fees set for 3 years as of June 2018.

### **3.7 Fees set by Others**

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

- Registrars Fees as these are set by the Registrar General and the last fees were set in January 2011. It was expected that the fees will increase in January 2019 but the new rates are not yet known.
- Removal of abandoned car – this charge is set by legislation.

- Petrol Storage Certificate
- Explosives/Fireworks License and Registration
- Private Water Supplies
- Dog Fees
- Landfill Tax
- Approved Rate for Residential/Nursing Care – rate not advised by COSLA yet.
- Roads Inspection charges, set by Roads Authority and Utility Committee (Scotland).
- Penalty Charges notices set by the Scottish Government.

#### **4. CONCLUSION**

- 4.1 The general inflationary increase would equate to additional income of £0.270m within 2019-20. There are further increases recommended over and above inflation in respect of some roads and amenity services and these would generate further income of £0.050m.

#### **5. IMPLICATIONS**

- 5.1 Policy – Outlines the proposed increases to fees and charges for 2019-20.
- 5.2 Financial - Outlines the increased income as a result of changes to fees and charges.
- 5.3 Legal – None.
- 5.4 HR – None.
- 5.5 Fairer Scotland Duty – Mainly inflationary increases therefore limited equalities impact.
- 5.6 Risk – Minimal risk.
- 5.7 Customer Service - Minimal risk in respect of the inflationary increases.

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

**Kirsty Flanagan  
Head of Strategic Finance  
6 February 2019**

Appendix 1 – Schedule of Fees and Charges

## Fees and Charges for 2019-20

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Description	Other	2018/19				2019/20				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>SOCIAL WORK</b>												
Local Authority Residential Care Provision (Community Care) Weekly Charge		1,243.90	Outwith the Scope	0.00	1,243.90	1,313.73	Outwith the Scope	0.00	1,313.73	69.83	6%	Increase exceeds 3% as charge has been right-sized to reflect budgeted costs.
Residential Service - Respite - Pension Age (weekly charge)		194.00	Outwith the Scope	0.00	194.00	TBC	Outwith the Scope	0.00	TBC	0.00	0%	Subject to annual benefit uplift, details of which are not available from DWP yet.
Residential Service - Respite - Working Age 25+ (weekly charge)		110.40	Outwith the Scope	0.00	110.40	TBC	Outwith the Scope	0.00	TBC	0.00	0%	Subject to annual benefit uplift, details of which are not available from DWP yet.
Residential Service - Respite - Working Age 18 -24 (weekly charge)		95.20	Outwith the Scope	0.00	95.20	TBC	Outwith the Scope	0.00	TBC	0.00	0%	Subject to annual benefit uplift, details of which are not available from DWP yet.
Approved Weekly Rates for Private Providers - Residential Care - Elderly rate, as per COSLA Agreement		TBC	Outwith the Scope	0.00	TBC	TBC	Outwith the Scope	0.00	TBC	0.00	0%	Await outcome of discussions between COSLA and care home providers. Subject to National Care Home Contract.
Approved Weekly Rates for Private Providers - Residential Care - Enhanced Residential Rate (specific criteria)		TBC	Outwith the Scope	0.00	TBC	TBC	Outwith the Scope	0.00	TBC	0.00	0%	Await outcome of discussions between COSLA and care home providers. Subject to National Care Home Contract.
Approved Weekly Rates for Private Providers - Nursing Care - Elderly rate as per COSLA Agreement		TBC	Outwith the Scope	0.00	TBC	TBC	Outwith the Scope	0.00	TBC	0.00	0%	Await outcome of discussions between COSLA and care home providers. Subject to National Care Home Contract.
Non - Residential Services - Lunch Clubs - per meal		4.25	Outwith the Scope	0.00	4.25	4.40	Outwith the Scope	0.00	4.40	0.15	4%	
Non - Residential Services - Telecare - Community Alarms - per week		5.15	Outwith the Scope	0.00	5.15	5.30	Outwith the Scope	0.00	5.30	0.15	3%	
Non - Residential Services - Telecare - Care Assist System - per week						4.50	Outwith the Scope	0.00	4.50	4.50	0%	New charge proposed to be introduced in 2019/20
Non - Residential Services - Telecare - Mobile Devices and Monitoring - per week						2.50	Outwith the Scope	0.00	2.50	2.50	0%	New charge proposed to be introduced in 2019/20
Non - Residential Services - Telecare - Canary System - per week						2.00	Outwith the Scope	0.00	2.00	2.00	0%	New charge proposed to be introduced in 2019/20
Non - Residential Services - Home Help - hourly rate		17.44	Outwith the Scope	0.00	17.44	17.96	Outwith the Scope	0.00	17.96	0.52	3%	Adjusted to be divisible by 4 to reflect quarter hour visits
Non - Residential Services - Housing Support - hourly rate		17.44	Outwith the Scope	0.00	17.44	17.96	Outwith the Scope	0.00	17.96	0.52	3%	Adjusted to be divisible by 4 to reflect quarter hour visits
Non - Residential Services - Employment Support - hourly rate		17.44	Outwith the Scope	0.00	17.44	17.96	Outwith the Scope	0.00	17.96	0.52	3%	Adjusted to be divisible by 4 to reflect quarter hour visits
Non - Residential Services -Sleepover Service - per night		85.32	Outwith the Scope	0.00	85.32	100.44	Outwith the Scope	0.00	100.44	15.12	18%	Rate increase reflects change in base to match Scottish Living Wage which is a Scottish Government requirement from 2018/19 onwards.
Non - Residential Services -Transport - per day		2.70	Outwith the Scope	0.00	2.70	2.78	Outwith the Scope	0.00	2.78	0.08	3%	
Non - Residential Services -Elderly Day Care - hourly rate		8.56	Outwith the Scope	0.00	8.56	8.80	Outwith the Scope	0.00	8.80	0.24	3%	Adjusted to be divisible by 4 to reflect quarter hour visits
Non - Residential Services -Learning Disability Resource Centre Service - hourly rate		22.65	Outwith the Scope	0.00	22.65	23.32	Outwith the Scope	0.00	23.32	0.67	3%	Adjusted to be divisible by 4 to reflect quarter hour visits
Provision of Occupational Therapy Consultation - Per assessment/consultation		237.45	Outwith the Scope	0.00	237.45	244.55	Outwith the Scope	0.00	244.55	7.10	3%	
Provision of Professional Services - Per Community Care Assessment/ Consultation		595.15	Outwith the Scope	0.00	595.15	613.00	Outwith the Scope	0.00	613.00	17.85	3%	
Provision of Professional Services - Full needs assessment only		451.85	Outwith the Scope	0.00	451.85	465.40	Outwith the Scope	0.00	465.40	13.55	3%	
Provision of Professional Services - Needs Review only		165.25	Outwith the Scope	0.00	165.25	170.20	Outwith the Scope	0.00	170.20	4.95	3%	
Children & Families - Local Authority Residential Care Provision: Dundutha (weekly charge)		TBC	Outwith the Scope	0.00	TBC	TBC	Outwith the Scope	0.00	TBC	0.00	0%	Unit cost to be calculated once 2019/20 budget has been set by IJB.
Children & Families - Local Authority Residential Care Provision: Shellach View (weekly Charge)		TBC	Outwith the Scope	0.00	TBC	TBC	Outwith the Scope	0.00	TBC	0.00	0%	Unit cost to be calculated once 2019/20 budget has been set by IJB.
Children & Families - Local Authority Residential Care Provision: Helensburgh (weekly Charge)		TBC	Outwith the Scope	0.00	TBC	TBC	Outwith the Scope	0.00	TBC	0.00	0%	Unit cost to be calculated once 2019/20 budget has been set by IJB.
Children & Families - Other Charges - Inter Country Adoptions		6,238.40	Outwith the Scope	0.00	6,238.40	6,425.55	Outwith the Scope	0.00	6,425.55	187.15	3%	
Inter-Authority Substitute Family Care Placements: Within Scotland	In line with British Association of Adoption and Fostering (BAAF) recommended figures		Outwith the Scope				Outwith the Scope					In line with British Association of Adoption and Fostering (BAAF) recommended figures.
Inter-Authority Substitute Family Care Placements: Elsewhere - 1 child	In line with British Association of Adoption and Fostering (BAAF) recommended figures		Outwith the Scope				Outwith the Scope					In line with British Association of Adoption and Fostering (BAAF) recommended figures.

Description	Other	2018/19				2019/20				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
Inter-Authority Substitute Family Care Placements: Elsewhere - 2 children (siblings placed together)	In line with British Association of Adoption and Fostering (BAAF) recommended figures		Outwith the Scope				Outwith the Scope					In line with British Association of Adoption and Fostering (BAAF) recommended figures.
Inter-Authority Substitute Family Care Placements: Elsewhere - 3 children (siblings placed together)	In line with British Association of Adoption and Fostering (BAAF) recommended figures		Outwith the Scope				Outwith the Scope					In line with British Association of Adoption and Fostering (BAAF) recommended figures.
Hostel Charges - Room hire - children's hearing - half day		21.95	Exempt	0.00	21.30	21.95	Exempt	0.00	21.95	0.65	3%	
Hostel Charges - Room hire - children's hearing - Full day		36.65	Exempt	0.00	35.60	36.65	Exempt	0.00	36.65	1.05	3%	
Hostel Charges - Room hire - half day		36.65	Exempt	0.00	35.60	36.65	Exempt	0.00	36.65	1.05	3%	
Hostel Charges - Room hire - full day		65.90	Exempt	0.00	64.00	65.90	Exempt	0.00	65.90	1.90	3%	
Hostel Charges - Catering: Tea, Coffee and Biscuits		2.67	Standard	0.52	3.10	2.67	Standard	0.53	3.20	0.10	3%	
Hostel Charges - Catering: Soup and Sandwiches		5.21	Standard	1.01	6.05	5.21	Standard	1.04	6.25	0.20	3%	
Hostel Charges - Catering: Lunch (2 course with coffee)		7.96	Standard	1.54	9.25	7.96	Standard	1.59	9.55	0.30	3%	
Hostel Charges - accommodation - Argyll & Bute Council - Bed & Breakfast		30.54	Standard	5.93	35.60	30.54	Standard	6.11	36.65	1.05	3%	
Hostel Charges - accommodation - Argyll & Bute Council - Half Board		42.83	Standard	8.32	49.90	42.83	Standard	8.57	51.40	1.50	3%	
Hostel Charges - accommodation - Other Groups - Bed & Breakfast		30.54	Standard	5.93	35.60	30.54	Standard	6.11	36.65	1.05	3%	
Hostel Charges - accommodation - Other Groups - Half Board		42.83	Standard	8.32	49.90	42.83	Standard	8.57	51.40	1.50	3%	
Hostel Charges - accommodation - Other Groups - Full Board		48.92	Standard	9.50	57.00	48.92	Standard	9.78	58.70	1.70	3%	

Description	Other	2018/19				2019/20				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>COMMUNITY SERVICES CHARGES</b>												
Primary School Letting Charges per hour - Non-Profit Organisations (room let)		11.25	Exempt	0.00	11.25	11.60	Exempt	0.00	11.60	0.35	3%	
Primary School Letting Charges per hour - Commercial Rate (room let)		31.15	Exempt	0.00	31.15	32.10	Exempt	0.00	32.10	0.95	3%	
Primary School Letting Charges per hour - Non-Profit Organisations (sports facilities)		11.63	Standard	2.33	13.95	11.96	Standard	2.39	14.35	0.40	3%	
Primary School Letting Charges per hour - Commercial Rate (sports facilities)		31.71	Standard	6.34	38.05	32.67	Standard	6.53	39.20	1.15	3%	
Primary School Synthetic All Weather Pitch charge per hour - Non-Profit Organisations - MAKI		45.83	Standard	9.17	55.00	47.21	Standard	9.44	56.65	1.65	3%	The fees and charges for Synthetic All Weather Pitches were subject to a separate report approved by Council on 12th February 2015.
Primary School Synthetic All Weather Pitch charge per hour - Non-Profit Organisations - OLI		45.83	Standard	9.17	55.00	47.21	Standard	9.44	56.65	1.65	3%	
Primary School Synthetic All Weather Pitch charge per hour - Non-Profit Organisations - BUTE		45.83	Standard	9.17	55.00	47.21	Standard	9.44	56.65	1.65	3%	
Primary School Synthetic All Weather Pitch charge per hour - Non-Profit Organisations - COWAL		45.83	Standard	9.17	55.00	47.21	Standard	9.44	56.65	1.65	3%	
Primary School Synthetic All Weather Pitch charge per hour - Non-Profit Organisations - H&L		45.83	Standard	9.17	55.00	47.21	Standard	9.44	56.65	1.65	3%	
Primary School Synthetic All Weather Pitch charge per hour - Commercial Rate		78.08	Standard	15.62	93.70	80.42	Standard	16.08	96.50	2.80	3%	
Adult Education Course Fees - Vocational 40 Hour Courses		87.60	Exempt	0.00	87.60	90.25	Exempt	0.00	90.25	2.65	3%	
Adult Education Course Fees - Non Vocational 20 Hour Courses		36.54	Standard	7.31	43.85	37.63	Standard	7.53	45.15	1.30	3%	
Sale of Meals to Pupils - Per meal (Primary-without milk)		2.20	Exempt	0.00	2.20	2.20	Exempt	0.00	2.20	0.00	0%	No inflation applied.
Sale of Milk		0.10	Exempt	0.00	0.10	0.10	Exempt	0.00	0.10	0.00	0%	No inflation applied.
Section 23 Charges per annum - Parklands		42,035.90	Exempt	0.00	42,035.90	43,297.00	Exempt	0.00	43,297.00	1,261.10	3%	
Inveraray Primary - Room hire - half day		36.65	Exempt	0.00	36.65	37.75	Exempt	0.00	37.75	1.10	3%	
Inveraray Primary - Room hire - full day		65.90	Exempt	0.00	65.90	67.90	Exempt	0.00	67.90	2.00	3%	
Inveraray Primary - Catering: Tea, Coffee and Scones		2.67	Standard	0.53	3.20	2.75	Standard	0.55	3.30	0.10	3%	
Inveraray Primary - Catering: Soup and Sandwiches		5.21	Standard	1.04	6.25	5.38	Standard	1.08	6.45	0.20	3%	
Inveraray Primary Charges - Catering: Lunch (2 course with coffee)		7.96	Standard	1.59	9.55	8.21	Standard	1.64	9.85	0.30	3%	
Instrumental Instruction charges - Per Annum		239.97	Exempt	0.00	239.97	247.17	Exempt	0.00	247.17	7.20	3%	

Description	Other	2018/19				2019/20				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>CUSTOMER SERVICES</b>												
Solicitors Property Enquiry Certificates		147.42	Standard	29.48	176.90	151.83	Standard	30.37	182.20	5.30	3%	
Commission on trade union deductions		2.50%	Standard		2.50%	2.50%	Standard		2.50%			Percentage charge - same as previous year
Arrestment handling charge per item		0.83	Standard	0.17	1.00	0.83	Standard	0.17	1.00	0.00	0%	
Info to Banks etc - Handling Charge		21.21	Standard	4.24	25.45	21.83	Standard	4.37	26.20	0.75	3%	
Taxi Car Licence		391.00	Outwith the Scope	0.00	414.00	414.00	Outwith the Scope	0.00	414.00	0.00	0%	As a result of the Triennial Review these fees and charges are effective from 1st June 2018
Private Hire Car Licence		391.00	Outwith the Scope	0.00	414.00	414.00	Outwith the Scope	0.00	414.00	0.00	0%	As a result of the Triennial Review these fees and charges are effective from 1st June 2018
Taxi/Private Hire Car Driver Licence		98.00	Outwith the Scope	0.00	104.00	104.00	Outwith the Scope	0.00	104.00	0.00	0%	As a result of the Triennial Review these fees and charges are effective from 1st June 2018
Second Hand Dealer Licence		391.00	Outwith the Scope	0.00	414.00	414.00	Outwith the Scope	0.00	414.00	0.00	0%	As a result of the Triennial Review these fees and charges are effective from 1st June 2018
Second Hand Motor Dealer Licence		453.00	Outwith the Scope	0.00	480.00	480.00	Outwith the Scope	0.00	480.00	0.00	0%	As a result of the Triennial Review these fees and charges are effective from 1st June 2018
Metal Dealer Licence		453.00	Outwith the Scope	0.00	480.00	480.00	Outwith the Scope	0.00	480.00	0.00	0%	As a result of the Triennial Review these fees and charges are effective from 1st June 2018
Temporary exemption warrant - Metal Dealers		129.00	Outwith the Scope	0.00	137.00	137.00	Outwith the Scope	0.00	137.00	0.00	0%	As a result of the Triennial Review these fees and charges are effective from 1st June 2018
Boat Hire Licence		237.00	Outwith the Scope	0.00	251.00	251.00	Outwith the Scope	0.00	251.00	0.00	0%	As a result of the Triennial Review these fees and charges are effective from 1st June 2018
Street Trader Licence		237.00	Outwith the Scope	0.00	251.00	251.00	Outwith the Scope	0.00	251.00	0.00	0%	As a result of the Triennial Review these fees and charges are effective from 1st June 2018
Street Trader - Charity/Temporary		77.00	Outwith the Scope	0.00	82.00	82.00	Outwith the Scope	0.00	82.00	0.00	0%	As a result of the Triennial Review these fees and charges are effective from 1st June 2018
Market Operator Licence		453.00	Outwith the Scope	0.00	480.00	480.00	Outwith the Scope	0.00	480.00	0.00	0%	As a result of the Triennial Review these fees and charges are effective from 1st June 2018
Market Operator - voluntary/charitable organisation holding one event per year		149.00	Outwith the Scope	0.00	158.00	158.00	Outwith the Scope	0.00	158.00	0.00	0%	As a result of the Triennial Review these fees and charges are effective from 1st June 2018
Public Entertainment Licence		453.00	Outwith the Scope	0.00	480.00	480.00	Outwith the Scope	0.00	480.00	0.00	0%	As a result of the Triennial Review these fees and charges are effective from 1st June 2018
Public Entertainment temporary Licence		129.00	Outwith the Scope	0.00	137.00	137.00	Outwith the Scope	0.00	137.00	0.00	0%	As a result of the Triennial Review these fees and charges are effective from 1st June 2018
Late hours catering licence		453.00	Outwith the Scope	0.00	480.00	480.00	Outwith the Scope	0.00	480.00	0.00	0%	As a result of the Triennial Review these fees and charges are effective from 1st June 2018
Window Cleaner Licence		237.00	Outwith the Scope	0.00	251.00	251.00	Outwith the Scope	0.00	251.00	0.00	0%	As a result of the Triennial Review these fees and charges are effective from 1st June 2018
Substitution of vehicle (taxi/private hire) - same day		77.00	Outwith the Scope	0.00	82.00	82.00	Outwith the Scope	0.00	82.00	0.00	0%	As a result of the Triennial Review these fees and charges are effective from 1st June 2018
Substitution of vehicle (taxi/private hire) - within 5 days		57.00	Outwith the Scope	0.00	60.00	60.00	Outwith the Scope	0.00	60.00	0.00	0%	As a result of the Triennial Review these fees and charges are effective from 1st June 2018
Certified copy of a licence		36.00	Outwith the Scope	0.00	38.00	38.00	Outwith the Scope	0.00	38.00	0.00	0%	As a result of the Triennial Review these fees and charges are effective from 1st June 2018
Re-issue of a badge		36.00	Outwith the Scope	0.00	38.00	38.00	Outwith the Scope	0.00	38.00	0.00	0%	As a result of the Triennial Review these fees and charges are effective from 1st June 2018

Description	Other	2018/19				2019/20				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
Re-issue of taxi/private hire car plate		36.00	Outwith the Scope	0.00	38.00	38.00	Outwith the Scope	0.00	38.00	0.00	0%	As a result of the Triennial Review these fees and charges are effective from 1st June 2018
Extract of Civic Government Register		31.00	Outwith the Scope	0.00	33.00	33.00	Outwith the Scope	0.00	33.00	0.00	0%	As a result of the Triennial Review these fees and charges are effective from 1st June 2018
Copy of Civic Government Register		77.00	Outwith the Scope	0.00	82.00	82.00	Outwith the Scope	0.00	82.00	0.00	0%	As a result of the Triennial Review these fees and charges are effective from 1st June 2018
Taxi Booking Office Licence		108.00	Outwith the Scope	0.00	114.00	114.00	Outwith the Scope	0.00	114.00	0.00	0%	As a result of the Triennial Review these fees and charges are effective from 1st June 2018
Amendment to Civic Govt Licence		67.00	Outwith the Scope	0.00	71.00	71.00	Outwith the Scope	0.00	71.00	0.00	0%	As a result of the Triennial Review these fees and charges are effective from 1st June 2018
Knife Dealers Licence		453.00	Outwith the Scope	0.00	480.00	480.00	Outwith the Scope	0.00	480.00	0.00	0%	As a result of the Triennial Review these fees and charges are effective from 1st June 2018
Skin piercing & tattoo operator Licence (premises occupied by them)		268.00	Outwith the Scope	0.00	284.00	284.00	Outwith the Scope	0.00	284.00	0.00	0%	As a result of the Triennial Review these fees and charges are effective from 1st June 2018
Skin piercing & tattoo operator Licence (premises under control of others)		216.00	Outwith the Scope	0.00	229.00	229.00	Outwith the Scope	0.00	229.00	0.00	0%	As a result of the Triennial Review these fees and charges are effective from 1st June 2018
Registrars Fees and Charges (Extracts at time of registration)		10.00	Outwith the Scope	0.00	10.00	10.00	Outwith the Scope	0.00	10.00	0.00	0%	Set by Registrar General - fees set from 1 January 2011 but expected to increase in Jan 2019. New rate not yet known.
Registrars Fees and Charges (Extracts outwith a calendar month of registration)		15.00	Outwith the Scope	0.00	15.00	15.00	Outwith the Scope	0.00	15.00	0.00	0%	Set by Registrar General - fees set from 1 January 2011 but expected to increase in Jan 2019. New rate not yet known.
Registrars Search & Genealogy - Particular Search		5.00	Outwith the Scope	0.00	5.00	5.00	Outwith the Scope	0.00	5.00	0.00	0%	Set by Registrar General - fees set from 1 January 2011 but expected to increase in Jan 2019. New rate not yet known.
Registrars Search & Genealogy - General Search		15.00	Outwith the Scope	0.00	15.00	15.00	Outwith the Scope	0.00	15.00	0.00	0%	Set by Registrar General - fees set from 1 January 2011 but expected to increase in Jan 2019. New rate not yet known.
Registrars - Recording of name, or change of name or surname or alternative name		40.00	Outwith the Scope	0.00	40.00	40.00	Outwith the Scope	0.00	40.00	0.00	0%	Set by Registrar General - fees set from 1 January 2011 but expected to increase in Jan 2019. New rate not yet known.
Registrars - Printing a copy certificate and delivering within the UK						15.50	Outwith the Scope	0.00	15.50	15.50	0%	New charge for 2019-20
Registrars - Printing a copy certificate and delivering outwith the UK						17.00	Outwith the Scope	0.00	17.00	17.00	0%	New charge for 2019-21
Marriage Notices (Per Person)		30.00	Outwith the Scope	0.00	30.00	30.00	Outwith the Scope	0.00	30.00	0.00	0%	Set by Registrar General - fees set from 1 January 2011 but expected to increase in Jan 2019. New rate not yet known.
Civil Marriage/Partnership Solemnisation		55.00	Outwith the Scope	0.00	55.00	55.00	Outwith the Scope	0.00	55.00	0.00	0%	Set by Registrar General - fees set from 1 January 2011 but expected to increase in Jan 2019. New rate not yet known.
Registrars Rental Income - Registrars Office Wedding		94.65	Outwith the Scope	0.00	94.65	97.50	Outwith the Scope	0.00	97.50	2.85	3%	
Registrars Rental Income - Registrars Office Wedding - Saturday		190.50	Outwith the Scope	0.00	190.50	196.20	Outwith the Scope	0.00	196.20	5.70	3%	
Admin charges, approved venue weekday		249.40	Outwith the Scope	0.00	249.40	256.90	Outwith the Scope	0.00	256.90	7.50	3%	
Admin charges, approved venue Saturday		296.05	Outwith the Scope	0.00	296.05	304.95	Outwith the Scope	0.00	304.95	8.90	3%	
Admin charges, evenings after 6pm		336.65	Outwith the Scope	0.00	336.65	346.75	Outwith the Scope	0.00	346.75	10.10	3%	
Admin charges, Sundays & Public Holidays (excl. Easter & Christmas)		376.00	Outwith the Scope	0.00	376.00	387.30	Outwith the Scope	0.00	387.30	11.30	3%	
Mini Bus Hire - up to 4 hours		33.79	Standard	6.76	40.55	34.79	Standard	6.96	41.75	1.20	3%	
Mini Bus Hire - per Day		67.63	Standard	13.53	81.15	69.67	Standard	13.93	83.60	2.45	3%	
Privilege rides within school transport (cost per child per term)		76.10	Zero Rated	0.00	76.10	78.40	Zero Rated	0.00	78.40	2.30	3%	
Privilege rides within school transport (where there are 2 or more children, cost per child)		63.85	Zero Rated	0.00	63.85	65.75	Zero Rated	0.00	65.75	1.90	3%	
Letting of Kitchen Accommodation - Monday to Friday (charge per hour)		19.92	Standard	3.98	23.90	20.50	Standard	4.10	24.60	0.70	3%	
Letting of Kitchen Accommodation - Saturday & Sunday (charge per hour)		22.50	Standard	4.50	27.00	23.17	Standard	4.63	27.80	0.80	3%	
Letting of Kitchen Accommodation - Public Holiday (charge per hour)		26.54	Standard	5.31	31.85	27.33	Standard	5.47	32.80	0.95	3%	

Description	Other	2018/19				2019/20				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
Letting of Kitchen Accommodation - Failure to Reinstate		56.21	Standard	11.24	67.45	57.88	Standard	11.58	69.45	2.00	3%	
Helensburgh & Lomond Civic Centre - Hire of Community Room - up to 20 persons		19.63	Standard	3.93	23.55	19.63	Standard	3.93	23.55	0.00	0%	New charge introduced in Oct 18-19 therefore not subject to inflation to allow business to develop.
Helensburgh & Lomond Civic Centre - Hire of Assembly Hall - up to 100 persons		30.21	Standard	6.04	36.25	30.21	Standard	6.04	36.25	0.00	0%	New charge introduced in Oct 18-19 therefore not subject to inflation to allow business to develop.
Helensburgh & Lomond Civic Centre - Hire of The Gallery - up to 20 persons		18.00	Standard	3.60	21.60	18.00	Standard	3.60	21.60	0.00	0%	New charge introduced in Oct 18-19 therefore not subject to inflation to allow business to develop.
Helensburgh & Lomond Civic Centre - Hire of Annex Room 1 - up to 30 persons		21.21	Standard	4.24	25.45	21.21	Standard	4.24	25.45	0.00	0%	New charge introduced in Oct 18-19 therefore not subject to inflation to allow business to develop.
Helensburgh & Lomond Civic Centre - Hire of Annex Room 2 - up to 20 persons		18.00	Standard	3.60	21.60	18.00	Standard	3.60	21.60	0.00	0%	New charge introduced in Oct 18-19 therefore not subject to inflation to allow business to develop.
Blue Badges		20.00	Outwith the Scope	0.00	20.00	20.00	Outwith the Scope	0.00	20.00	0.00	0%	
Registrars Travel Fees - rate per mile		0.60	Zero Rated	0.00	0.60	0.60	Zero Rated	0.00	0.60	0.00	0%	

Description	Other	2018/19				2019/20				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>LOCAL DEVELOPMENT PLAN &amp; PRINTING</b>												
Local Development Plan (Incl of P&P) - Proposals Maps Book		53.05	Outwith the Scope	0.00	53.05	54.65	Outwith the Scope	0.00	54.65	1.60	3%	Replacing all Local Plans. Community Councils 50% reduction
Local Development Plan (Incl of P&P) - Written Statement		26.50	Outwith the Scope	0.00	26.50	27.30	Outwith the Scope	0.00	27.30	0.80	3%	
Landscape Capacity Study (Incl P&P) - Bute & Cowal		24.45	Outwith the Scope	0.00	24.45	25.20	Outwith the Scope	0.00	25.20	0.75	3%	
Landscape Capacity Study (Incl P&P) - Mull		11.65	Outwith the Scope	0.00	11.65	12.00	Outwith the Scope	0.00	12.00	0.35	3%	
Landscape Capacity Study (Incl P&P) - North & South Kintyre		14.05	Outwith the Scope	0.00	14.05	14.45	Outwith the Scope	0.00	14.45	0.40	3%	
Landscape Capacity Study (Incl P&P) - Lorn		27.85	Outwith the Scope	0.00	27.85	28.70	Outwith the Scope	0.00	28.70	0.85	3%	
Landscape Capacity Study (Incl P&P) - Mid Argyll & Inveraray		17.70	Outwith the Scope	0.00	17.70	18.25	Outwith the Scope	0.00	18.25	0.55	3%	
Landscape Capacity Study (Incl P&P) -Islay		9.20	Outwith the Scope	0.00	9.20	9.50	Outwith the Scope	0.00	9.50	0.30	3%	
Location Plans (10 Copies)		28.25	Outwith the Scope	0.00	28.25	29.10	Outwith the Scope	0.00	29.10	0.85	3%	
Printing - Internal Service Only - A2 Prints each		8.95	Outwith the Scope	0.00	8.95	9.20	Outwith the Scope	0.00	9.20	0.25	3%	
Printing - Internal Service Only - A2 Prints (+11) each		6.40	Outwith the Scope	0.00	6.40	6.60	Outwith the Scope	0.00	6.60	0.20	3%	
Printing - Internal Service Only - A1 Prints (1-10 copies) each		12.75	Outwith the Scope	0.00	12.75	13.15	Outwith the Scope	0.00	13.15	0.40	3%	
Printing - Internal Service Only - A1 Prints (+11 copies) each		10.20	Outwith the Scope	0.00	10.20	10.50	Outwith the Scope	0.00	10.50	0.30	3%	
Printing - Internal Service Only - A0 Prints (1-10 copies) each		19.15	Outwith the Scope	0.00	19.15	19.70	Outwith the Scope	0.00	19.70	0.55	3%	
Printing - Internal Service Only - A0 Prints (+11 copies) each		16.65	Outwith the Scope	0.00	16.65	17.15	Outwith the Scope	0.00	17.15	0.50	3%	
Statutory Street Naming and/or numbering of one property		84.80	Outwith the Scope	0.00	84.80	89.90	Outwith the Scope	0.00	89.90	5.10	6%	Renaming or renumbering a street - pricing as for new properties
Statutory Street Naming and/or numbering for the 2nd and each additional property		42.40	Outwith the Scope	0.00	42.40	44.95	Outwith the Scope	0.00	44.95	2.55	6%	
Statutory Street Naming a new street		185.50	Outwith the Scope	0.00	185.50	196.65	Outwith the Scope	0.00	196.65	11.15	6%	
Changing a property name or adding to the Royal Mail database		81.90	Outwith the Scope	0.00	81.90	86.80	Outwith the Scope	0.00	86.80	4.90	6%	
Confirming an address to a solicitor, property owner or any organisation - per letter		54.60	Outwith the Scope	0.00	54.60	57.90	Outwith the Scope	0.00	57.90	3.30	6%	
Phase 1 Habitat Surveys		371.30	Outwith the Scope	0.00	371.30	382.45	Outwith the Scope	0.00	382.45	11.15	3%	Travel to be charged at Council Rate 34.1p/mile Possible overnight stay to be charged at a maximum of £50.

Description	Other	2018/19				2019/20				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>REGULATORY SERVICES</b>												
Food Examination - Export of Food/Fish Certificates	Per Certificate	91.00	Outwith the Scope	0.00	91.00	93.75	Outwith the Scope	0.00	93.75	2.75	3%	
Food Examination - Export of Food/Fish Certificates - less than 5kg in weight	Per Certificate	18.00	Outwith the Scope	0.00	18.00	18.00	Outwith the Scope	0.00	18.00	0.00	0%	New charge from Nov 2018
Food Examination - Condemnation Certificate (Voluntary Surrender)		204.88	Standard	40.98	245.85	211.04	Standard	42.21	253.25	7.40	3%	
Licences/Registration - Riding Establishment Act 1964/70	Vets Fees to be added	410.00	Outwith the Scope	0.00	410.00	422.30	Outwith the Scope	0.00	422.30	12.30	3%	
Licences/Registration - Dangerous Wild Animals Act 1976	Vets Fees to be added	323.00	Outwith the Scope	0.00	323.00	332.70	Outwith the Scope	0.00	332.70	9.70	3%	
Licences/Registration - Pet Animals Act 1963		165.00	Outwith the Scope	0.00	165.00	169.95	Outwith the Scope	0.00	169.95	4.95	3%	
Licences/Registration - Animal Boarding Establishments Act 1963	Vets Fees to be added	175.00	Outwith the Scope	0.00	175.00	180.25	Outwith the Scope	0.00	180.25	5.25	3%	
Licences/Registration - Animal Boarding Establishments Act 1963 (Home boarding)	Vets Fees to be added					125.00	Outwith the Scope	0.00	125.00	125.00	0%	New Charge
Licences/Registration - Breeding of Dogs Act 1973	Vets Fees to be added	323.00	Outwith the Scope	0.00	323.00	332.70	Outwith the Scope	0.00	332.70	9.70	3%	
Licences/Registration - Zoo Act	Vets Fees to be added	975.00	Outwith the Scope	0.00	975.00	1,004.25	Outwith the Scope	0.00	1,004.25	29.25	3%	
Licences/Registration - Venison Dealers		167.00	Outwith the Scope	0.00	167.00	172.00	Outwith the Scope	0.00	172.00	5.00	3%	
Licences/Registration - Cinema Licence		618.00	Outwith the Scope	0.00	618.00	636.55	Outwith the Scope	0.00	636.55	18.55	3%	
Licences/Registration - Theatre Licence		157.30	Outwith the Scope	0.00	157.30	162.00	Outwith the Scope	0.00	162.00	4.70	3%	
HMO - premises of up to 10 persons		799.55	Outwith the Scope	0.00	799.55	823.55	Outwith the Scope	0.00	823.55	24.00	3%	Tri-Annual Licence
HMO - premises with more than 10 persons		978.35	Outwith the Scope	0.00	978.35	1,007.70	Outwith the Scope	0.00	1,007.70	29.35	3%	Tri-Annual Licence
HMO- Amendment to HMO licence		118.10	Outwith the Scope	0.00	118.10	121.65	Outwith the Scope	0.00	121.65	3.55	3%	Tri-Annual Licence
HMO - Refund if a new/renewal application is unsuccessful		200.00	Outwith the Scope	0.00	200.00	206.00	Outwith the Scope	0.00	206.00	6.00	3%	
Performing Animals Licence application/renewal		112.50	Outwith the Scope	0.00	112.50	115.90	Outwith the Scope	0.00	115.90	3.40	3%	Vet Fees to be added
Explosives/Fireworks- Issue of Store Licence (i.e. when separation distances apply)	<b>STATUTORY CHARGE</b>	178.00	Outwith the Scope	0.00	178.00	178.00	Outwith the Scope	0.00	178.00	0.00	0%	
Explosives/Fireworks - renewal of store licence (i.e. when separation distances apply)	<b>STATUTORY CHARGE</b>	83.00	Outwith the Scope	0.00	83.00	83.00	Outwith the Scope	0.00	83.00	0.00	0%	
Explosives- registration for keeping explosives (i.e. when no separation distances apply)	<b>STATUTORY CHARGE</b>	105.00	Outwith the Scope	0.00	105.00	105.00	Outwith the Scope	0.00	105.00	0.00	0%	
Explosives/Fireworks - Renewal of registration for keeping Explosives	<b>STATUTORY CHARGE</b>	52.00	Outwith the Scope	0.00	52.00	52.00	Outwith the Scope	0.00	52.00	0.00	0%	
Explosives/Fireworks - Renewal of registration for keeping Explosives (i.e. when no separation distances apply)	<b>STATUTORY CHARGE</b>	35.00	Outwith the Scope	0.00	35.00	35.00	Outwith the Scope	0.00	35.00	0.00	0%	
Licence to Manufacture explosives	<b>STATUTORY CHARGE</b>	52-178	Outwith the Scope	0.00	52-178	52-178	Outwith the Scope	0.00	52-178			<b>£52-£178 per year depending on individual circumstances</b>
Petrol Storage Certificate or Licence to keep petroleum spirit of a quantity <2500 litres	<b>STATUTORY CHARGE</b>	42.00	Outwith the Scope	0.00	42.00	42.00	Outwith the Scope	0.00	42.00	0.00	0%	Note that fee consolidates 2 previous "Blasting Operations" fees
Petrol Storage Certificate or Licence to keep petroleum spirit of a quantity between 2500 and 50000 litres	<b>STATUTORY CHARGE</b>	58.00	Outwith the Scope	0.00	58.00	58.00	Outwith the Scope	0.00	58.00	0.00	0%	
Petrol Storage Certificate or Licence to keep petroleum spirit of a quantity > 50000 litres	<b>STATUTORY CHARGE</b>	120.00	Outwith the Scope	0.00	120.00	120.00	Outwith the Scope	0.00	120.00	0.00	0%	
Regulatory Services Charge for Officer time (per hour) where appropriate (out of hours or weekend work incurs a 50% surcharge on the hourly rate).		83.80	Outwith the Scope	0.00	83.80	86.30	Outwith the Scope	0.00	86.30	2.50	3%	
Private Water Supplies - Visit charge Regulated supply	<b>STATUTORY CHARGE</b>					75.00	Outwith the Scope	0.00	75.00	75.00	0%	
Private Water Supplies -Single visit to regulated supply with multiple commercial properties	<b>STATUTORY CHARGE</b>					75.00	Outwith the Scope	0.00	75.00	75.00	0%	If more than one property on supply to be sampled, additional £10 per property applies as per line below.
Private Water Supplies - multiple commercial properties charge per additional property above	<b>STATUTORY CHARGE</b>					10.00	Outwith the Scope	0.00	10.00	10.00	0%	Charge of £10 for additional commercial property sampled.
Private Water Supplies -Regulated :Analytical parameter cost	<b>STATUTORY CHARGE</b>					0.00	Outwith the Scope	0.00	0.00	0.00	0%	At cost
Private Water Supplies -Zonal charge per regulated supply	<b>STATUTORY CHARGE</b>					15.00	Outwith the Scope	0.00	15.00	15.00	0%	Analytical costs divided by number of regulated supplies as of 1 <sup>st</sup> January in calendar year
Private water supply-Regulated supply: Initial Risk assessment visit and report (up to 1 hour on site)	<b>STATUTORY CHARGE</b>	120.00	Outwith the Scope	0.00	120.00	125.00	Outwith the Scope	0.00	125.00	5.00	4%	
Private water supply - Regulated Supply: Programmed/review risk assessment visit and report (up to 1 hour on site)	<b>STATUTORY CHARGE</b>					125.00	Outwith the Scope	0.00	125.00	125.00	0%	

Description	Other	2018/19				2019/20				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
Private water supply - Regulated risk assessments (cost per additional hour or part thereof)	STATUTORY CHARGE					50.00	Outwith the Scope	0.00	50.00	50.00	0%	£50 per additional hour
Private Water Supplies: Regulated supplies: desktop review of risk assessment	STATUTORY CHARGE					50.00	Outwith the Scope	0.00	50	50	0	
Private Water Supplies - Visit charge Type B	STATUTORY CHARGE	70.00	Outwith the Scope	0.00	70.00	70.00	Outwith the Scope	0.00	70.00	0.00	0%	Charge capped at £70.
Private Water Supplies - Type B - Monitoring & analytical cost	STATUTORY CHARGE	118.00	Outwith the Scope	0.00	118.00	118.00	Outwith the Scope	0.00	118.00	0.00	0%	Charge capped at £118.
Private Water Supplies - Type B - request sample and analytical cost	STATUTORY CHARGE	145.00	Outwith the Scope	0.00	145.00	145.00	Outwith the Scope	0.00	145.00	0.00	0%	Charge capped at £145.
Private water supply- Initial risk assessment visit (TypeB) and report	STATUTORY CHARGE	120.00	Outwith the Scope	0.00	120.00	120.00	Outwith the Scope	0.00	120.00			Capped
Private waters (Regulated and Type B) - Other Parameters may be sampled if there is a specific need. Those charges will directly reflect those passed to us by the testing laboratory	At Cost	-	Outwith the Scope	0.00	0.00	0.00	Outwith the Scope	0.00	0.00	0.00	0%	At Cost
Private Landlord Registration - principal fee for registration as landlord	STATUTORY CHARGE	55.00	Outwith the Scope	0.00	55.00	55.00	Outwith the Scope	0.00	55.00	0.00	0%	Discounts: discount of 10% on fees (excluding late application fees) is obtained by applying/renewing online.
Private Landlord Registration - property fee per property	STATUTORY CHARGE	11.00	Outwith the Scope	0.00	11.00	11.00	Outwith the Scope	0.00	11.00	0.00	0%	
Private Landlord Registration- late application fee	STATUTORY CHARGE	110.00	Outwith the Scope	0.00	110.00	110.00	Outwith the Scope	0.00	110.00	0.00	0%	
Weights and measures: special weighing equipment-measuring, testing, verifying, certification etc	Office cost per hour	86.83	Standard	17.37	104.20	89.46	Standard	17.89	107.35	3.15	3%	
Weights: Weights exceeding 5kg or not exceeding 500 mg, 2 CM		8.75	Standard	1.75	10.50	9.00	Standard	1.80	10.80	0.30	3%	
Weights: other weights		6.67	Standard	1.33	8.00	6.88	Standard	1.38	8.25	0.25	3%	
Measures: Capacity measures, without divisions, not exceeding 1 litre		7.50	Standard	1.50	9.00	7.71	Standard	1.54	9.25	0.25	3%	
Measures: Liquid capacity measures for making up and checking average quantity packages		27.50	Standard	5.50	33.00	28.33	Standard	5.67	34.00	1.00	3%	
Weighing Instruments Non NAWI: less than 1 tonne		68.63	Standard	13.73	82.35	70.67	Standard	14.13	84.80	2.45	3%	
Weighing Instruments Non NAWI: 1-10 tonnes		111.21	Standard	22.24	133.45	114.54	Standard	22.91	137.45	4.00	3%	
Weighing Instruments Non NAWI: greater than 10 tonnes		232.25	Standard	46.45	278.70	239.21	Standard	47.84	287.05	8.35	3%	
Weighing Instruments NAWI: less than 1 tonne		114.25	Standard	22.85	137.10	117.67	Standard	23.53	141.20	4.10	3%	
Weighing Instruments NAWI: 1-10 tonnes		176.88	Standard	35.38	212.25	182.17	Standard	36.43	218.60	6.35	3%	
Weighing Instruments NAWI: greater than 10 tonnes		387.13	Standard	77.43	464.55	398.75	Standard	79.75	478.50	13.95	3%	
<b>NOTE: All weighing instruments: When testing instruments incorporating remote display or printing facilities, and where completion of the test requires a second person or a second series of tests by the same person, an additional fee may be charged</b>	50% surcharge on base cost if applicable											

Description	Other	2018/19				2019/20				Increase		Notes/Comments	
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%		
Measures: Instruments for Intoxicating Liquor not exceeding 150 ml		17.17	Standard	3.43	20.60	17.67	Standard	3.53	21.20	0.60	3%	VAT rate applies unless work undertaken under the Measuring Instruments (EEC Requirements) Regs 1988	
Measures: Instruments for Intoxicating Liquor exceeding 150 ml		19.79	Standard	3.96	23.75	20.38	Standard	4.08	24.45	0.70	3%		
Measuring Instruments for Liquid Fuel and Lubricants: Container type (not sub-divided)		18.83	Standard	3.77	22.60	19.42	Standard	3.88	23.30	0.70	3%		
Measuring Instruments for Liquid Fuel and Lubricants: First nozzle tested, per site		128.75	Standard	25.75	154.50	132.63	Standard	26.53	159.15	4.65	3%		
Measuring Instruments for Liquid Fuel and Lubricants: Each additional nozzle tested		79.08	Standard	15.82	94.90	81.46	Standard	16.29	97.75	2.85	3%		
Measuring Instruments for Liquid Fuel and Lubricants: Other visits (e.g Testing of peripheral electronic equipment/ credit card acceptor etc)		86.83	Standard	17.37	104.20	89.46	Standard	17.89	107.35	3.15	3%		
Road Tanker Fuel : Meter measuring equipment: Wet hose with two testing liquids		276.33	Standard	55.27	331.60	284.63	Standard	56.93	341.55	9.95	3%		
Road Tanker Fuel : Meter measuring equipment: Wet hose with three testing liquids		322.38	Standard	64.48	386.85	332.04	Standard	66.41	398.45	11.60	3%		
Road Tanker Fuel : Meter measuring equipment: Dry hose with two testing liquids		307.04	Standard	61.41	368.45	316.25	Standard	63.25	379.50	11.05	3%		
Road Tanker Fuel : Meter measuring equipment: Dry hose with three testing liquids		353.25	Standard	70.65	423.90	363.83	Standard	72.77	436.60	12.70	3%		
Road Tanker Fuel : Meter measuring equipment: Wet/dry hose with two testing liquids		429.83	Standard	85.97	515.80	442.71	Standard	88.54	531.25	15.45	3%		
Road Tanker Fuel : Meter measuring equipment: Wet/dry hose with three testing liquids		460.54	Standard	92.11	552.65	474.38	Standard	94.88	569.25	16.60	3%		
Certificate of Errors: Request for certificate		43.75	Standard	8.75	52.50	45.08	Standard	9.02	54.10	1.60	3%		
<b>Note: When supplying specialist equipment (including but not limited to weighbridge test unit, van and test weights, etc) an additional fee may be charged hourly, daily or per appointment, according to circumstance</b>	<b>Prices on application</b>												

**Notes to Weights & Measures Charges**

- The 2019/20 guidance is based on a chargeable rate of £86.30 per officer per hour, designed to facilitate full cost recovery for metrological activity.
- For any work not covered by this guidance, or which varies significantly or is carried out in exceptional circumstances, an appropriate charge may be calculated as a surcharge to the hourly rate.
- When a visit is made by a Trading Standards Officer to any premises for the purpose of carrying out any of the functions or activities listed below, each visit may be subject to a minimum charge of £81.35 per Officer per visit regardless of the nature or amount of work requested or completed. Warning: At present, LACORS has not established the legal position regarding the charging of a minimum fee in the case of cancellation or curtailment of the work to be carried out (i.e. a 'call-out' or cancellation charge). If such a fee is charged, it may be subject to a legal challenge.
- Visits carried out partly or entirely outside of normal office hours may incur a surcharge of 50% of the standard fee or of the standard hourly rate per Officer per hour.
- The guidance relates to the cost of testing single items. Inspectors should not be inhibited from departing from the quoted fee in locally determined circumstances. Discounted fees may be appropriate, for example, in the following circumstances:
  - Where more than a single item is submitted on one occasion and particularly where large quantities are involved;
  - Where facilities, equipment or assistance are provided by the submitter by prior arrangement;

Description	Other	2018/19			2019/20		Increase		Notes/Comments			
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £		Gross £	£	%
<b>PLANNING SERVICES</b>												
Additional administration fee in respect of an Advert required in terms of Regulation 20 of the Town & Country Planning (Development Management Procedure) (Scotland) Regulations 2008		154.17	Standard	30.83	185.00	159.17	Standard	31.83	191.00	6.00	3%	
Planning Section 50 Licence Certificate		132.00	Outwith the Scope	0.00	132.00	136.00	Outwith the Scope	0.00	136.00	4.00	3%	
Pre Application advice for major planning applications		833.33	Standard	166.67	1,000.00	833.33	Standard	166.67	1,000.00	0.00	0%	
Pre Application advice for local planning applications	Maximum £800	666.67	Standard	133.33	800.00	666.67	Standard	133.33	800.00	0.00	0%	a charge (inc VAT) equivalent to 25% of the statutory planning fee (see fee guidance below) for the development, capped at a maximum of £800.00 (inc VAT).
Pre-Application Initiation & follow up 30min meeting						30.00	Standard	6.00	36.00	36.00	0%	includes 20min prep and 10 mins follow up
Pre-Application Initiation & follow up 1hour meeting						60.00	Standard	12.00	72.00	72.00	0%	includes 40min prep and 20 mins follow up
Pre-Application Initiation & follow up 2hour meeting						91.67	Standard	18.33	110.00	110.00	0%	includes 40min prep and 20 mins follow up
Planning Statutory Fees												<a href="https://www.argyll-bute.gov.uk/sites/default/files/planning_fee_guidance_note_1.pdf">https://www.argyll-bute.gov.uk/sites/default/files/planning_fee_guidance_note_1.pdf</a>

Description	Other	2018/19				2019/20				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>BUILDING STANDARDS</b>												
Property Inspection		330.00	Outwith the Scope	0.00	330.00	340.00	Outwith the Scope	0.00	340.00	10.00	3%	
Re - Inspection Fee Property Inspection Applications		165.00	Outwith the Scope	0.00	165.00	170.00	Outwith the Scope	0.00	170.00	5.00	3%	
Confirmation of completion Applications		264.00	Outwith the Scope	0.00	264.00	272.00	Outwith the Scope	0.00	272.00	8.00	3%	
Re - Inspection Fee Confirmation of Completion Applications		150.00	Outwith the Scope	0.00	150.00	155.00	Outwith the Scope	0.00	155.00	5.00	3%	
Confirmation of Exempt class of works		67.00	Outwith the Scope	0.00	67.00	69.00	Outwith the Scope	0.00	69.00	2.00	3%	
Building Standards Section 50 Licence Certificate		132.00	Outwith the Scope	0.00	132.00	136.00	Outwith the Scope	0.00	136.00	4.00	3%	
Property Enquiries (if Application Number known)		39.00	Outwith the Scope	0.00	39.00	40.00	Outwith the Scope	0.00	40.00	1.00	3%	
Property Enquiries (if Application Number not known)		95.00	Outwith the Scope	0.00	95.00	98.00	Scope	0.00	98.00	3.00	3%	

Description	Other	2018/19				2019/20				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>HOUSING</b>												
Housing - Homeless Temporary Accommodation - Bedsit/1 Bed - per week		57.06	Outwith the Scope	0.00	57.06	57.06	Outwith the Scope	0.00	57.06	0.00	0.00	Not subject to inflation - only the service charge is inflated.
Housing - Homeless Temporary Accommodation - 2 Bed Flat/House - per week		64.62	Outwith the Scope	0.00	64.62	64.62	Outwith the Scope	0.00	64.62	0.00	0.00	
Housing - Homeless Temporary Accommodation - 3 Bed Flat/House - per week		71.37	Outwith the Scope	0.00	71.37	71.37	Outwith the Scope	0.00	71.37	0.00	0.00	
Housing - Homeless Temporary Accommodation - 4 Bed House - per week		76.67	Outwith the Scope	0.00	76.67	76.67	Outwith the Scope	0.00	76.67	0.00	0.00	
Housing - Homeless Tenants Service Charge per week		44.75	Outwith the Scope	0.00	44.75	46.10	Outwith the Scope	0.00	46.10	1.35	3%	

Description	Other	2018/19				2019/20				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>WASTE COLLECTION</b>												
Supply of Sacks for Commercial Use (pack of 50)		235.60	Outwith the Scope	0.00	235.60	244.80	Outwith the Scope	0.00	244.80	9.20	4%	Landfill Tax increases subject to approval of the Scottish Government.
Confidential Sacks - Includes Uplift, Shredding and disposal	Internal Use Only - Minimum of 8 sacks per order	14.45	Outwith the Scope	0.00	14.45	14.90	Outwith the Scope	0.00	14.90	0.45	3%	
Domestic Use Only 140 Litre Bins		32.95	Outwith the Scope	0.00	32.95	33.95	Outwith the Scope	0.00	33.95	1.00	3%	
Domestic Use Only 240 Litre Bins		32.95	Outwith the Scope	0.00	32.95	33.95	Outwith the Scope	0.00	33.95	1.00	3%	
Commercial Use Only 240 Litre Bins		84.25	Standard	16.85	101.10	86.79	Standard	17.36	104.15	3.05	3%	
Commercial Use Only 360 Litre Bins		122.58	Standard	24.52	147.10	126.25	Standard	25.25	151.50	4.40	3%	
Commercial Use Only 660 Litre Bins		309.17	Standard	61.83	371.00	318.46	Standard	63.69	382.15	11.15	3%	
Commercial Use Only 1100 Litre Bins		376.63	Standard	75.33	451.95	387.92	Standard	77.58	465.50	13.55	3%	
Commercial Use Only 1280 Litre Bins		387.88	Standard	77.58	465.45	399.50	Standard	79.90	479.40	13.95	3%	
Householder Special Refuse Collection	Minimum Charge covers work of two men and vehicle up to ten minutes.	63.35	Outwith the Scope	0.00	63.35	65.25	Outwith the Scope	0.00	65.25	1.90	3%	
Householder Special Refuse Collection Extra Charge	Charged per 10 minutes over minimum charge	39.40	Outwith the Scope	0.00	39.40	40.60	Outwith the Scope	0.00	40.60	1.20	3%	
Commercial Special Uplift (Industrial Waste)	(Charge Per Hour - Minimum Charge 1 hour)	139.38	Standard	27.88	167.25	143.54	Standard	28.71	172.25	5.00	3%	
Commercial Special Uplift (Non-industrial Waste)	(Charge Per Hour - Minimum Charge 1 hour) - <b>Housing Associations should be</b>	139.35	Outwith the Scope	0.00	139.35	143.55	Outwith the Scope	0.00	143.55	4.20	3%	Provided not Industrial waste as per Environmental Protection Act 1990. For commercial fridge/freezer disposal, contact the Waste Team for advice.
Return of Supermarket trolleys (each)		38.88	Standard	7.78	46.65	40.04	Standard	8.01	48.05	1.40	3%	

Description	Other	2018/19				2019/20				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>COMMERCIAL REFUSE</b>												
Wheeled Bins - 140/240 ltr	Based on 1 uplift per week	281.00	Outwith the Scope	0.00	281.00	291.95	Outwith the Scope	0.00	291.95	10.95	4%	Minimum Charge 2018/19 - £281 Equivalent to the 140/240 litre bin charge for collection and landfill tax uplifted once a week. For premises whereby a less than weekly mixed waste service is available only, the minimum charge will be adjusted accordingly.  Agreements are issued Annually from Manse Brae to all commercial/front end loader customers. Payments are either made in advance or by direct debit.  Front End Loader service provided by Shanks. Some bins still responsibility of Council dependant on location and recognised use by public. Any charge by Shanks above this level to be charged at cost + 2% to customers.
Wheeled Bins - 340 ltr	Based on 1 uplift per week	398.05	Outwith the Scope	0.00	398.05	413.55	Outwith the Scope	0.00	413.55	15.50	4%	
Wheeled Bins - 660 ltr	Based on 1 uplift per week	763.75	Outwith the Scope	0.00	763.75	793.55	Outwith the Scope	0.00	793.55	29.80	4%	
Wheeled Bins - 800 ltr	Based on 1 uplift per week	925.75	Outwith the Scope	0.00	925.75	961.85	Outwith the Scope	0.00	961.85	36.10	4%	
Wheeled Bins - 1100 ltr	Based on 1 uplift per week	1,272.40	Outwith the Scope	0.00	1,272.40	1,322.00	Outwith the Scope	0.00	1,322.00	49.60	4%	
Wheeled Bins - 1280 ltr	Based on 1 uplift per week	1,480.55	Outwith the Scope	0.00	1,480.55	1,538.30	Outwith the Scope	0.00	1,538.30	57.75	4%	
Loads - Bands 1-5		683.05	Outwith the Scope	0.00	683.05	709.70	Outwith the Scope	0.00	709.70	26.65	4%	
Loads - Bands 6-10		1,539.15	Outwith the Scope	0.00	1,539.15	1,599.20	Outwith the Scope	0.00	1,599.20	60.05	4%	
Front End Loader Service - Uplifted twice weekly by Shanks	Per Cubic Yard	1,495.60	Outwith the Scope	0.00	1,495.60	1,553.95	Outwith the Scope	0.00	1,553.95	58.35	4%	
Front End Loader Service - Uplifted twice weekly by Shanks	Per Cubic Metre	1,765.60	Outwith the Scope	0.00	1,765.60	1,834.45	Outwith the Scope	0.00	1,834.45	68.85	4%	
Pull Out Charge		31.60	Outwith the Scope	0.00	31.60	32.55	Outwith the Scope	0.00	32.55	0.95	3%	
Commercial Service Fee		40.54	Standard	8.11	48.65	41.75	Standard	8.35	50.10	1.45	3%	
<b>COMMERCIAL REFUSE (private waste contractor's with Council acting as sub-contractor)</b>												
Supply of Sacks for Commercial Use (pack of 50)		235.60	Standard	47.12	282.72	244.79	Standard	48.96	293.75	11.03	4%	Minimum Charge 2018/19 - £337.20 Equivalent to the 140/240 litre bin charge for collection and landfill tax uplifted once a week. For premises whereby a less than weekly mixed waste service is available only, the minimum charge will be adjusted accordingly.  Agreements are issued Annually from Manse Brae to all commercial/front end loader customers. Payments are either made in advance or by direct debit.  Front End Loader service provided by Shanks. Some bins still responsibility of Council dependant on location and recognised use by public. Any charge by Shanks above this level to be charged at cost + 2% to customers.
Wheeled Bins - 140/240 ltr	Based on 1 uplift per week	281.00	Standard	56.20	337.20	291.96	Standard	58.39	350.35	13.15	4%	
Wheeled Bins - 340 ltr	Based on 1 uplift per week	398.04	Standard	79.61	477.65	413.58	Standard	82.72	496.30	18.65	4%	
Wheeled Bins - 660 ltr	Based on 1 uplift per week	763.75	Standard	152.75	916.50	793.54	Standard	158.71	952.25	35.75	4%	
Wheeled Bins - 800 ltr	Based on 1 uplift per week	925.75	Standard	185.15	1,110.90	961.88	Standard	192.38	1,154.25	43.35	4%	
Wheeled Bins - 1100 ltr	Based on 1 uplift per week	1,272.38	Standard	254.48	1,526.85	1,322.00	Standard	264.40	1,586.40	59.55	4%	
Wheeled Bins - 1280 ltr	Based on 1 uplift per week	1,480.54	Standard	296.11	1,776.65	1,538.29	Standard	307.66	1,845.95	69.30	4%	
Loads - Bands 1-5		683.04	Standard	136.61	819.65	709.67	Standard	141.93	851.60	31.95	4%	
Loads - Bands 6-10		1,539.13	Standard	307.83	1,846.95	1,599.17	Standard	319.83	1,919.00	72.05	4%	
Front End Loader Service - Uplifted twice weekly by Shanks	Per Cubic Yard	1,495.63	Standard	299.13	1,794.75	1,553.96	Standard	310.79	1,864.75	70.00	4%	
Front End Loader Service - Uplifted twice weekly by Shanks	Per Cubic Metre	1,765.63	Standard	353.13	2,118.75	1,834.50	Standard	366.90	2,201.40	82.65	4%	
Pull Out Charge		31.63	Standard	6.33	37.95	32.58	Standard	6.52	39.10	1.15	3%	
Commercial Service Fee		40.54	Standard	8.11	48.65	41.75	Standard	8.35	50.10	1.45	3%	

Description	Other	2018/19				2019/20				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>RECYCLING CHARGES</b>												
Office Paper - Large Bag / 1 x week		116.95	Outwith the Scope	0.00	116.95	120.45	Outwith the Scope	0.00	120.45	3.50	3%	Charges for recycling collections or treatment should in general be levied on the commercial sector on the same basis as normal refuse collection or disposal, but with the benefit of no landfill tax payment being applied to the charge.  At Waste Disposal Sites and Civic Amenity/Recycling Sites, use by the commercial sector (if permitted by the license conditions) should only be allowed in return for the payment of the appropriate rate, equivalent to the disposal charge excluding landfill tax. A pre-paid punch card system is available.  Paper and cardboard recycling charges are also applicable for plastic and cans where such recycling is available.
Paper, Cardboard, Plastic and Cans - 240 litre Bins and Minimum Charge for Year		73.95	Outwith the Scope	0.00	73.95	79.85	Outwith the Scope	0.00	79.85	5.90	8%	
Paper, Cardboard, Plastic and Cans - 340 litre Bin	Fortnightly Charge - Weekly services shall be charged accordingly at fortnightly rate x 2	104.20	Outwith the Scope	0.00	104.20	112.55	Outwith the Scope	0.00	112.55	8.35	8%	
Paper, Cardboard, Plastic and Cans - 660 litre Bin		199.40	Outwith the Scope	0.00	199.40	215.35	Outwith the Scope	0.00	215.35	15.95	8%	
Paper, Cardboard, Plastic and Cans - 800 litre Bin		241.70	Outwith the Scope	0.00	241.70	261.05	Outwith the Scope	0.00	261.05	19.35	8%	
Paper, Cardboard, Plastic and Cans - 1100/1280 litre Bin		331.60	Outwith the Scope	0.00	331.60	358.15	Outwith the Scope	0.00	358.15	26.55	8%	
Commercial Sacks for Recyclable Waste		Charge Per Sack. Service available in Kintyre and Bute.	1.16	Outwith the Scope	0.00	1.16	1.19	Outwith the Scope	0.00	1.19	0.03	
Recyclable Waste Brought to Civic Amenity/Recycling Facilities	Purchase of Punch Card - Price per card	33.95	Outwith the Scope	0.00	33.95	34.95	Outwith the Scope	0.00	34.95	1.00	3%	
Cooking Oil Collection (per 20/24ltr container)	Service available in Mull, Iona, Tiree, Islay and Jura	2.80	Outwith the Scope	0.00	2.80	2.90	Outwith the Scope	0.00	2.90	0.10	4%	
Segregated Glass Collection - 240 litre bin 1 x weekly	Segregated available on mainland Argyll & Isle of Bute. Minimum Charge same as for Mixed Glass	48.80	Outwith the Scope	0.00	48.80	50.25	Outwith the Scope	0.00	50.25	1.45	3%	
Segregated Glass Collection - 330/360 litre bin 1 x weekly		67.25	Outwith the Scope	0.00	67.25	69.25	Outwith the Scope	0.00	69.25	2.00	3%	
Segregated Glass Collection - 660 litre bin 1 x weekly		132.30	Outwith the Scope	0.00	132.30	136.25	Outwith the Scope	0.00	136.25	3.95	3%	
Segregated Glass Collection - 1100/1280 litre bin 1 x weekly		199.40	Outwith the Scope	0.00	199.40	205.40	Outwith the Scope	0.00	205.40	6.00	3%	
Mixed Glass Collection - 240 litre bin and Minimum Charge	Fortnightly Service	73.95	Outwith the Scope	0.00	73.95	76.15	Outwith the Scope	0.00	76.15	2.20	3%	
Mixed Glass Collection - 660 litre bin	Fortnightly Service	199.40	Outwith the Scope	0.00	199.40	205.40	Outwith the Scope	0.00	205.40	6.00	3%	
Commercial Food Waste Composting Service - Weekly Service of 140ltr Wheeled Bin	Service only available in Lomond - Bin and 160 Bags per annum supplied by Council	127.60	Outwith the Scope	0.00	127.60	131.45	Outwith the Scope	0.00	131.45	3.85	3%	
Commercial Food Waste Composting Service - Weekly Service of 240ltr Wheeled Bin	Service only available in Lomond - Bin and 160 Bags per annum supplied by Council	218.75	Outwith the Scope	0.00	218.75	225.30	Outwith the Scope	0.00	225.30	6.55	3%	
Commercial Food Waste Composting Service - Weekly Service of 500ltr Wheeled Bin	Service only available in Lomond - Bin and 570 Bags per annum supplied by Council	456.15	Outwith the Scope	0.00	456.15	469.85	Outwith the Scope	0.00	469.85	13.70	3%	
<b>RECYCLING CHARGES (private waste contractor's with Council acting as sub-contractor)</b>												
Office Paper - Large Bag / 1 x week		116.96	Standard	23.39	140.35	120.46	Standard	24.09	144.55	4.20	3%	
Paper, Cardboard, Plastic and Cans - 240 litre Bins and Minimum Charge for Year		73.96	Standard	14.79	88.75	79.88	Standard	15.98	95.85	7.10	8%	
Paper, Cardboard, Plastic and Cans - 340 litre Bin	Fortnightly Charge - Weekly services shall be charged accordingly at fortnightly rate x 2	104.21	Standard	20.84	125.05	112.54	Standard	22.51	135.05	10.00	8%	
Paper, Cardboard, Plastic and Cans - 660 litre Bin		199.38	Standard	39.88	239.25	215.33	Standard	43.07	258.40	19.15	8%	
Paper, Cardboard, Plastic and Cans - 800 litre Bin		241.71	Standard	48.34	290.05	261.04	Standard	52.21	313.25	23.20	8%	
Paper, Cardboard, Plastic and Cans - 1100/1280 litre Bin		331.63	Standard	66.33	397.95	358.17	Standard	71.63	429.80	31.85	8%	
Commercial Sacks for Recyclable Waste	Charge Per Sack. Service available in Kintyre and Bute.	1.17	Standard	0.23	1.40	1.21	Standard	0.24	1.45	0.05	4%	

Description	Other	2018/19				2019/20				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
Segregated Glass Collection - 240 litre bin 1 x weekly	Segregated available on mainland Argyll & Isle of Bute. Minimum Charge same as for Mixed Glass	48.83	Standard	9.77	58.60	50.29	Standard	10.06	60.35	1.75	3%	
Segregated Glass Collection - 330/360 litre bin 1 x weekly		67.25	Standard	13.45	80.70	69.25	Standard	13.85	83.10	2.40	3%	
Segregated Glass Collection - 660 litre bin 1 x weekly		132.29	Standard	26.46	158.75	136.25	Standard	27.25	163.50	4.75	3%	
Segregated Glass Collection - 1100/1280 litre bin 1 x weekly		199.38	Standard	39.88	239.25	205.38	Standard	41.08	246.45	7.20	3%	
Mixed Glass Collection - 240 litre bin and Minimum Charge	Fortnightly Service	73.96	Standard	14.79	88.75	76.17	Standard	15.23	91.40	2.65	3%	
Mixed Glass Collection - 660 litre bin	Fortnightly Service	199.38	Standard	39.88	239.25	205.38	Standard	41.08	246.45	7.20	3%	
Commercial Food Waste Composting Service - Weekly Service of 140ltr Wheeled Bin	Service only available in Lomond - Bin and 160 Bags per annum supplied by Council	127.63	Standard	25.53	153.15	131.46	Standard	26.29	157.75	4.60	3%	
Commercial Food Waste Composting Service - Weekly Service of 240ltr Wheeled Bin	Service only available in Lomond - Bin and 160 Bags per annum supplied by Council	218.79	Standard	43.76	262.55	225.38	Standard	45.08	270.45	7.90	3%	
Commercial Food Waste Composting Service - Weekly Service of 500ltr Wheeled Bin	Service only available in Lomond - Bin and 570 Bags per annum supplied by Council	456.13	Standard	91.23	547.35	469.79	Standard	93.96	563.75	16.40	3%	

Description	Other	2018/19				2019/20				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
SKIPS												
Hire (for 24 hours)	Any Ferry Journeys will be recharged at cost.	5.42	Standard	1.08	6.50	5.58	Standard	1.12	6.70	0.20	3%	Charge for skip hire if not part of commercial waste collection contract.
Commercial - Service of Skip - Up to 10 miles travel, one way from disposal point	Any Ferry Journeys will be recharged at cost.	70.85	Outwith the Scope	0.00	70.85	73.00	Outwith the Scope	0.00	73.00	2.15	3%	
Commercial - Service of Skip - Up to 20 miles travel, one way from disposal point	Any Ferry Journeys will be recharged at cost.	89.95	Outwith the Scope	0.00	89.95	92.65	Outwith the Scope	0.00	92.65	2.70	3%	
Commercial - Service of Skip - Over 20 miles travel, one way from disposal point	Any Ferry Journeys will be recharged at cost.	111.35	Outwith the Scope	0.00	111.35	114.70	Outwith the Scope	0.00	114.70	3.35	3%	
Commercial - Tipping Charge per Service, including Landfill Tax (Active)	Tiree Only - See notes	321.55	Outwith the Scope	0.00	321.55	330.50	Outwith the Scope	0.00	330.50	8.95	3%	Landfill tax on inactive waste at Council landfill sites on Mull, Islay and Tiree may be charged. This will depend on the type of inactive waste and it's use on the landfill site. A contractor with such waste should contact the Council to discuss this prior to disposal of inactive waste.
Commercial - Tipping Charge per Service, including Landfill Tax (Inactive)	Tiree Only - See notes	0.00	Outwith the Scope	0.00	0.00	0.00	Outwith the Scope	0.00	0.00	0.00	0%	Tipping Charges - Tiree, no weighbridge, charge has not yet been set by Revenue Scotland and will be updated when known. Tipping Charges - Islay and Mull - charge based on weighbridge - see Waste Disposal Charges.

Description	Other	2018/19				2019/20				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>HOUSEHOLDER SCRAP CAR REMOVAL AND DISPOSAL SERVICE (Service not available to Commercial Customers they should make their own arrangements with appropriate vehicle dismantlers)</b>												
Scrap Car Deposit Voucher - per car	The voucher service is <b>not</b> available in Helensburgh and Lomond, where advice can be sought from your local area office.	78.67	Standard	15.73	94.40	81.04	Standard	16.21	97.25	2.85	3%	Householder must pay fee and show registration document as proof of ownership before voucher can be issued. Car must be taken to appropriate Council or Shanks disposal site by Householder.
Removal and disposal from householders		129.29	Standard	25.86	155.15	133.17	Standard	26.63	159.80	4.65	3%	Householders should be advised of national takeback schemes i.e. Cartakeback and Autogreen, before proceeding with removal request and payment.
Removal of abandoned car where owner can be traced - Statutory Fee		300.00	Outwith the Scope	0.00	300.00	300.00	Outwith the Scope	0.00	300.00	0.00	0%	Charge set by Legislation. If car has to be stored due to its condition (e.g. still taxed) in Council Depot an additional £20.60 per storage charge per day should be added.
Removal of car by arrangement on private, or other public sector ground, where the last registered keeper cannot be traced. The Executive Director of the Development and Infrastructure Department shall have the discretion to require a payment in advance from the landowner		155.15	Outwith the Scope	0.00	155.15	159.80	Outwith the Scope	0.00	159.80	4.65	3%	A 24 hour notice on the car must be served prior to removal and disposal.

Description	Other	2018/19				2019/20				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>WASTE DISPOSAL</b>												
Ordinary Waste - Landfill Tax Element of Charges per tonne (Fee set by Government - based on estimate)	Charge includes Landfill Tax	88.95	Outwith the Scope	0.00	88.95	91.35	Outwith the Scope	0.00	91.35	2.40	3%	Statutory Increase
Ordinary Waste - Waste Disposal Cost per tonne	Charge includes Landfill Tax	119.09	Outwith the Scope	0.00	119.09	122.40	Outwith the Scope	0.00	122.40	3.31	3%	Statutory Increase
Inactive Waste - Landfill Tax Element of Charges per tonne	Charge includes Landfill Tax	2.80	Outwith the Scope	0.00	2.80	2.90	Outwith the Scope	0.00	2.90	0.10	4%	No Statutory Increase
Inactive Waste - Waste Disposal Cost per tonne	Charge includes Landfill Tax	0.00	Outwith the Scope	0.00	0.00	0.00	Outwith the Scope	0.00	0.00	0.00	0%	No Statutory Increase
Assumed Loads per vehicle type - Small Van/pick up (Escort size)	0.4 tonnes	48.70	Outwith the Scope	0.00	48.70	50.05	Outwith the Scope	0.00	50.05	1.35	3%	increase includes change in statutory landfill tax charges.
Assumed Loads per vehicle type - Medium Van/pick up (Transit size)	0.8 tonnes	97.30	Outwith the Scope	0.00	97.30	100.00	Outwith the Scope	0.00	100.00	2.70	3%	increase includes change in statutory landfill tax charges.
Assumed Loads per vehicle type - Large Van/pick up (twin wheeled)	1.2 tonnes	145.95	Outwith the Scope	0.00	145.95	150.00	Outwith the Scope	0.00	150.00	4.05	3%	increase includes change in statutory landfill tax charges.
Assumed Loads per vehicle type - Tipper/Large Box Van (over 3.5 tonnes and less than 7.5 tonnes)	3 tonnes	364.85	Outwith the Scope	0.00	364.85	375.00	Outwith the Scope	0.00	375.00	10.15	3%	increase includes change in statutory landfill tax charges.

		2018/19				2019/20				Increase		Notes/Comments
Description	Other	Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>PUBLIC CONVENIENCES</b>												
Entrance Fee (where turnstile fitted)		0.30	Outwith the Scope	0.00	0.30	0.30	Outwith the Scope	0.00	0.30	0.00	0%	
Radar Keys		3.90	Outwith the Scope	0.00	3.90	4.00	Outwith the Scope	0.00	4.00	0.10	3%	Purchased at Area Offices.

Description	Other	2018/19				2019/20				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>PEST CONTROL</b>												
DOMESTIC HOUSES - Eradication of Rodent or Insect Pests. This covers all individual dwelling premises either private or rented from Housing Associations/Social Landlords/Private Landlords.		67.50	Standard	13.50	81.00	69.54	Standard	13.91	83.45	2.45	3%	Payment must be made in Advance. Further charges may be necessary where eradication requires more than one visit. Advice on the total charge for eradication can be provided by officer during initial treatment.
Non refundable Survey Charge		22.46	Standard	4.49	26.95	23.13	Standard	4.63	27.75	0.80	3%	
No Treatment Required - Maximum Refund		44.96	Standard	8.99	53.95	46.29	Standard	9.26	55.55	1.60	3%	
COMMERCIAL- Eradication of Rodent or Insect Pests - Survey and/or Treatment up to 30 minutes		71.96	Standard	14.39	86.35	74.13	Standard	14.83	88.95	2.60	3%	In treatments where several visits are required for completion of a treatment or the use of additional expensive poisons are required such as for mole, rabbit, bedbug and cockroach treatments, supplementary charges may be levied. Where this is the case the client will be advised of the extra cost accordingly. This is relevant for domestic, commercial and council properties.
COMMERCIAL- Eradication of Rodent or Insect Pests - Subsequent Treatment per 20 minutes		44.46	Standard	8.89	53.35	45.79	Standard	9.16	54.95	1.60	3%	
COMMERCIAL- Eradication of Rodent or Insect Pests - Issue of Rodent Control Certificate		132.75	Standard	26.55	159.30	136.75	Standard	27.35	164.10	4.80	3%	
COMMERCIAL- Eradication of Rodent or Insect Pests - Annual Agreement - Commercial	By negotiation		Standard				Standard					
COUNCIL OWNED PROPERTIES - Eradication of Rodents or Insect Pests - Survey and/or Treatment up to 30 minutes		72.00	Outwith the Scope	0.00	72.00	74.15	Outwith the Scope	0.00	74.15	2.15	3%	Council Departments to receive same treatment options as Commercial Customers.
COUNCIL OWNED PROPERTIES - Eradication of Rodents or Insect Pests - Subsequent Treatment per 20 minutes		44.35	Outwith the Scope	0.00	44.35	45.70	Outwith the Scope	0.00	45.70	1.35	3%	
COUNCIL OWNED PROPERTIES - Eradication of Rodents or Insect Pests - Annual Agreement - Commercial	By negotiation		Outwith the Scope				Outwith the Scope					

Description	Other	2018/19				2019/20				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>DOG FEES</b>												
Standard Fee (Statutory Fee)	<b>STATUTORY CHARGE</b>	25.00	Outwith the Scope	0.00	25.00	25.00	Outwith the Scope	0.00	25.00	0.00	0%	Payment in advance. Proof of identity must be shown, at Area Office when payment is made. A receipt will be issued to allow the owner to collect their dog from the kennels. In order for Kennel Operators to accept dogs there is a requirement that they are inoculated.  First 24 hour period, statutory charge applied plus boarding fee. The boarding fee only, will be applied for each subsequent day the dog is in boardings.  Dog microchipping will be required by law from April 2016. Dogs (when not already microchipped) will be microchipped before returning to the owner.
Boarding fee		16.60	Outwith the Scope	0.00	16.60	17.10	Outwith the Scope	0.00	17.10	0.50	3%	
Kennel Inoculation Fee		39.13	Standard	7.83	46.95	40.29	Standard	8.06	48.35	1.40	3%	
Dog microchipping		34.46	Standard	6.89	41.35	35.50	Standard	7.10	42.60	1.25	3%	

Description	Other	2018/19				2019/20				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>PLAYING FIELDS</b>												
Hire of lined Pitch with Changing Facilities including attendant required for changing facilities (2.5 hours)	18 and over	67.50	Standard	13.50	81.00	69.54	Standard	13.91	83.45	2.45	3%	All hire must be paid for in advance. Block Bookings (10 consecutive bookings) booked in advance is VAT exempt.
	Under 18's	33.71	Standard	6.74	40.45	34.71	Standard	6.94	41.65	1.20	3%	
Hire of lined Pitch only (2.5 hours)	18 and over	33.71	Standard	6.74	40.45	34.71	Standard	6.94	41.65	1.20	3%	Minimum of 48 hours notice is required if the pitch requires to be lined. 48 hours notice of cancellation required in order to be reimbursed.
	Under 18's	16.88	Standard	3.38	20.25	17.38	Standard	3.48	20.85	0.60	3%	
Hire of Pitch for Training (2 hours)	All ages	16.88	Standard	3.38	20.25	17.38	Standard	3.48	20.85	0.60	3%	
Hire of Pitch for Training with changing facilities (2 hours)	18 and over	20.46	Standard	4.09	24.55	21.08	Standard	4.22	25.30	0.75	3%	
	Under 18's	10.21	Standard	2.04	12.25	10.50	Standard	2.10	12.60	0.35	3%	
Hire of Pony Park - Bute	Concession	34.38	Standard	6.88	41.25	35.42	Standard	7.08	42.50	1.25	3%	
Hire of Howie Pavilion, Lomond		9.00	Exempt	0.00	9.00	9.25	Exempt	0.00	9.25	0.25	3%	Hire of Howie Pavilion - standard VAT should be applied if Council staff are involved in setting up the hall.

Description	Other	2018/19				2019/20				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>OUTDOOR RECREATION</b>												
Putting and Crazy Golf	Adult	2.95	Standard		2.95	3.05	Standard		3.05	0.10	3%	The stadium fee is the daily rate applied and is for use of the stadium hire only, including the spectator area/pavilion and toilet block. Any other service requirements are outwith this charge, and will be charged separately.
	Concession	1.29	Standard	0.26	1.55	1.33	Standard	0.27	1.60	0.05	3%	
Tennis - Per Session	Adult	2.46	Standard	0.49	2.95	2.54	Standard	0.51	3.05	0.10	3%	
	Concession	1.29	Standard	0.26	1.55	1.33	Standard	0.27	1.60	0.05	3%	
Tennis - Season Ticket	Adult	46.54	Standard	9.31	55.85	47.96	Standard	9.59	57.55	1.70	3%	
	Concession	22.92	Standard	4.58	27.50	23.63	Standard	4.73	28.35	0.85	3%	
Tennis - Hire of Racquet and Balls	Adult	2.46	Standard	0.49	2.95	2.54	Standard	0.51	3.05	0.10	3%	
	Concession	1.29	Standard	0.26	1.55	1.33	Standard	0.27	1.60	0.05	3%	
Bowling - Per Session	Adult	2.46	Standard	0.49	2.95	2.54	Standard	0.51	3.05	0.10	3%	
	Concession	1.29	Standard	0.26	1.55	1.33	Standard	0.27	1.60	0.05	3%	
Bowling - Season Ticket	Adult	56.21	Standard	11.24	67.45	57.88	Standard	11.58	69.45	2.00	3%	
	Concession	28.21	Standard	5.64	33.85	29.04	Standard	5.81	34.85	1.00	3%	
Cricket Wicket (unprepared)	Adult	31.13	Standard	6.23	37.35	32.04	Standard	6.41	38.45	1.10	3%	
Cricket Wicket (prepared)	Adult	56.21	Standard	11.24	67.45	57.88	Standard	11.58	69.45	2.00	3%	
Hire of McCaigs Tower (Weddings)		281.17	Standard	56.23	337.40	289.58	Standard	57.92	347.50	10.10	3%	
Hire of Stadium (Mossfield, Dunoon and Rothesay) for a major event - MINIMUM CHARGE		674.63	Standard	134.93	809.55	694.88	Standard	138.98	833.85	24.30	3%	
<b>Dunoon Stadium - Hire of running Track-without marking</b>		11.29	Standard	2.26	13.55	11.63	Standard	2.33	13.95	0.40	3%	
<b>Dunoon Stadium - Hire of Running Track-with marking</b>		50.58	Standard	10.12	60.70	52.08	Standard	10.42	62.50	1.80	3%	
<b>Grass Tracks - Hire of Running Track (without marking)</b>		11.29	Standard	2.26	13.55	11.63	Standard	2.33	13.95	0.40	3%	
<b>Grass Tracks - Hire of Running Track (with marking)</b>		152.92	Standard	30.58	183.50	157.50	Standard	31.50	189.00	5.50	3%	
Grandstand (Public Restricted)		214.79	Standard	42.96	257.75	221.25	Standard	44.25	265.50	7.75	3%	
Rental of Stall - Per Linear Metre		56.46	Standard	11.29	67.75	58.17	Standard	11.63	69.80	2.05	3%	
Rental of Stall - by Registered Charity - by Stall		27.04	Standard	5.41	32.45	27.83	Standard	5.57	33.40	0.95	3%	

Description	Other	2018/19				2019/20				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>FAIRS</b>												Charges for commercial refuse/tyd up will be over and above the charges noted.
Hire of ground for 1 week (7 days) With total frontage of all rides/stalls, less than 49 linear metres		343.60	Exempt	0.00	343.60	353.90	Exempt	0.00	353.90	10.30	3%	
Hire of Ground for 1 week (7 days). With total frontage of all rides/stalls, over 49 linear metres - per linear metre		7.10	Exempt	0.00	7.10	7.30	Exempt	0.00	7.30	0.20	3%	
Food Vans/Stalls - Hire of Ground per week (7days) - per linear metre		5.30	Exempt	0.00	5.30	5.45	Exempt	0.00	5.45	0.15	3%	
Charitable Organisations - Hire of Ground up to 7 days - per linear metre		3.60	Exempt	0.00	3.60	3.70	Exempt	0.00	3.70	0.10	3%	

Description	Other	2018/19				2019/20				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>FLORAL DECORATIONS</b>												
Hire of Round or Half Baskets (each)		17.29	Standard	3.46	20.75	17.79	Standard	3.56	21.35	0.60	3%	Loss or damage to containers will be charged to hirer at replacement value.
Troughs 1 Metre Long (each)		21.00	Standard	4.20	25.20	21.63	Standard	4.33	25.95	0.75	3%	
Tubs to 16" diameter (each)		24.79	Standard	4.96	29.75	25.54	Standard	5.11	30.65	0.90	3%	
Tubs over 16" diameter (each)		35.92	Standard	7.18	43.10	37.00	Standard	7.40	44.40	1.30	3%	
Handling Charge												
At cost price with prior notice												

Description	Other	2018/19				2019/20				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>BURIAL CHARGES</b>												
*Interment/Re Opening Lair Interment (Child under 18)	No charge	673.00	Outwith the Scope	0.00	673.00	693.00	Outwith the Scope	0.00	693.00	20.00	3%	* 100% to be added to interment/lair charges (except for the transfer of title deed) for non residents of Argyll & Bute within the following exemptions:  1. Clear proof that deceased lived permanently in Argyll & Bute within 10 years of death.  2. If the deceased person has been in long term residential care outwith the boundaries of Argyll & Bute Council, but was previously a resident of Argyll & Bute and was moved to such residential care at the behest of this, or a previous Local Authority.  3. Any resident or former resident of Argyll & Bute who has died in the service of their country.
Additional Charge - Interment on Saturday/Sunday or Public Holiday will incur this additional charge		250.00	Outwith the Scope	0.00	250.00	258.00	Outwith the Scope	0.00	258.00	8.00	3%	
Additional Charge - Burial of ashes on Saturday/Sunday or Public Holiday will incur this additional charge		71.00	Outwith the Scope	0.00	71.00	73.00	Outwith the Scope	0.00	73.00	2.00	3%	
*Burial of Cremated Remains		151.00	Outwith the Scope	0.00	151.00	156.00	Outwith the Scope	0.00	156.00	5.00	3%	
*Scattering of Ashes		117.00	Outwith the Scope	0.00	117.00	121.00	Outwith the Scope	0.00	121.00	4.00	3%	
<b>Purchase of Lair - exclusive right of burial (Child under 18)</b>						<b>No charge</b>						
*Purchase of Single Lair, incl maintenance		794.00	Outwith the Scope	0.00	794.00	818.00	Outwith the Scope	0.00	818.00	24.00	3%	
*Purchase of Double Lair, incl maintenance		1,589.00	Outwith the Scope	0.00	1,589.00	1,637.00	Outwith the Scope	0.00	1,637.00	48.00	3%	
*Purchase of Treble Lair, incl maintenance		2,384.00	Outwith the Scope	0.00	2,384.00	2,456.00	Outwith the Scope	0.00	2,456.00	72.00	3%	
*Lair for Casket only		163.00	Outwith the Scope	0.00	163.00	168.00	Outwith the Scope	0.00	168.00	5.00	3%	
*Woodland and Green Burial Service Burial Charge		673.00	Outwith the Scope	0.00	673.00	693.00	Outwith the Scope	0.00	693.00	20.00	3%	
*Woodland and Green Burial Service Standard Lair		1,590.00	Outwith the Scope	0.00	1,590.00	1,638.00	Outwith the Scope	0.00	1,638.00	48.00	3%	
Transfer of Title Deeds		43.00	Outwith the Scope	0.00	43.00	44.00	Outwith the Scope	0.00	44.00	1.00	2%	
Extract/Search Register (£13.20 to be paid in Advance for work up to half an hour)		25.00	Outwith the Scope	0.00	25.00	26.00	Outwith the Scope	0.00	26.00	1.00	4%	
Administration Fee for Return of Lair	10% of purchase price (90% returned)		Standard		0.00		Standard		0.00			
Permission to erect Standard Memorial or one off design		131.00	Outwith the Scope	0.00	131.00	135.00	Outwith the Scope	0.00	135.00	4.00	3%	
Permission to erect semi recumbent book type memorial		65.00	Outwith the Scope	0.00	65.00	67.00	Outwith the Scope	0.00	67.00	2.00	3%	
Erection of plaques at Cemeteries (where consent granted)		65.00	Outwith the Scope	0.00	65.00	67.00	Outwith the Scope	0.00	67.00	2.00	3%	
Erection of inscribed memorial plaque (for previously unmarked graves)		219.00	Outwith the Scope	0.00	219.00	226.00	Outwith the Scope	0.00	226.00	7.00	3%	
Erection of Headstone (Tiree ONLY)		169.00	Outwith the Scope	0.00	169.00	174.00	Outwith the Scope	0.00	174.00	5.00	3%	
Exhumations (not including re interment)		720.00	Outwith the Scope	0.00	720.00	742.00	Outwith the Scope	0.00	742.00	22.00	3%	
Exhumations of Caskets (hourly rate)		47.00	Outwith the Scope	0.00	47.00	48.00	Outwith the Scope	0.00	48.00	1.00	2%	

Description	Other	2018/19				2019/20				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>CREMATORIUM CHARGES</b>												
Child (under 18)												No charge
Adults 18 years and over		665.00	Exempt	0.00	665.00	685.00	Exempt	0.00	685.00	20.00	3%	
Adults 18 years and over - Saturday		737.00	Exempt	0.00	737.00	759.00	Exempt	0.00	759.00	22.00	3%	
Additional Charge - Public Holiday		237.00	Exempt	0.00	237.00	244.00	Exempt	0.00	244.00	7.00	3%	
Clergy		67.50	Standard	13.50	81.00	69.17	Standard	13.83	83.00	2.00	2%	
Dispersal of Ashes		26.00	Zero Rated	0.00	26.00	27.00	Zero Rated	0.00	27.00	1.00	4%	
Casket - Purchase		47.50	Standard	9.50	57.00	49.17	Standard	9.83	59.00	2.00	4%	
Urn (plus carrier) - Purchase		21.67	Standard	4.33	26.00	22.50	Standard	4.50	27.00	1.00	4%	
Book of Remembrance (per line)		30.00	Standard	6.00	36.00	30.83	Standard	6.17	37.00	1.00	3%	
Small Book of Remembrance (2 Lines)		95.00	Standard	19.00	114.00	97.50	Standard	19.50	117.00	3.00	3%	
Small Book of Remembrance (5 Lines)		176.67	Standard	35.33	212.00	181.67	Standard	36.33	218.00	6.00	3%	
Small Book of Remembrance (8 Lines)		260.83	Standard	52.17	313.00	268.33	Standard	53.67	322.00	9.00	3%	
Small Book of Remembrance (Gilded Motif)		63.33	Standard	12.67	76.00	65.00	Standard	13.00	78.00	2.00	3%	
Badges		49.17	Standard	9.83	59.00	50.83	Standard	10.17	61.00	2.00	3%	
Coat of Arms and Floral Motif		66.67	Standard	13.33	80.00	68.33	Standard	13.67	82.00	2.00	3%	
Retention of Ashes - per month		12.00	Outwith the Scope	0.00	12.00	12.50	Scope	0.00	12.50	0.50	4%	
Chapel of Rest		35.83	Standard	7.17	43.00	36.67	Standard	7.33	44.00	1.00	2%	
Plaque - Single with inscription (25 years)		165.83	Standard	33.17	199.00	170.83	Standard	34.17	205.00	6.00	3%	
Plaque - Single continuation of lease (25 years)		100.00	Standard	20.00	120.00	103.33	Standard	20.67	124.00	4.00	3%	
Plaque - Double with single inscriptions (25 years)		240.00	Standard	48.00	288.00	247.50	Standard	49.50	297.00	9.00	3%	
Plaque - Double with two inscriptions (25 years)		305.83	Standard	61.17	367.00	315.00	Standard	63.00	378.00	11.00	3%	
Plaque - Double continuation of lease (25 years)		200.00	Standard	40.00	240.00	205.83	Standard	41.17	247.00	7.00	3%	
Additional inscription		90.00	Standard	18.00	108.00	92.50	Standard	18.50	111.00	3.00	3%	
Use of Crematorium Chapel for a Burial Service		209.17	Standard	41.83	251.00	215.83	Standard	43.17	259.00	8.00	3%	
Memorial Kerbstone - (10 years)		205.83	Standard	41.17	247.00	211.67	Standard	42.33	254.00	7.00	3%	
Inscription for Kerbstone		7.50	Standard	1.50	9.00	7.92	Standard	1.58	9.50	0.50	6%	

Description	Other	2018/19				2019/20				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>FERRY FARES</b>												
SPT Concessionary Travel Scheme - Single												Statutory Charge Set by SPT
SPT Concessionary Travel Scheme - Return												
Out of hours Service - Cuan/Easdale/Lismore - up to Midnight		72.30	Zero Rated	0.00	72.30	74.50	Zero Rated	0.00	74.50	2.20	3%	
Out of hours Service - Cuan/Easdale/Lismore - After Midnight		93.40	Zero Rated	0.00	93.40	96.20	Zero Rated	0.00	96.20	2.80	3%	Age 5 to 16 - Child Fare
Easdale/Cuan Passenger Fares - Adult - Return		2.10	Zero Rated	0.00	2.10	2.20	Zero Rated	0.00	2.20	0.10	5%	Age 16 and above - Adult Fare
Easdale/Cuan Passenger Fares - Adult - 5 Return Journeys		7.15	Zero Rated	0.00	7.15	7.40	Zero Rated	0.00	7.40	0.25	3%	Free Travel: Children up to Age 5, Scholars, Primary School Escort, Pre-5 Escort
Easdale/Cuan Passenger Fares - Child - Return		1.25	Zero Rated	0.00	1.25	1.30	Zero Rated	0.00	1.30	0.05	4%	
Easdale/Cuan Passenger Fares - Child - 5 Return Journeys		3.50	Zero Rated	0.00	3.50	3.60	Zero Rated	0.00	3.60	0.10	3%	
Cuan Vehicle Fares - Private Vehicles - Motor Cars 50% Disability discount - Return		4.25	Zero Rated	0.00	4.25	4.40	Zero Rated	0.00	4.40	0.15	4%	
Cuan Vehicle Fares - Private Vehicles - cars, trailers or caravans - Return - Up to and Including 5m		8.55	Zero Rated	0.00	8.55	8.80	Zero Rated	0.00	8.80	0.25	3%	
Cuan Vehicle Fares - Private Vehicles - cars, trailers or caravans - Up to and Including 5m - 5 Return Journeys		28.40	Zero Rated	0.00	28.40	29.30	Zero Rated	0.00	29.30	0.90	3%	
Cuan Vehicle Fares - Private Vehicles - cars, trailers or caravans - Up to and including 5m - 3 Monthly Unlimited (domestic travellers only - car and driver only)		249.00	Zero Rated	0.00	249.00	256.50	Zero Rated	0.00	256.50	7.50	3%	
Cuan Vehicle Fares - Private Vehicles -Motorcycle - Return		3.60	Zero Rated	0.00	3.60	3.70	Zero Rated	0.00	3.70	0.10	3%	
Cuan Vehicle Fares - Private Vehicles -Motorcycle - 10 Journeys		11.35	Zero Rated	0.00	11.35	11.70	Zero Rated	0.00	11.70	0.35	3%	
Cuan Vehicle Fares - Commercial Vehicles/Coaches - 5.01m to 8.0m - Return		12.63	Standard	2.53	15.15	13.00	Standard	2.60	15.60	0.45	3%	
Cuan Vehicle Fares - Commercial Vehicles/Coaches - 8.01m to 12.0m - Return		14.67	Standard	2.93	17.60	15.08	Standard	3.02	18.10	0.50	3%	
Cuan Vehicle Fares - Commercial Vehicles/Coaches - 12.01m to 18.0m - Return		16.67	Standard	3.33	20.00	17.17	Standard	3.43	20.60	0.60	3%	
Cuan Vehicle Fares - Commercial Vehicles/Coaches - 5.01m to 8.0m - 5 Return Journeys		61.88	Standard	12.38	74.25	63.75	Standard	12.75	76.50	2.25	3%	
Cuan Vehicle Fares - Commercial Vehicles/Coaches - 8.01m to 12.0m - 5 Return Journeys		71.58	Standard	14.32	85.90	73.75	Standard	14.75	88.50	2.60	3%	
Cuan Vehicle Fares - Commercial Vehicles/Coaches - 12.01m to 18.0m -5 Return Journeys		81.21	Standard	16.24	97.45	83.67	Standard	16.73	100.40	2.95	3%	

Description	Other	2018/19				2019/20				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
Lismore Passenger Fares - Adult - Single		1.90	Zero Rated	0.00	1.90	2.00	Zero Rated	0.00	2.00	0.10	5%	Age 5 to 16 - Child Fare Age 16 and above - Adult Fare Free Travel: Children up to Age 5, Scholars, Primary School Escort, Pre-5 Escort
Jura Passenger Fares - Adult - Single		1.85	Zero Rated	0.00	1.85	1.90	Zero Rated	0.00	1.90	0.05	3%	
Lismore Passenger Fares - Adult - 10 Journeys		12.75	Zero Rated	0.00	12.75	13.10	Zero Rated	0.00	13.10	0.35	3%	
Jura Passenger Fares - Adult - 10 Journeys		12.10	Zero Rated	0.00	12.10	12.50	Zero Rated	0.00	12.50	0.40	3%	
Lismore Passenger Fares - Child - Single		1.15	Zero Rated	0.00	1.15	1.20	Zero Rated	0.00	1.20	0.05	4%	
Jura Passenger Fares - Child - Single		1.05	Zero Rated	0.00	1.05	1.10	Zero Rated	0.00	1.10	0.05	5%	
Lismore Passenger Fares - Child - 10 Journeys		6.15	Zero Rated	0.00	6.15	6.30	Zero Rated	0.00	6.30	0.15	2%	
Jura Passenger Fares - Child - 10 Journeys		5.80	Zero Rated	0.00	5.80	6.00	Zero Rated	0.00	6.00	0.20	3%	
Jura Vehicle Fares - Private Vehicles - Excursion Return		15.40	Zero Rated	0.00	15.40	15.90	Zero Rated	0.00	15.90	0.50	3%	
Jura Vehicle Fares - Private Vehicles - Motor Cars 50% Disability Discount - Return (Based on 50% Excursion Return)		7.60	Zero Rated	0.00	7.60	7.80	Zero Rated	0.00	7.80	0.20	3%	
Jura Vehicle Fares - all vehicles up to and including 5m - single journey (including driver)		9.60	Zero Rated	0.00	9.60	9.90	Zero Rated	0.00	9.90	0.30	3%	
Jura Vehicle Fares - all vehicles up to and including 5m - 10 Single Journeys (including driver)		62.10	Zero Rated	0.00	62.10	64.00	Zero Rated	0.00	64.00	1.90	3%	
Jura Vehicle Fares - all vehicles up to and including 5m - 50 Single Journeys (including Driver)		315.45	Zero Rated	0.00	315.45	324.90	Zero Rated	0.00	324.90	9.45	3%	
Jura Vehicle Fares - Private Vehicles - Motorcycle - Single		3.90	Zero Rated	0.00	3.90	4.00	Zero Rated	0.00	4.00	0.10	3%	
Jura Vehicle Fares - Private Vehicles - Motorcycle - 10 Journeys		24.90	Zero Rated	0.00	24.90	25.60	Zero Rated	0.00	25.60	0.70	3%	
Jura Vehicle Fares - Commercial Vehicles/Coaches - 5.01m to 8.0m		17.21	Standard	3.44	20.65	17.75	Standard	3.55	21.30	0.65	3%	
Jura Vehicle Fares - Commercial Vehicles/Coaches - 8.01m to 12.0m		19.42	Standard	3.88	23.30	20.00	Standard	4.00	24.00	0.70	3%	
Jura Vehicle Fares - Commercial Vehicles/Coaches - 12.01m to 18.0m		21.79	Standard	4.36	26.15	22.42	Standard	4.48	26.90	0.75	3%	
Jura Vehicle Fares - Commercial Vehicles/Coaches - Out of Hours service - up to Midnight		88.15	Outwith the Scope	0.00	88.15	90.80	Outwith the Scope	0.00	90.80	2.65	3%	

Description	Other	2018/19				2019/20				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>PIERS AND HARBOURS - RATES - GOODS, PASSENGERS &amp; VEHICLES</b>												<b>Rates for Goods Shipped, Transhipped or Unshipped at the Pier or Ferry Slip or within the Harbour</b>
General Goods Packaged (per tonne) Includes Fruit, Beverages, Meat, Dairy Products, General Groceries and Confectionery, Cured Fish, etc.		2.05	Zero Rated	0.00	2.05	2.10	Zero Rated	0.00	2.10	0.05	2%	In determining weights for the purpose of charging dues, the weights of the containers of any goods shall be included.
Dry Bulk Commodities (per tonne) Ores, Aggregates and Crushed Stone, Cement and Building Materials, Timber (including Logs), Salt, etc.		1.80	Zero Rated	0.00	1.80	1.85	Zero Rated	0.00	1.85	0.05	3%	In terms of liquid, gaseous bulk products, bulk shipments of materials may be charged at discounted rates subject to a request being made in writing to the Executive Director, Development and Infrastructure, who will then refer the letter to the full Council.
Liquid and Gaseous Bulk Products (per tonne)		2.25	Zero Rated	0.00	2.25	2.30	Zero Rated	0.00	2.30	0.05	2%	
Explosives (per tonne)		80.15	Zero Rated	0.00	80.15	82.55	Zero Rated	0.00	82.55	2.40	3%	
Livestock - Poultry (per bird)		0.35	Zero Rated	0.00	0.35	0.35	Zero Rated	0.00	0.35	0.00	0%	
Animals (per Animal)		0.70	Zero Rated	0.00	0.70	0.70	Zero Rated	0.00	0.70	0.00	0%	
Smolt (per thousand)		4.55	Zero Rated	0.00	4.55	4.70	Zero Rated	0.00	4.70	0.15	3%	
Fish, including Shellfish - Fresh, all varieties and also fish consigned for sale at other markets - percentage of catch	2.50%		If Applicable				If Applicable	0.00				2.5% of catch
Rates on Passenger and Vehicles - Adult Passengers landing at or embarking from pier (each)		0.40	Zero Rated	0.00	0.40	0.42	Zero Rated	0.00	0.42	0.02	5%	
Rates on Passenger and Vehicles - Child Passengers landing at or embarking from pier (each)		0.25	Zero Rated	0.00	0.25	0.27	Zero Rated	0.00	0.27	0.02	8%	
Rates on Passenger and Vehicles - Private Cars, Taxis, Hearses and Agricultural Machinery (Tractors, Trailers, etc.) (each)		1.25	Zero Rated	0.00	1.25	1.33	Zero Rated	0.00	1.33	0.08	6%	
Rates on Passenger and Vehicles - Caravans or Trailers (except Commercial Trailers) (each)		2.00	Zero Rated	0.00	2.00	2.12	Zero Rated	0.00	2.12	0.12	6%	
Rates on Passenger and Vehicles - Cycles (each)		0.35	Zero Rated	0.00	0.35	0.37	Zero Rated	0.00	0.37	0.02	6%	
Rates on Passenger and Vehicles - Motorcycles including sidecar (each)		0.85	Zero Rated	0.00	0.85	0.90	Zero Rated	0.00	0.90	0.05	6%	
Rates on Passenger and Vehicles - Buses (each)		6.95	Zero Rated	0.00	6.95	7.37	Zero Rated	0.00	7.37	0.42	6%	
Rates on Passenger and Vehicles - Commercial Vehicles - Per Metre		0.85	Zero Rated	0.00	0.85	0.90	Zero Rated	0.00	0.90	0.05	6%	

Description	Other	2018/19				2019/20				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>PIERS AND HARBOURS - RATES - MISCELLANEOUS</b>												
Mobile Cranage - for each lift		11.15	Zero Rated	0.00	11.15	11.82	Zero Rated	0.00	11.82	0.67	6%	For goods remaining in sheds or on the pier or quays for a period longer than 24 hours, 50% of the original pier dues shall be charged for each 24 hours or part thereof. Provided that in the case of sheds occupied from time to time under lease or let from the Council such dues shall not be charged against the occupier or leasee. The terms of such leases or lets shall be subject to individual negotiation with the Executive Director. (Note there is a minimum charge of £10.00 for some items)
Fresh Water - per tonne or part thereof (minimum charge £10)		3.20	Zero Rated	0.00	3.20	3.39	Zero Rated	0.00	3.39	0.19	6%	
Left Luggage - per article up to 24hours (minimum charge £10)		2.75	Standard	0.55	3.30	2.92	Standard	0.58	3.50	0.20	6%	
Parcels and Packages up to 50 kg (minimum charge £10)		0.29	Standard	0.06	0.35	0.31	Standard	0.06	0.37	0.02	6%	
Parcels and Packages- where articles can be measured - charge per cubic metre (minimum charge £10)		3.08	Standard	0.62	3.70	3.27	Standard	0.65	3.92	0.22	6%	
Parcels and Packages- where articles cannot be measured - charge per tonne (minimum charge £10)		3.08	Standard	0.62	3.70	3.27	Standard	0.65	3.92	0.22	6%	
Rope Handling - To be charged each time i.e. Arrival and departure to be charged separately <b>(NB to be charged to ferries where additional resources are required)</b>		125.15	Zero Rated	0.00	125.15	132.65	Zero Rated	0.00	132.65	7.50	6%	
Timber Debris Clearance		312.88	Standard	62.58	375.45	331.67	Standard	66.33	398.00	22.55	6%	
Use of Linkspan - <b>Commercial use</b>		300.00	Zero Rated	0.00	300.00	318.00	Zero Rated	0.00	318.00	18.00	6%	
Use of Linkspan - non-vehicular traffic		35.00	Zero Rated	0.00	35.00	35.00	Zero Rated	0.00	37.10	2.10	6%	
Operational Duties on behalf of external bodies								0.00	0.00			
Car and Pedestrian marshalling - Rothesay and Dunoon (per day)		101.67	Standard	20.33	122.00	107.75	Standard	21.55	129.30	7.30	6%	
Freight handling - Rothesay Harbour		10.00	Standard	2.00	12.00	10.58	Standard	2.12	12.70	0.70	6%	
Electricity (per unit)		0.17	Standard	0.04	0.21	0.17	Standard	0.04	0.22	0.01	5%	
Slipway Landing fee		5.00	Zero Rated	0.00	5.00	5.30	Zero Rated	0.00	5.30	0.30	6%	
Cruise calls/tenders		500.00	Zero Rated	0.00	500.00	530.00	Zero Rated	0.00	530.00	30.00	6%	
Oban Transit Marina												
Daily Rate (Between 11:00 and 16:00)						10.25	Standard	2.05	12.30	12.30		
Overnight Charge (per metre length)						2.58	Standard	0.52	3.10	3.10		

Description	Other	2018/19				2019/20				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>PIERS AND HARBOURS - RATES - VESSELS</b>												
<b>1 - Basic Rate - all vessels to be charged at this rate unless eligible for categories 2, 3, 4 - see comment 2</b>												
Up to 5 metres in length	Per visit up to 24 hours	10.35	Zero Rated	0.00	10.35	10.95	Zero Rated	0.00	10.95	0.60	6%	<p>COMMENTS</p> <p>1. The category and rate under which a vessel is to be charged must be paid at the time of the berthing or on invoicing as appropriate.</p> <p>2. All vessels are liable for dues at the Basic Rate. Only those, which are actively engaged in the relevant activity, are eligible for Category 2,3 or 4.</p> <p>3. All vessels actively engaged in commercial undertaking, these would be subject to minimum payment by length as for unregistered vessels.</p> <p>4. Rothesay and Campbeltown Pontoon are not managed by Argyll and Bute and are subject to their own charges.</p> <p>5. The above rates and dues include for Port Waste Facilities to the level required by local and leisure craft. Any requirements for additional waste facilities or specialised waste disposal, in terms of the Merchant Shipping &amp; Fishing Vessels (Port Waste Reception Facilities) Regulations 2003, must be made to the Service Director at least 24 hours in advance. This cost shall be paid prior to the provision of the service.</p> <p>6. Concession rates for unlimited use will be available only for vessels "regularly sailing". Additional dues will be required for vessels, which have made payment for unlimited use but are not "regularly sailing". A vessel will be deemed to be "regularly sailing" if it leaves the installation for a continuous period of not less than 6 hours between 0600 hours and 2000 hours in any one day for more than 14 days.</p> <p>7. Periods are:</p>
Up to 6 metres in length	Per visit up to 24 hours	12.45	Zero Rated	0.00	12.45	13.20	Zero Rated	0.00	13.20	0.75	6%	
Up to 7 metres in length	Per visit up to 24 hours	14.35	Zero Rated	0.00	14.35	15.20	Zero Rated	0.00	15.20	0.85	6%	
Up to 8 metres in length	Per visit up to 24 hours	16.50	Zero Rated	0.00	16.50	17.50	Zero Rated	0.00	17.50	1.00	6%	
Up to 9 metres in length	Per visit up to 24 hours	18.55	Zero Rated	0.00	18.55	19.65	Zero Rated	0.00	19.65	1.10	6%	
Up to 10 metres in length	Per visit up to 24 hours	20.60	Zero Rated	0.00	20.60	21.85	Zero Rated	0.00	21.85	1.25	6%	
Over 10 metres in length - charge per metre	Per visit up to 24 hours	2.05	Zero Rated	0.00	2.05	2.15	Zero Rated	0.00	2.15	0.10	5%	
Up to 5 metres in length	Weekly	51.25	Zero Rated	0.00	51.25	54.35	Zero Rated	0.00	54.35	3.10	6%	
Up to 6 metres in length	Weekly	61.50	Zero Rated	0.00	61.50	65.20	Zero Rated	0.00	65.20	3.70	6%	
Up to 7 metres in length	Weekly	71.70	Zero Rated	0.00	71.70	76.00	Zero Rated	0.00	76.00	4.30	6%	
Up to 8 metres in length	Weekly	83.40	Zero Rated	0.00	83.40	88.40	Zero Rated	0.00	88.40	5.00	6%	
Up to 9 metres in length	Weekly	93.05	Zero Rated	0.00	93.05	98.65	Zero Rated	0.00	98.65	5.60	6%	
Up to 10 metres in length	Weekly	102.55	Zero Rated	0.00	102.55	108.70	Zero Rated	0.00	108.70	6.15	6%	
Up to 5 metres in length	Summer	376.15	Zero Rated	0.00	376.15	398.70	Zero Rated	0.00	398.70	22.55	6%	
Up to 6 metres in length	Summer	451.30	Zero Rated	0.00	451.30	478.40	Zero Rated	0.00	478.40	27.10	6%	
Up to 7 metres in length	Summer	526.55	Zero Rated	0.00	526.55	558.15	Zero Rated	0.00	558.15	31.60	6%	
Up to 8 metres in length	Summer	601.75	Zero Rated	0.00	601.75	637.85	Zero Rated	0.00	637.85	36.10	6%	
Up to 9 metres in length	Summer	677.00	Zero Rated	0.00	677.00	717.60	Zero Rated	0.00	717.60	40.60	6%	
Up to 10 metres in length	Summer	752.25	Zero Rated	0.00	752.25	797.40	Zero Rated	0.00	797.40	45.15	6%	
Up to 5 metres in length	Winter	273.55	Zero Rated	0.00	273.55	289.95	Zero Rated	0.00	289.95	16.40	6%	
Up to 6 metres in length	Winter	328.25	Zero Rated	0.00	328.25	347.95	Zero Rated	0.00	347.95	19.70	6%	
Up to 7 metres in length	Winter	383.00	Zero Rated	0.00	383.00	406.00	Zero Rated	0.00	406.00	23.00	6%	
Up to 8 metres in length	Winter	437.60	Zero Rated	0.00	437.60	463.85	Zero Rated	0.00	463.85	26.25	6%	
Up to 9 metres in length	Winter	492.35	Zero Rated	0.00	492.35	521.90	Zero Rated	0.00	521.90	29.55	6%	
Up to 10 metres in length	Winter	547.05	Zero Rated	0.00	547.05	579.85	Zero Rated	0.00	579.85	32.80	6%	
<b>1a - Any ship of a gross tonnage less than 15 tonnes or used for recreation or pleasure - charge is subject to 20% VAT</b>												
Up to 5 metres in length	Per visit up to 24 hours	8.79	Standard	1.76	10.55	9.33	Standard	1.87	11.20	0.65	6%	

Description	Other	2018/19				2019/20				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
Up to 6 metres in length	Per visit up to 24 hours	10.50	Standard	2.10	12.60	11.13	Standard	2.23	13.35	0.75	6%	Summer period April to September inclusive, or part thereof. Winter period October to March inclusive, or part thereof.
Up to 7 metres in length	Per visit up to 24 hours	12.21	Standard	2.44	14.65	12.96	Standard	2.59	15.55	0.90	6%	
Up to 8 metres in length	Per visit up to 24 hours	13.96	Standard	2.79	16.75	14.79	Standard	2.96	17.75	1.00	6%	
Up to 9 metres in length	Per visit up to 24 hours	15.71	Standard	3.14	18.85	16.67	Standard	3.33	20.00	1.15	6%	
Up to 10 metres in length	Per visit up to 24 hours	17.46	Standard	3.49	20.95	18.50	Standard	3.70	22.20	1.25	6%	
Over 10 metres in length - charge per metre	Per visit up to 24 hours	1.75	Standard	0.35	2.10	1.86	Standard	0.37	2.23	0.13	6%	8. All concession rates for unlimited use must be paid for in advance of the period for which they cover. Failure to do so will result in full rates being applied.  9. VAT Zero Rating only applies where the vessels are "qualifying ships". A "qualifying ship" is legally defined as any ship of a gross tonnage of not less than 15 tonnes and neither designed nor adapted for use for recreation or pleasure. The customer is a business customer who belongs outside the UK (it does not matter what size the vessel is).
Up to 5 metres in length	Weekly	43.58	Standard	8.72	52.30	46.21	Standard	9.24	55.45	3.15	6%	
Up to 6 metres in length	Weekly	52.29	Standard	10.46	62.75	55.42	Standard	11.08	66.50	3.75	6%	
Up to 7 metres in length	Weekly	61.00	Standard	12.20	73.20	64.67	Standard	12.93	77.60	4.40	6%	
Up to 8 metres in length	Weekly	70.96	Standard	14.19	85.15	75.21	Standard	15.04	90.25	5.10	6%	
Up to 9 metres in length	Weekly	79.00	Standard	15.80	94.80	83.75	Standard	16.75	100.50	5.70	6%	
Up to 10 metres in length	Weekly	87.17	Standard	17.43	104.60	92.42	Standard	18.48	110.90	6.30	6%	
Up to 5 metres in length	Summer	319.67	Standard	63.93	383.60	338.83	Standard	67.77	406.60	23.00	6%	
Up to 6 metres in length	Summer	383.63	Standard	76.73	460.35	406.63	Standard	81.33	487.95	27.60	6%	
Up to 7 metres in length	Summer	447.54	Standard	89.51	537.05	474.38	Standard	94.88	569.25	32.20	6%	
Up to 8 metres in length	Summer	511.46	Standard	102.29	613.75	542.17	Standard	108.43	650.60	36.85	6%	
Up to 9 metres in length	Summer	575.42	Standard	115.08	690.50	609.96	Standard	121.99	731.95	41.45	6%	
Up to 10 metres in length	Summer	639.42	Standard	127.88	767.30	677.79	Standard	135.56	813.35	46.05	6%	
Up to 5 metres in length	Winter	232.54	Standard	46.51	279.05	246.50	Standard	49.30	295.80	16.75	6%	
Up to 6 metres in length	Winter	278.96	Standard	55.79	334.75	295.71	Standard	59.14	354.85	20.10	6%	
Up to 7 metres in length	Winter	325.50	Standard	65.10	390.60	345.04	Standard	69.01	414.05	23.45	6%	
Up to 8 metres in length	Winter	371.96	Standard	74.39	446.35	394.29	Standard	78.86	473.15	26.80	6%	
Up to 9 metres in length	Winter	418.54	Standard	83.71	502.25	443.67	Standard	88.73	532.40	30.15	6%	
Up to 10 metres in length	Winter	465.08	Standard	93.02	558.10	493.00	Standard	98.60	591.60	33.50	6%	
<b>2 - Vessels actively engaged in a commercial undertaking.</b>												
If registered:- per gross registered tonne (see comment 3)		0.37	Zero Rated	0.00	0.37	0.39	Zero Rated	0.00	0.39	0.02	5%	
If not registered then:												
Up to 5 metres in length	Per visit up to 24 hours	5.30	Zero Rated	0.00	5.30	5.62	Zero Rated	0.00	5.62	0.32	6%	
Up to 10 metres in length	Per visit up to 24 hours	10.50	Zero Rated	0.00	10.50	11.13	Zero Rated	0.00	11.13	0.63	6%	
Up to 15 metres in length	Per visit up to 24 hours	15.80	Zero Rated	0.00	15.80	16.75	Zero Rated	0.00	16.75	0.95	6%	
Up to 20 metres in length	Per visit up to 24 hours	20.95	Zero Rated	0.00	20.95	22.21	Zero Rated	0.00	22.21	1.26	6%	
Up to 25 metres in length	Per visit up to 24 hours	26.30	Zero Rated	0.00	26.30	27.88	Zero Rated	0.00	27.88	1.58	6%	
Up to 30 metres in length	Per visit up to 24 hours	31.90	Zero Rated	0.00	31.90	33.81	Zero Rated	0.00	33.81	1.91	6%	
Over 30 metres in length - charge per metre	Per visit up to 24 hours	1.15	Zero Rated	0.00	1.15	1.22	Zero Rated	0.00	1.22	0.07	6%	
Up to 5 metres in length	Weekly	25.80	Zero Rated	0.00	25.80	27.35	Zero Rated	0.00	27.35	1.55	6%	
Up to 10 metres in length	Weekly	51.80	Zero Rated	0.00	51.80	54.91	Zero Rated	0.00	54.91	3.11	6%	
Up to 15 metres in length	Weekly	77.45	Zero Rated	0.00	77.45	82.10	Zero Rated	0.00	82.10	4.65	6%	
Up to 20 metres in length	Weekly	103.95	Zero Rated	0.00	103.95	110.19	Zero Rated	0.00	110.19	6.24	6%	
Up to 25 metres in length	Weekly	129.90	Zero Rated	0.00	129.90	137.69	Zero Rated	0.00	137.69	7.79	6%	
Up to 30 metres in length	Weekly	155.95	Zero Rated	0.00	155.95	165.31	Zero Rated	0.00	165.31	9.36	6%	

Description	Other	2018/19				2019/20				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
3 - All vessels operating a scheduled ferry or pleasure service per gross registered tonne.		0.1015	Zero Rated	0.00	0.1015	0.1076	Zero Rated	0.00	0.1076	0.01	6%	Now rounded to 4 decimal places and adjusted to include service choice option
Unmanned Pier		0.1015	Zero Rated	0.00	0.1015	0.1076	Zero Rated	0.00	0.1076	0.01	6%	Now rounded to 4 decimal places and adjusted to include service choice option
<b>Laying up of ferry at a non ferry/commercial berth</b>		0.3700	Zero Rated	0.00	0.3700	0.3700	Zero Rated	0.00	0.39	0.02	5%	
4 - Vessels regularly engaged in commercial fishing and paying appropriate fish landing dues to Council.												
Up to 10 metres in length	Per visit up to 24 hours	2.40	Zero Rated	0.00	2.40	2.54	Zero Rated	0.00	2.54	0.14	6%	
Up to 15 metres in length	Per visit up to 24 hours	3.55	Zero Rated	0.00	3.55	3.76	Zero Rated	0.00	3.76	0.21	6%	
Up to 20 metres in length	Per visit up to 24 hours	4.75	Zero Rated	0.00	4.75	5.04	Zero Rated	0.00	5.04	0.29	6%	
Up to 25 metres in length	Per visit up to 24 hours	5.95	Zero Rated	0.00	5.95	6.31	Zero Rated	0.00	6.31	0.36	6%	
Up to 30 metres in length	Per visit up to 24 hours	7.10	Zero Rated	0.00	7.10	7.53	Zero Rated	0.00	7.53	0.43	6%	
Over 30 metres in length - charge per metre		0.37	Zero Rated	0.00	0.37	0.39	Zero Rated	0.00	0.39	0.02	5%	
Up to 10 metres in length	Weekly	12.15	Zero Rated	0.00	12.15	12.88	Zero Rated	0.00	12.88	0.73	6%	
Up to 15 metres in length	Weekly	18.30	Zero Rated	0.00	18.30	19.40	Zero Rated	0.00	19.40	1.10	6%	
Up to 20 metres in length	Weekly	24.35	Zero Rated	0.00	24.35	25.81	Zero Rated	0.00	25.81	1.46	6%	
Up to 25 metres in length	Weekly	30.50	Zero Rated	0.00	30.50	32.33	Zero Rated	0.00	32.33	1.83	6%	
Up to 30 metres in length	Weekly	36.35	Zero Rated	0.00	36.35	38.53	Zero Rated	0.00	38.53	2.18	6%	
Up to 10 metres in length	Annual charge	316.45	Zero Rated	0.00	316.45	335.45	Zero Rated	0.00	335.45	19.00	6%	
Up to 15 metres in length	Annual charge	474.75	Zero Rated	0.00	474.75	503.25	Zero Rated	0.00	503.25	28.50	6%	
Up to 20 metres in length	Annual charge	631.25	Zero Rated	0.00	631.25	669.15	Zero Rated	0.00	669.15	37.90	6%	
Up to 25 metres in length	Annual charge	793.05	Zero Rated	0.00	793.05	840.65	Zero Rated	0.00	840.65	47.60	6%	
Up to 30 metres in length	Annual charge	945.90	Zero Rated	0.00	945.90	1,002.65	Zero Rated	0.00	1,002.65	56.75	6%	

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

Description	Other	2018/19				2019/20				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>AIRFIELD CHARGES</b>												<b>Standard Landing Charges - Applicable to all types of operation (including "Touch and Go" and circuits) MTWA = Maximum Take-Off Weight Authorised</b>
Standard Landing Charges - up to 500kg MTWA		8.75	Standard	1.75	10.50	9.17	Standard	1.83	11.00	0.50	5%	Charge for ultra lights and flexwings.
Standard Landing Charges - 501kg to 1000kg MTWA		12.92	Standard	2.58	15.50	13.33	Standard	2.67	16.00	0.50	3%	Landing Charge Rebates - Only Available if full payment is made prior to final departure or approved credit facilities have been agreed.
Standard Landing Charges - 1001kg to 1500kg MTWA		17.50	Standard	3.50	21.00	18.33	Standard	3.67	22.00	1.00	5%	A) Based Aircraft Private aircraft - 50% discount, Flying School aircraft on training flights - 75% discount, Other aircraft on training flights - 75% discount (applicable to public transport operator training or private aircraft when being used for bona fide training course .
Standard Landing Charges - 1501kg to 2000kg MTWA		24.17	Standard	4.83	29.00	25.00	Standard	5.00	30.00	1.00	3%	B) Visiting Aircraft on Training Flights First landing - full rate, Subsequent landings - 50% discount.
Standard Landing Charges - 2001kg to 2500kg MTWA		29.17	Standard	5.83	35.00	30.00	Standard	6.00	36.00	1.00	3%	C) Cargo Aircraft Empty or Loaded - 20% discount.
Standard Landing Charges - 2501kg to 3000kg MTWA		39.17	Standard	7.83	47.00	40.00	Standard	8.00	48.00	1.00	2%	Safety-related Diversionary Landing (AOPA Scheme). The Council is prepared to consider requests for waiver of charges from a General Aviation (GA) pilot who makes a general safety-related diversionary landing. This waiver only applies to domestic GA traffic. The council reserves the right to opt out of the AOPA scheme at any time subject to three month's notice being given to AOPA by the council.
Standard Landing Charges - 3001kg to 3500kg MTWA		52.50	Standard	10.50	63.00	54.17	Standard	10.83	65.00	2.00	3%	Eligibility for waiver will be based on the same criteria as for a light aircraft landing fee. i.e. private flight in accordance with Article 255 of the ANO 2009.
Standard Landing Charges - 3501kg to 4000kg MTWA		63.33	Standard	12.67	76.00	65.00	Standard	13.00	78.00	2.00	3%	Flying Clubs, The council may negotiate agreements for reduced landing charges for flights made for the purpose of the clubs at an airport but not flights made for hire or reward outside the normal range or scope of club activities. These charges will increase on an annual basis - as a minimum - by the agreed Council Inflation Rate.
Standard Landing Charges - 4001kg to 4500kg MTWA		75.00	Standard	15.00	90.00	77.50	Standard	15.50	93.00	3.00	3%	
Standard Landing Charges - 4501kg to 5000kg MTWA		87.50	Standard	17.50	105.00	90.00	Standard	18.00	108.00	3.00	3%	
Standard Landing Charges - Over 5000kg MTWA - per additional 500g or part thereof		12.92	Standard	2.58	15.50	13.33	Standard	2.67	16.00	0.50	3%	
Standard Landing Fee for Coll and Colonsay		6.67	Standard	1.33	8.00	6.83	Standard	1.37	8.20	0.20	3%	

Description	Other	2018/19				2019/20				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
Flights outside normal hours of availability (Air Ambulance/Search and Rescue) - <b>Oban</b>		386.67	Standard	77.33	464.00	398.33	Standard	79.67	478.00	14.00	3%	Flights outside normal hours of availability as described in the UK AIP and on the airport website whereby the type of flight requires a Licensed Aerodrome. Where flights are made outside of these hours by arrangement with the Council, an out of hours charge will be payable in accordance with these rates or such rates as agreed with the Council at the time of the arrangement. The rates notes are subject to a minimum charge equivalent to 2 hours. Note: an extension of up to one hour immediately following normal opening hours would incur a charge at 50% of the normal hourly rate i.e. £206. 48hr notice minimum for out of hours availability. 50% of the fees applied to a request for out of hours will be taken at the time the booking (at least 48hrs notification). This will be refunded if cancelled before the airports normal closing time on the day of the planned visit. Coll and Colonsay - helicopter fire cover only.
Flights outside normal hours of availability (Air Ambulance/Search and Rescue) - <b>Coll and Colonsay</b>		193.33	Standard	38.67	232.00	199.17	Standard	39.83	239.00	7.00	3%	
Flights outside normal hours of availability (Air Ambulance/Search and Rescue) - <b>Glenforsa</b>	<b>NOT AVAILABLE - EXCEPT FOR EMERGENCY FLIGHTS BY ARRANGEMENT - NO CHARGE</b>	0.00		0.00	0.00	0.00		0.00	0.00	0.00	0%	
Flights outside normal hours of availability (Air Ambulance/Search and Rescue) - <b>Indemnity Certificate</b>		37.50	Standard	7.50	45.00	38.33	Standard	7.67	46.00	1.00	2%	
Aircraft Parking charges (for a period of 24 hours or part thereof) - <b>First 24 hours</b>	<b>NO CHARGE</b>	0.00		0.00	0.00	0.00		0.00	0.00	0.00	0%	No charge.
Aircraft Parking charges (for a period of 24 hours or part thereof) Thereafter - Not exceeding 5 tonnes MTWA - <b>charge is per 500kg or part thereof</b>		2.50	Standard	0.50	3.00	2.58	Standard	0.52	3.10	0.10	3%	Weekly Parking Permit - applications may be made to the Station Manager for the purchase of these at a discounted rate (20% reduction). Arrangement and payment must be made in advance of the aircraft parking fee arrangement period.
Aircraft Parking charges (for a period of 24 hours or part thereof) Thereafter - over 5 tonnes MTWA - <b>charge is per 500kg or part thereof</b>		4.17	Standard	0.83	5.00	4.33	Standard	0.87	5.20	0.20	4%	
Aircraft Parking charges - Refusal of Instruction to mover/remove parked aircraft - Charge per day (plus the standard aircraft parking charge noted above)		43.33	Standard	8.67	52.00	45.00	Standard	9.00	54.00	2.00	4%	The Council may at any time order an aircraft operator either to move a parked aircraft to another position or remove it from the airport. Failure to comply with the order within the period specified in it will render the operator liable to this charge.
Passenger Load Supplement (inclusive of Security Charge if Applicable) Domestic and International		8.75	Standard	1.75	10.50	9.17	Standard	1.83	11.00	0.50	5%	Amount payable for each departing passenger over 2 years old on a Public Transport Flight.
Cargo throughput charge	<b>NIL</b>	0.00	Standard	0.00	0.00	0.00	Standard	0.00	0.00	0.00	0%	
Vehicle Permits - Airside Vehicle Permit		0.00	Standard	0.00	0.00	0.00	Standard	0.00	0.00	0.00	0%	Permit available on application from the Station Manager. All vehicles proceeding airside must have the minimum level of insurance as specified by the Council (details on request).
Damage to Airport Property - Where an airport user damages airport property (for which the avoidance of doubt includes, but is not limited to, the runway, buildings, security barriers and fences) the Council shall have the right to recharge the user for any and all reasonable costs incurred by the Council. This includes, but is not limited to make good materials, vehicles, manpower, equipment etc., deemed necessary to make good the damage.		0.00		0.00	0.00	0.00		0.00	0.00	0.00	0%	
Holiday Voucher - Aircraft operators who are using Oban as a base for their holiday can apply for a Holiday Voucher which includes temporary indemnity for up to 2 weeks. This is only available for aircraft up to 2,730kg. Aircraft operators must present a valid copy of insurance prior to issue of the voucher.		5.83	Standard	1.17	7.00	6.00	Standard	1.20	7.20	0.20	3%	The application process is the same as for a normal indemnity certificate/permit. The cost is £7.20 for one week. Voucher is non-transferable.
Holiday Voucher - Aircraft operators who are using Oban as a base for their holiday can apply for a Holiday Voucher which includes temporary indemnity for up to 2 weeks. This is only available for aircraft up to 2,730kg. Aircraft operators must present a valid copy of insurance prior to issue of the voucher.		8.75	Standard	1.75	10.50	9.17	Standard	1.83	11.00	0.50	5%	The application process is the same as for a normal indemnity certificate/permit. The cost is £11 for 2 weeks. Voucher is non-transferable.
Landing Loyalty Cards - A card with 5 sections which all get stamped after each landing. The first 4 are paid and the 5th one is free and the card is complete.		0.00		0.00	0.00	0.00		0.00	0.00	0.00	0%	Cards to be produced with a unique number.
Fire Training Courses - Extinguisher Training and bespoke fire training can all be arranged locally - phone for details.		12.92	Standard	2.58	15.50	13.33	Standard	2.67	16.00	0.50	3%	Price is per delegate. Bespoke training costs are based on customer requirements.

Description	Other	2018/19				2019/20				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
Fire Training Courses - Fire Warden Training and bespoke fire training can all be arranged locally - phone for details.		10.83	Standard	2.17	13.00	11.25	Standard	2.25	13.50	0.50	4%	Price is per delegate. Bespoke training costs are based on customer requirements.
Miscellaneous - Event Bookings, Special Promotions, Business Rates can be arranged and costs vary according to requirements. Business rates are subject to approval from Strategic Transportation Manager.		0.00		0.00	0.00	0.00		0.00	0.00	0.00	0%	These require various periods of notification and will require approval in advance. Any information on events or promotions will be advertised on the airports website.
Penalties - Landing or taking off without an indemnity or registered users certificate (Coll and Colonsay) and trespass on the airport without approval from the Airport Authority (inc the release of animals).		59.00	Outwith the scope	0.00	59.00	61.00	Outwith the scope	0.00	61.00	2.00	3%	Landing/taking off without indemnity - 6 month ban and £61 to be paid within one calendar month, £579 per month thereafter. Trespassing on airport grounds £579.
Penalties - Landing or taking off without an indemnity or registered users certificate (Coll and Colonsay) and trespass on the airport without approval from the Airport Authority (inc the release of animals).		562.00	Outwith the scope	0.00	562.00	579.00	Outwith the scope	0.00	579.00	17.00	3%	Landing/taking off without indemnity - 6 month ban and £61 to be paid within one calendar month, £579 per month thereafter. Trespassing on airport grounds £579.

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

Description	Other	2018/19				2019/20				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>NETWORK MANAGEMENT</b>												
Temporary Traffic Regulation Orders - Provision of Temporary TRO		864.00	Outwith the Scope	0.00	864.00	907.00	Outwith the Scope	0.00	907.00	43.00	5%	<b>Plus cost of advert plus cost of traffic management</b>  1 - Temporary Traffic Regulation Orders (TTRO) costs should be met in full by the organiser promoting the event. Event organisers have the option to make a grant application to the local committee for their costs to cover the TTRO. Alternatively event organisers shall recover the costs of the TTRO from the event. Fees include minimal administration costs from the Council and advertising costs from local newspapers. Certain community events may be exempt from this charge - please consult with a local roads officer to confirm.  2 - Cost of adverts will vary depending on the publication in which they are placed.
Temporary Traffic Regulation Orders - Provision of Temporary TRO for Annual Events (2nd year and thereafter)		432.00	Outwith the Scope	0.00	432.00	454.00	Outwith the Scope	0.00	454.00	22.00	5%	
Temporary Traffic Regulation Orders - Provision of Extension of Temporary TRO		432.00	Outwith the Scope	0.00	432.00	454.00	Outwith the Scope	0.00	454.00	22.00	5%	
Temporary Traffic Regulation Orders - Provision of Emergency Notice TRO		432.00	Outwith the Scope	0.00	432.00	454.00	Outwith the Scope	0.00	454.00	22.00	5%	
Controlled Signing- Removal of Illegal Signs	<b>AT-COST</b>		Outwith the Scope		0.00		Outwith the Scope		0.00			
Controlled Signing - Release of impounded signs		17.00	Outwith the Scope	0.00	17.00	18.00	Outwith the Scope	0.00	18.00	1.00	6%	
Scaffoldings & Hoardings - Fees for Licence		88.00	Outwith the Scope	0.00	88.00	92.00	Outwith the Scope	0.00	92.00	4.00	5%	Per 4 weeks
Scaffoldings & Hoardings - Extension of the licence		37.00	Outwith the Scope	0.00	37.00	39.00	Outwith the Scope	0.00	39.00	2.00	5%	One off charge for extension + £23.00 per week or part thereof.
Builders skips placed on the Road - consideration of Licence		27.00	Outwith the Scope	0.00	27.00	28.00	Outwith the Scope	0.00	28.00	1.00	4%	
Provision of signing and guarding	<b>AT-COST + 12.5%</b>		Outwith the Scope		0.00		Outwith the Scope		0.00			
Permission to open up the Road by non Statutory Organisations - Commercial		260.00	Outwith the Scope	0.00	260.00	273.00	Outwith the Scope	0.00	273.00	13.00	5%	For each and every opening. To be charged at commercial rate unless advised differently by Roads Network and Standards Manager
Permission to open up the Road by non Statutory Organisations - Residential		132.00	Outwith the Scope	0.00	132.00	139.00	Outwith the Scope	0.00	139.00	7.00	5%	
Permission to erect Traffic Signals on Roads (1 Month)		91.00	Outwith the Scope	0.00	91.00	96.00	Outwith the Scope	0.00	96.00	5.00	5%	
Permission to erect Traffic Signals on Roads (Up to 3 Months)		182.00	Outwith the Scope	0.00	182.00	191.00	Outwith the Scope	0.00	191.00	9.00	5%	
Permission to erect Temporary Signs for Events (Up to 3 Months)		91.00	Outwith the Scope	0.00	91.00	96.00	Outwith the Scope	0.00	96.00	5.00	5%	This is for assessment and Permission.
Permission to erect Sign for New Development (Up to 12 Months)		456.00	Outwith the Scope	0.00	456.00	479.00	Outwith the Scope	0.00	479.00	23.00	5%	Not supply and erection.

Description	Other	2018/19				2019/20				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
RCC Inspections (per RCC)		49.17	Standard	9.83	59.00	51.67	Standard	10.33	62.00	3.00	5%	£62.00 per £1,000 of Road Bond Value. Option of Time in Line to be available.
RCC Processing (Initial Application + 1 Review)	NIL		Standard		0.00		Standard		0.00			
RCC Processing (Further Reviews)	STAFF COSTS + ON-COSTS		Standard		0.00		Standard		0.00			Staff Costs + On costs for Sub Standard Application
Street Works Register Fines - Fines are levied at a cost of £120 per breach	STATUTORY CHARGE	120.00	Outwith the Scope	0.00	120.00	120.00	Outwith the Scope	0.00	120.00	0.00	0%	Street Works Register - Fines - Fines are only levied against Utility Companies if they breach the recording of road openings on the Street Works Register, As determined by the Roads Network and Standards Manager.
This fine can be reduced to £80 if paid within 30 days	STATUTORY CHARGE	80.00	Outwith the Scope	0.00	80.00	80.00	Outwith the Scope	0.00	80.00	0.00	0%	
Road Inspections as a result of Road Openings - 1st Inspection	STATUTORY CHARGE	36.00	Outwith the Scope	0.00	36.00	36.00	Outwith the Scope	0.00	36.00	0.00	0%	These charges are set by Roads Authority and Utility Committee (Scotland) under NRSWA.
Road Inspections as a result of Road Openings - Further Inspections (each inspection)	STATUTORY CHARGE	36.00	Outwith the Scope	0.00	36.00	36.00	Outwith the Scope	0.00	36.00	0.00	0%	
Removal of materials from Road	AT COST + 12.5%		Outwith the Scope	0.00	0.00		Outwith the Scope	0.00	0.00	0.00	0%	
Re-locating Street Lights or Other Street Furniture	AT COST + 12.5%		Standard	0.00	0.00		Standard	0.00	0.00	0.00	0%	
Site Clearance after Accidents	AT COST + 12.5%		Outwith the Scope	0.00	0.00		Outwith the Scope	0.00	0.00	0.00	0%	
Salt Bins	AT COST + REFILL		Standard	0.00	0.00		Standard	0.00	0.00	0.00	0%	
Traffic Regulation Order to Extend a Speed Limit or Similar		989.00	Outwith the Scope	0.00	989.00	1,038.00	Outwith the Scope	0.00	1,038.00	49.00	5%	<b>Plus Cost of Advert</b>
Stopping up or re-determining access up to 200m long		1,236.00	Outwith the Scope	0.00	1,236.00	1,298.00	Outwith the Scope	0.00	1,298.00	62.00	5%	<b>Plus Cost of Advert</b>
Stopping up or re-determining access over 200m long		1,546.00	Outwith the Scope	0.00	1,546.00	1,623.00	Outwith the Scope	0.00	1,623.00	77.00	5%	<b>Plus Cost of Advert</b>

Description	Other	2018/19				2019/20				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
<b>PARKING</b>												
Oban Car Parks (Except Corran No.1, Longsdale Road Car Park and Lochavullin Car Park) Ganavan Car Park Helensburgh Including Pier Area A, Dunoon Rothesay Luss Inveraray Mull - Craignure & Fionnphort Arrochar Glenloin No.1 and No.2	Per 15 mins up to 4 hrs	0.25	Standard	0.05	0.30	0.25	Standard	0.05	0.30	0.00	0%	
	Per 30 mins up to 4 hrs	0.42	Standard	0.08	0.50	0.50	Standard	0.10	0.60	0.10	20%	
	Per 45 mins up to 4 hrs	0.67	Standard	0.13	0.80	0.75	Standard	0.15	0.90	0.10	13%	
	Per 60 mins up to 4 hrs	0.83	Standard	0.17	1.00	0.92	Standard	0.18	1.10	0.10	10%	
	Per hour thereafter -4 to 10hrs	0.83	Standard	0.17	1.00	0.92	Standard	0.18	1.10	0.10	10%	
	Quarterly Season	112.50	Standard	22.50	135.00	115.83	Standard	23.17	139.00	4.00	3%	
	6 Monthly Season	208.33	Standard	41.67	250.00	215.00	Standard	43.00	258.00	8.00	3%	
	9 Monthly Season	300.00	Standard	60.00	360.00	309.17	Standard	61.83	371.00	11.00	3%	
	Annual Season	395.83	Standard	79.17	475.00	407.50	Standard	81.50	489.00	14.00	3%	
Helensburgh - Sinclair Street  First 2 hours free, 2 hours thereafter can be paid for upto a maximum of 4 hours total. No return within 24 hours.	Per 15 mins - Maximum 4 hrs	0.25	Standard	0.05	0.30	0.25	Standard	0.05	0.30	0.00	0%	
	Per 30 mins - Maximum 4 hours	0.42	Standard	0.08	0.50	0.50	Standard	0.10	0.60	0.10	20%	
	Per 45 mins - Maximum 4 hours	0.67	Standard	0.13	0.80	0.75	Standard	0.15	0.90	0.10	13%	
	Per 60 mins - Maximum 4 hours	0.83	Standard	0.17	1.00	0.92	Standard	0.18	1.10	0.10	10%	
Oban – Longsdale Road Car Park and Lochavullin Car Park  First 2 hours free	Per 15 mins - Maximum 4 hrs	0.25	Standard	0.05	0.30	0.25	Standard	0.05	0.30	0.00	0%	
	Per 30 mins - Maximum 4 hours	0.42	Standard	0.08	0.50	0.50	Standard	0.10	0.60	0.10	20%	
	Per 45 mins - Maximum 4 hours	0.67	Standard	0.13	0.80	0.75	Standard	0.15	0.90	0.10	13%	
	Per 60 mins - Maximum 4 hours	0.83	Standard	0.17	1.00	0.92	Standard	0.18	1.10	0.10	10%	
Commercial Parking Helensburgh Pier Area B Car Park Lochavullin and Longsdale Coach and Lorry Parks - Oban Lochgilphead Lorne Street Coach and Lorry Park Fionnphort Car Park (Coach Bays)	0 to 8 hours	0.92	Standard	0.18	1.10	1.08	Standard	0.22	1.30	0.20	18%	
	8 to 24 hours	8.33	Standard	1.67	10.00	10.00	Standard	2.00	12.00	2.00	20%	

Description	Other	2018/19				2019/20				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
Seasonal Car Parks Corran No.1	Per 15 mins - up to 4 hrs	0.25	Standard	0.05	0.30	0.25	Standard	0.05	0.30	0.00	0%	
	Per 30 mins - up to 4 hours	0.42	Standard	0.08	0.50	0.50	Standard	0.10	0.60	0.10	20%	
	Per 45 mins - up to 4 hours	0.67	Standard	0.13	0.80	0.75	Standard	0.15	0.90	0.10	13%	
	Per 60 mins - up to 4 hours	0.83	Standard	0.17	1.00	0.92	Standard	0.18	1.10	0.10	10%	
	Per hour thereafter -4 to 10hrs	0.83	Standard	0.17	1.00	0.92	Standard	0.18	1.10	0.10	10%	
Seasonal Car Parks - Permits	Seasonal Period	87.50	Standard	17.50	105.00	90.00	Standard	18.00	108.00	3.00	3%	
Penalty Charge Notices	Statutory Charge Paid within 14 days	30.00	Zero Rated	0.00	30.00	30.00	Zero Rated	0.00	30.00	0.00	0%	PCNs are statutory charges and the level is set by the Scottish Government
	Statutory Charge Paid after 14 days	60.00	Zero Rated	0.00	60.00	60.00	Zero Rated	0.00	60.00	0.00	0%	
On Street Parking - Inner Zone Oban	Per 40 mins - Limited to 2 hours maximum	0.80	Outwith the Scope	0.00	0.80	1.00	Outwith the Scope	0.00	1.00	0.20	25%	
First 30 minutes free at the following: Argyll Square, Queens Park Place, William Street, Corran Esplanade, George Street. Maximum stay of 2 hours total.												
On Street Parking - Outer Zone Oban	Per 40 mins - Limited to 4 hours maximum	0.80	Outwith the Scope	0.00	0.80	1.00	Outwith the Scope	0.00	1.00	0.20	25%	
Maximum stay 4 hours expect Gallanach Road and Ganavan Road which are all day parking.												
Residents Permit	Annual Charge	95.00	Outwith the Scope	0.00	95.00	98.00	Outwith the Scope	0.00	98.00	3.00	3%	
Staff Permits - Municipal Buildings - Oban	Quarterly Charge	35.00	Outwith the Scope	0.00	35.00	36.00	Outwith the Scope	0.00	36.00	1.00	3%	
	Annual	79.17	Standard	15.83	95.00	81.67	Standard	16.33	98.00	3.00	3%	

COUNCIL WIDE CHARGES		2018/19				2019/20				Increase		Notes/Comments
Description	Other	Net £	VAT Rate	VAT £	Gross £	Net £	VAT Rate	VAT £	Gross £	£	%	
Photocopying/Printing A4 (black & white) per side		0.15	Exempt	0.00	0.15	0.15	Exempt	0.00	0.15	0.00	0%	Standard Rate across Council
Photocopying/Printing A4 (coloured) per side		0.30	Exempt	0.00	0.30	0.30	Exempt	0.00	0.30	0.00	0%	Standard Rate across Council
Photocopying/Printing - Colour - per side (A3)		0.65	Exempt	0.00	0.65	0.65	Exempt	0.00	0.65	0.00	0%	Standard Rate across Council
Photocopying/Printing - Black and White - per side (A3)		0.30	Exempt	0.00	0.30	0.30	Exempt	0.00	0.30	0.00	0%	Standard Rate across Council
Fax - minimum charge (less than 10 seconds)		0.25	Exempt	0.00	0.25	0.25	Exempt	0.00	0.25	0.00	0%	Standard Rate across Council
Fax - rate per 10seconds thereafter		0.05	Exempt	0.00	0.05	0.05	Exempt	0.00	0.05	0.00	0%	Standard Rate across Council
Fax - receiving per sheet (libraries)		0.65	Exempt	0.00	0.65	0.65	Exempt	0.00	0.65	0.00	0%	Standard Rate across Council

#### FILMING

PRODUCTION GENRE	Classification (Budget)	2018/19				2019/20				Increase		Notes/Comments
		Net £	VAT Rate	VAT £	Gross £	Charge per day	VAT Rate	VAT £	Gross £	£	%	
<b>FEATURE FILM</b>												
Major US: eg <i>Bond, Jurassic World</i>	High End (£100m+)	1,260.00	Standard	252.00	1,512.00	1,297.50	Standard	259.50	1,557.00	45.00	3%	
Large US: eg <i>Les Miserable</i>	Medium High (£60m+)	960.00	Standard	192.00	1,152.00	989.17	Standard	197.83	1,187.00	35.00	3%	
Major UK/US Indie: eg <i>Rush, Theory of Everything</i>	Medium (£20m+)	660.00	Standard	132.00	792.00	680.00	Standard	136.00	816.00	24.00	3%	
Medium: eg <i>The Worlds End</i>	Medium/Low (£10m+)	480.00	Standard	96.00	576.00	494.17	Standard	98.83	593.00	17.00	3%	
Low: eg <i>71, Alan Partridge, Alpha Papa</i>	Low (£1.5m+)	240.00	Standard	48.00	288.00	247.50	Standard	49.50	297.00	9.00	3%	
Micro: eg <i>IFeatures</i>	Micro (<1.5M)	50.00	Standard	10.00	60.00	51.67	Standard	10.33	62.00	2.00	3%	
<b>TELEVISION</b>												
Domestic/International receiving Tax Relief: eg <i>Penny Dreadful, The Game</i>	High End Tax Relief	660.00	Standard	132.00	792.00	680.00	Standard	136.00	816.00	24.00	3%	
Period Drama: eg <i>Call the Midwife, The Village</i>	High End Domestic	540.00	Standard	108.00	648.00	555.83	Standard	111.17	667.00	19.00	3%	
Soap/Drama Series: eg <i>Sherlock, Corrie, EastEnders</i>	Medium	480.00	Standard	96.00	576.00	494.17	Standard	98.83	593.00	17.00	3%	
Sitcom/Comedy/Drama: eg <i>Family Tree, My Mad Fat Diary</i>	Medium	300.00	Standard	60.00	360.00	309.17	Standard	61.83	371.00	11.00	3%	
Pilot/Light Entertainment/High End Documentaries/Factual: eg <i>Springwatch, Great British Bake Off</i>	Low	105.00	Standard	21.00	126.00	108.33	Standard	21.67	130.00	4.00	3%	
Low-end Doc/Factual: eg <i>Great Railway Journeys</i>	Low	50.00	Standard	10.00	60.00	51.67	Standard	10.33	62.00	2.00	3%	
<b>COMMERCIALS</b>												
High Profile: eg <i>McDonalds, Lagavullin Whisky (International)</i>	High (> £1M)	600.00	Standard	120.00	720.00	618.33	Standard	123.67	742.00	22.00	3%	
Medium Profile: eg <i>Ford, Skoda, Peugeot (National)</i>	Medium (< £1M)	360.00	Standard	72.00	432.00	370.83	Standard	74.17	445.00	13.00	3%	
Low Profile: eg <i>Short promos (Regional)</i>	Low (< £250k)	105.00	Standard	21.00	126.00	108.33	Standard	21.67	130.00	4.00	3%	
<b>MUSIC VIDEOS</b>												
High Profile: eg <i>Florence and the Machine</i>	High	90.00	Standard	18.00	108.00	92.50	Standard	18.50	111.00	3.00	3%	
Low Profile: eg <i>Corporate etc.</i>	Low	50.00	Standard	10.00	60.00	51.67	Standard	10.33	62.00	2.00	3%	

**Overall Position:**

- There is a forecast overspend for 2018-19 of £2.041m as at the end of December 2018. The main overspend is in relation to Social Work, where there is an overspend of £2.998m due to unidentified IJB savings allocated to Social Work as well as the net impact of service demand. There are also overspends of; £0.350m in relation to Education ASN due to a significant increase in demand, £0.083m in relation to a shortfall in savings for the Catering and Cleaning project, £0.080m in relation to additional staff costs within pupil transport, £0.047m relating to the airports PSA contract and £0.050m in public conveniences due to a reduction in income. These overspends are offset by an underspend across the Council within fleet due to a delay in replacing the vehicles of £0.614m, over recovery of income within D&I in relation to building warrants, planning fees, crematorium and private landlord registration, an underspend of £0.111m in relation to CHORD project manager costs which are being funded from capital, an underspend of £0.281m within superannuation as the budget provision for auto enrolment is no longer required, an underspend in the apprenticeship levy of £0.090m, an underspend on utilities across the Council of £0.124m, vacancy savings within Education of £0.100m and an underspend within Customer Services Directorate in relation to NPDO insurance and Hub Project.
- There is a year to date underspend of £4.177m. More focus is on the forecast outturn position, hence why sometimes the year to date position is not updated. The year to date variances mainly relate to the timing of income and expenditure. There is a year to date underspend within Third Party Payments in Customers Services in relation to Hub Schools £0.778m, NPDO £0.608m and Housing Benefit £0.635m – this is all in relation to delays on invoicing and mismatch with the actuals and profile. Within Social Work there is an underspend of £1.667m and this in relation to a delay in the receipting/payment of supplier invoices – this is being followed up.

**Key Highlights as at December 2018:**

The forecast overspend has increased since the November monitoring period by £0.344m, from £1.697m to £2.041m

- Within Customer Services there is a further forecast underspend of £0.122m relating to HUB North Scotland contractual deduction and delays.
- There has been further overspends forecast within Social Work of £0.199m since November. This is largely due to higher than expected demand on services and slippage in the delivery of savings.
- There is a further overspend within D&I in relation to an under recovery of public convenience income due to turnstiles not being in operation. There were also overspends within EQI assessments and Street Lighting consultant costs but these were offset by an underspend in vacancy savings.
- An underspend of £0.124m has also been reported for the cost of utilities across the Council.
- A £0.371m overspend in relation to the proposed pay award has been processed based on the current offer.

**Key Financial Successes:**

The performance against budget for the financial year 2017-18 was an overall underspend of £2.598m (1.04%). There were some one-off factors contributing to this underspend, however, good budget control and financial management have ensured that the Council did not overspend.

**Key Financial Challenges:**

Achieving a favourable year-end balanced position and achieving savings targets in light of council wide risks to expenditure.

**Proposed Actions to address Financial Challenges:**

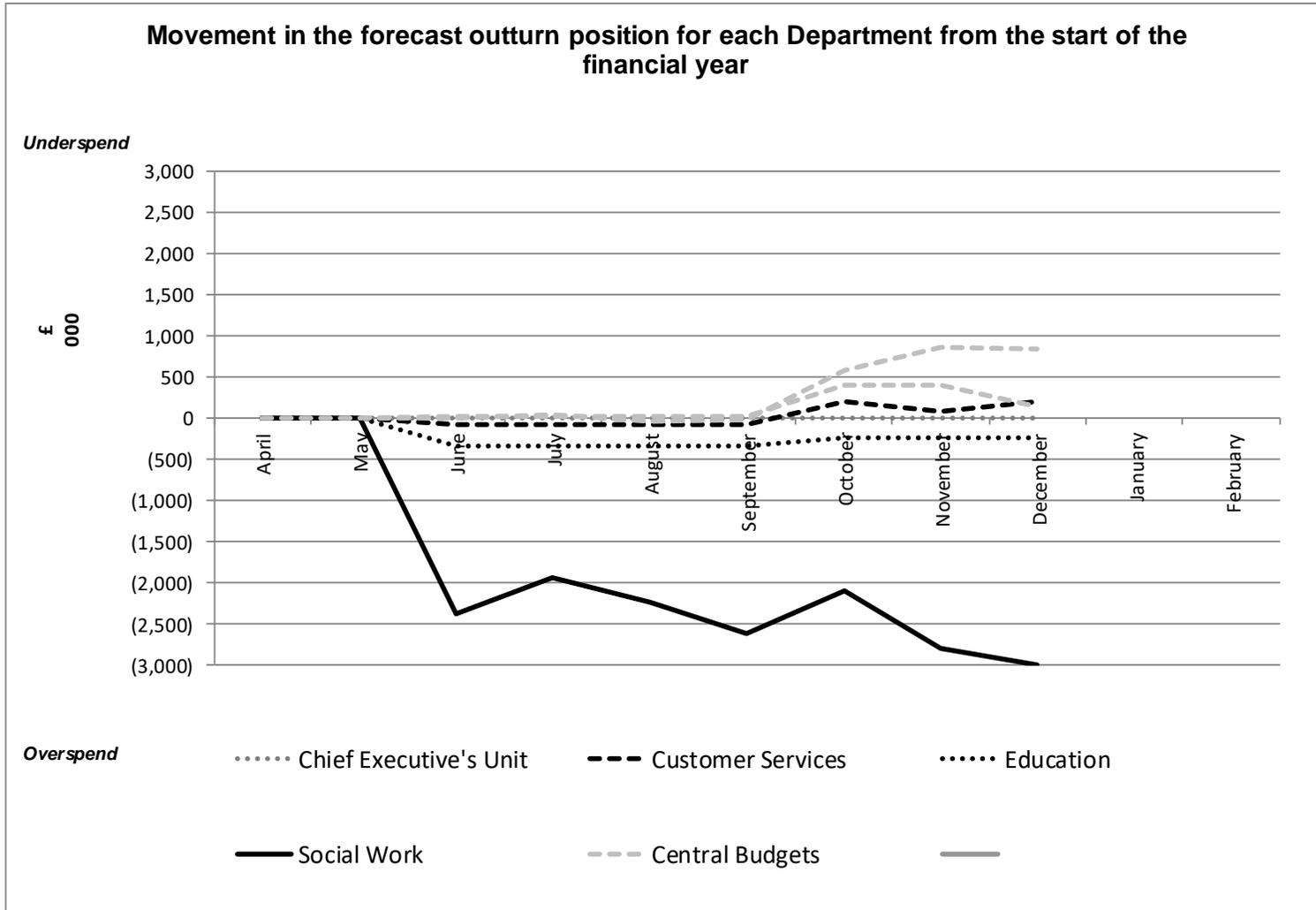
Robust monitoring of the financial position to ensure that any budget issues are fed back into the budget monitoring process.

Monitoring the expenditure within Social Work and more widely the IJB position as any overspend will transfer back to partner bodies, in the first instance.	Work more closely with the CFO of the IJB to ensure that early indication of financial outturn is known and corrective action is agreed as appropriate to reduce the risk to the Council. Review of Scheme of Integration, particularly risk sharing arrangements to reduce any risk to the Council.
Identifying further savings and delivering services more efficiently with less resources.	Continually refine/develop systems to accurately calculate forecast outturns and the future budget outlook.
Maintaining or improving the level of service income recovered, for example planning, building standards and car parking.	Actively monitor income recovery and ensure Council fees and charges policies are reviewed.
Managing spend in service areas which are demand led and, to some extent, outwith service control, for example Winter Maintenance.	Use risk based approach to budget monitoring to focus additional attention to these areas.
Ongoing requirement to fund unavoidable increases in areas like employee costs, utility costs etc.	Ensure emerging issues are highlighted as soon as possible so that the financial impact can be reported through the budget monitoring and preparation processes.

### Forecast Outturn Position

There is a forecast overspend for 2018-19 of £2.041m as at the end of December 2018 and the main variances are noted below.

Current Forecast Outturn Variance with change from previous month						
Department	Annual Budget £'000	Forecast Outturn £'000	Current Forecast Variance £'000	Previous Forecast Variance £000	Change £000	Explanation
Chief Executive's Unit	2,500	2,500	0	0	0	No forecast outturn variance.
Customer Services	45,482	45,277	205	83	122	Forecast underspends are due to £0.045m underspend in fleet retained budget due to a delay by the central fleet team in replacing fleet, £0.322m in directorate for NPDO schools insurances savings and HUB DBFM savings. These underspends are offset by an anticipated shortfall in savings re the Catering and Cleaning Innovation project of £0.083m and £80k increased employee costs in relation to public transportation service.
Development and Infrastructure Services	34,538	33,690	848	868	(20)	The forecast variance mainly relates to an underspend in the fleet budget due to a delay in replacing vehicles, an over-recovery of vacancy savings, an estimated greater level of income than budget in relation to building warrants, planning fees, proviatre landlord registration and crematorium. This is offset by an overspend in PSO contract for Air Services, an overspend in Street Lighting consultant costs, the under recovery of car parking income and additional Building Standards Fee Income and Private Landlord Registration income.
Education	77,356	77,597	(241)	(241)	0	The overspend relates to a significant increase in demand within ASN support, offset by an underspend in pupil support vacancies and also vacancies within the Directorate. The ASN pressure will continue to be monitored closely going forward with every effort being made to mitigate this spend.
Social Work	56,231	59,229	(2,998)	(2,799)	(199)	The overspend is mainly due to an unidentified savings figure of £1.330m included in the budget as well as the net impact of service demand and estimated slippage on the delivery of agreed savings.
Central Budgets	25,473	25,328	145	392	(247)	The underspend relates budget provision for Superannuation Auto Enrolment that is no longer required (£281k), a forecast underspend on the apprenticeship levy (£90k), an underspend in utility costs Council wide (£124k) and a reduction in the requisition for the Valuation Joint Board (£21k). These underspend have been offset by a forecast overspend in relation to the pay award being greater than budget. The estimated overspend in relation to the pay award is based on the current offer on the table to SJC workers. It is assumed that Scottish Government funding will cover the teachers increase.
<b>Total</b>	<b>241,580</b>	<b>243,621</b>	<b>(2,041)</b>	<b>(1,697)</b>	<b>(344)</b>	

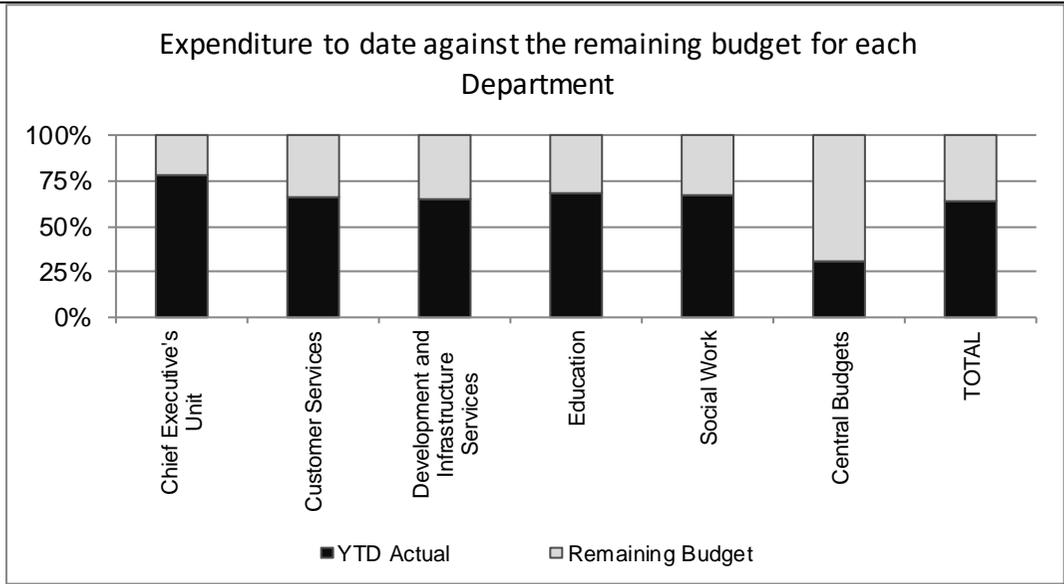


Further information on the departmental forecast variances is included later on in the report.

### Year to Date Position

The year to date position as at the end of December 2018 is an estimated underspend of £4.177m and the main variances are noted below.

The current year to date variance position for each Department:				
Department	YTD Actual £'000	YTD Budget £'000	YTD Variance £'000	Explanation
Chief Executive's Unit	1,960	1,788	(172)	Small variances, mainly profile related.
Customer Services	30,137	32,851	2,714	The main variance is within Third Party Payments in relation to Hub Schools £0.778m and NPDO £0.608m where there is a delay in the invoices and also with Housing Benefit Private £0.635m.
Development and Infrastructure Services	22,509	22,878	369	There are a number of profiling variances that contribute to this overall year to date position. Any year to date position that gives rise to a forecast outturn position has been reported.
Education	53,082	53,266	184	The year to date overspend is mainly profiled related.
Social Work	37,691	39,358	1,667	The YTD variance reflects lower than budgeted activity in care home placements for older people and delays in the receipt and/or payment of supplier invoices across the service.
Central Budgets	7,789	7,204	(585)	Small variance, mainly profile related.
<b>Total Net Expenditure</b>	<b>153,168</b>	<b>157,345</b>	<b>4,177</b>	



Further information on the departmental year to date variances is included later on in the report.

**OBJECTIVE SUMMARY – OVERALL COUNCIL POSITION AT 31 DECEMBER 2018**

	YEAR TO DATE POSITION				CURRENT PROJECTED FINAL OUTTURN			
	YTD Actual	YTD Budget	YTD Variance	Variance	Annual Budget	Forecast Outturn	Forecast Variance	Variance
	£'000	£'000	£'000	%	£'000	£'000	£'000	%
<b><u>Departmental Budgets</u></b>								
Chief Executive's Unit	1,960	1,788	(172)	(9.6%)	2,500	2,500	0	0.0%
Customer Services	30,137	32,851	2,714	8.3%	45,482	45,277	205	0.5%
Development and Infrastructure Services	22,509	22,878	369	1.6%	34,538	33,690	848	2.5%
Education	53,082	53,266	184	0.4%	77,356	77,597	(241)	(0.3%)
Social Work	37,691	39,358	1,667	4.2%	56,231	59,229	(2,998)	(5.3%)
<b>Total Departmental Budgets</b>	<b>145,379</b>	<b>150,141</b>	<b>4,762</b>	<b>3.2%</b>	<b>216,107</b>	<b>218,293</b>	<b>(2,186)</b>	<b>(1.0%)</b>
<b><u>Central Budgets</u></b>								
Other Operating Income and Expenditure	2,081	1,946	(135)	(6.9%)	3,756	3,632	124	3.3%
Joint Boards	964	1,030	66	6.4%	1,374	1,353	21	1.5%
Non-Controllable Costs	4,744	4,228	(516)	(12.2%)	20,343	20,343	0	0.0%
<b>Total Central Budgets</b>	<b>7,789</b>	<b>7,204</b>	<b>(585)</b>	<b>(8.1%)</b>	<b>25,473</b>	<b>25,328</b>	<b>145</b>	<b>0.6%</b>
<b>TOTAL NET EXPENDITURE</b>	<b>153,168</b>	<b>157,345</b>	<b>4,177</b>	<b>2.7%</b>	<b>241,580</b>	<b>243,621</b>	<b>(2,041)</b>	<b>(0.8%)</b>
<b><u>Financed By</u></b>								
Aggregate External Finance	(107,667)	(107,667)	0	0.0%	(191,827)	(191,827)	0	0.0%
Local Tax Requirement	(46,634)	(46,634)	0	0.0%	(47,674)	(47,674)	0	0.0%
Contributions to General Fund	0	0	0	0.0%	2,408	2,408	0	0.0%
Supplementary Estimates	0	0	0	0.0%	0	0	0	0.0%
Earmarked Reserves	0	0	0	0.0%	(4,487)	(4,487)	0	0.0%
<b>Total Funding</b>	<b>(154,301)</b>	<b>(154,301)</b>	<b>0</b>	<b>0.0%</b>	<b>(241,580)</b>	<b>(241,580)</b>	<b>0</b>	<b>0.0%</b>
<b>Deficit/(Surplus) for Period</b>	<b>(1,133)</b>	<b>3,044</b>	<b>4,177</b>		<b>0</b>	<b>2,041</b>	<b>(2,041)</b>	

## SUBJECTIVE SUMMARY – OVERALL COUNCIL POSITION AS AT 31 DECEMBER 2018

	YEAR TO DATE POSITION				CURRENT PROJECTED FINAL OUTTURN			
	YTD Actual £'000	YTD Budget £'000	YTD Variance £'000	Variance %	Annual Budget £'000	Forecast Outturn £'000	Forecast Variance £'000	Variance %
<b>Subjective Category</b>								
Employee Expenses	97,557	97,804	248	0.3%	141,225	141,106	119	0.1%
Premises Related Expenditure	10,698	10,572	(125)	(1.2%)	14,837	14,813	24	0.2%
Supplies and Services	16,071	14,397	(1,674)	(11.6%)	18,275	21,627	(3,351)	(18.3%)
Transport Related Expenditure	8,529	8,309	(220)	(2.7%)	17,587	16,913	674	3.8%
Third Party Payments	105,337	107,156	1,819	1.7%	145,286	146,034	(748)	(0.5%)
Capital Financing	(193)	0	193	#DIV/0!	15,770	15,770	0	0.0%
<b>TOTAL EXPENDITURE</b>	<b>237,999</b>	<b>238,238</b>	<b>241</b>	<b>0.1%</b>	<b>352,980</b>	<b>356,263</b>	<b>(3,282)</b>	<b>(0.9%)</b>
Income	(239,131)	(235,195)	3,936	(1.7%)	(352,980)	(354,221)	1,241	(0.4%)
<b>Deficit/(Surplus) for Period</b>	<b>(1,132)</b>	<b>3,043</b>	<b>4,177</b>		<b>0</b>	<b>2,042</b>	<b>(2,041)</b>	

YTD is year to date and represents the actual or budgeted expenditure and income for the financial year so far.

Forecast Outturn is the estimate now of what expenditure or income will be for the whole of the financial year.

The Variance is the difference between budget and actual or forecast outturn.

A positive variance is when actual or forecast expenditure is less than budget or actual or forecast income is more than budget.

A negative variance is shown in brackets and is when actual or forecast expenditure is more than budget or actual or forecast income is less than budget.

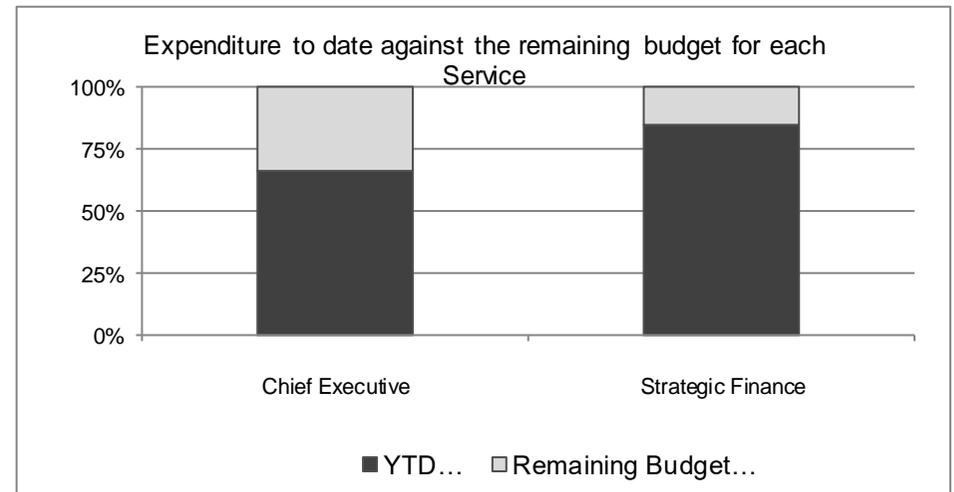
## CHIEF EXECUTIVE'S UNIT HIGHLIGHTS – AS AT 31 DECEMBER 2018

- The department is currently forecasting spend to be in line with budget.
- The department has a year to date overspend of £0.173m (9.7%) which is mainly profile related.

### Forecast Outturn Position

Current Forecast Outturn Variance with change from previous month					
Service	Annual Budget	Forecast Outturn	Current Forecast Variance	Previous Forecast Variance	Change
	£000	£000	£000	£000	£000
Chief Executive	846	846	0	0	0
Strategic Finance	1,653	1,653	0	0	0
<b>Totals</b>	<b>2,499</b>	<b>2,499</b>	<b>0</b>	<b>0</b>	<b>0</b>

### Year to Date Position



#### Key Financial Successes:

The department are currently forecasting that spend will be in line with budget for 2018-19. All Service Choices savings options have been delivered. The department outturn position at the end of 2017-18 was an underspend of £0.070m due to effective management and monitoring of the budget.

#### Key Financial Challenges:

To continue to deliver high quality support service function during a time of continued budget cuts, particularly as the majority of the costs within Chief Executive's Unit are employee costs.

#### Proposed Actions to address Financial Challenges:

To ensure that the team are operating as efficiently and effectively as possible to enable continued support to departments with reduced resources.

## CHIEF EXECUTIVE'S UNIT – OBJECTIVE SUMMARY AS AT 31 DECEMBER 2018

Business Outcome	Service Area	YTD Actual £000	YTD Budget £000	YTD Variance £000	% Variance	Annual Budget £000	Forecast Outturn £000	Forecast Variance £000	% Variance	Explanation
Central/Management Costs	Central/Management Costs	206	207	1	0.5%	296	296	0	0.0%	Outwith reporting criteria.
BO15 - Argyll and Bute is open for business	Community Planning	71	77	6	7.8%	135	135	0	0.0%	Outwith reporting criteria.
BO33 - Information and support are available for our communities	Community Development and Grants to Third Sector	284	303	20	6.6%	415	415	0	0.0%	Outwith reporting criteria.
<b>Chief Executive Total</b>		<b>561</b>	<b>587</b>	<b>27</b>	<b>4.6%</b>	<b>846</b>	<b>846</b>	<b>0</b>	<b>0.0%</b>	
BO05 - Information and Support are available for everyone	Money Skills Argyll	185	0	(185)	#DIV/0!	0	0	0	0.0%	Due to a timing difference between expenditure and income.
BO28 - Our processes and business procedures are efficient, cost effective and compliant	Departmental Support, Corporate Accounting, Treasury & Internal Audit	1,215	1,199	(15)	(1.3%)	1,653	1,653	0	0.0%	Outwith reporting criteria.
<b>Strategic Finance Total</b>		<b>1,400</b>	<b>1,199</b>	<b>(200)</b>	<b>#DIV/0!</b>	<b>1,653</b>	<b>1,653</b>	<b>0</b>	<b>0</b>	
<b>GRAND TOTAL</b>		<b>1,961</b>	<b>1,786</b>	<b>(173)</b>	<b>(9.7%)</b>	<b>2,499</b>	<b>2,499</b>	<b>0</b>	<b>0.0%</b>	

YTD is year to date and represents the actual or budgeted expenditure and income for the financial year so far.

Forecast Outturn is the estimate now of what expenditure or income will be for the whole of the financial year.

The Variance is the difference between budget and actual or forecast outturn.

A positive variance is when actual or forecast expenditure is less than budget or actual or forecast income is more than budget.

A negative variance is shown in brackets and is when actual or forecast expenditure is more than budget or actual or forecast income is less than budget.

An explanation is given for any variance which exceeds £50,000 or 10%.

## CHIEF EXECUTIVE'S UNIT – SUBJECTIVE SUMMARY AS AT 31 DECEMBER 2018

Subjective Category	YTD Actual £000	YTD Budget £000	YTD Variance £000	% Variance	Annual Budget £000	Forecast Outturn £000	Forecast Variance £000	% Variance	Explanation
Employee	1,614	1,594	(20)	(1.3%)	2,345	2,345	0	0.0%	Outwith reporting criteria.
Premises	0	0	0	0.0%	0	0	0	0.0%	Outwith reporting criteria.
Supplies and Services	59	40	(18)	(45.0%)	56	56	0	0.0%	A small variance that is profile related.
Transport	20	23	4	17.4%	31	31	0	0.0%	Outwith reporting criteria.
Third Party	394	173	(221)	(127.8%)	236	236	0	0.0%	Due to Money Skills Argyll expenditure which is offset by income variance below, in addition to a timing difference between expenditure and income.
Income	(126)	(44)	81	(184.1%)	(170)	(170)	0	0.0%	Due to Money Skills Argyll income which is offset by expenditure variance above, in addition to a timing difference between expenditure and income.
<b>Totals</b>	<b>1,961</b>	<b>1,786</b>	<b>(174)</b>	<b>(9.7%)</b>	<b>2,498</b>	<b>2,498</b>	<b>0</b>	<b>0.0%</b>	

YTD is year to date and represents the actual or budgeted expenditure and income for the financial year so far.

Forecast Outturn is the estimate now of what expenditure or income will be for the whole of the financial year.

The Variance is the difference between budget and actual or forecast outturn.

A positive variance is when actual or forecast expenditure is less than budget or actual or forecast income is more than budget.

A negative variance is shown in brackets and is when actual or forecast expenditure is more than budget or actual or forecast income is less than budget.

An explanation is given for any variance which exceeds £50,000 or 10%.

**CHIEF EXECUTIVE'S UNIT – RED VARIANCES AS AT 31 DECEMBER 2018**

<b>Service Area</b>	<b>Annual Budget £000</b>	<b>Forecast Outturn £000</b>	<b>Forecast Variance £000</b>	<b>% Variance</b>	<b>Explanation</b>
			0	0.0%	
			0	0.0%	
			0	0.0%	
			0	0.0%	
			0	0.0%	
			0	0.0%	
			0	0.0%	
			0	0.0%	
			0	0.0%	
			0	0.0%	
			0	0.0%	

A red variance is a forecast variance which is greater than +/- £50,000.

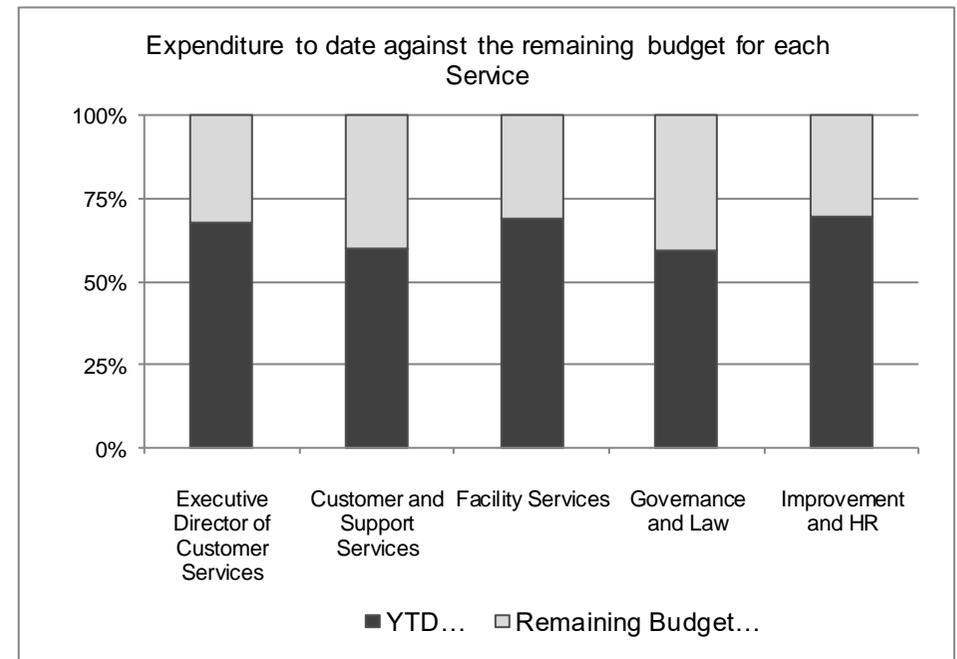
## CUSTOMER SERVICES – AS AT 31 DECEMBER 2018

- The department is currently forecasting an underspend of £0.204m (0.4%). Forecast underspends are due to a £0.077m underspend in fleet retained budget due to a delay by the central fleet team in replacing fleet, Hub North Scotland deductions and delays of £0.122m and £0.200m in directorate to reflect smaller underspends across the Service. This is offset by an anticipated shortfall in savings in the Catering and Cleaning Innovation project of £0.048m, £0.035m due to lower than recommended charge rate for milk, £0.080m for additional staff costs within pupil transport and a £0.032m overspend in pool cars.
- The department has a year to date underspend of £2.715m (8.3%). The main variance is in relation to NPDO - £0.613m, Hub Schools – 0.778m, Housing Benefits - £0.738, Public Transport £0.113m and ICT £0.117m due to invoicing delays.

### Forecast Outturn Position

Current Forecast Outturn Variance with change from previous month					
Service	Annual Budget	Forecast Outturn	Current Forecast Variance	Previous Forecast Variance	Change
	£000	£000	£000	£000	£000
Executive Director of Customer Services	19,471	19,149	322	200	122
Customer and Support Services	8,699	8,699	0	0	0
Facility Services	12,486	12,608	(123)	(123)	0
Governance and Law	1,914	1,909	5	5	0
Improvement and HR	2,912	2,912	0	0	0
<b>Totals</b>	<b>45,482</b>	<b>45,277</b>	<b>204</b>	<b>82</b>	<b>122</b>

### Year to Date Position



### Key Financial Successes:

The 2017-18 year-end outturn position was an underspend of £1.306m. This was mainly as a result of over-recovery of vacancy savings, lower than expected insurance and utility cost savings arising as a result of the annual renegotiation of insurance costs which forms part of the contract management arrangements which are in place for the NPDO, lower than planned expenditure on the Catering Innovation Project which was delayed and lower than expected expenditure on school transport due to reduced contract and fuel costs.

A number of the service choices savings have also been secured to date.

<b>Key Financial Challenges:</b>	<b>Proposed Actions to address Financial Challenges:</b>
Impact of Welfare reforms.	Input ongoing to multi agency working group to ensure robust arrangements are put in place.
Delivering the proposed Facility Services budget reductions identified in the Transformation programme.	Provide the Transformation Board with robust information upon which decisions can be made and develop any savings proposals as necessary.
Impact of numbers/uptake in demand led service areas like transport, benefits and licensing.	Continually refine/develop systems to accurately calculate forecast outturns and the impact on the future financial outlook.
Support longer term service re-design project for Catering and Cleaning services to ensure efficiencies and financial savings are secured for the Council. Success dependant on buy-in from Argyll & Bute Health and Social Care Partnership.	Effective working with consultants and support with implementation of preferred service delivery method.
New legislative/policy requirements not fully funded by Scottish Government which put additional burdens on the Council. For example, additional demands from IJB, requirement to register all property in land register by 2019 and unknown impact of new education arrangements on all support services.	Analysis of new obligations and whether they incur additional costs not met through increased grant.

## CUSTOMER SERVICES – OBJECTIVE SUMMARY AS AT 31 DECEMBER 2018

Business Outcome	Service Area	YTD Actual £000	YTD Budget £000	YTD Variance £000	% Variance	Annual Budget £000	Forecast Outturn £000	Forecast Variance £000	% Variance	Explanation
Central/Management Costs	Central/Management Costs, NPDO, Special Projects & Estates	13,153	14,688	1,535	10.5%	19,471	19,149	322	1.7%	Year to date variance within NPDO and Hub DBFM schools is mainly due to invoicing being behind profile, For the NPDO this is in relation to utility invoicing as no water or LPG invoices have been received year to date. For Hub DBFM this is in relation to the Monthly Service payment which is 2 months behind profile. Profile will be updated accordingly. While the majority of the variances are due to delayed invoicing which should be received by year end, with regards to the NPDO there have also been insurance savings of £200k and Hub DBFM have incurred contractual deductions to date of £93k and delays in handover to date of £29k. these variances are reflected in a forecast underspend of £322k.
<b>Executive Director of Customer Services Total</b>		<b>13,153</b>	<b>14,688</b>	<b>1,535</b>	<b>10.5%</b>	<b>19,471</b>	<b>19,149</b>	<b>322</b>	<b>1.7%</b>	
Central/Management Costs	Central/Management Costs	154	148	(6)	(4.1%)	207	207	0	0.0%	Outwith reporting criteria
BO04 - Benefits are paid promptly and accurately	Benefits, SWF & Welfare Reform	1,257	2,045	788	38.5%	1,598	1,598	0	0.0%	Underspend in Benefits Administration. £67k of which is additional grant money received. £738k - Housing Benefits private - profiling error budget will be reprofiled.
BO05 - Information and Support are available for everyone	Customer Service Centres & Registrars	903	907	5	0.6%	1,385	1,385	0	0.0%	Outwith reporting criteria
BO23 - Economic Growth is supported	NDR Disc Relief, Creditors & Procurement	717	723	6	0.8%	1,275	1,275	0	0.0%	Outwith reporting criteria
BO27 - Infrastructure and assets are fit for purpose	ICT Applications & Infrastructure	1,663	1,861	198	10.6%	3,648	3,648	0	0.0%	ICT Infrastructure - The YTD underspend of £117k relates to a £202k annual recharge to Libraries and Education but the actual invoice has not been paid yet - due March 19. Also some profiling. ICT Applications 26k underspend in staff costs to be used to fund handover to new employee. £26k underspend in Print and Mail Room due to removal of franking machines, plus smaller budget profiling variances across the Service.

BO28 - Our processes and business procedures are efficient, cost effective and compliant	Local Tax, Debtors, Debt Recovery, Customer Service Centres & Registrars	550	536	(14)	(2.6%)	586	586	0	0.0%	Outwith reporting criteria
<b>Customer and Support Services Total</b>		<b>5,244</b>	<b>6,220</b>	<b>977</b>	<b>15.7%</b>	<b>8,699</b>	<b>8,699</b>	<b>0</b>	<b>0.0%</b>	
BO09 - Our assets are safe, efficient and fit for purpose	Shared Offices, Property, Pool Cars, Public Transport and Cleaning.	8,326	8,514	187	2.2%	11,990	12,029	(40)	(0.3%)	Property design £137k underspend Ytd - employee costs and spend/income budget profile. Public Transport £113k underspend YTD - mainly school operator payments & extra income from Highland council. Offset by an over spend of £123K in Public Transport in House due to £114k in employee cost due to extra hours/ASN. The forecast underspend relates to the retained fleet budget due to a delay in replacing fleet within the central fleet management team also £80k forecast against Public Transport in House due to increasing employee costs. Shared office accommodation £23k - central repairs timing
BO18 - Improved lifestyle choices are available	School Meals	87	179	92	51.4%	213	296	(83)	(39.0%)	YTD £120k underspend in Sundries due to profiling/timing of spend. £83k forecast overspend anticipated due to shortfall in savings re Catering and Cleaning Innovation project - distribution hub £48k construction costs and payback and drinks provision £35k lower than recommended charge rate for milk creating shortfall.
Central/Management Costs	Central/Management Costs	164	189	25	13.2%	283	283	0	0.0%	Property services admin support employee costs ytd underspend £21k
<b>Facility Services Total</b>		<b>8,577</b>	<b>8,882</b>	<b>304</b>	<b>3.4%</b>	<b>12,486</b>	<b>12,608</b>	<b>(123)</b>	<b>(1.0%)</b>	
BO10 - Quality of life is improved by managing risk	Civil Contingencies & Anti Social Behaviour	80	77	(3)	(3.9%)	123	123	0	0.0%	Outwith reporting criteria
BO17 - The support needs of children and their families are met	Childrens Panel	10	10	0	0.0%	34	34	0	0.0%	Outwith reporting criteria
BO23 - Economic Growth is supported	Licensing	(168)	(189)	(21)	11.1%	(123)	(123)	0	0.0%	Main factor is 11.7k Legal Fees for a licensing case, it is possible this may be covered in year by meeting income budgets in licencing. Remainder is smaller variances across licencing and licencing standards.
BO28 - Our processes and business procedures are efficient, cost effective and compliant	Democratic Services, Governance & Legal Services	1,081	1,072	(9)	(0.8%)	1,680	1,680	0	0.0%	Outwith reporting criteria
Central/Management Costs	Central/Management Costs	136	133	(4)	(3.0%)	200	195	5	2.5%	Outwith reporting criteria
<b>Governance and Law Total</b>		<b>1,139</b>	<b>1,103</b>	<b>(37)</b>	<b>(3.4%)</b>	<b>1,914</b>	<b>1,909</b>	<b>5</b>	<b>0.3%</b>	

BO06 - Quality culture, archives, libraries and museums are provided to promote wellbeing	Gaelic Language Plan	7	7	0	0.0%	12	12	0	0.0%	Outwith reporting criteria
BO28 - Our processes and business procedures are efficient, cost effective and compliant	HR Services	491	475	(17)	(3.6%)	693	693	0	0.0%	Outwith reporting criteria
BO29 - Health and safety is managed effectively	Health & Safety	202	197	(4)	(2.0%)	295	295	0	0.0%	Outwith reporting criteria
BO30 - We engage with our customers, staff and partners	Communications	164	165	1	0.6%	260	260	0	0.0%	Outwith reporting criteria
BO31 - We have a culture of continuous improvement	Service Improvements	563	560	(3)	(0.5%)	797	797	0	0.0%	Outwith reporting criteria
BO32 - Our workforce is supported to realise its potential	Learning & Development	398	370	(28)	(7.6%)	586	586	0	0.0%	Outwith reporting criteria
Central/Management Costs	Central/Management Costs	198	185	(13)	(7.0%)	269	269	0	0.0%	Outwith reporting criteria
<b>Improvement and HR Total</b>		<b>2,023</b>	<b>1,959</b>	<b>(64)</b>	<b>(3.3%)</b>	<b>2,912</b>	<b>2,912</b>	<b>0</b>	<b>0.0%</b>	
<b>GRAND TOTAL</b>		<b>30,136</b>	<b>32,852</b>	<b>2,715</b>	<b>8.3%</b>	<b>45,482</b>	<b>45,277</b>	<b>204</b>	<b>0.4%</b>	

YTD is year to date and represents the actual or budgeted expenditure and income for the financial year so far.

Forecast Outturn is the estimate now of what expenditure or income will be for the whole of the financial year.

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An explanation is given for any variance which exceeds £50,000 or 10%.

## CUSTOMER SERVICES – SUBJECTIVE SUMMARY AS AT 31 DECEMBER 2018

Subjective Category	YTD Actual £000	YTD Budget £000	YTD Variance £000	% Variance	Annual Budget £000	Forecast Outturn £000	Forecast Variance £000	% Variance	Explanation
Employee	14,054	13,988	(67)	(0.5%)	20,329	20,409	(80)	(0.4%)	YTD overspend due to additional staffing with payroll team £24k, costs of first aid trainer and investigating officers which have still to be recharged to departments £25k and £12k over spend due to profiling within staff training.
Premises	1,397	1,442	45	3.1%	2,363	2,363	0	0.0%	Outwith reporting criteria
Supplies and Services	2,123	2,469	346	14.0%	4,793	4,676	117	2.4%	Forecast underspend of £21k in Directorate, £117k ICT due to invoice not received for Pathfinder North, £73k reprographics due to removal of franking machine Kilmory Year to date position due to profiling of invoices and recharges for IT. £107k under spend within catering due to profiling of invoices.
Transport	555	574	19	3.3%	5,998	5,953	46	0.8%	Outwith reporting criteria
Third Party	41,240	43,364	2,124	4.9%	56,809	56,687	122	0.2%	Underspend in payment to other bodies Hub Schools £778k and NPDO £608k due to delays in invoicing, Housing Benefit Private £635K and public transport £100k differences are due to profiling errors.
Capital Financing	0	0	0	0.0%	0	0	0	0.0%	Outwith reporting criteria
Income	(29,232)	(28,986)	246	(0.9%)	(44,811)	(44,811)	0	0.0%	YTD variance of £100k in housing benefit - Private due to profiling which will be updated accordingly. Benefits administration - £67k additional grant income. £12k YTD underspend due to additional income for shared office accomodation due to new contracts and within public transport there is a YTD underspend of £33k due to additional income from Highland Council.
<b>Totals</b>	<b>30,137</b>	<b>32,851</b>	<b>2,713</b>	<b>8.3%</b>	<b>45,481</b>	<b>45,277</b>	<b>205</b>	<b>0.5%</b>	

YTD is year to date and represents the actual or budgeted expenditure and income for the financial year so far.

Forecast Outturn is the estimate now of what expenditure or income will be for the whole of the financial year.

The Variance is the difference between budget and actual or forecast outturn.

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A negative variance is shown in brackets and is when actual or forecast expenditure is more than budget or actual or forecast income is less than budget.

An explanation is given for any variance which exceeds £50,000 or 10%.

**CUSTOMER SERVICES – RED VARIANCES AS AT 31 DECEMBER 2018**

Service Area	Annual Budget £000	Forecast Outturn £000	Forecast Variance £000	% Variance	Explanation
School Meals	213	296	(83)	(39.0%)	£83k forecast overspend anticipated due to shortfall in savings re Catering and Cleaning Innovation project - distribution hub £48k construction costs and payback and drinks provision £35k lower than recommended charge rate for milk creating shortfall.
Central/Management Costs, NPDO, Special Projects & Estates	19,471	19,149	322	1.7%	Forecast saving within Direcorate.
Pupil Transport Overspend	735	815	(80)	(10.9%)	Additional staff costs within pupil transport.
			0	0.0%	
			0	0.0%	
			0	0.0%	
			0	0.0%	
			0	0.0%	
			0	0.0%	
			0	0.0%	

A red variance is a forecast variance which is greater than +/- £50,000.

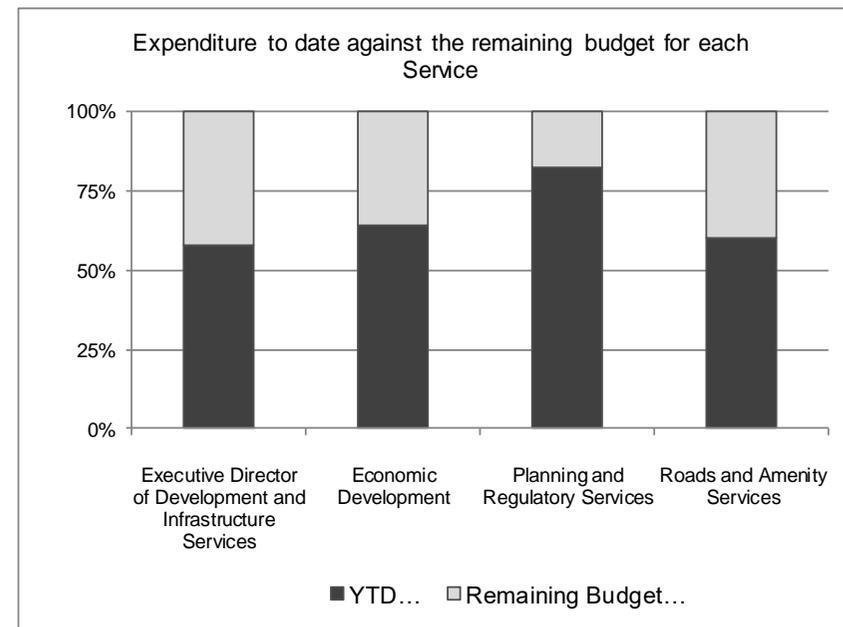
## DEVELOPMENT AND INFRASTRUCTURE HIGHLIGHTS – AS AT 31 DECEMBER 2018

- The department is currently forecasting an underspend of £0.848m (2.5%). The forecast variance mainly relates to an underspend in the fleet budget due to a delay in replacing vehicles, CHORD project manager salaries funded by capital therefore resulting in an underspend in revenue, additional Building Standards Fee Income and Road Permit income which are all partially offset by an overspend in PSO contract for Air Services and a reduction in income at public conveniences due to turnstiles not being in operation.
- The department has a year to date underspend of £0.370m (1.6%) against budget.

### Forecast Outturn Position

Current Forecast Outturn Variance with change from previous month					
Service	Annual Budget	Forecast Outturn	Current Forecast Variance	Previous Forecast Variance	Change
	£000	£000	£000	£000	£000
Executive Director of Development and Infrastructure Services	420	376	44	0	44
Economic Development	4,732	4,663	69	69	0
Planning and Regulatory Services	7,156	6,996	160	160	0
Roads and Amenity Services	22,231	21,656	575	639	(64)
<b>Totals</b>	<b>34,539</b>	<b>33,691</b>	<b>848</b>	<b>868</b>	<b>(20)</b>

### Year to Date Position



#### Key Financial Successes:

The Department's outturn for 2017-18 was an overspend of £0.087m and this was due a variety of factors including a severe winter period which was partially offset by an over recovery on vacancy savings.

#### Key Financial Challenges:

Department / Service ongoing ability to meet future savings / efficiency requirements.

#### Proposed Actions to address Financial Challenges:

Monitoring of trend / expenditure levels / service configuration and the Service Packages Policy Options savings process.

<p>Potential shortfall in income within Car Parking and Decriminalised Parking Enforcement (DPE).</p>	<p>Closely monitoring of income levels, regular performance management reviews and reporting of the financial implications through budget monitoring process.</p>
<p>Dangerous buildings, there is no budget for this expenditure and the council have no control over the demand for the service.</p>	<p>Building Standards, Legal Services and Strategic Finance are working closely to manage debt recovery and to consider other options to minimise corporate risk exposure.</p>
<p>Due to the nature of the various components of Waste Management there are ongoing challenges with:</p> <ul style="list-style-type: none"> <li>• Island haulage costs</li> <li>• Uncertainty with recycling income/ gate fee costs due to the volatility of the market</li> <li>• Challenges in the legislative changes around the disposal of Biodegradable Municipal Waste</li> </ul>	<p>To closely monitor all service components of Waste Management and review Waste Strategy in conjunction with our contractual partner Renewi (previously Shanks).</p>
<p>Winter Maintenance costs are difficult to estimate as they are very much dependant on the weather. It should be noted that winter treatments have started earlier than usual in the financial year and if this trend continues an adverse forecast variance is likely.</p>	<p>Close monitoring of Winter Maintenance and reporting of the financial implications through budget monitoring process. The Council agreed the winter policy, setting out the intervention level and locations to be treated. The numbers of treatments are determined by weather conditions. The current budget provision provides for 58 full equivalent runs. There is a sophisticated weather monitoring system in place consisting of several weather stations, this is supported by a forecasting and metrological service which is collaboratively procured by West of Scotland local authorities.</p>

## DEVELOPMENT AND INFRASTRUCTURE – OBJECTIVE SUMMARY AS AT 31 DECEMBER 2018

Business Outcome	Service Area	YTD Actual £000	YTD Budget £000	YTD Variance £000	% Variance	Annual Budget £000	Forecast Outturn £000	Forecast Variance £000	% Variance	Explanation
Central/Management Costs	Central/Management Costs	244	245	1	0.4%	420	376	44	10.5%	The forecast variance relates to vacancy savings.
<b>Executive Director of Development and Infrastructure Total</b>		<b>244</b>	<b>245</b>	<b>1</b>	<b>0.4%</b>	<b>420</b>	<b>376</b>	<b>44</b>	<b>10.5%</b>	
BO06 - Quality culture, archives, libraries and museums are provided to promote wellbeing	Events and Festivals	170	166	(3)	(1.8%)	226	226	0	0.0%	Outwith reporting criteria
BO15 - Argyll and Bute is open for business	Airports & Strategic Transportation	1,299	1,418	119	8.4%	2,328	2,259	69	3.0%	The YTD variance relates to the payment to Scottish Fire & Rescue re retained firefighters for cover at island airports still to be agreed and payment now outstanding for over 1 year pending resolution. The forecast variance is due to the PSO contract being extended for 1 year but the budget was reduced as a result of the Policy Options savings. Some of the shortfall has been offset from vacancy savings in Transportation Policy. There will also be an underspend within the CHORD cost centres as the salaries are recharged to the capital projects each month.
BO22 - Adults are supported to realise their potential	Business Gateway	267	239	(28)	(11.7%)	326	326	0	0.0%	External trainer costs are higher than budget but this will be offset by income still to be received..
BO23 - Economic growth is supported	Projects, TIF & European Team	1,050	1,061	11	1.0%	1,414	1,414	0	0.0%	Outwith reporting criteria
BO27 - Infrastructure and assets are fit for purpose	Economic Development Intelligence	100	99	(1)	(1.0%)	151	151	0	0.0%	Outwith reporting criteria
Central/Management Costs	Central/Management Costs	146	161	15	9.3%	287	287	0	0.0%	Outwith reporting criteria
<b>Economic Development Total</b>		<b>3,032</b>	<b>3,144</b>	<b>113</b>	<b>3.6%</b>	<b>4,732</b>	<b>4,663</b>	<b>69</b>	<b>1.5%</b>	

BO01 - The health of our people is protected through effective partnership working	Private Water Supplies	46	57	11	19.3%	4	4	0	0.0%	The year to date variance is caused by a timing difference between expenditure and grant income.
BO03 - Prevention and support reduces homelessness	Homelessness and Housing Support Services	1,470	1,491	21	1.4%	2,235	2,235	0	0.0%	Outwith reporting criteria
BO05 - Information and support are available for everyone	Trading Standards	356	353	(2)	(0.6%)	504	504	0	0.0%	Outwith reporting criteria
BO12 - High standards of Public health and health protection are promoted	Environmental Health	525	619	94	15.2%	1,026	1,011	15	1.5%	YTD reflects additional income from Water Supply Appraisals and fish export certificates. The forecast variance relates to Appraisal of water supplies.
BO13 - Our built environment is safe and improved	Building Standards & Environmental Safety	(221)	(17)	204	(1200.0%)	43	(82)	125	290.7%	Building Standards and Private Landlord Registration income both ahead of profile and a forecast variance has been entered to reflect this.
BO15 - Argyll and Bute is open for business	Development Policy	354	412	58	14.1%	610	610	0	0.0%	Employee underspends to be used for Apprentice/Trainee later in year.
BO23 - Economic growth is supported	Development Management	(15)	69	84	121.7%	218	198	20	9.2%	Planning income ahead of profile and this is closely monitored on a monthly basis. A small forecast variance has been entered.
BO25 - Access to and enjoyment of the natural and built environments is improved	Corepath Plan	0	0	0	0.0%	0	0	0	0.0%	Outwith reporting criteria
BO26 - People have a choice of suitable housing options	Housing	1,786	1,777	(9)	(0.5%)	738	738	0	0.0%	Outwith reporting criteria
BO27 - Infrastructure and assets are fit for purpose	Marine & Coastal	0	0	0	0.0%	0	0	0	0.0%	Outwith reporting criteria
BO31 - We have a culture of continuous improvement	Strategic Housing Fund	1,305	1,308	3	0.2%	1,308	1,308	0	0.0%	Outwith reporting criteria
Central/Management Costs	Central/Management Costs	307	298	(9)	(3.0%)	470	470	0	0.0%	Outwith reporting criteria
<b>Planning and Regulatory Total</b>		<b>5,913</b>	<b>6,367</b>	<b>455</b>	<b>7.2%</b>	<b>7,156</b>	<b>6,996</b>	<b>160</b>	<b>2.2%</b>	

BO14 - Our transport infrastructure is safe and fit for purpose	Road & Lighting, Roads Design, Network & Environment & Marine Services	2,725	2,871	146	5.1%	6,091	5,772	319	5.2%	BO14 - The main contributing factor to the YTD variance is the Roads & Lighting Operational Holding Account which relates to budget profiling due to its unpredictable nature caused by many factors e.g. weather, reactive v planned works, timing of capital works and timing of contractors invoices. There is a lag between expenditure and income being recorded from capital works. It is also worth noting that Winter treatments have started earlier than normal and that this may lead to an overspend in winter maintenance later in the year. The forecast variance relates to the underspend on the fleet retained budget as a result of a delay in replacing vehicles.
BO15 - Argyll and Bute is open for business	Marine Management	0	0	0	0.0%	0	0	0	0.0%	Outwith reporting criteria
BO24 - Waste is disposed of sustainably	Waste Management	7,440	7,709	269	3.5%	11,888	11,741	147	1.2%	The YTD variance relates to a timing difference caused by the payments for landfill tax and waste PPP recycles. The forecast variance relates to the underspend on the fleet retained budget.
BO25 - Access to and enjoyment of the natural and built environments is improved	Amenity Services	2,618	2,293	(326)	(14.2%)	3,555	3,494	61	1.7%	Income due back from insurance as a result of fire at Millpark Oban. Central repairs and supplies and services ahead of profile. External hires continue to cause concern and will be monitored closely. The forecast variance relates to the underspend on the fleet retained budget and an under recovery of income from Public Conveniences..
BO27 - Infrastructure and assets are fit for purpose	Fleet	60	(91)	(152)	167.0%	(75)	(131)	56	(74.7%)	The forecast variance relates to the underspend on the fleet retained budget.
Central/Management Costs	Central/Management Costs	475	339	(136)	(40.1%)	772	780	(8)	(1.0%)	The variance in Central Management costs is caused partly by the recharge from depots covering some uncontrollable costs which are excluded from the departmental budget monitoring. No variance is anticipated at year end.
<b>Roads and Amenity Total</b>		<b>13,318</b>	<b>13,121</b>	<b>(199)</b>	<b>(1.5%)</b>	<b>22,231</b>	<b>21,656</b>	<b>575</b>	<b>2.6%</b>	
<b>GRAND TOTAL</b>		<b>22,507</b>	<b>22,877</b>	<b>370</b>	<b>1.6%</b>	<b>34,539</b>	<b>33,691</b>	<b>848</b>	<b>2.5%</b>	

YTD is year to date and represents the actual or budgeted expenditure and income for the financial year so far.

Forecast Outturn is the estimate now of what expenditure or income will be for the whole of the financial year.

The Variance is the difference between budget and actual or forecast outturn.

A positive variance is when actual or forecast expenditure is less than budget or actual or forecast income is more than budget.

A negative variance is shown in brackets and is when actual or forecast expenditure is more than budget or actual or forecast income is less than budget.

An explanation is given for any variance which exceeds £50,000 or 10%.

## DEVELOPMENT AND INFRASTRUCTURE – SUBJECTIVE SUMMARY AS AT 31 DECEMBER 2018

Subjective Category	YTD Actual £000	YTD Budget £000	YTD Variance £000	% Variance	Annual Budget £000	Forecast Outturn £000	Forecast Variance £000	% Variance	Explanation
Employee	16,563	16,881	318	1.9%	24,693	24,618	75	0.3%	YTD variance within Roads due to vacancies that will be used to cover savings targets plus the use of Consultants; There is an accrual in relation to standby payments which has still to be settled. The remainder is a number of smaller variances which are largely offset by a reduction in income. The forecast variance relates to a vacancy in Transportation Policy which is being used to partially offset the overspend on the PSO contract for Airports plus vacancy savings.
Premises	1,790	1,873	83	4.4%	3,065	3,065	0	0.0%	YTD underspend due to profile of Street Lighting Electricity budget and Depot Apportionment budget which are partially offset with central repair costs being ahead of profile. Any savings on street lighting electricity will be used to fund prudential borrowing for the LED replacement project.
Supplies and Services	6,519	4,997	(1,522)	(30.5%)	6,413	6,413	0	0.0%	Supplies and services are ahead of profile due to quarry and materials purchases within the Roads and Lighting holding account as a result of additional capital work. This will be offset by additional income in the coming months. Additional expenditure incurred as a result of fire at Millpark depot, Oban will be recovered from insurance. Within Amenity Services the full year budget has been committed and minimal spend expected over next 3 months.
Transport	7,064	7,094	30	0.4%	10,447	9,833	614	5.9%	The forecast variance of £614k relates to underspends on the fleet retained budget.
Third Party	23,998	22,351	(1,647)	(7.4%)	31,278	31,455	(177)	(0.6%)	The YTD budget relates to payments to third party contractors being higher than budget due to the increase in capital works being carried out on the roads. This will be offset by additional income. Additional expenditure with Lighting on Consultants which is offset with vacancies within Roads. The Forecast variance relates to Argyll Air Services PSO contract (£93k over) has been extended for 1 year but policy options savings have been removed from budget and overspend in Flood Prevention of £40k.

Capital Financing	(82)	0	82	#DIV/0!	670	670	0	0.0%	YTD variance within Piers and Harbours for income received to pay financing costs - this will be offset at year end when actual charges are costed.
Income	(33,343)	(30,318)	3,023	(10.0%)	(42,028)	(42,364)	335	(0.8%)	The major reason for this variance is the increase in income to the operational holding account as a result of the increase in capital works being carried out on the road network which offsets the increased expenditure above. Income from Planning fees and Building Standards ahead of profile. Road bond income received in advance of work being carried out. Additional income received for Roads Permits Forecast variances processed for additional Planning and Building Fee Income, Road Permit Income, Private Landlord Registration and Appraisal of Water Supplies.
<b>Totals</b>	<b>22,509</b>	<b>22,878</b>	<b>367</b>	<b>1.6%</b>	<b>34,538</b>	<b>33,690</b>	<b>847</b>	<b>2.5%</b>	

YTD is year to date and represents the actual or budgeted expenditure and income for the financial year so far.

Forecast Outturn is the estimate now of what expenditure or income will be for the whole of the financial year.

The Variance is the difference between budget and actual or forecast outturn.

A positive variance is when actual or forecast expenditure is less than budget or actual or forecast income is more than budget.

A negative variance is shown in brackets and is when actual or forecast expenditure is more than budget or actual or forecast income is less than budget.

An explanation is given for any variance which exceeds £50,000 or 10%.

## DEVELOPMENT AND INFRASTRUCTURE – RED VARIANCES AS AT 31 DECEMBER 2018

Service Area	Annual Budget £000	Forecast Outturn £000	Forecast Variance £000	% Variance	Explanation
Airports - PSO Contract	629	722	(93)	(14.8%)	PSO contract has been extended for 1 year pending an Air Services review but the budget has been reduced as a result of the Policy Option savings applied from 1st April 2018
Fleet retained Budget	644	30	614	95.3%	Delay in replacing vehicles will result in an underspend in the fleet retained budget
Road Permit Income	(17)	(87)	70	(411.8%)	Additional Road Permit Income received for RCC Inspections
Building Standards Income	(923)	(1,023)	100	(10.8%)	Additional Building Warrant Income
Public Conveniences	(300)	(250)	(50)	16.7%	Reduction in Income due to turnstiles in PC's not working
Cardross Crematorium	(418)	(468)	50	(12.0%)	Additional income due to increase in cremation numbers
CHORD Salaries funded by Capital	153	42	111	72.6%	Capital funded projects cover cost of Project Manager salaries

A red variance is a forecast variance which is greater than +/- £50,000.

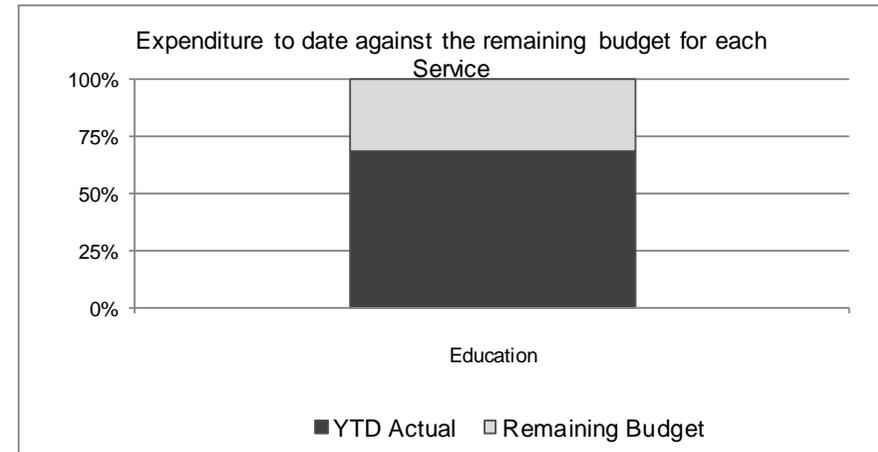
## EDUCATION HIGHLIGHTS – AS AT 31 DECEMBER 2018

- The department is currently forecasting an overspend of £0.241m (0.3%) in relation to a significant increase in demand within ASN support, offset by an underspend in pupil support vacancies and also vacancies within the Directorate. The ASN pressure will continue to be monitored closely going forward with every effort being made to mitigate this spend.
- The department has a year to date underspend of £0.185m (0.4%) against budget. The year to date underspend is mainly profiled related and the timing of payments made to partner providers. This is offset by an overspend in Education Licences.

### Forecast Outturn Position

Current Forecast Outturn Variance with change from previous month					
Service	Annual Budget	Forecast Outturn	Current Forecast Variance	Previous Forecast Variance	Change
	£000	£000	£000	£000	£000
Education	77,354	77,595	(241)	(241)	0
<b>Totals</b>	<b>77,354</b>	<b>77,595</b>	<b>(241)</b>	<b>(241)</b>	<b>0</b>

### Year to Date Position



### Key Financial Successes:

The department have delivered all their service choices savings, with the exception of demand led services in relation to ASN support and residential schools placement and the Psychological Services associated with these.

The 2017-18 year-end outturn position for Education, excluding earmarkings to be carried forward and the Bad Debt Provision Adjustment in relation to Housing moving to DIS, was an overspend of £0.199m which was exactly the figure projected as a forecast variance in the months prior to year end. This accuracy was due to the effective management and monitoring of the budget position.

<b>Key Financial Challenges:</b>	<b>Proposed Actions to address Financial Challenges:</b>
Ensuring the Education service can continue to contribute to Council saving programmes whilst adhering to Scottish Government national initiatives (i.e. maintaining Pupil Teacher ratio across the Education service).	Ongoing robust financial monitoring and forecasting with the provision of supporting management information to ensure deliverable saving options are presented.
Evaluating and managing the financial impact of new legislation (i.e. Children and Young People Act, Education (Scotland) Bill).	Full participation in consultation process to assist in the identification of potential cost pressures as early as possible.
Impact of the Education Governance Review, particularly in relation to the Fair Funding consultation, and how this informs potential changes to funding arrangements for the Education Service.	Respond to Fair Funding consultation, engage with SG through COSLA and ensure implications for resources and financial management arrangements are clearly identified.
Continued increased demand on the Service for ASN Support.	Continue to review the ASN allocations and monitor vacancies elsewhere within the Service where unspent budget could be used to contribute towards these unavoidable costs.
Delivery plan of 1140 hours expansion in ELC due to a change in the timing of the distribution of funding. While the level of funding remains at what was expected, the period in which the funding will be received has been altered.	Spend will be re-profiled in accordance with the timing of funding allocations and hence the phasing in element of the delivery plan will need to be adapted accordingly.

## EDUCATION – OBJECTIVE SUMMARY AS AT 31 DECEMBER 2018

Service Area	YTD Actual £000	YTD Budget £000	YTD Variance £000	% Variance	Annual Budget £000	Forecast Outturn £000	Forecast Variance £000	% Variance	Explanation
Central/Management Costs	244	277	33	11.9%	404	354	50	12.4%	Year to date underspend and forecast variance as a result of vacant posts inherited from Community Services Directorate.
Additional Support Needs (ASN)	6,380	6,297	(83)	(1.3%)	8,874	9,174	(300)	(3.4%)	Forecast overspend of £350k for ASN assistants due to significant increase in demand. This is being monitored closely, with every effort being made to mitigate the overspend. The overspend is offset slightly by a forecast underspend of £50k in respect of Pupil Support Teacher vacancies.
Early Years	3,790	3,983	194	4.9%	6,887	6,887	0	0.0%	Year to date underspend relates mainly to outstanding budget adjustments required in pre-five units and the timing of payments made to partner providers. The budget adjustments within pre-five units will be processed in January by the AFAs and the budget profile for partner provider payments will also be refined in the January period.
Primary & Secondary Education	39,107	39,431	323	0.8%	55,506	55,506	0	0.0%	Year to date underspend relates mainly to school budgets via a combination of vacancy savings and the profiling of non-employee budgets. Under the Scheme of Devolved School Management (DSM) schools are permitted flexibility at the year-end therefore no forecast variance is required to be processed.
Youth Services	390	382	(9)	(2.4%)	650	650	0	0.0%	Outwith Reporting Criteria.
Adult Learning	361	377	16	4.2%	616	616	0	0.0%	Outwith Reporting Criteria.
Support for Parents	21	13	(9)	(69.2%)	55	55	0	0.0%	Year to date overspend relates mainly to budget profiling and will be refined in the next reporting period.
Education Initiatives (GIRFEC, SEEMIS, Languages 1+2, Music) Education Support Team, Quality Improvement Team, Schools Development Team	2,763	2,482	(281)	(11.3%)	4,345	4,336	9	0.2%	Year to date overspend relates mainly to a number of Education Licences required (i.e. PPL, PRS, Copyright) as well as costs relating to school repairs and maintenance. Budget requires to be identified to fund this expenditure and this will be monitored closely throughout the year. Also contributing is the Teacher Cover reallocation process which is carried out retrospectively, a month in arrears. The forecast underspend reported is due to delays in replacing fleet vehicles which will now be done in line with the fleet management strategy.
Leadership & Professional Learning	24	25	1	4.0%	17	17	0	0.0%	Outwith Reporting Criteria.
	<b>53,080</b>	<b>53,267</b>	<b>185</b>	<b>0.4%</b>	<b>77,354</b>	<b>77,595</b>	<b>(241)</b>	<b>(0.3%)</b>	
	<b>53,080</b>	<b>53,267</b>	<b>185</b>	<b>0.4%</b>	<b>77,354</b>	<b>77,595</b>	<b>(241)</b>	<b>(0.3%)</b>	

## EDUCATION – SUBJECTIVE SUMMARY AS AT 31 DECEMBER 2018

Subjective Category	YTD Actual £000	YTD Budget £000	YTD Variance £000	% Variance	Annual Budget £000	Forecast Outturn £000	Forecast Variance £000	% Variance	Explanation
Employee	44,608	44,969	361	0.8%	63,279	63,529	(250)	(0.4%)	Year to date underspend relates mainly to school vacancy savings. Under the Scheme of Devolved School Management (DSM) schools are permitted flexibility at the year-end therefore no forecast variance is required to be processed. The forecast overspend reported relates to an increased demand for ASN support partially offset by a projected underspend for Pupil Support Teacher vacancies and inherited vacant posts from Community Services Directorate.
Premises	2,291	2,177	(112)	(5.1%)	3,069	3,069	0	0.0%	Year to date overspend relates mainly to school repairs and maintenance costs. Budget requires to be identified to fund this expenditure and the level will be monitored closely throughout the year.
Supplies and Services	5,618	5,279	(339)	(6.4%)	8,414	8,414	0	0.0%	Year to date overspend relates mainly to School cost centres and is largely budget profile related. This overspend is not a true reflection of the expected year end position.
Transport	245	199	(46)	(23.1%)	318	310	9	2.8%	Year to date overspend relates mainly to School cost centres and is largely budget profile related. The forecast underspend reported is due to delays in replacing fleet vehicles which will now be done in line with the fleet management strategy.
Third Party	5,756	5,875	120	2.0%	8,316	8,316	0	0.0%	Year to date underspend is largely budget profile related and will be refined within the next reporting period.
Capital Financing	0	0	0	0.0%	0	0	0	0.0%	Outwith Reporting Criteria.
Income	(5,435)	(5,234)	202	(3.9%)	(6,040)	(6,040)	0	0.0%	Year to date underspend relates mainly to school cost centres and is largely budget profile related.
<b>Totals</b>	<b>53,083</b>	<b>53,265</b>	<b>186</b>	<b>0.4%</b>	<b>77,356</b>	<b>77,598</b>	<b>(241)</b>	<b>(0.3%)</b>	

YTD is year to date and represents the actual or budgeted expenditure and income for the financial year so far.

Forecast Outturn is the estimate now of what expenditure or income will be for the whole of the financial year.

The Variance is the difference between budget and actual or forecast outturn.

A positive variance is when actual or forecast expenditure is less than budget or actual or forecast income is more than budget.

A negative variance is shown in brackets and is when actual or forecast expenditure is more than budget or actual or forecast income is less than budget.

An explanation is given for any variance which exceeds £50,000 or 10%.

## EDUCATION – RED VARIANCES AS AT 31 DECEMBER 2018

Service Area	Annual Budget £000	Forecast Outturn £000	Forecast Variance £000	% Variance	Explanation
Central/Management Costs	404	354	50	12.4%	Forecast underspend as a result of vacant posts inherited from Community Services Directorate.
Additional Support Needs (ASN)	8,876	9,176	(300)	(3.4%)	Forecast overspend of £350k for ASN assistants due to significant increase in demand. This is being monitored closely, with every effort being made to mitigate the overspend. The overspend is offset slightly by a forecast underspend of £50k in respect of Pupil Support Teacher vacancies.

A red variance is a forecast variance which is greater than +/- £50,000.

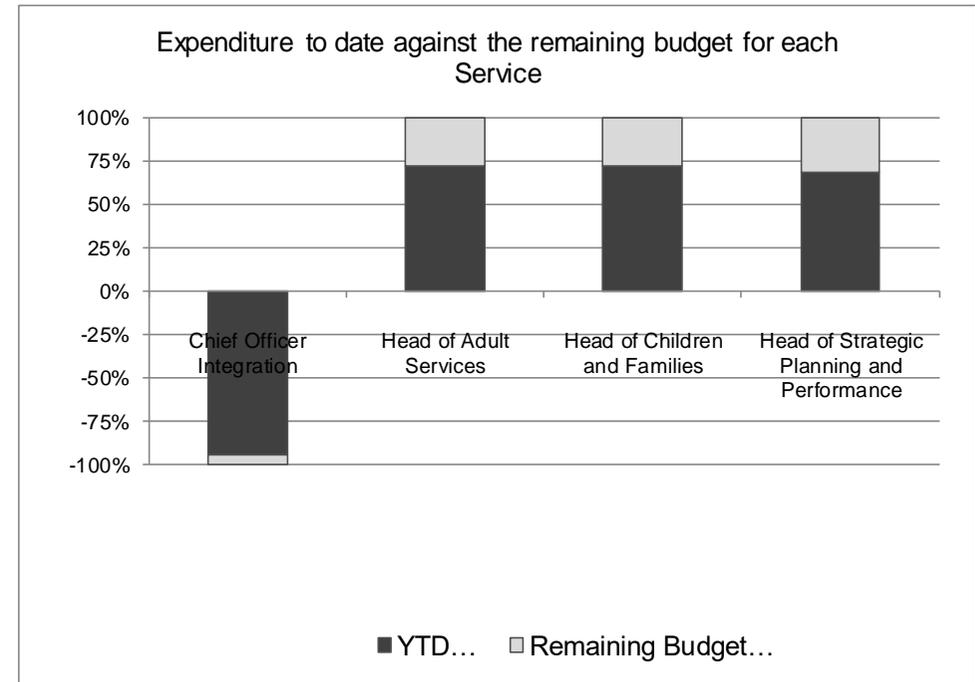
## SOCIAL WORK – AS AT 31 DECEMBER 2018

- The department is currently forecasting an overspend of £2.998m (5.3%) which is mainly due to an unidentified savings figure of £1.330m included in the budget as well as the net impact of service demand and estimated slippage on the delivery of agreed savings.
- The department has a year to date underspend of £1.667m (4.20%) against budget.

### Forecast Outturn Position

Current Forecast Outturn Variance with change from previous month					
Service	Annual Budget	Forecast Outturn	Current Forecast Variance	Previous Forecast Variance	Change
	£000	£000	£000	£000	£000
Chief Officer Integration	(11,817)	(10,994)	(824)	(786)	(38)
Head of Adult Services	54,226	55,726	(1,500)	(1,420)	(80)
Head of Children and Families	13,439	14,118	(679)	(597)	(82)
Head of Strategic Planning and Performance	383	379	5	4	1
<b>Totals</b>	<b>56,231</b>	<b>59,229</b>	<b>(2,998)</b>	<b>(2,799)</b>	<b>(199)</b>

### Year to Date Position



#### Key Financial Successes:

Identified approximately £0.500m towards a total of £1.6m in unidentified savings towards the end of 2017/18. Whilst the service were still overspent, the overspend was reduced.

#### Key Financial Challenges:

Address the £2.345m unidentified savings figure included in the 2018/19 budget.

#### Proposed Actions to address Financial Challenges:

Completion of a budget challenge exercise to identify underspends which can be used to reduce unidentified savings figure and ongoing work between management, operational and finance staff to identify opportunities for additional deliverable savings.

Successful delivery of £3.659m of identified savings by the end of 2018/19.	Implementation of a robust performance management mechanism to track the delivery of the savings options.
Development and delivery of future service redesigns which will be necessary to contain service expenditure within the allocated resource.	Support from finance to assist strategic managers to look beyond the short term to identify and plan the changes which will be needed to address the expected ongoing budget challenge over the next 3 to 5 years.

## SOCIAL WORK – OBJECTIVE SUMMARY AS AT 31 DECEMBER 2018

Service	YTD Actual £000	YTD Budget £000	YTD Variance £000	% Variance	Annual Budget £000	Forecast Outturn £000	Forecast Variance £000	% Variance	Explanation
Chief Officer Integration	(11,161)	(11,194)	(33)	0.3%	(11,817)	(10,994)	(824)	7.0%	The YTD variance is outwith reporting criteria. The forecast variance is a combination of the unidentified savings total and estimated slippage on identified efficiency savings partially offset by estimated additional vacancy savings, slippage on the Community Services Investment Fund expenditure and the recognition that additional funding provided for superannuation costs related to auto-enrolment are unlikely to be required.
Head of Adult Services	38,909	40,453	1,544	3.8%	54,226	55,726	(1,500)	(2.8%)	The YTD underspend reflects a combination of lower than expected service demand, staffing vacancies, budget profiling and timing issues in relation to the receipt, processing and payment of supplier invoices affecting assessment and care management, dementia day services, home care and care home placements for older people and supported living and community based services for people with learning disability and mental health issues. The forecast overspend mainly reflects higher than expected demand and slippage in the delivery of savings against residential placements and supported living services for people with learning disabilities.

Head of Children and Families	9,680	9,838	158	1.6%	13,439	14,118	(679)	(5.1%)	The YTD underspend arises due to a number of under and over spends across the service. The main underspends relate to a combination of lower than expected demand and service costs and the timing of payments for the Child Protection Committee, Contact and Welfare, Service Strategy and Regulation, School Hostel and Fostering budgets partially offset by an overspend on the External Residential Placements budget which arises due to a combination of service demand and slippage on the delivery of savings. The forecast overspend is mainly related to demand pressures and estimated slippage on efficiency savings against external residential placements, the costs associated with engaging agency staff in the Area Teams and slippage on the delivery of savings against Children and Families Management. These overspends are partially offset by forecast underspends against Fostering and Criminal Justice which arise due to vacant posts and lower than expected service activity as well as slippage due to delays in the introduction of new overnight staffing arrangements in the Children Houses and School Hostels.
Head of Strategic Planning and Performance	263	261	(2)	(0.8%)	383	379	5	1.3%	Outwith reporting criteria.
<b>GRAND TOTAL</b>	<b>37,691</b>	<b>39,358</b>	<b>1,667</b>	<b>4.2%</b>	<b>56,231</b>	<b>59,229</b>	<b>(2,998)</b>	<b>(5.3%)</b>	

YTD is year to date and represents the actual or budgeted expenditure and income for the financial year so far.

Forecast Outturn is the estimate now of what expenditure or income will be for the whole of the financial year.

The Variance is the difference between budget and actual or forecast outturn.

A positive variance is when actual or forecast expenditure is less than budget or actual or forecast income is more than budget.

A negative variance is shown in brackets and is when actual or forecast expenditure is more than budget or actual or forecast income is less than budget.

An explanation is given for any variance which exceeds £50,000 or 10%.

## SOCIAL WORK – SUBJECTIVE SUMMARY AS AT 31 DECEMBER 2018

Subjective Category	YTD Actual £000	YTD Budget £000	YTD Variance £000	% Variance	Annual Budget £000	Forecast Outturn £000	Forecast Variance £000	% Variance	Explanation
Employee	18,425	18,799	374	2.0%	27,465	27,089	376	1.4%	The YTD underspend arises due to a number of underspends across the service. The most significant relate to Criminal Justice, older people assessment and care management, central provision for increased superannuation costs arising from auto-enrolment, the education hostels and addiction services. The forecast underspend relates mainly to the latest estimated outturn for vacancy savings, surplus funding provided to meet the expected cost of auto-enrolment in the pension scheme and vacancies in the progressive care centres.
Premises	699	648	(52)	(8.0%)	1,014	1,114	(100)	(9.9%)	The YTD variance reflects the current overspend on central repairs costs. The forecast overspend arises due to a number of over and under spends across the service. The main over spends relate to central repairs, utilities, rents and leases, furniture and fittings and property adaptations.
Supplies & Services	1,238	1,195	(43)	(3.6%)	(2,150)	1,321	(3,470)	161.4%	The YTD variance is outwith reporting criteria. The forecast overspend relates mainly to unidentified savings and slippage on the delivery of identified savings, small tools and equipment, adaptations and legal fees. Work is ongoing with the service to identify additional savings/underspends which could be used to cover the latest unidentified savings figure of £1.330m (reduced from £2.345m in June). Additionally, Finance staff are working closely with management to track the progress of the delivery of identified efficiency savings and update the estimated impact on the forecast outturn.
Transport	578	562	(15)	(2.7%)	820	815	5	0.6%	Outwith reporting criteria.

Third Party	32,870	33,904	1,034	3.1%	46,682	47,396	(715)	(1.5%)	The YTD underspend arises due to a number of over and underspends across the service. The main underspends relate to care home placements and home care for older people and supported living services for people with learning disabilities which arise due to a combination of lower than expected demand for services and delays in the receipt/processing/payment of supplier invoices. The forecast overspend reflects a number of over and underspends across the service. The most significant variances relate to overspends on residential care for people with learning disabilities, physical disability supported living and residential care for children and young people offset against underspends against respite and care home placements for older people and slippage on the Community Investment Fund.
Income	(16,120)	(15,749)	372	(2.4%)	(17,600)	(18,506)	906	(5.2%)	The YTD underspend arises due to a number of under and over spends across the service. The most significant underspends arise due to higher than expected income from charges to services users in the older people care homes and for community based services, higher than expected new charging order debt and surplus direct payment funds recovered from clients. The forecast under spend includes a number of areas where income generation has been better than expected. The most significant relate to non-residential care charging, fees and charges in the Council's older people's care homes and from new secured debt linked to interim funding arrangements for older people who own their own homes entering long term residential and nursing care and from charges to external bodies/grants.
<b>Totals</b>	<b>37,690</b>	<b>39,359</b>	<b>1,670</b>	<b>4.2%</b>	<b>56,231</b>	<b>59,229</b>	<b>(2,998)</b>	<b>(5.3%)</b>	

YTD is year to date and represents the actual or budgeted expenditure and income for the financial year so far.

Forecast Outturn is the estimate now of what expenditure or income will be for the whole of the financial year.

The Variance is the difference between budget and actual or forecast outturn.

A positive variance is when actual or forecast expenditure is less than budget or actual or forecast income is more than budget.

A negative variance is shown in brackets and is when actual or forecast expenditure is more than budget or actual or forecast income is less than budget.

An explanation is given for any variance which exceeds £50,000 or 10%.

## SOCIAL WORK – RED VARIANCES AS AT 31 DECEMBER 2018

Service Area	Annual Budget £000	Forecast Outturn £000	Forecast Variance £000	% Variance	Explanation
Chief Officer	(11,816,739)	(10,994,407)	(822,332)	7.0%	Overspend arises due to unidentified savings figure and central repairs account partially offset by estimated slippage on the Community Services Investment Fund, an underspend on additional funding for pension costs linked to auto-enrolment and a forecast over-recovery on vacancy savings. Work is ongoing to identify additional savings / underspends to cover off the unidentified savings figure of £1.330m (down from £2.345m in June).
Looked After Children	6,753,770	7,456,056	(702,286)	(10.4%)	Overspend arises mainly due to the high cost of meeting demand for expensive external care home placements and estimated slippage on efficiency savings designed to reduce this cost. This is currently partially offset by forecast underspends on the foster care and supporting young people leaving care budgets.
Child Protection	3,284,517	3,278,956	5,561	0.2%	Underspend arises due to lower than expected demand/costs in contact and Welfare services and for the Child Protection Committee partially offset by an overspend on agency staff in the Children and Families area teams.
Criminal Justice	97,339	(19,299)	116,638	119.8%	Underspend arises mainly due to vacant posts and estimated lower than budgeted spend on external services. The overall forecast is negative as the forecast spend is currently less than the specific grant payment for the year.
Children and Families Central Management Costs	2,445,588	2,497,588	(52,000)	(2.1%)	Overspend arises due to slippage on the delivery of savings partially offset by savings accruing from the delay in implementing new overnight staffing arrangements in the children houses and hostels, travel costs and from an accrual from 2017/18 which is no longer required.
Older People	34,917,428	34,354,574	562,854	1.6%	Underspend arises mainly due to lower than budgeted demand for care home placements partially offset by an overspend on the internal care homes.
Physical Disability	1,936,278	2,684,199	(747,921)	(38.6%)	Overspend arises mainly due to higher than budgeted demand as well as slippage on the delivery of efficiency savings for supported living services, higher demand for residential care placements and the purchase of equipment by the Integrated Equipment Store.
Learning Disability	14,176,053	15,570,713	(1,394,660)	(9.8%)	Overspend arises due to a combination of higher than budgeted demand for supported living and care home services and estimated slippage on savings developed to reduce both of these commitments partially offset by underspends in assessment and care management and respite.
Mental Health	2,700,963	2,585,794	115,169	4.3%	Underspend reflects current known demand for supported living services and staffing underspends on the addiction and area community support teams.

A red variance is a forecast variance which is greater than +/- £50,000.

**FINANCIAL RISKS ANALYSIS 2019-20**

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**1 EXECUTIVE SUMMARY**

- 1.1 The main purpose of this report is to provide a summary of the key financial risks facing the Council.
- 1.2 A number of Council wide risks, both revenue and capital have been identified along with risks for each department and service of the Council. For each departmental risk the financial impact has been quantified and the likelihood assessed based on the standard risk matrix.
- 1.3 There are currently 45 departmental risks totalling £5.336m. Only 1 of the 45 departmental risks are categorised as likely with no risks categorised as almost certain.
- 1.4 The financial risks are monitored routinely and actions put in place to continue to mitigate the risks.

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**FINANCIAL RISKS ANALYSIS 2019-20**

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**2. INTRODUCTION**

- 2.1 This report outlines the process and approach developed in carrying out a financial risks analysis and provides a note of the current assessment of financial risks for 2019-20.

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

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

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

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

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

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

- 3.2.1 The estimated level of council tax income is based on current and forecast Band D equivalents and non-payment rates. This reflects our most recent experience in terms of the council tax base and likely collection rates. A 1% variation in council tax income amounts to approximately £0.480m.

- 3.2.2 At the budget meeting on 22 February 2018, Council agreed 28 savings policy options that would deliver savings over the period 2018-19 to 2020-21. The savings to be delivered in 2019-20 equate to £1.150m. Whilst the Council have a good track record in delivering savings, a 10% shortfall on this savings target would amount to £0.115m.

- 3.2.3 In respect of the Health and Social Care Partnership, it is the responsibility of the Chief Officer and Chief Financial Officer to manage the HSCP financial position. If

an overspend is forecast, a budget recovery plan will be prepared submitted to the IJB, the Council and NHS Highland. Where recovery plans are unsuccessful and an overspend occurs at the financial year end, and there are insufficient reserves to meet the overspend, then the partners will be required to make additional payments to the HSCP. Whilst any additional payments by the Council and NHS Highland will be deducted from future years funding, there is still a financial risk that the Council may have to pay out additional monies in year. At the end of 2017-18 the Social Work overspend was £1.155m. As at 31 December 2018, the Social Work outturn in 2018-19 is estimated to be a £2.998m overspend. A budget outlook report was presented to the IJB on 30 January 2019 and the budget gap for the HSCP is estimated to be £6.572m, with £2.302m in relation to Social Work. The value of the financial risk is equal to the 2019-20 budget gap.

- 3.2.4 The pay award for 2018-19 has still to be settled and negotiations are ongoing. The budget for 2019-20 has been based on the latest multi-year pay offer, however, a risk currently remains that the negotiations result in a higher pay award than the current offer. The financial risk has been based on an additional 0.5% over and above budget which amounts to £0.478m.
- 3.2.5 The UK Treasury made two changes to the SCAPE (Superannuation Contribution's Adjusted for Past Experience) discount rate assumptions for the Teacher's Pensions and this results in an increase to the teachers' employers' contribution rate which will cost an additional £1.846m from 2019-20. In September, the Government said that departments and devolved administrations would need to meet the increase in costs from the first change but it would support them with the increased cost from second change. It is expected that additional funding will be announced as part of the Spring Budget. The Scottish Government letter on 31 January 2019 advised that additional income of 79% of the cost (£1.458m) is expected and this has been included within the budget. There remains a risk for budgeting for income that has not been confirmed yet, however, the risk is reduced as there is a commitment by the UK Treasury to pass on funding and further there is a commitment that Scottish Government will pass on the consequentials. There is a further risk that the distribution formula doesn't cover the estimated cost for the Council.
- 3.2.6 Utility costs remain a volatile area and it is difficult to accurately predict how the prices for utilities could vary. The outturn in respect of utilities for 2018-19 is forecast to be £0.124m underspent, however, the Council are coming to the end of some utilities contracts and therefore there is a risk that new contracts are more expensive due to rising prices. Due to the volatility of utilities pricing it is very difficult to predict any impact. The financial risk is based on a 10% variation in utility costs and amounts to £0.476m.

### **Capital**

- 3.2.7 The finance settlement announcement on 17 December 2018 provided details of the Local Government funding for 2019-20 and there is therefore certainty as to what our funding is in respect of General Capital Grant and the specific capital grants already distributed.

3.2.8 The capital plan for 2019-20 includes an estimate of £1.203m in respect of capital receipts. This is based on an assessment provided by the Special Projects Team in December 2018. A 10% variation equates to £0.120m and this would require to be managed across the capital programme.

3.2.9 The capital monitoring as at the end of December is reporting an overspend on total capital plan up to 2019-20 of £0.410m. Members will be asked to give consideration to elements of this overspend as part of the budget process which will also extend the capital programme out to 2021-22.

### 3.3 Departmental/Service Risks

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

Department	1 - Remote		2 - Unlikely		3 - Possible		4 - Likely		5 - Almost Certain		Total	
	No.	£000	No.	£000	No.	£000	No.	£000	No.	£000	No.	£000
Education	0	0	1	100	5	410	0	0	0	0	6	510
Customer Services	2	20	7	630	12	1,429	0	0	0	0	21	2,079
Development & Infrastructure	2	120	2	140	13	1,867	1	620	0	0	18	2,747
<b>Total</b>	<b>4</b>	<b>140</b>	<b>10</b>	<b>870</b>	<b>30</b>	<b>3,706</b>	<b>1</b>	<b>620</b>	<b>0</b>	<b>0</b>	<b>45</b>	<b>5,336</b>

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

SERVICE	TITLE OF RISK	DESCRIPTION OF RISK	LIKELIHOOD	FINANCIAL IMPACT £000
Roads and Amenity Services	Ferry Services - Vessel replacement plan.	Ferry fleet vessels are all ageing and will require to be replaced in future years on a rolling basis and according to priorities.	4	620
Roads and Amenity Services	Winter Maintenance	Adverse weather conditions which require greater than budgeted number of gritting runs.	3	600
Facility Services	Property - Central Repairs	Increased demands on central as a result of the decrease in capital funding available and increases in supplier/contractor charges.	3	500

### 3.4 Monitoring of Financial Risks

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

Committee.

#### **4 CONCLUSION**

4.1 This report summarises the key financial risks facing the Council. There are a number of Council wide and there are 45 departmental risks. Only 1 of the 45 departmental risks are categorised as likely with no risks categorised as almost certain. The financial risks are monitored routinely and actions put in place to continue to mitigate the risks.

#### **5 IMPLICATIONS**

- 5.1 Policy - None.
- 5.2 Financial - The financial value of each risk is included within the appendix.
- 5.3 Legal - None.
- 5.4 HR - None.
- 5.5 Fairer Scotland Duty - None.
- 5.6 Risk - Financial risks are detailed within the appendix.
- 5.7 Customer Service - None.

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

**Kirsty Flanagan  
Head of Strategic Finance  
6 February 2019**

#### **APPENDICES**

Appendix 1 – Detail of Department/Service financial risks.

APPENDIX 1

DEPARTMENT/SERVICE FINANCIAL RISKS 2019-20

DEPARTMENT	SERVICE	TITLE OF RISK	DESCRIPTION OF RISK	MITIGATIONS ACTIONS IN PLACE	2019-20	
					LIKELIHOOD	FINANCIAL IMPACT £000
Education	Education	Pre-Five Units - retention of partner providers	Failure in the commissioning or retention of pre-five partner provider units to deliver 1140 hours would result in an increased pressure on the Council to deliver the service.	Annual financial appraisal; Support network; Short-term cash injections.	3	100
Education	Education	Central Repairs	Previously agreed savings result in budget for statutory and emergency repairs only.	Regular liaison with Property Services re prioritisation and commitment of in-year spend.	3	50
Education	Education	Legislative Requirements - Education (Scotland) Act	Education (Scotland) Act 2000 was enacted March 2016. This places additional requirements on Councils in terms of Gaelic Education.	Monitoring developments of the implementation of the Act and statutory guidance produced.	3	50
Education	Education	Legislative Requirements - Children and Young People (Scotland) Act - ELC 1140 hours	The Council has a requirement to deliver 1140 hours of Early Learning and Childcare by 2020. The Scottish Government has committed to funding this and the Council has altered their implementation plan to align it to the Scottish Government funding profile. A risk remains that actual costs of delivery exceed the Government Grant in any given year. For example, if child numbers are higher than estimated, this may require additional staffing which has not been built into the staffing model funded by Scottish Government.	The timeline of the implementation plan has been revised to align with the Scottish Government funding profile. Continuous monitoring and review of the implementation plan and resources.	2	100
Education	Education	Regional Collaborative	The implementation of regional collaboratives would result in additional work associated with the delivery of the Regional Improvement Plan.	Planning to incorporate within work pattern for schools and officers. The full impact of the contribution to Regional Collaboratives and the time allocation required by each authority is yet unknown.	3	10

**APPENDIX 1**

**DEPARTMENT/SERVICE FINANCIAL RISKS 2019-20**

DEPARTMENT	SERVICE	TITLE OF RISK	DESCRIPTION OF RISK	MITIGATIONS ACTIONS IN PLACE	2019-20	
					LIKELIHOOD	FINANCIAL IMPACT £000
Education	Education	ASN Support	Demand for ASN support continues to increase, resulting in an additional resource requirement.	A cost/demand pressure has been built into the 2019-20 budget which helps to minimise the value of the risk. Continuous monitoring and review of ASN allocations.	3	200
Customer Services	Customer and Support Services	Housing Benefit Subsidy	Loss of Housing Benefit Subsidy due to exceeding LA error threshold.	Processes in place for handling of claims accurately and efficiently.	3	125
Customer Services	Customer and Support Services	Sundry Debt Recovery	Recovery of debt becomes more difficult to pursue in the current economic climate.	Robust monitoring of arrangements with debt collection agency. Joint working with Legal Services to assist services with the recovery of aged debt.	3	85
Customer Services	Customer and Support Services	Council Tax Debt Collection Recovery	Recovery of debt becomes more difficult to pursue in the current economic climate.	Robust monitoring of arrangements with debt collection agency and performance against target collection rates.	3	100
Customer Services	Customer and Support Services	Non-Domestic Rates Relief	Risk of demand changing due to legislative changes outwith our control or new charitable businesses.	Outwith direct management control.	3	30
Customer Services	Customer and Support Services	Software Licences	Potential risk of being underlicensed for software which will be identified via software audits.	ICT security and compliance officer in post and duties include review of systems to ensure fully licenced.	2	100
Customer Services	Facility Services	Property - Central Repairs	Increased demands on central as a result of the decrease in capital funding available and increases in supplier/contractor charges.	Joint strategy with procurement colleagues to reduce potential impact of supplier/contractor charges. Close monitoring of central repairs budgets and commitments and instructing only essential repairs.	3	500

APPENDIX 1

DEPARTMENT/SERVICE FINANCIAL RISKS 2019-20

DEPARTMENT	SERVICE	TITLE OF RISK	DESCRIPTION OF RISK	MITIGATIONS ACTIONS IN PLACE	2019-20	
					LIKELIHOOD	FINANCIAL IMPACT £000
Customer Services	Facility Services	Energy Costs	Increase in energy costs and consumption. The Council are required to participate in the CRC (Carbon Reduction Commitment) Energy Efficiency Scheme, there is a risk that the required carbon emission reductions are not met and the cost of the allowances could increase.	Energy Management Team actions to reduce energy consumption and efficiency and ensure more accurate billing by energy providers. Regular monitoring of energy budgets to ensure any issues are raised and resolved as soon as possible.	3	200
Customer Services	Facility Services	Catering Costs - Provision of Meals to Early Years Children	The Children and Young People (Scotland) Act places duties on Councils to provide meals in an Early Years setting to entitled children where sessions span over lunch time. The total quantum of funding of £1.2m may not be sufficient to fund the additional costs depending on uptake and the additional costs to support the meal provision in partner provider settings.	Joint strategy with Education colleagues to implement requirements and closely monitor financial implications.	3	100
Customer Services	Facility Services	School and Public Transport - provider charges	Increased provider charges	Joint strategy with procurement colleagues to reduce potential impact.	3	150

APPENDIX 1

DEPARTMENT/SERVICE FINANCIAL RISKS 2019-20

DEPARTMENT	SERVICE	TITLE OF RISK	DESCRIPTION OF RISK	MITIGATIONS ACTIONS IN PLACE	2019-20	
					LIKELIHOOD	FINANCIAL IMPACT £000
Customer Services	Facility Services	Catering Purchases	Increased supplier charges.	Joint strategy with procurement colleagues to reduce potential impact. Control food wastage/portion controls.	2	60
Customer Services	Governance and Law	Elections	More than 1 by-election required outwith standard election cycle.	Outwith direct management control.	3	34
Customer Services	Governance and Law	Licensing	Reduced numbers of licensing applications leading to reduced income.	Monitoring of trends.	3	30
Customer Services	Governance and Law	Children's Panel	Increased number of referrals.	Liaise with Community Services colleagues to maximise council facilities/resources in the first instance.	1	10
Customer Services	Governance and Law	Legal Services	Failure to minimise Council wide use of external legal advice.	Ensure legal services are gateway to access all legal advice.	1	10
Customer Services	Hub Schools	Contract RPI	Increase in RPI.	Monitoring annual alteration to contract RPI rate and mitigation through financial forecasting and review of existing budget.	2	150
Customer Services	NPDO	Contract RPI	Increase in RPI.	Monitoring annual alteration to contract RPI rate and mitigation through financial forecasting and review of existing budget.	2	150
Customer Services	Special Projects	Surplus Properties	Ongoing market difficulties lead to increased numbers of surplus properties, there are residual running costs associated with surplus properties.	One Council property team now in place.	3	50
Customer Services	Special Projects	Rental Income from Properties	Due to current economic climate there may be reduced ability to recover rental income from leased properties or place suitable tenants in properties as leases come to an end.	Management of leasehold properties by Estates team, any issues with debt recovery being dealt with in line with Council debt recovery policy.	2	20

APPENDIX 1

DEPARTMENT/SERVICE FINANCIAL RISKS 2019-20

DEPARTMENT	SERVICE	TITLE OF RISK	DESCRIPTION OF RISK	MITIGATIONS ACTIONS IN PLACE	2019-20	
					LIKELIHOOD	FINANCIAL IMPACT £000
Customer Services	Special Projects	Leisure Trust - Management Fee	Increase in RPI - inflation on Employee Costs.	Monitoring annual alteration to contract RPI rate and mitigation through financial forecasting and review of existing budget.	2	50
Customer Services	Special Projects	LiveArgyll - Company 2.	LiveArgyll overspend or under recover anticipated income outwith Management Fee which is fixed for first 3 years.	Ongoing monitoring net spend against profile. Strategic Finance liaise with SPT and Live Argyll to ensure accurate and timely reporting with action taken to mitigate when identified.	2	100
Customer Services	Special Projects	Leisure Service Level Agreements	Increase in RPI - requests for additional funding.	Monitoring annual alteration to contract RPI rate and mitigation through financial forecasting and review of existing budget.	3	25
Development & Infrastructure	Economic Development	Airfields and Air Services - fuel costs	Increased fuel costs on PSO flights being passed onto the Council.	Council have procured self provision fuel tank at Oban Airport and site works are underway. This will reduce external commercial fuel costs.	3	30
Development & Infrastructure	Economic Development	Airfields and Air Services - usage	Reduced number of aircraft using the airports.	Monitor usage and market the facilities e.g. through website and facebook, provision of marketing materials and regular awareness raising events. It is hoped that the supply of fuel at the facility will attract more customers.	2	10
Development & Infrastructure	Planning and Regulatory Services	Homelessness Temporary Accommodation Income	Introduction of Universal Credit has an impact on the level and method of benefits recovered for temporarily accommodated individuals.	Provision of Housing Options information and advice service to minimise number of applicants proceeding to full homeless application.	3	25
Development & Infrastructure	Planning and Regulatory Services	Dangerous Buildings interventions	Deal in Building Standards with an increasing level of dangerous building work which has significant financial implications for Council	Monitor activity and seek to recover costs from the owner.	3	100

APPENDIX 1

DEPARTMENT/SERVICE FINANCIAL RISKS 2019-20

DEPARTMENT	SERVICE	TITLE OF RISK	DESCRIPTION OF RISK	MITIGATIONS ACTIONS IN PLACE	2019-20	
					LIKELIHOOD	FINANCIAL IMPACT £000
Development & Infrastructure	Planning, Housing and Regulatory Services	Planning fees reduced by Scottish Government	Planning revenue budgets negatively affected by Better Regulation Bill. Scottish Government reducing planning fees due to poor performance by the Planning Authority.	Maintain high levels of performance as articulated by performance markers detailed in Planning Performance Framework annual report.	1	100
Development & Infrastructure	Planning, Housing and Regulatory Services	Planning fee shortfalls	Due to downturn in economic / building activity, in particular renewable energy development and other major developments could lead to planning fee income shortfalls leading to revenue budget pressures.	Continue to monitor Development Management income and expenditure tightly and investigate further income generation streams. Lobby Scottish Ministers through professional organisations to increase planning fees to a sustainable level.	3	100
Development & Infrastructure	Planning, Housing and Regulatory Services	Building Warrant fee shortfalls	Due to downturn in economic / building activity, building warrant fee income shortfalls leading to revenue budget pressures.	Continue to monitor Building Standards income and expenditure tightly and investigate further income generation streams.	3	75
Development & Infrastructure	Planning, Housing and Regulatory Services	Animal Health	Carrying out livestock seizure to protect welfare of the animals	Monitor activity and seek to recover costs from the disposal of the animals.	1	20
Development & Infrastructure	Planning, Housing and Regulatory Services	Environmental Health- export certificates	Downturn in requests for export certificates as a result of Brexit, changes to international trading agreements or business economy	Monitor activity and continue to support businesses through approvals, food safety regulation engagement, and support at 3rd country audits.	2	130
Development & Infrastructure	Roads and Amenity Services	Ferry Services - income	Changes to ferry services resulting in reduced passenger income.	Ensure that ferry operators are charged for the correct number of passengers	3	40
Development & Infrastructure	Roads and Amenity Services	Piers and Harbours	Reduced fishing fleet resulting in lower number of fish landings.	Monitor fish landings and ensure that all income is collected.	3	40

APPENDIX 1

DEPARTMENT/SERVICE FINANCIAL RISKS 2019-20

DEPARTMENT	SERVICE	TITLE OF RISK	DESCRIPTION OF RISK	MITIGATIONS ACTIONS IN PLACE	2019-20	
					LIKELIHOOD	FINANCIAL IMPACT £000
Development & Infrastructure	Roads and Amenity Services	Ferry Services - Vessel replacement plan.	Ferry fleet vessels are all ageing and will require to be replaced in future years on a rolling basis and according to priorities.	All vessels are dry-docked on an annual basis then surveyed; any identified, or planned, essential works are carried out whilst the vessel is docked before being certificated by MCA – so, safety of crew and passengers is assured. Marine Services will produce a ferry replacement plan which will identify the programme and likely costs for replacement of vessels on a managed and proactive basis.	4	620
Development & Infrastructure	Roads and Amenity Services	Roads Maintenance - Roads Network	Adverse weather conditions result in deterioration of the road network necessitating greater spend on repair of defects.	Manage maintenance budgets to ensure that spend is prioritised to deal with safety defects.	3	230
Development & Infrastructure	Roads and Amenity Services	Street Lighting	Age of lighting stock requires greater maintenance as health and safety becomes a consideration.	Manage maintenance budgets to ensure that spend is prioritised to deal with safety defects.	3	100
Development & Infrastructure	Roads and Amenity Services	Roads Maintenance - Bridges, Culverts & Sea Defences	Extreme localised weather may result in loss of bridge, culvert , road or sea defence.	Routine inspections to deal with potential weak areas - based on a stitch in time repair regime.	3	300
Development & Infrastructure	Roads and Amenity Services	Winter Maintenance	Adverse weather conditions which require greater than budgeted number of gritting runs.	Monitor weather conditions and apply gritting policy to minimise costs.	3	600
Development & Infrastructure	Roads and Amenity Services	Waste Disposal	Re-tender for island haulage and potential for increased prices	Competitive tendering process may assist in minimising the impact of increased prices	3	27
Development & Infrastructure	Roads and Amenity Services	Waste Disposal	Waste Strategy - potential impact of preparation for biodegradable municipal waste landfill ban	Developing Waste Strategy that will have a compliant model that also has the minimum financial impact for short and long term for the Council	3	200
<b>Total</b>					<b>45</b>	<b>5,336</b>

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**ARGYLL AND BUTE COUNCIL****COUNCIL****STRATEGIC FINANCE****21 FEBRUARY 2019**

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**RESERVES AND BALANCES – UPDATED FOR BUDGET PACK 2019-20**

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**1 EXECUTIVE SUMMARY**

- 1.1 The main purpose of this report is to advise Members of the overall level of reserves held by the Council as well as providing detail on the monitoring of the earmarked balances held within the General Fund.
- 1.2 The Council has a total of £56.183m usable reserves as at the end of 31 March 2018. Of this balance, £1.515m relates to the Repairs and Renewals Fund, £4.326m relates to Capital Funds and the remainder is held in the General Fund, with £43.717m of the balance earmarked for specific purposes.
- 1.3 The Council has a total of £240.962m unusable reserves that are not backed with resources. They are required purely for accounting purposes.
- 1.4 The General Fund contingency level remains at 2% of net expenditure. This monetary level has been adjusted to take account of the revised net revenue expenditure proposed for 2019-20, and a top up of £0.096m is required towards the contingency. The revised contingency at 2% of net expenditure amounts to £4.822m.
- 1.5 There is currently an estimated surplus over contingency, after accounting for the earmarked balance that can be released back to reserves is £3.040m. The forecast outturn for 2018-19 is currently estimated to be £2.041m overspent which could reduce the balance as at 31 March 2019 to £0.999m, however, this is an estimated position and is subject to change.
- 1.6 Assessing the adequacy of reserves should take account of the strategic, operational and financial risks facing the Council and should consider both internal and external factors. There are 19 categories included in the risk analysis and 7 have been assessed as low, 3 low/medium, 8 medium and 1 medium/high. There is a new category this year in respect of the Health and Social Care Partnership Financial Position. The medium/high risk is in respect of the council wide cost risks. The medium risks relate to cost and demand pressures, funding, inflation, strategic risks, operational risks, impact of BREXIT, general financial climate and Health and Social Care Partnership financial position.

**RESERVES AND BALANCES – UPDATED FOR BUDGET PACK 2019-20**

**2. INTRODUCTION**

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

**3. DETAIL**

**3.1 Types of Reserves**

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

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

**3.2 Reserve Balances At 31 March 2018**

- 3.2.1 The balances on each type of reserve at 31 March 2018 are set out in the table below.

<b>Reserve</b>	<b>£000</b>
<b>Unusable Reserves</b>	
Revaluation Reserve	108,820
Capital Adjustment Account	196,126
Financial Instruments Adjustment Account	(3,506)
Pensions Reserve	(56,442)
Accumulated Absences Account	(4,036)
<b>Total Unusable Reserves</b>	<b>240,962</b>
Usable Reserves.....on next page	

<b>Reserve</b>	<b>£000</b>
<b>Usable Reserves</b>	
Repairs and Renewals Fund	1,515
Capital Fund and Useable Capital Receipts Reserve	4,326
General Fund	50,342
<b>Total Usable Reserves</b>	<b>56,183</b>
<b>Total Reserves</b>	<b>297,145</b>

3.2.2 The Revaluation Reserve represents the unrealised gains in the valuation of fixed asset. The Capital Adjustment Account represents the difference between depreciation based on proper accounting practice and statutory charges for financing capital expenditure. The Financial Instruments Adjustment Account represents the difference between gains and losses on borrowing and statutory capital financing charges. The Pensions Reserve represents the difference between pension costs based on proper accounting practice and payments made for pension costs. The Accumulated Absences Account represents the costed difference between holiday pay entitlement and actual holidays taken at 31 March.

3.2.3 The Repairs and Renewals Fund was established to support funding of renewal and replacement of school equipment. Schools can only draw on the Repairs and Renewals Fund to the extent they have previously paid into the Fund and contributions must be contained within schools devolved budgets.

3.2.4 The Capital Fund was established to receive all capital receipts generated by the Council and can be used to support the capital plan or meet the principal repayments on loan charges. The Council decides as part of the budget process each year how it wishes to draw funding from the Capital Fund.

3.2.5 The Usable Capital Receipts Reserve relates to the accumulated unspent capital receipts from sale of council houses prior to transfer of the housing stock. The reserve forms part of the Council's Strategic Housing Fund and can only be used for investment in social housing. The reserve will be used in accordance with the approach to investing in housing agreed by the Council in August 2012.

### 3.3 General Fund

3.3.1 The General Fund balance at 31 March 2018 can be analysed as follows:

	<b>Balance 31/03/18 £000</b>
Balance on General Fund as at 31 March 2017	53,489
Decrease to General Fund balance at end of 2017-18	(3,147)
Earmarked Balances	(43,717)
Contingency allowance at 2% of net expenditure	(4,726)
<b>Unallocated balance as at 31 March 2018</b>	<b>1,899</b>

3.3.2 The General Fund includes balances that the Council has agreed to earmark for specific purposes. Some of these earmarked balances will be spent during the

current financial year and some of them will be held over and spent in later years. The table below shows the balance at 31 March 2018, the amounts that are currently invested or set aside for major initiatives, the amount already spent and planned to be spent in the current year, the amount to be spent in future years and any sums no longer required to be earmarked. Appendix 1 provides further details on the breakdown of unspent budget. Officers have reviewed and updated the spending profiles.

Earmarking Category	Balance 31/03/18	Invested or committed for major initiatives /capital projects	Drawn-down to 2018-19 Budget as at 31/12/18	Still to be drawn-down in 2018-19	Planned Spend Future Years	Balance no Longer Required
	£000	£000	£000	£000	£000	£000
Strategic Housing Fund	5,898	4,524	1,374	0	0	0
Investment in Affordable Housing	5,000	4,100	0	0	0	900
Capital Projects	5,579	5,579	0	0	0	0
Lochgilthead and Tarbert Regeneration	2,995	2,985	10	0	0	0
Inward Investment Fund	960	960	0	0	0	0
Rural Resettlement Fund	328	199	129	0	0	0
Asset Management Investment	2,507	2,507				
Piers and Harbours Investment Fund	107	107	0	0	0	0
Severance	1,238	0	0	0	1,238	0
Scottish Government Initiatives	566	0	201	46	319	0
Transformation	83	0	15	0	68	0
CHORD	333	0	0	0	96	237
DMR – Schools	752	0	687	0	65	0
Energy Efficiency Fund	137	0	0	0	137	0
Existing Legal Commitments	920	0	88	0	832	0
Unspent Grant	1,295	0	888	89	318	0
Unspent Third Party Contributions	170	0	36	0	134	0
Other Previous Council Decisions	9,350	8,240	311	286	513	0
Unspent Budget	5,499	0	747	1,248	3,404	100
<b>Total</b>	<b>43,717</b>	<b>29,201</b>	<b>4,486</b>	<b>1,669</b>	<b>7,124</b>	<b>1,237</b>

3.3.3 There are three earmarked balances where a proportion can be released back to the General Fund.

- Investment in Affordable Housing £0.900m: this earmarked balance provides cash backed reserves for the loans to registered social landlords. As at 31 December 2018, the balance on the remaining loans is £4.1m, therefore £0.900m can be released back to the General Fund.
- CHORD £0.237m: this balance was remaining a number of years ago and there is no planned or commitment expenditure.
- Unspent Budget TIF Project Team £0.100m: money was allocated to fund

the project team in respect of the TIF project. Officers are currently considering current TIF arrangements, however, it is anticipated that a minimum of £0.100m can be returned to the General Fund balance.

### 3.4 Unallocated General Fund Balance

3.4.1 To date in 2018-19 no supplementary estimates have been agreed and therefore the level of unallocated General Fund balance at the beginning of the financial years remains at the same level.

3.4.2 A General Fund contingency balance of £4.726m is held equivalent to the 2% of the Council budget for 2018-19. This contingency is held to provide a working balance to help cushion the impact of uneven cash flows and cushion the impact of unexpected events. It is up to authorities to make their own judgement on the level of reserves taking local circumstances into account, for example, previous call on contingency and amount of unallocated reserves held. The contingency needs to be updated to reflect the updated budget for 2019-20. The budgeted expenditure based on the proposed budget contained within the revenue budget overview report is £241.098. 2% of this balance amounts to £4.822m. There is currently a contingency of £4.726m, therefore £0.096m will require to be moved from the unallocated General Fund balance to supplement the contingency.

3.4.3 The revenue budget as at 31 December 2018 is estimated to be £2.041m overspent, however, this is subject to change, particularly as the last three months of the financial year are the time of winter maintenance and the level of expenditure is difficult to predict.

3.4.4 The table below summarises the position of the unallocated General Fund balance taking into consideration provisions noted above.

	<b>£000</b>
Unallocated General Fund Balance as at 31 March 2018	1,899
Balance no longer required	1,237
Transfer to contingency to maintain 2% level	(96)
<b>Revised Unallocated General Fund Balance</b>	<b>3,040</b>
Current Forecast Outturn for 2018-19 as at 31 December 2018	(2,041)
<b>Estimated Unallocated General Fund Balance as at 31 March 2019</b>	<b>999</b>

### 3.5 Review and Risk Assessment

3.5.1 Assessing the adequacy of reserves should take account of the strategic, operational and financial risks facing the Council and should consider both internal and external factors. Appendix 2 to this report identifies the range of issues in terms of budget assumptions and financial standing and management that should be considered in assessing the level of reserves. It relates only to consideration of the contingency to be held in the General Fund balance. A separate financial risk analysis report has been prepared looking at the overall financial risks relating mainly to the revenue budget but notes a couple of risks in respect of the capital budget also.

3.5.2 There are 19 categories included in the risk analysis and 7 have been assessed as low, 3 low/medium, 8 medium and 1 medium/high. There is a new category this year in respect of the Health and Social Care Partnership Financial Position. The medium/high risk is in respect of the council wide cost risks. The medium risks relate to cost and demand pressures, funding, inflation, strategic risks, operational risks, impact of BREXIT, general financial climate and Health and Social Care Partnership financial position.

3.5.3 Based on the above and taking cognisance of the level of unallocated general fund balance that remains, it is recommended that the contingency for the General Fund balance should be retained at 2%.

#### **4. CONCLUSION**

4.1 The report outlines the overall reserves and balances for the Council covering the purpose and level of each reserve. It also provides detail as to expenditure against earmarked balances held within the General Fund. There is currently an estimated surplus over contingency of £0.999m after adjusting for the forecast outturn for 2018-19.

#### **5. IMPLICATIONS**

5.1 Policy - Earmarked funds and funds set aside for delivery of Single Outcome Agreement are available to support Council Policy.

5.2 Financial - Outlines the balances held with the Council's usable and unusable reserves.

5.3 Legal – None.

5.4 HR – None.

5.5 Fairer Scotland Duty – None.

5.6 Risk - A contingency of £4.822m equivalent to 2% of net expenditure has been set aside as part of the general fund. This has been subject to a risk assessment.

5.7 Customer Service – None.

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

**Kirsty Flanagan  
Head of Strategic Finance  
6 February 2019**

**APPENDICES**

Appendix 1 – Earmarked Reserves breakdown of unspent budget as at 31 December 2018

Appendix 2 - Risk Assessment for Review of Reserves

APPENDIX 1

Earmarked Reserves - Unspent Budget  
As at 31 December 2018

Ref	Department	Service	Description	Opening Balance £000	Budget Drawdown £000	Released back to General Fund £000	Remaining Balance £000	Still to be drawdown in 18/19 £000	Planned to spend in future years £000	Plans for Use	Amount Planned to be Spent in 2018/19 £000	Amount Planned to be Spent in 2019/20 £000	Amount Planned to be Spent from 2020/21 onwards £000
001	Chief Executive Unit	Strategic Finance	CIPFA and AAT student fees, equipment and the conversion of paper client records to the CIVICA Electronic Document Management System	54,919	7,662		47,257	32,591	14,666	CIPFA Training - To fund the professional training costs for three staff undertaking the CIPFA professional accountancy qualification. AAT Programme - This is part of the Strategic Finance medium to long term plan to "Grow your own" to plan for succession and ensure the quality of service provided. Converting to Digital Records project - This project has been created to convert all the Income Maximisation finance files ( Homecare/Adult care etc) to digital. This will be done by employing a temporary admin assistant. Once complete the efficiencies of information flow and access will generate savings within the finance team.	40,253	14,666	0
002	Community Services	Education	Youth Employment Opportunities Fund	30,270	7,913		22,357	87	22,270	Fund established in 2012/13 to be spent over more than one year. Monies will mainly be used for Modern Apprenticeship scheme.	8,000	22,270	0
003	Community Services	Education	School Campus Proposals - Dunoon and Campbeltown	43,122	43,122		0	0	0	Additional revenue costs associated with development of new schools. Draw down as Schools project progresses and project costs are incurred.	43,122	0	0
004	Community Services	Formerly Community and Culture	Queen's Hall Soft Play	75,000	67,682		7,318	7,318	0	To fund the provision of a soft play area required as part of the CHORD redevelopment of the Queen's Hall.	75,000	0	0
005	Customer Services	Customer and Support Services	WSUS Servers	9,448			9,448	9,448	0	To fund the introduction of local Windows Services Update Servers (WSUS) to assist the Council with ensuring that essential updates are installed across the desktop and laptop estate much more quickly, thereby increasing IT security and with less adverse impact on bandwidth and user performance.	9,448	0	0
006	Customer Services	Customer and Support Services	Discretionary Housing Payments	38,939			38,939	38,939	0	Residual funding from the Scottish Government allocation for Discretionary Housing Payments (DHPs) in 2014-15 not previously utilised on DHPs in 2017-18 as planned. This underspend should be carried forward to supplement monies available for DHPs in 2018-19 to offset the reduction in the	38,939	0	0
007	Customer Services	Customer and Support Services	Scottish Government Funding - Welfare Reform/Discretionary Housing Payments (agreed at Council February 2014)	18,595			18,595	18,595	0	The Council was allocated additional funding of £550k from the Scottish Government late in 2013-14 to provide additional Discretionary Housing Payments. The Council agreed to carry forward the balance of funding to support a range of welfare reform interventions. An updated spending plan for the funding was agreed by the Policy and Resources Committee in March 2017.	18,595	0	0
008	Customer Services	Customer and Support Services	Digital Transformation	119,870	59,969		59,901	59,901	0	To fund the development of 11 digital transformation options and to support the work of the Transformation Board. Options were approved by the Administration on 3rd December for a series of spend to save activities.	119,870	0	0
009	Customer Services	Customer Services	Estates - NDR Revaluation Appeals	115,000			115,000	115,000	0	To meet the cost of appealing NDR revaluations which will be imposed from 1st April 2017.	115,000	0	0
010	Customer Services	Customer Services	New Schools Project - Additional Monitoring	170,000			170,000	85,000	85,000	As a result of the Edinburgh Schools Inquiry, the Cole report has been issued addressing issues in relation to the monitoring of construction projects. Earmarking will provide resource to enable the Council to review monitoring arrangements across a number of projects to ensure compliance.	85,000	85,000	0
011	Customer Services	Facility Services	Management of Asbestos	236,961	52,362		184,599	94,599	90,000	Providing asbestos management on an ongoing basis by employing 2.5 FTE to ensure compliance with all regulatory requirements.	146,961	90,000	0
012	Customer Services	Improvement and HR	Training Centre Improvements	16,700	16,700		0	0	0	To fund the improvement of the Council's training facilities, including the purchase of new IT equipment which would increase the Council's training offering, allowing access to online, remote and multiple location webinar based learning.	16,700	0	0

APPENDIX 1

Earmarked Reserves - Unspent Budget  
As at 31 December 2018

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013	Customer Services	Improvement and HR	Resourcelink Review	40,827	32,265		8,562	8,562	0	Fund the Resourcelink Project, which is improving efficiency and functionality in the Council's HR and payroll database. The RLS Project is underway and I deliver improved and remote clocking, health and safety records, learning and development records and functionality that supports the delivery of savings in HR0D through automation and the removal of paper processes.	40,827	0	0
014	Customer Services	Improvement and HR	Argyll and Bute Manager Programme	6,354			6,354	6,354	0	Fund the Argyll and Bute Manager training programme which has been extended. Over 200 managers have been trained and the funding is being used to roll this out across all managers, with a further 3 cohorts having been enrolled in 2016/17 for training to take place in 2017/18. Once full coverage has been achieved the training will become part of business as usual for Learning and Development.	6,354	0	0
015	Customer Services	Improvement and HR	Learning and Development	44,147			44,147	35,167	8,980	Training identified via PRDs, develop further E-Learning modules and the provision of Social Work degree and HNC qualifications. Original earmarked balance was to be spent over a 5 year period.	35,167	8,980	0
016	Customer Services	Improvement and HR	Growing our Own and Modern Apprentices	157,867	38,087		119,780	10,529	109,251	Develop a comprehensive programme to support and attract young people into jobs and careers in the council. Includes funding for a temporary Growing Our Own development officer, who has been in post since September 2016 to co-ordinate the programme.	48,616	109,251	0
017	Customer Services	Improvement and HR	Leadership Development	32,282	32,282		0	0	0	Support a programme of enhanced leadership development for both senior and team leaders, building on the skills that they already have and ensuring that they are prepared and able to meet the challenges of transformation that that council is facing.	32,282	0	0
018	Customer Services	Improvement and HR	Service Choices HR Team	32,624	25,947		6,677	6,677	0	Fund a Service Choices team in HR to manage the HR process of redundancy, redeployment, retirement, contractual change and service re-design. This was agreed by Policy and Resources Committee on 20 August 2015. The Service Choices Programme is in its final year of implementation and the team are continuing to deal with redeployment, revised contracts and redundancy related to Year 3 implementation. The team will also pick up any employee related changes emerging from transformation or other service change.	32,624	0	0
019	Development & Infrastructure Services	Development & Infrastructure Services	Hermitage Park Pavilion	100,000	100,000		0	0	0	Funding to meet the unexpected additional cost associated with the construction of a new pavilion at Hermitage Park in Helensburgh. The contract has been let into and the works are currently being undertaken on the Pavilion with the final invoice expected in February 2019. All earmarked reserves will be drawn down this financial year.	100,000	0	0
020	Development & Infrastructure Services	Economic Development	Inveraray Avenue Screen Inveraray Arches Re-tender	150,000			150,000	0	150,000	Essential maintenance work to be required out on the Arches in Inveraray. The contract has now been let for this project with a pre contract meeting scheduled for 28th November and local members informed. Works are due to commence in January 2019 to minimise scaffolding customs with a completion date of July 2019.	0	150,000	0
021	Development & Infrastructure Services	Economic Development	Scottish Submarine Museum	40,000			40,000	40,000	0	Commonwealth Submarine Pavilion; proposal to create a new Naval Submarine Museum in Helensburgh as a visitor attraction and celebrate the town's links with HM Faslane Naval Base. This was agreed as part of the 2014/15 Budget as a demand pressure by Council on 13 February 2014. We have recently received information in terms of charity status, hours of operation and visitor numbers from the grantee and we are reviewing this in order to make the final grant payment which is anticipated before the end of the calendar year.	40,000	0	0

APPENDIX 1

Earmarked Reserves - Unspent Budget  
As at 31 December 2018

Ref	Department	Service	Description	Opening Balance £000	Budget Drawdown £000	Released back to General Fund £000	Remaining Balance £000	Still to be drawdown in 18/19 £000	Planned to spend in future years £000	Plans for Use	Amount Planned to be Spent in 2018/19 £000	Amount Planned to be Spent in 2019/20 £000	Amount Planned to be Spent from 2020/21 onwards £000
022	Development & Infrastructure Services	Economic Development	Hermitage Park HLF	45,000	45,000		0	0	0	The aims of the scheme focus around the objectives of protecting the quality of the heritage of Hermitage Park thereby improving the quality of the experience, increase public engagement and the use of the park. The overall objective is to enhance the quality of the area as a place to live and work and in turn improve the overall quality of life in our communities This will be achieved through the following : 1 Restoration of the historic fabric including walled memorial garden, pond and gates, old mill remains, Hermitage Well and the Millig Burn paths, bridges and walls, 2 Restoration/reinterpretation of historic planting, including open up lines site to improve safety of visitors, 3 Celebration of heritage through interpretation and community involvement – and upgrading of the paths and drainage to increase access to the Park, 4 Reconsideration of the recreational elements which include the children’s play park, bowling green, tennis courts, putting green and recreational pavilion, shelter and toilets.	45,000	0	0
023	Development & Infrastructure Services	Economic Development	Rothsay Pavilion Essential repairs	306,400			306,400	306,400	0	Essential repairs to deal with potential health and safety risks and to avoid further deterioration. Budget provision was approved by the Policy and Resources Committee on 21 August 2014.	306,400	0	0
024	Development & Infrastructure Services	Economic Development	Oban TIF (Tax Incremental Financing)	1,005,171	55,659	100,000	849,512	0	849,512	Revenue budget approved to fund the Lorn Arc Incremental Financing (TIF) programme management. This balance will fund the programme office until 2019-20, any unspent amounts have been approved to be automatically carried forward at the year-end as agreed by Council on 22 January 2015.	55,659	849,512	0
025	Development & Infrastructure Services	Planning and Regulatory Services	Development Policy	19,910			19,910	19,910	0	To be used for the Marine Related Infrastructure Requirements Study which was mentioned in the Oban Strategic Development Framework and the Main Issue report (FQ4 2017/18). Remainder will be used for publicity and printing for the proposed LDP & associated documents.	19,910	0	0
026	Development & Infrastructure Services	Roads and Amenity Services	Street Lighting Survey	144,156	32,018		112,138	0	112,138	Currently funding the LMS WDM Post within the WDM team at Manse Brae. Due to the imminent set up of the HUB as well as personnel moves this post will require to be retained for 2018/2019 and 2019/2020. The post is critical to ensuring continuity of service and is envisaged will support transformation within the HUB. This post will also support any move towards web hosted services and apps being introduced by WDM. The rest of the earmarked reserves will be utilised to introduce an apprentice electrician over a 4 year period.	32,018	53,159	58,979
027	Development & Infrastructure Services	Roads and Amenity Services	Amenity Services introduction of management information system	81,017	36,065		44,952	0	44,952	To introduce WDM/TOTAL to provide accurate management information on the operation of Amenity Services. Funding was available in the 2013-14 budget for this project, which was agreed as part of the service review. Because of delays with progressing budget savings options this delayed the implementation of this project. Work is progressing with a pilot phase. <b>ELM is currently live within the Helensburgh and Lomond area and Bute and Cowal areas. Currently being introduced in the mid argyll area.</b>	36,065	44,952	0

APPENDIX 1

Earmarked Reserves - Unspent Budget  
As at 31 December 2018

Ref	Department	Service	Description	Opening Balance £000	Budget Drawdown £000	Released back to General Fund £000	Remaining Balance £000	Still to be drawdown in 18/19 £000	Planned to spend in future years £000	Plans for Use	Amount Planned to be Spent in 2018/19 £000	Amount Planned to be Spent in 2019/20 £000	Amount Planned to be Spent from 2020/21 onwards £000
028	Development & Infrastructure Services	Roads and Amenity Services	Waste Management	194,361			194,361	0	194,361	Will be used towards long term waste management model, including but not limited to scoping work for the creating of a waste transfer station at Blackhill. <b>Currently in discussion with Inverclyde and West Dunbartonshire Council about a shared transfer station. Proposed location - West Dunbartonshire area. Meetings are continuing and an update will be provided during November.</b>	0	194,361	0
029	Development & Infrastructure Services	Roads and Amenity Services	3G pitches	448,679			448,679	50,000	398,679	Maintenance of 3G Pitches across Argyll & Bute.	50,000	398,679	0
030	HQ Non Dept	n/a	Community Resilience Fund	82,256	440		81,816	0	82,256	Fund established in 2012/13 to be spent over more than one year. Fund reduced at the Council meeting on 11 February 2016	Contingency balance - no spending plan for earmarked balance.	0	82,256
031	Integration Services	Adult Care	Autism Strategy	8,068	0	0	8,068	8,068	0	Carry forward on monies received late in 2012-13 to fund the development of an autism strategy for both adults and children. Report to Community Services Committee 8th May 2014 noting The Health and Social Care Strategic Partnership are leading work in Argyll and Bute to develop services for clients with an Autism Spectrum Disorder (ASD). Work is underway and remainder of funding will be utilised in 2017-18 on planned training.	8,068	0	0
032	Other	Other	Underwriting development of Rothesay Pavilion	1,000,000			1,000,000	0	1,000,000	Funding to meet additional costs identified as necessary for the refurbishment of Rothesay Pavilion.	0	1,000,000	0
033	Customer Services	Facility Services	Car Parking at Kilmory including Equality Act 2010 Requirements	137,845			137,845	130,953	6,892	The parking capacity at Kilmory is proving to be insufficient, part	130,953	6,892	0
034	Customer Services	Improvement and HR	Living Wage Consolidation Team	94,108			94,108	42,905	51,203	This proposal relates to the first of a two stage project to review	42,905	51,203	0
035	Customer Services	Improvement and HR	Transformation and Budget Reconstruction	49,774			49,774	17,920	31,854	This proposal seeks earmarked funding for temporary addition	17,920	31,854	0
036	Customer Services	Improvement and HR	Business Development Training	77,250	13,927		63,323	24,698	38,625	This proposal is to invest in leadership development in support of	38,625	38,625	0
037	Development & Infrastructure Services	Roads and Amenity Services	Continuation of Transformation Project Managers	60,000	56,275		3,725	3,725	0	It is proposed to extend two existing transformation manager posts in roads to allow the rate of transformation that has been delivered through Roads and Amenity Services to be maintained. The work will focus on activities to improve service delivery by improving customer service and through a proactive approach to reducing complaints and service requests.	60,000	0	0
038	Development & Infrastructure Services	Planning, Housing and Regulatory Services	Housing Case Management System	24,000	24,000		0	0	0	It is proposed to earmark funds to meet the cost of the procurement of two additional modules for the CIVICA Housing Case Management System. Adding the Empty Homes and Home Energy Efficiency Programme modules will provide consistency of data collection across the Housing Service, an evidence base of actions taken, improve reporting on outcomes and provide performance monitoring functionality.	24,000	0	0

APPENDIX 1

Earmarked Reserves - Unspent Budget  
As at 31 December 2018

Ref	Department	Service	Description	Opening Balance £000	Budget Drawdown £000	Released back to General Fund £000	Remaining Balance £000	Still to be drawdown in 18/19 £000	Planned to spend in future years £000	Plans for Use	Amount Planned to be Spent in 2018/19 £000	Amount Planned to be Spent in 2019/20 £000	Amount Planned to be Spent from 2020/21 onwards £000
039	Development & Infrastructure Services	Roads and Amenity Services	Cardross Crematorium Essential DDA Works	103,000			103,000	0	103,000	There is currently an existing earmarked reserve of £94K to assist with the cost of upgrading the crematorium to meet health and safety and DDA requirements. These works were originally planned to be completed in conjunction with the installation of the new crematorium. Unfortunately it was not possible to complete the design and procurement of these works in conjunction with the closures planned for the replacement of the crematorium. In order to manage within the existing budget it would now be necessary to reduce the level of service at the crematorium for a number of weeks causing disruption to services and a loss of income. <b>Discussions are ongoing with property services to finalise the programme of works, thereafter roads and amenity services will discuss the Cremation Federation and Funeral Directors on a proposal to progress with cremations, however not permitting services.</b> This proposal requests an additional £103K earmarking of funds to cover the completion of the works largely out of opening hours.	0	103,000	0
040	Development & Infrastructure Services	Roads and Amenity Services	Dalningart Forestry Plan	11,000			11,000	0	11,000	In 2015 a Long Term Forest Plan for the forest was approved by the Forestry Commission to fell the remaining mature timber within the property. As part of the long term plan, the Council is obligated to restock this ground. It is proposed that the remaining income received for timber income from Tilhill Forestry Limited and annual rental income received from Northern Energy for be earmarked to fund the future work required to ensure that the Council fulfills its obligation to restock the site.	0	0	11,000
041	Development & Infrastructure Services	Economic Development	Oban Strategic Development Framework	75,000			75,000	75,000	0	As part of the Oban Strategic Development Framework, it is proposed to undertake a survey of road network usage and parking arrangements in Oban town centre.	75,000	0	0
				5,499,920	747,375	100,000	4,652,545	1,248,346	3,404,639		1,995,281	3,252,404	152,235

## APPENDIX 2

Risk Assessment for Review of Reserves		
Factor	Comment	Assessment
Cost and Demand Pressures	As part of maintaining the medium term budgetary outlook, cost and demand pressures for 2019-20 and beyond have been kept under review. The cost and demand pressures for 2019-20 amount to £1.460m for Council Services. A general allowance for unidentified cost and demand pressures has been built into the budget outlook for 2020-21 and 2021-22: £0.250m per annum in the mid-range scenario and £0.500m per annum in the worst case scenario.	Medium (2018-19 Medium)
Service Income	Service income levels have been reviewed as part of constructing the budget. In addition fees and charges have been reviewed.	Low (2018-19 Low)
Council Wide Cost Risks	The financial risk analysis identified 6 council wide cost risks – Council Tax income, shortfall on savings options, IJB refer to Council for additional funding to deliver integration services, pay inflation, teachers pensions and utility costs. The pay inflation has been built into the 2019-20 budget based on the latest pay offer (multi-year offer 2018-19 to 2020-21). The teachers pension risk is reduced as there is a commitment from Scottish Government to pass on the consequentials. Whilst the negotiations are ongoing, building in the latest offer does reduce the risk. Although the IJB shortfall is a risk, any additional payment would require to be paid back to the Council from future payments although the HSCP continues to be faced with significant funding gaps. Due to the HSCP financial position, the overall risk for this factor will be left at Medium/High. A new risk has also been included for the Health and Social Care Partnership Financial Position.	Medium/High (2018-19 Medium/High)
Funding Risks	The Scottish Budget was announced on 12 December 2018 and finance circular with the local authority allocations issued on 17 December 2018.	Medium (2018-19 Medium)

<b>Risk Assessment for Review of Reserves</b>		
<b>Factor</b>	<b>Comment</b>	<b>Assessment</b>
	<p>The circular advises of the provisional funding from 2019-20. Further funding was announced on 31 January 2019.</p> <p>The other element of funding is Council Tax. There is a proposed increase to Council Tax of 4.79% (3% real terms increase). The Council has made a prudent estimate of Council Tax income and has a sound history of achieving collection targets.</p>	
Savings Risks	<p>The Council agreed to a number of management/operational and policy savings as part of the 2018-19 budget that would deliver an additional £1.450m of savings in 2019-20. There are also further savings proposals amounting to £3.963m for 2019-20. The Council have a good track record on delivering savings options and the risk remains and Low/Medium.</p>	<p>Low/Medium (2018-19 Low/Medium)</p>
Inflation Rates	<p>CPI inflation has been on a falling trend, reaching 2.3% in November. However, in the November Bank of England Inflation Report, the latest forecast for inflation over the two year time horizon was raised to being marginally above the Monetary Policy Committee's target of 2%, indicating a slight build up in inflationary pressures. Even although there is an expectation that CPI will begin to fall over the next two years, it would be prudent to consider a level of inflation over and the unavoidable/inescapable provision and a general 1% inflation has been included within the worst case scenario for 2021-21 and 2021-22. For 2019-20, the inflation estimates are considered to be sufficient.</p>	<p>Medium (2018-19 Medium)</p>
Interest Rates	<p>The Council has a large proportion of its borrowing secured at fixed rates which reduces the risk to increases in interest rates. Borrowing is being managed to reduce where possible surplus cash available for investment subject to working capital/cash flow requirements.</p>	<p>Low (2018-19 Low)</p>

<b>Risk Assessment for Review of Reserves</b>		
<b>Factor</b>	<b>Comment</b>	<b>Assessment</b>
	Surplus funds are invested and the rates of interest earned reflect current market conditions. This reduces risk exposure on surplus funds. Current forecasts of interest rates are based on advice from our treasury advisors. Current investment rates are fairly low and therefore there is little scope for them to reduce any further.	
Financial risks	The Council has managed surplus funds invested to reduce exposure to risks associated with money market deposits. It retains a working balance of £10m to meet cash flow needs. Investments are managed based on the credit worthiness of agreed counterparties based on credit scores of recognised agencies. This should avoid having to borrow in an unplanned way from the money markets.	Low (2018-19 Low)
Strategic risks	The strategic risk register is subject to a formal review by SMT bi-annually, and these reviews have already taken place in April and October of 2018. SMT have agreed the current actions to address the risks.	Medium (2018-19 Medium)
Operational risks	An updated process to reviewing operational risk registers was in place from the beginning of 2018-19. Operational risks are reviewed formally each quarter by Departmental Management Teams. Any operational risks that are identified as high are reported to the Strategic Management Team as part of the bi-annual review of the Strategic Risk Register.	Medium (2018-19 Medium)
Impact of BREXIT	In 2017 the Council established the Industry and Regional Development Sounding Board in response to both the EU Referendum and the subsequent UK Industrial Strategy. The board has been active in developing an initial understanding of risks and threats. The Chief Executive subsequently has established a tactical team to support preparedness for exit from EU and all relevant departments and the Health and Social Care	Medium (2018-19 Low/Medium)

Risk Assessment for Review of Reserves		
Factor	Comment	Assessment
	Partnership are representative on the tactical group. The group are active in preparing a "Preparedness Risk Register". SMT have also approved a new entry into the Strategic Risk Register with regards to Withdrawal from the EU. Although there is much work in relation to Brexit, there does remain a number of uncertainties and the risk assessment has been moved up to Medium.	
General financial climate	<p>The finance settlement covers 2019-20. A prudent approach to estimating income from council tax has been taken. Risks arising from inflation, interest rates, cost pressures and demand led pressures have been outlined above.</p> <p>The fiscal responsibilities of the Scottish Parliament are expanding rapidly, with new powers over taxation and welfare. Around 40% of devolved expenditure will now be funded by tax revenues collected in Scotland – a figure that will rise to 50% once VAT revenues are assigned. In future, in addition to the block grant, the resources available to the Scottish Government will depend on a complex interaction between the revenues from taxes transferred to the Scottish Government and the revenues from the equivalent taxes in the rest of the UK. The Scottish economy grew at a slightly faster rate than the UK as a whole during the spring months of 2018 according to official figures, however, there remains a risk.</p> <p>It would be prudent to keep this risk as medium.</p>	Medium (2018-19 Medium)
Availability of contingency funds	The Council currently has sufficient contingency funds to meet its target.	Low (2018-19 Low)
Overall financial standing	The Council has managed to achieve its contingency target in previous years. Actual costs are normally contained within budget. Borrowing costs	Low (2018-19 Low)

**Risk Assessment for Review of Reserves**

Factor	Comment	Assessment
	are largely fixed and exposure to changes in investment rates for surplus cash are minimised. In addition to the contingency there are significant earmarked funds. Cost and demand pressures are identified and provided for if necessary. The Council have a Transformation Board who have identified further longer term options worthy of pursuit. Overall the financial standing of the Council continues to be one of low risk.	
Track record in budget management	The Council has a good track record of containing expenditure within budget. Again the Council is on track to contain costs within budget for 2018-19, however, the Social Work element of the Health and Social Care Partnership is overspent, which has an impact on the Council's General Fund.	Low (2018-19 Low)
Financial information and reporting arrangements	Revenue and capital budgets are monitored on a monthly basis with budget allocated to responsible managers. A risk based approach is taken to budget monitoring and the budget monitoring process is continually being reviewed to identify ongoing improvements.	Low/Medium (2018-19 Low/Medium)
Insurance cover	The Council has adequate insurance cover.	Low (2018-19 Low)
Internal controls	The statement of internal controls identifies a generally adequate control framework although there are areas for improvement. An audit plan is approved and delivered each year to monitor internal controls. The Council's Audit and Scrutiny Committee continues to actively develop and adopt good practice.	Low/Medium (2018-19 Low/Medium)
Health and Social	It is prudent to have a new factor in terms of the Health and Social Care	Medium

<b>Risk Assessment for Review of Reserves</b>		
<b>Factor</b>	<b>Comment</b>	<b>Assessment</b>
Care Partnership Financial Position	Partnership financial position. If there is an overspend on Social Work, that cannot be funded by IJB reserves or by an underspend by the other partner body, then the Council will require to give an additional payment. Any additional payment would require to be paid back to the Council in the future. There was an overspend on Social Work in 2017-18 of £1.155m. The current forecast position on Social Work for 2018-19 is £2.998m. If this is the final outturn in 2018-19 the Council will have advanced £4.153m to the HSCP. The risk is whether the HSCP will be able to repay this and when. The estimated budget gap for 2019-20 for the HSCP is £6.572m. Progress with savings options has been disappointing during 2018-19, however, there has recently been increased focus to gain grip and control of the financial position and a number of measures are being put in place for the foreseeable future. It is hoped that these measures in addition to more focus on delivery of savings will help the HSCP to achieve financial balance and reduce the risk to the partners. The risk factor has been assessed as Medium at this stage.	(New for 2019-20)

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**ARGYLL AND BUTE COUNCIL****COUNCIL****STRATEGIC FINANCE****21 FEBRUARY 2019**

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**CAPITAL PLAN SUMMARY REPORT**

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**1. EXECUTIVE SUMMARY**

- 1.1 This report details the revisions proposed to the capital plan approved in February 2018 for the period 2019-20 and extends the capital plan out for a further 2 years to 2021-22. The revisions are based on updated capital funding assumptions, phasing and cost changes.
- 1.2 The annual General Capital Grant for 2019-20 that was previously estimated when the plan was agreed last year was £12.938m. The updated General Capital Grant is now £12.262m, and is therefore a £0.676m reduction on previous estimate. The 2019-20 General Capital Grant has been used as the basis for the 2020-21 and 2021-22 block allocations available to Services.
- 1.3 The amount of capital resources allocated to Private Sector Housing Grant (PSHG) is £1.033m per annum, similar to previous years.
- 1.4 The additional Specific Grant monies must be spent on Cycling, Walking and Safer Streets and therefore an additional £0.143m will be built into the programme for this.
- 1.5 The restricted capital funding of £18.682m is noted within Appendix 2. This relates to income which is restricted to specific projects and this has been matched with expenditure against the project, thereby showing the gross cost of the project.
- 1.6 A comparison between the capital plan as at December 2018, including the new block allocations for 2020-21 and 2021-22 has been compared to the estimated funding and there is surplus up to 2021-22 of £1.865m.
- 1.7 Included with the surplus are two projects within the current capital plan reporting an underspend. The first is in relation to the project at Kilmahew/St Peter's and NVA have now wound up business in July 2018 and although some elements of the project were delivered, the works did not involve any drawdown on the Council commitment. The other is in relation to the Kintyre's Renewable Hub where the project has come in less than budget. It is recommended that the budget is removed from both these projects in the capital plan.
- 1.8 There are other cost pressures identified in respect of Campbeltown Flood Scheme, CARS Lochgilphead and Helensburgh and HSCP Block Allocation. If Council agree to fund these pressures the surplus will reduce to £0.929m. It is recommended that this balance is retained within earmarked reserves as a capital plan contingency.

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**ARGYLL AND BUTE COUNCIL****COUNCIL****STRATEGIC ASSET MANAGEMENT BOARD****21 FEBRUARY 2019**

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**CAPITAL PLAN SUMMARY REPORT**

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**2. INTRODUCTION**

2.1 This report details the revisions proposed to the capital plan approved in February 2018 for the period 2019-20 and extends the capital plan out for a further 2 years to 2021-22. The revisions are based on updated capital funding assumptions, phasing, cost changes and proposed additions.

**3. DETAIL**

3.1 The detail of the report is split into the following sections:

- Estimated Capital Funding 2019-20 to 2021-22
- Summary of Capital Plan reported as at 31 December 2018
- Proposed Revisions to Capital Plan
- Proposed Block Allocations for 2020-21 and 2021-22
- Comparison of Revised Plan to Estimated Capital Funding
- Cost Pressures Previously Identified
- Updated Capital Plan.

**3.2 Estimated Capital Funding 2019-20 to 2021-22**

3.2.1 Funding for the capital plan comes from Scottish Government (General Capital Grant and Specific Ring-Fenced Capital Grants), other capital grants (including European Funding), capital receipts from asset disposals, revenue contributions to capital, prudential borrowing and borrowing funded by the loan charges provision in the revenue budget.

3.2.2 The Local Government Finance Circular, provides detail of the provisional total revenue and capital funding allocations for 2019-20. The provisional total funding allocations form the basis for the annual consultation between the Scottish Government and COSLA ahead of the Local Government Finance (Scotland) Order 2019 presented to the Scottish Parliament in late February/early March.

3.2.3 The General Capital Grant allocation for 2019-20 amounts to £19.235m, this figure includes £4.184m in relation to the Campbeltown Flooding Scheme that is essentially ring fenced for that purpose and will require a 20% Council contribution should Council approve the full business case (see paragraphs later on in this report). The General Capital Grant allocation net of Campbeltown Flooding Scheme monies is £15.051m. This includes our annual General Capital Grant of £12.262m, plus general flooding Capital Grant of £0.155m as well as our share of the £150m (£2.634m) re-profiling from 2016-17.

3.2.4 The annual General Capital Grant for 2019-20 that was previously estimated when the plan was agreed last year was £12.938m. The updated General Capital

Grant is now £12.262m, and is therefore a £0.676m reduction on previous estimate. The 2019-20 General Capital Grant has been used as the basis for the 2020-21 and 2021-22 block allocations available to Services.

- 3.2.5 The amount of capital resources allocated to Private Sector Housing Grant (PSHG) is £1.033m per annum. This amount has remained at the same level since 2016-17. Members may wish to review the amount allocated to PSHG, however, there is currently a call on the amount for CARS Lochgilphead and Helensburgh (as noted in paragraphs 3.7.5 and 3.7.6). If these bids are unsuccessful, it may mean that funding can be released.
- 3.2.6 As part of the revision to the funding assumptions for the capital plan, a detailed review of the likely level of capital receipts has been undertaken by the Special Projects team. The estimated level of receipts will be kept under review as market conditions will change, as will values following due diligence undertaken by prospective purchasers on the condition of asset. The assets to be disposed of are listed in Appendix 1.
- 3.2.7 The restricted capital funding of £18.682m is noted within Appendix 2. This relates to income which is restricted to specific projects and this has been matched with expenditure against the project, thereby showing the gross cost of the project.
- 3.2.8 Included in the funding table below is Prudential Borrowing in relation to the Harbour Investment Programme. The Council is currently working to a ten year asset management plan for Piers and Harbours which is being funded through Prudential Borrowing utilising a fee increase over and above inflation to pay for the loan charges incurred.
- 3.2.9 There is also funding agreed from the budgeted revenue surplus in 2018-19 and a number of areas of funding from earmarked reserves.
- 3.2.10 The estimated capital funding to 2021-22 is set out in the table below. It should be noted that this does not include the full allocation for the Campbeltown Flood Protection Scheme (see paragraphs later in the report):

	2018-19 £m	2019-20 £m	2020-21 £m	2021-22 £	Future Years £m	Total £000
General Capital Grant	12.699	12.262	12.262	12.262		49.485
General Capital Grant - Reallocated		2.634				2.634
Campbeltown Flood Protection Scheme	0.083	0.031				0.114
General Flooding Allocation	0.155	0.155				0.310
Less Allocation to Private Sector Housing Grants	-1.033	-1.033	-1.033	-1.033		-4.132
Ring Fenced Capital Grant	0.119	0.118				0.237
Ring Fenced Capital Grant - Reallocated		0.025				0.025
Capital Receipts	3.324	1.203	1.203	1.202		6.932
Capital Receipts Helensburgh Waterfront				1.000		1.000
Receipts from Vehicle Sales	0.224					0.224
Restricted Funding/Ring Fenced Capital Grant	10.517	3.165	5.000			18.682
Harbour Investment Programme	2.336	4.800	7.314	11.950	51.445	77.845
TIF - Borrowing paid from NDR	1.429					1.429
Prudential Borrowing/Borrowing supported by loans charges	6.733	3.628	13.282	0.234		23.877
Additional Funding from Revenue	2.408					2.408
Funded by Reserves	9.546	7.579				17.125
<b>Funding Consistent with Revenue Budget</b>	<b>48.540</b>	<b>34.567</b>	<b>38.028</b>	<b>25.615</b>	<b>51.445</b>	<b>198.195</b>

### 3.3 Summary of Capital Plan reported as at 31 December 2018

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

	2018-19 £m	2019-20 £m	2020-21 £m	2021-22 £m	Future Years £m	Total £m
Argyll & Bute HSCP	0.791	0.008	0.000	0.000		0.799
Education	11.777	5.097	0.440	0.000		17.314
Customer Services	5.952	2.252	0.001	0.000		8.205
Development and Infrastructure	28.890	23.543	24.031	12.184	51.445	140.093
Live Argyll	0.943	0.616	0.000	0.000		1.559
<b>Total</b>	<b>48.353</b>	<b>31.516</b>	<b>24.472</b>	<b>12.184</b>	<b>51.445</b>	<b>167.970</b>

### 3.4 Proposed Revisions to Capital Plan

3.4.1 As part of the capital planning process, departments reviewed the approved capital plan in terms of the timing and cost of projects. In doing so they updated the SAMPs accordingly.

3.4.2 The adjustments largely relate to amending the presentation of projects funded by restricted funds within the capital plan going forward to ensure external funding is identified separately. This will not affect the value of funding required

to complete the projects from Argyll and Bute Council as it is merely a presentational issue.

- 3.4.3 Other amendments include an additional £2.5m funding for Early Years expansion within the 2019-20 settlement, £0.500m added back to the Education budget for funds previously accelerated to cover expenditure at Dunoon Primary School, and £0.100m for Digitalising telecare within Social Work that was approved in last year's budget motion which had not previously been updated in the current capital plan. The revisions are summaries in the table below.

	2018-19 £m	2019-20 £m	2020-21 £m	2021-22 £m	Future Years £m	Total £m
Argyll & Bute HSCP	0.050	0.050				0.100
Education		3.000				3.000
Customer Services						0.000
Development and Infrastructure	1.429	1.224	1.124			3.777
Live Argyll						0.000
<b>Total Phasing and Cost Changes</b>	<b>1.479</b>	<b>4.274</b>	<b>1.124</b>	<b>0.000</b>	<b>0.000</b>	<b>6.877</b>

### 3.5 Proposed Block Allocations 2020-21 and 2021-22

- 3.5.1 The block allocations for 2020-21 and 2021-22 are based on the General Capital Grant award for 2019-20 of £12.262m. This has then been adjusted to remove the allocation of £1.033m for private sector housing grants giving a block allocation available to spend on capital projects of £11.229m in each of the two years.
- 3.5.2 The block allocation is then allocated to Services on a proportionate percentage basis. Services have each prepared SAMPs in which they outline the projects they would propose to spend their block allocation on.

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

- 3.6.1 A comparison between the capital plan as at December 2018, including the new block allocations for 2020-21 and 2021-22 has been compared to the estimated funding (noted in section 3.2).

	2018-19 £m	2019-20 £m	2020-21 £m	2021-22 £m	Future Years £m	Total £m
Capital Plan as at December 2018	48.353	31.516	24.472	12.184	51.445	167.970
Campbeltown CHORD reprofiling to previous year	-1.326					-1.326
Proposed revisions to capital plan	1.479	4.274	1.124			6.877
Estimated future years block allocation			11.229	11.229		22.458
Projected overspend as at December 2018	-0.409	0.246	0.514			0.351
<b>Total Revised Plan</b>	<b>48.097</b>	<b>36.036</b>	<b>37.339</b>	<b>23.413</b>	<b>51.445</b>	<b>196.330</b>
Total Revised Funding	48.540	34.567	38.028	25.615	51.445	198.195
<b>Total Surplus / (Gap)</b>	<b>0.443</b>	<b>-1.469</b>	<b>0.689</b>	<b>2.202</b>	<b>0.000</b>	<b>1.865</b>

- 3.6.2 The total surplus in the capital programme to 2021-22 is £1.865m. Various elements contribute to this surplus and it also includes providing additional funding towards the overspend in Helensburgh Waterfront and CHORD Dunoon

and replacing the funding previously used for Dunoon Primary. The position is summarised in the table below.

Summary	Detail	£m
Projected overspend as at 31st December 2018	As reported in December Capital monitoring report there is an anticipated overspend of £0.410m in the Capital Plan. There are four significant variances the contribute to this overspend: Helensburgh Waterfront overspend of £0.514m; CHORD Dunoon Overspend of £0.510m; NVA Projects underspend of £0.250m; and Kintyre Renewables Hub underspend of £0.423m. The remaining variances relate to small over and under spends that will be rectified by the year end, leaving a reduced overspend to be considered as part of the capital budget of £0.351m.	-0.351
2019/20 Capital Grant	Capital grant for 2019-20 less than previously anticipated.	-0.676
Dunoon Primary - Prior Year Acceleration	Funding was accelerated from future years to cover emergency works at Dunoon Primary School which needs to be added back to the Education budget to cover the works it was originally planned for.	-0.500
Capital Receipts Adjustments within existing programme	Last year we estimated to receive £3.1m of capital receipts in 2018-19, this has now increased to £3.324m therefore an additional £0.224m is expected. Last year we estimated to receive £0.250m of capital receipts in 2019-20, this has now increased to £1.203m therefore an additional £0.953m is expected. Receipts from vehicle sales in 2018-19 are currently £0.224m. The above are all offset by lower than anticipated receipts in 2017-18 of £0.414m.	0.987
Future Years Capital Receipts	Estimated capital receipts in 2020-21 and 2021-22 that were previously not included.	2.405
General Capital Grant Funding for 2020-21 and 2021-22	Estimated capital grant of £12.262m each year and PSHG deduction of £1.033m gives an estimated allocation of £11.229m in each of the two years.	22.458
Block allocations for 2020-21 and 2021-22	Block allocations match the general capital grant funding above.	-22.458
<b>Total Surplus / (Gap)</b>		<b>1.865</b>

3.6.3 The projected overspend as at the end of December as noted in the table above includes two underspends summarised below. It is recommended that the budget is removed from both these projects in the capital plan.

- Kilmahew/St Peter's: NVA secured grant funding in 2015 which included an award of £0.250m from the Council's capital programme, approved on 19 March 2015. NVA have now wound up business in July 2018 and although some elements of the project were delivered, the works did not involve any drawdown on the Council commitment. There is no alternative way forward for this project and there is no justification for retaining the Council's funding against the project.
- Kintyre Renewables Hub: This project has been in the capital programme since 2010 with a budget of £12.115m and allowing for an ERDF grant, a net cost to the Council of £8.367m. There is an overall saving on this project of £0.423m. The project has been audited by the Scottish Government in 2014 and 2015 and European Auditors in 2016 and there is a small risk that it could be audited again but not expected. Officers would recommend releasing the £0.423m from the project budget.

### 3.7 Cost Pressures Identified

#### ***Campbeltown Flood Protection Scheme***

3.7.1 The Scottish Government has already provided funding up to 2018-19 amounting to £0.603m for the Campbeltown Flood Protection Scheme. This has been

provided based on previous cash flow estimates sent to the Scottish Government for the project. The Scheme costs over the next 5 years could be up to £9.3m based on budget estimates provided to the Scottish Government. The Scottish Government have advised that the grant for an eligible flood scheme is fixed at 80% of estimated costs after tender acceptance. Should the final cost be lower, any excess of grant paid which exceeds the 80% intervention rate will be taken back as part of the General Capital Grant calculation. If final costs are higher no additional grant is payable. Although not within the strict definition of a ring-fenced grant, the Council needs to ensure that the funding is not used for other purposes and also demonstrate that a 20% contribution has been made. To date, only the funding from SG has been allocated to the project.

- 3.7.2 A paper was presented to the Environment, Development and Infrastructure Committee on 6 December 2018. This report advised that the split of funding up to 2019-20 would be £0.634m Scottish Government and the report requested that the Council add in the 20% contribution amounting to £0.127m. The 20% contribution was quoted incorrectly in the report and it should be £0.159m.
- 3.7.3 The Council have received £4.184m as part of its settlement in 2019-20, however, in the funding table at paragraph 3.2.10, I have only reflected the additional funding required as per the profile of spend in the report to the ED&I Committee – an additional £0.031m. I would recommend that at this stage, the remainder of the funding received in 2019-20, is transferred to reserves pending a decision on the full business case, which is expected to be submitted late 2019. If the project doesn't proceed then the unspent funding will need to be returned to the Scottish Government.

#### ***Conservation Area Regeneration Scheme (CARS) Projects***

- 3.7.4 A report was presented to Policy and Resources Committee on 13 December in respect of new CARS projects in Lochgilphead and Helensburgh.
- 3.7.5 In order to deliver on the outcomes proposed in the Lochgilphead bid, £0.386m would be required from the council, which is a combined total comprised of a £0.200m capital ask and £0.186m of committed Private Sector Housing Grant (PSHG) for 2019. This project covers the period 2019-2024 and the capital ask could be profiled as £0.040m over the 5 years. It is recommended that the Council approve the full capital ask of £0.200m from the current capital plan surplus.
- 3.7.6 In order to deliver on the outcomes proposed in the Helensburgh bid, £0.500m would be required from the council, which is a combined total comprised of a £0.327m capital ask and £0.173m PSHG. The project covers the period 2020-2025 and the capital ask could be profiled as £0.065m over the 5 years. It is recommended that the Council approve the full capital ask of £0.327m from the current capital plan surplus.

#### ***Health and Social Care Partnership Asset Sustainability***

- 3.7.7 The Health and Social Care Partnership have only £0.058m within the capital plan for 2019-20, with £0.050m of this amount being the allocation agreed last year in respect of Digitising Telecare. The block allocations up to 2019-20 were

created in 2015-16 when a five year capital plan was agreed and the HSCP allocations would have been part of the Community Services block allocation at that time. Over the years, the block allocation has either been vired or accelerated and this has left minimal amount within the Health and Social Care Partnership and this presents risks in terms of maintaining assets. It is recommended that Council allocate £0.250m from the current capital plan surplus in order to contribute towards maintaining the assets. The new block allocations for 2020-21 and 2021-22 allocate funding to the HSCP.

### ***Other Risks Areas***

- 3.7.8 As capital projects are based on estimates of a project cost at a point in time, there is always a risk that projects cost more than originally planned, particularly where there has been a delay in the project. Where there are large strategic change projects, additional costs cannot always be absorbed by the programme and currently officers responsible for the strategic change programmes have flagged up that there are risks around Rothesay Pavilion and Helensburgh Waterfront.

### **3.8 Remaining Surplus / (Gap) to 2021-22**

- 3.8.1 As noted in paragraph 3.6.2, the total surplus in the capital programme to 2021-22 is £1.865m. If Council agree to fund the Campbeltown Flood Scheme work up to 2019-20, support the CARS projects and provide additional funding to the Health and Social Care Partnership, the surplus will reduce to £0.929m. It is recommended that this balance is retained within earmarked reserves as a capital plan contingency.

- 3.8.2 The revised surplus is summarised in the table below:

	<b>£m</b>
Surplus as noted in paragraph 3.6.2	1.865
Campbeltown Flood Scheme up to 2019-20	-0.159
CARS Lochgilphead	-0.200
CARS Helensburgh	-0.327
HSCP Block Allocation 2019-20	-0.250
<b>Revised Surplus / (Gap)</b>	<b>0.929</b>

### **3.9 Updated Capital Plan**

- 3.9.1 The table below shows a summary of the capital plan and further detail is contained within Appendix 3. It should be noted the cost pressures in section 3.7 are not included and the capital plan will be updated to reflect these amendments if approved.

	2018-19 £m	2019-20 £m	2020-21 £m	2021-22 £m	Future Years £	Total £m
Argyll & Bute HSCP	0.841	0.058	0.561	0.561		2.021
Education	11.777	8.097	3.360	2.920		26.154
Customer Services	5.952	2.252	1.573	1.572		11.349
Development and Infrastructure	28.584	25.013	31.284	17.799	51.445	154.125
Live Argyll	0.943	0.616	0.561	0.561		2.681
<b>Total</b>	<b>48.097</b>	<b>36.036</b>	<b>37.339</b>	<b>23.413</b>	<b>51.445</b>	<b>196.330</b>

#### 4. CONCLUSION

- 4.1 The capital plan funding assumptions have been updated, the plan extended out for a further two years and block allocations allocated to services for the additional two years. Taking into consideration the net overspend on the current capital programme, there is a reported surplus of £1.865m. This will reduce to £0.929m should Members agree to allocate funding towards Campbeltown Flood Scheme costs to 2019-20, CARS projects in Lochgilphead and Helensburgh and HSCP block allocation for 2019-20.
- 4.2 As capital projects are based on estimates of a project cost at a point in time, there is always a risk that projects cost more than originally planned, particularly where there has been a delay in the project. It is recommended that the remaining surplus is retained within earmarked reserves as a capital plan contingency.

#### 5. IMPLICATIONS

- 5.1 Policy – Sets out the approach to capital planning.
- 5.2 Financial – Outlines the funding and commitments for the capital plan 2018-22.
- 5.3 Legal - The funding for new expenditure may not address all the Statutory and Regulatory requirements in relation to Health and safety.
- 5.4 HR - There are risks that the funding available will have an impact on the sustainability of the Property Design Team and the design team within Roads and Amenity Services.
- 5.5 Equalities – None.
- 5.6 Risk - There are risks around level of capital receipts which could result in red risk assets not being addressed.
- 5.7 Customer Service – None.

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

**Kirsty Flanagan  
Head of Strategic Finance**

**6 February 2019**

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

- Appendix 1 - Proposed Asset Disposals
- Appendix 2 - Restricted Funding
- Appendix 3 - Proposed Capital Plan 2019-22

## Capital Plan

## Appendix 1

## Proposed Asset Disposals

Property
48-50 Sinclair Street (Office) , Helensburgh
Former town Council Chambers, District Court, Hall 1 East Princes Street & 48 Sinclair Street, Helensburgh
Land at Former Police Station, Garelochhead
Former Kerrera Primary School
Garage No. 4 Inveraray
Hermitage Park Depot, Helensburgh
Dunclutha Children's Home, Dunoon
Former Kirn Girl Guides Hut, Dunclutha Lane, Kirn, Dunoon
Bridge of Orchy School/House
Blairvadach
Land, Fountainhead, Bunessan
Site of former Cowal Teacher's Training Centre , Sandbank, Dunoon
Lochgilphead Primary School, Lochgilphead
Rothesay Academy, Rothesay, Isle of Bute
Ardchonnell Primary School, Eredine
Tayinloan P.C.
Former Dunoon Library
Plot of ground, Pilot Street, Dunoon.
Former Council Offices, Witchburn Road, Campbeltown
Clachan Schoolhouse, Clachan

**Capital Plan  
Restricted Funding**

**Appendix 2**

Project	2018/19 £m	2019/20 £m	2020/21 £m	2021/22 £m	Future Years £m	Total £m
<b>Community Services</b>						
Early Years 1140 hours	2.100	2.500				4.600
<b>Community Services Total</b>	<b>2.100</b>	<b>2.500</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>4.600</b>
<b>Roads &amp; Amenity Services</b>						
Roads Reconstruction - STTS works	1.732					1.732
Furnace Coastal Protection	0.019					0.019
<b>Roads &amp; Amenity Services Total</b>	<b>1.751</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>1.751</b>
<b>Economic Development</b>						
Cycling, Walking, Safer Streets	0.369	0.260				0.629
SPT	0.082					0.082
H&L Cycleways	0.350	0.100				0.450
Helensburgh Waterfront Development		0.305				0.305
Helensburgh Waterfront Development - LIBOR Funds			5.000			5.000
Rothesay CHORD	5.865					5.865
<b>Economic Development Total</b>	<b>6.666</b>	<b>0.665</b>	<b>5.000</b>	<b>0.000</b>	<b>0.000</b>	<b>12.331</b>
<b>RESTRICTED FUNDING</b>	<b>10.517</b>	<b>3.165</b>	<b>5.000</b>	<b>0.000</b>	<b>0.000</b>	<b>18.682</b>

CAPITAL PLAN 2018-22  
SUMMARY

APPENDIX 3

Department	Head of Service	Previous Years £000s	2018-19 £000s	2019-20 £000's	2020-21 £000s	2021-22 £000's	Future Years £000s	Total £000s
<b>Health and Social Care Partnership</b>	Adult Care	1,743	411	58	561	561	0	3,334
	Children and Families	165	430	0	0	0	0	595
<b>Health and Social Care Partnership Total</b>		<b>1,908</b>	<b>841</b>	<b>58</b>	<b>561</b>	<b>561</b>	<b>0</b>	<b>3,929</b>
<b>Education</b>	Education	37,636	11,656	8,097	3,360	2,920	0	63,669
<b>Education Total</b>		<b>37,636</b>	<b>11,656</b>	<b>8,097</b>	<b>3,360</b>	<b>2,920</b>	<b>0</b>	<b>63,669</b>
<b>Formerly Community Services</b>	Formerly Community and Culture	0	121	0	0	0	0	121
<b>Formerly Community Services Total</b>		<b>0</b>	<b>121</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>121</b>
<b>Customer Services</b>	Customer and Support Services	7,815	1,331	962	1,011	1,011	0	12,130
	Facility Services	17,862	4,621	1,290	562	561	0	24,896
<b>Customer Services Total</b>		<b>25,677</b>	<b>5,952</b>	<b>2,252</b>	<b>1,573</b>	<b>1,572</b>	<b>0</b>	<b>37,026</b>
<b>Development and Infrastructure</b>	Economic Development	40,382	13,039	8,666	16,485	234	0	78,806
	Roads and Amenity Services	50,217	15,545	16,347	14,799	17,565	51,445	165,918
<b>Development and Infrastructure Total</b>		<b>90,599</b>	<b>28,584</b>	<b>25,013</b>	<b>31,284</b>	<b>17,799</b>	<b>51,445</b>	<b>244,724</b>
<b>Live Argyll</b>	Live Argyll	3,346	943	616	561	561	0	6,027
<b>Live Argyll Total</b>		<b>3,346</b>	<b>943</b>	<b>616</b>	<b>561</b>	<b>561</b>	<b>0</b>	<b>6,027</b>
<b>Grand Total</b>		<b>159,166</b>	<b>48,097</b>	<b>36,036</b>	<b>37,339</b>	<b>23,413</b>	<b>51,445</b>	<b>355,496</b>

**CAPITAL PLAN 2018-22**  
**Health & Social Care Partnership**

Category	Head of Service	Project	Previous	2018-19	2019-20	2020-21	2021-22	Future	Total
			Years £000's	£000's	£000's	£000's	Years £000s	£000s	
Asset Sustainability	Adult Care	Ardfenaig	0	20	0	0	0	0	20
		Block Allocation	0	0	0	561	561	0	1,122
		Digitilising Telecare	0	50	50	0	0	0	100
		Eadar Glinn	246	67	3	0	0	0	316
		Health and Safety	1,045	60	0	0	0	0	1,105
		Legionella Control Works	15	5	0	0	0	0	20
		Lochgilphead Resource Centre	163	61	0	0	0	0	224
		Lorn Resource Centre	76	9	0	0	0	0	85
		Struan Lodge Boiler	25	15	0	0	0	0	40
		Thomson Home Rothesay	173	124	5	0	0	0	302
	Adult Care Total		1,743	411	58	561	561	0	3,334
	Children and Families	Capital Property Works	0	305	0	0	0	0	305
		Glencruitten Hostel	119	72	0	0	0	0	191
		Health and Safety	23	20	0	0	0	0	43
Shellach View		23	33	0	0	0	0	56	
Children and Families Total		165	430	0	0	0	0	595	
<b>Asset Sustainability Total</b>		<b>1,908</b>	<b>841</b>	<b>58</b>	<b>561</b>	<b>561</b>	<b>0</b>	<b>3,929</b>	
<b>Overall Total</b>		<b>1,908</b>	<b>841</b>	<b>58</b>	<b>561</b>	<b>561</b>	<b>0</b>	<b>3,929</b>	

CAPITAL PLAN 2018-22  
Formerly Community and Culture

Category	Head of Service	Project	Previous Years £000's	2018-19 £000's	2019-20 £000's	2020-21 £000's	2021-22 £000's	Future Years £000s	Total £000s
<b>Asset Sustainability</b>	Formerly Community and Culture	Inveraray CARS	0	21	0	0	0	0	21
	Formerly Community and Culture Total		0	21	0	0	0	0	21
<b>Asset Sustainability Total</b>			<b>0</b>	<b>21</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>21</b>
<b>Service Development</b>	Formerly Community and Culture	Dunoon Boxing Club	0	100	0	0	0	0	100
	Formerly Community and Culture Total		0	100	0	0	0	0	100
<b>Service Development Total</b>			<b>0</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>100</b>
<b>Overall Total</b>			<b>0</b>	<b>121</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>121</b>

**CAPITAL PLAN 2018-22**  
**Education**

Category	Head of Service	Project	Previous	2018-19	2019-20	2020-21	2021-22	Future	Total
			Years £000's	£000's	£000's	£000's	£000's	Years £000s	
Asset Sustainability	Education	Achaleven Primary School	99	70	3	0	0	0	172
		Ardchattan Primary School	0	2	0	0	0	0	2
		Ardrihaig Primary School	269	-3	50	0	0	0	316
		Arinagour Primary School	85	40	2	0	0	0	127
		Arrochar Primary School	0	30	60	0	0	0	90
		Asbestos Control/Removal Works	78	7	0	0	0	0	85
		Block Allocation	0	0	500	2,920	2,920	0	6,340
		Bunessan Primary School	296	38	0	0	0	0	334
		Campbeltown Nursery	0	30	0	0	0	0	30
		Capital Property Works	835	-1	75	0	0	0	909
		Cardross Primary School	788	15	0	0	0	0	803
		Carradale Primary School	107	3	4	0	0	0	114
		Castlehill Primary School	499	161	154	0	0	0	814
		Clachan Primary	178	44	0	0	0	0	222
		Colgrain Primary School	958	48	2	0	0	0	1,008
		Dalintober Primary School	280	97	3	0	0	0	380
		Dalmally Primary School	78	162	103	0	0	0	343
		Dervaig Primary School	69	0	0	0	0	0	69
		Drumlemble Primary School	402	-6	0	0	0	0	396
		Dunbeg Primary School	450	22	362	0	0	0	834
		Dunoon Primary School	0	0	0	0	0	0	0
		Easdale Primary School	0	10	25	0	0	0	35
		Education Properties Water quality	0	0	0	0	0	0	0
		Ferry Houses - Housing Quality Standard	72	0	0	0	0	0	72
		Free School Meals	534	16	0	0	0	0	550
		Furnace Primary School	140	44	0	0	0	0	184
		Garelochhead Primary School	313	46	113	0	0	0	472
		Glenbarr Primary School	225	13	0	0	0	0	238
		Hermitage Primary School	188	1	0	0	0	0	189
		Homeless Houses - Housing Quality Standard	12	36	2	0	0	0	50
		Internal Refurbishment Budget	97	103	0	0	0	0	200
		Islay High School	4,101	139	65	0	0	0	4,305
		John Logie Baird Primary School	764	93	103	0	0	0	960
		Keills Primary School	0	35	0	0	0	0	35
		Kilchattan Primary School	241	29	2	0	0	0	272
		Kilchrenan Primary School	29	6	0	0	0	0	35
		Kilcreggan Primary School	494	115	4	0	0	0	613
		Kilmartin Primary School	17	99	4	0	0	0	120
		Kilmodan Primary School	233	1	0	0	0	0	234
		Legionella Control Works	220	0	0	0	0	0	220
Lismore Primary School	61	19	1	0	0	0	81		
Lochgailhead Primary School	177	68	53	0	0	0	298		
Lochnell Primary School	0	50	0	0	0	0	50		
Parklands School	161	7	310	0	0	0	478		
Port Ellen Primary School	0	50	0	0	0	0	50		

**CAPITAL PLAN 2018-22**  
**Education**

Category	Head of Service	Project	Previous	2018-19	2019-20	2020-21	2021-22	Future	Total
			Years £000's	£000's	£000's	£000's	£000's	Years £000s	
<b>Asset Sustainability</b>	Education	Property Works - Contingency	250	38	0	0	0	0	288
		Rhunahaorine Primary	181	-28	0	0	0	0	153
		Rosneath Primary School	658	24	1	0	0	0	683
		School Houses - Housing Quality Standard	409	67	2	0	0	0	478
		Small Isles Primary School	0	0	0	0	0	0	0
		Southend Primary School	26	4	0	0	0	0	30
		St Joseph's Primary School	496	73	2	0	0	0	571
		St Mun's Primary School	299	244	306	0	0	0	849
		Tarbert High School	19	1	0	0	0	0	20
		Tayvallich Primary School	0	0	0	0	0	0	0
		Tiree High School	0	0	0	0	0	0	0
		Tiree Primary School	225	242	8	0	0	0	475
		Tobermory High School	867	131	169	0	0	0	1,167
		Toward Primary School	83	56	41	0	0	0	180
Ulva Primary School	74	14	2	0	0	0	90		
	Education Total		17,137	2,605	2,531	2,920	2,920	0	28,113
<b>Asset Sustainability Total</b>			<b>17,137</b>	<b>2,605</b>	<b>2,531</b>	<b>2,920</b>	<b>2,920</b>	<b>0</b>	<b>28,113</b>
<b>Service Development</b>	Education	Bowmore Primary School - Pre Five Unit	30	-2	0	0	0	0	28
		Bunessan Primary School - Gaelic Medium Improvements	2	28	0	0	0	0	30
		Clyde Cottage - 600 hours provision	465	40	0	0	0	0	505
		Craignish Primary School - Pre Five Extension (600 hours funding)	382	35	0	0	0	0	417
		Early Learning and Childcare	1,057	329	0	0	0	0	1,386
		Early Years 1140 Hours	0	2,100	2,500	0	0	0	4,600
		Iona Primary School - Pre Five Unit (600 hours funding)	434	40	0	0	0	0	474
		Islay High & Rosneath PS Pitches	1	675	24	0	0	0	700
		Lochgoilhead Primary School - Pre Five Unit (600 hours funding)	365	23	0	0	0	0	388
		Park Primary Extension and Pre Fives Unit	341	5	0	0	0	0	346
		Sandbank Gaelic Pre Five Unit	478	-14	0	0	0	0	464
		Tarbert High School - Biomass enabling work	0	20	0	0	0	0	20
			Education Total		3,555	3,279	2,524	0	0
<b>Service Development Total</b>			<b>3,555</b>	<b>3,279</b>	<b>2,524</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9,358</b>
<b>Strategic Change</b>	Education	Campbeltown Schools Redevelopment	1,623	327	20	440	0	0	2,410
		Dunoon Primary School	3,175	4,582	2,502	0	0	0	10,259
		Kirn Primary School	9,864	315	0	0	0	0	10,179
		Replacement of Oban High School	2,282	548	520	0	0	0	3,350
	Education Total		16,944	5,772	3,042	440	0	0	26,198
<b>Strategic Change Total</b>			<b>16,944</b>	<b>5,772</b>	<b>3,042</b>	<b>440</b>	<b>0</b>	<b>0</b>	<b>26,198</b>
<b>Overall Total</b>			<b>37,636</b>	<b>11,656</b>	<b>8,097</b>	<b>3,360</b>	<b>2,920</b>	<b>0</b>	<b>63,669</b>

**CAPITAL PLAN 2018-22**  
**Customer and Support Services**

Category	Head of Service	Project	Previous	2018-19	2019-20	2020-21	2021-22	Future	Total
			Years	£000's	£000's	£000's	£000's	Years £000s	£000s
<b>Asset Sustainability</b>	Customer and Support Services	Block Allocation	0	0	911	1,011	1,011	0	2,933
		Computer Network Security	642	46	0	0	0	0	688
		Corporate GIS Portal Rollout	133	7	17	0	0	0	157
		MS Exchange & Doc Sharing	381	35	0	0	0	0	416
		PC Replacement	3,197	516	0	0	0	0	3,713
		Server Sustainability	310	516	0	0	0	0	826
		Telecomms Network	1,121	178	0	0	0	0	1,299
		Unified Communications and Video Conferencing	746	0	0	0	0	0	746
	Customer and Support Services Total		6,530	1,298	928	1,011	1,011	0	10,778
<b>Asset Sustainability Total</b>			<b>6,530</b>	<b>1,298</b>	<b>928</b>	<b>1,011</b>	<b>1,011</b>	<b>0</b>	<b>10,778</b>
<b>Service Development</b>	Customer and Support Services	Applications Projects	1,196	33	34	0	0	0	1,263
		Property Management System	89	0	0	0	0	0	89
		Customer and Support Services Total		1,285	33	34	0	0	0
<b>Service Development Total</b>			<b>1,285</b>	<b>33</b>	<b>34</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,352</b>
<b>Overall Total</b>			<b>7,815</b>	<b>1,331</b>	<b>962</b>	<b>1,011</b>	<b>1,011</b>	<b>0</b>	<b>12,130</b>

CAPITAL PLAN 2018-22  
Facility Services

Category	Head of Service	Project	Previous	2018-19	2019-20	2020-21	2021-22	Future	Total
			Years £000's	£000's	£000's	£000's	£000's	Years £000s	£000s
Asset Sustainability	Facility Services	Argyll House, Dunoon	77	470	6	0	0	0	553
		Asbestos Capital Property Works	72	42	0	0	0	0	114
		Block Allocation	0	168	525	561	561	0	1,815
		Burnett Building	74	20	0	0	0	0	94
		Capital Property Works	70	10	0	0	0	0	80
		Castle House, Dunoon	46	10	0	0	0	0	56
		Dunoon Office Rationalisation	3	7	220	0	0	0	230
		Fire Risk Assessment Works 16/17	0	75	0	0	0	0	75
		Hill Street Dunoon Rewire	2	0	32	1	0	0	35
		Joint Valuation Board	0	39	0	0	0	0	39
		Kilmory Castle	280	111	5	0	0	0	396
		Legionella Capital Works 16/17	8	0	0	0	0	0	8
		Legionella Control Works	0	390	500	0	0	0	890
		Lorn House, Oban	96	25	0	0	0	0	121
		Manse Brae District Office	32	91	2	0	0	0	125
		Manse Brae Roads Office	35	2	0	0	0	0	37
		Mill Park Depot	84	-11	0	0	0	0	73
		Oban Municipal Buildings	250	20	0	0	0	0	270
		Old Quay Offices, Campbeltown	32	15	0	0	0	0	47
		Tobermory Area Office	96	73	0	0	0	0	169
Whitegates Office, Lochgilphead	30	25	0	0	0	0	55		
	Facility Services Total		1,287	1,582	1,290	562	561	0	5,282
<b>Asset Sustainability Total</b>			<b>1,287</b>	<b>1,582</b>	<b>1,290</b>	<b>562</b>	<b>561</b>	<b>0</b>	<b>5,282</b>
Strategic Change	Facility Services	Asset Management Fund	0	2,000	0	0	0	0	2,000
		Campbeltown Office Rationalisation	595	1	0	0	0	0	596
		Carbon Management - Group Heating Conversion Project	1,891	125	0	0	0	0	2,016
		Carbon Management Business Cases (FPB)	201	60	0	0	0	0	261
		Carbon Management Capital Property Works 16/17	19	20	0	0	0	0	39
		Carbon Management Fuel Conversions (FPB)	107	38	0	0	0	0	145
		Helensburgh Office Rationalisation (FPB,REC)	11,438	400	0	0	0	0	11,838
		Kilmory Biomass Project OBC (FPB,REV)	956	43	0	0	0	0	999
		Non-NPDO Schools PV Panel Installations	400	88	0	0	0	0	488
		NPDO Schools Solar PV Panel Installations	761	183	0	0	0	0	944
		Oil to Gas Heating Conversions (FPB)	182	27	0	0	0	0	209
		Rothesay Office Rationalisation	0	10	0	0	0	0	10
		Tiree Shared Offices	0	0	0	0	0	0	0
			Facility Services Total		16,550	2,995	0	0	0
<b>Strategic Change Total</b>			<b>16,550</b>	<b>2,995</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>19,545</b>
Area Committee	Facility Services	Area Committee	25	44	0	0	0	0	69
		Facility Services Total	25	44	0	0	0	0	69
<b>Area Committee Total</b>			<b>25</b>	<b>44</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>69</b>
<b>Overall Total</b>			<b>17,862</b>	<b>4,621</b>	<b>1,290</b>	<b>562</b>	<b>561</b>	<b>0</b>	<b>24,896</b>

**CAPITAL PLAN 2018-22**  
**Economic Development**

Category	Head of Service	Project	Previous	2018-19	2019-20	2020-21	2021-22	Future Years	Total
			Years						
			£000's	£000's	£000's	£000's	£000's	£000s	£000s
<b>Service Development</b>	Economic Development	Cycleways - H&L (FSPT)	2,293	329	100	0	0	0	2,722
		Kilmartin House	0	0	200	200	0	0	400
		NVA	0	0	0	0	0	0	0
		Safe Streets, Walking and Cycling (CWSS)	571	298	260	0	0	0	1,129
		SPT - bus infrastructure	1,378	34	0	0	0	0	1,412
	Economic Development Total		4,242	661	560	200	0	0	5,663
<b>Service Development Total</b>			<b>4,242</b>	<b>661</b>	<b>560</b>	<b>200</b>	<b>0</b>	<b>0</b>	<b>5,663</b>
<b>Strategic Change</b>	Economic Development	01 TIF - Lorn/Kirk Road	736	1,439	0	0	0	0	2,175
		05 TIF - North Pier Extension	214	346	0	0	0	0	560
		09 TIF - Oban Airport Business Park	445	50	95	0	0	0	590
		CHORD - Campbeltown	4,786	0	0	0	0	0	4,786
		CHORD - Dunoon	9,504	2,772	246	0	0	0	12,522
		CHORD - Helensburgh -Public Realm Imprv	6,466	764	0	0	0	0	7,230
		CHORD - Oban	6,982	975	0	0	0	0	7,957
		CHORD - Rothesay	3,017	5,341	4,973	514	0	0	13,845
		Dunoon CARS	0	0	166	167	167	0	500
		Glengorm Wind Turbine	408	29	0	0	0	0	437
		Helensburgh Waterfront Development	738	676	2,560	15,537	0	0	19,511
		OBC for Dunoon Pier	2,844	-14	0	0	0	0	2,830
		Rothesay THI	0	0	66	67	67	0	200
	Economic Development Total		36,140	12,378	8,106	16,285	234	0	73,143
<b>Strategic Change Total</b>			<b>36,140</b>	<b>12,378</b>	<b>8,106</b>	<b>16,285</b>	<b>234</b>	<b>0</b>	<b>73,143</b>
<b>Overall Total</b>			<b>40,382</b>	<b>13,039</b>	<b>8,666</b>	<b>16,485</b>	<b>234</b>	<b>0</b>	<b>78,806</b>

CAPITAL PLAN 2018-22  
Roads and Amenity Services

Category	Head of Service	Project	Previous	2018-19	2019-20	2020-21	2021-22	Future Years	Total
			Years	£000's	£000's	£000's	£000's	£000s	£000s
<b>Asset Sustainability</b>	Roads and Amenity Services	Astro Pitch Repairs	316	30	0	0	0	0	346
		Block Allocation	0	0	0	5,615	5,615	0	11,230
		Bridge Strengthening	2,284	150	388	270	0	0	3,092
		Castle Lodge, Dunoon - Building Works	157	3	0	0	0	0	160
		Cemetery Houses	36	14	0	0	0	0	50
		Environmental Projects	405	100	414	0	0	0	919
		EV Quick Chargers	440	0	0	0	0	0	440
		Fleet Management	0	908	2,310	1,600	0	0	4,818
		Flood Prevention	324	171	193	0	0	0	688
		Footway Improvements	181	569	250	0	0	0	1,000
		Furnace Coastal Protection	125	19	0	0	0	0	144
		Glengorm - Capping	94	106	0	0	0	0	200
		Horizontal Balers	0	8	0	0	0	0	8
		Lighting	1,396	100	207	0	0	0	1,703
		Public Convenience Upgrades	0	66	0	0	0	0	66
		Roads Reconstruction	27,995	9,780	6,636	0	0	0	44,411
		Tarbert All Weather Sports Pitch	105	10	0	0	0	0	115
Traffic Management	366	0	0	0	0	0	366		
	Roads and Amenity Services Total		34,224	12,034	10,398	7,485	5,615	0	69,756
<b>Asset Sustainability Total</b>			<b>34,224</b>	<b>12,034</b>	<b>10,398</b>	<b>7,485</b>	<b>5,615</b>	<b>0</b>	<b>69,756</b>
<b>Service Development</b>	Roads and Amenity Services	A849 Pennyghael Bridge Mull	127	0	0	0	0	0	127
		Campbeltown Old Quay	1,376	48	0	0	0	0	1,424
		Preliminary design for Regional Transport projects (tif)	203	18	0	0	0	0	221
	Roads and Amenity Services Total		1,706	66	0	0	0	0	1,772
<b>Service Development Total</b>			<b>1,706</b>	<b>66</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,772</b>
<b>Strategic Change</b>	Roads and Amenity Services	Campbeltown Flood Scheme	84	150	400	0	0	0	634
		Harbour Investment Programme	319	2,336	4,800	7,314	11,950	51,445	78,164
		Kintyre Renewables Hub (FGPB)	11,383	309	0	0	0	0	11,692
		Street Lighting LED Replacement	2,501	650	749	0	0	0	3,900
	Roads and Amenity Services Total		14,287	3,445	5,949	7,314	11,950	51,445	94,390
<b>Strategic Change Total</b>			<b>14,287</b>	<b>3,445</b>	<b>5,949</b>	<b>7,314</b>	<b>11,950</b>	<b>51,445</b>	<b>94,390</b>
<b>Overall Total</b>			<b>50,217</b>	<b>15,545</b>	<b>16,347</b>	<b>14,799</b>	<b>17,565</b>	<b>51,445</b>	<b>165,918</b>

CAPITAL PLAN 2018-22  
Live Argyll

Category	Head of Service	Project	Previous	2018-19	2019-20	2020-21	2021-22	Future	Total
			Years £000's	£000's	£000's	£000's	£000's	Years £000s	£000s
Asset Sustainability	Live Argyll	Aqualibrium	179	180	6	0	0	0	365
		Block Allocation	0	0	0	561	561	0	1,122
		Bute Community Education Centre (Rewire)	43	0	0	0	0	0	43
		Campbeltown Community Centre - Fire Alarm and Door Upgrade	0	60	0	0	0	0	60
		Campbeltown Museum - Burnet Bldg	81	24	1	0	0	0	106
		Capital Property Works	108	2	0	0	0	0	110
		Community Centres General - Options Appraisal	16	-1	0	0	0	0	15
		Corran Halls, Oban	529	1	0	0	0	0	530
		Dunoon Community Education Centre	192	50	0	0	0	0	242
		Helensburgh Swimming Pool - Roofing	0	10	0	0	0	0	10
		Lochgilphead Community Ed Centre	33	0	0	0	0	0	33
		Moat Centre (Roofing)	13	196	14	0	0	0	223
		Mossfield Grandstand - Upgrade	0	35	0	0	0	0	35
		Oban Library (Leased Property)	6	122	2	0	0	0	130
		Riverside Leisure Centre - Cladding Upgrade	0	30	0	0	0	0	30
		Rothesay Swimming Pool	138	47	589	0	0	0	774
		Victoria Hall, Campbeltown	594	44	2	0	0	0	640
Victoria Halls, Helensburgh	231	99	2	0	0	0	332		
	Live Argyll Total		2,163	899	616	561	561	0	4,800
<b>Asset Sustainability Total</b>			<b>2,163</b>	<b>899</b>	<b>616</b>	<b>561</b>	<b>561</b>	<b>0</b>	<b>4,800</b>
Service Development	Live Argyll	Archives - Wee Manse Brae	56	0	0	0	0	0	56
		Riverside Leisure Centre Refurbishment	1,113	8	0	0	0	0	1,121
	Live Argyll Total		1,169	8	0	0	0	0	1,177
<b>Service Development Total</b>			<b>1,169</b>	<b>8</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,177</b>
Strategic Change	Live Argyll	Carbon Management	14	36	0	0	0	0	50
			14	36	0	0	0	0	50
<b>Strategic Change Total</b>			<b>14</b>	<b>36</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>50</b>
<b>Overall Total</b>			<b>3,346</b>	<b>943</b>	<b>616</b>	<b>561</b>	<b>561</b>	<b>0</b>	<b>6,027</b>

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**ARGYLL AND BUTE COUNCIL****COUNCIL****STRATEGIC ASSET MANAGEMENT BOARD****21 FEBRUARY 2019**

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**CORPORATE ASSET MANAGEMENT STRATEGY**

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**1. EXECUTIVE SUMMARY**

- 1.1 Asset Management is a structured and systematic approach to managing fixed assets on an ongoing basis. This approach addresses all phases of an asset's life cycle, from pre-acquisition through to retirement. Effective asset management planning means knowing what you own, where it's located, what it costs you, what it will cost you in the future, whether it will support current and future service delivery and who is responsible for it.
- 1.2 The Corporate Asset Management Strategy sets out the Council's overall approach to management of its asset base. It sets out
- The Council's approach and commitment to sound asset management,
  - The aims and objectives of the Corporate Asset Management Strategy are to ensure that all assets held by the Council are required for operational and regeneration/economic development purposes,
  - Links between asset management and the Corporate Plan, the Argyll and Bute Outcome Improvement Plan (ABOIP), Service Plans, Live Argyll and the Argyll and Bute Health and Social Care Partnership (HSCP)
  - Governance arrangements for asset management,
  - An overview of the performance improvement framework for asset management,
  - The need for asset management to be forward looking to deliver the assets which the Council requires for service delivery in the future.

**CORPORATE ASSET MANAGEMENT STRATEGY**

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**2. INTRODUCTION**

- 2.1 The Corporate Asset Management Strategy sets out the Council's overall approach to management of its asset base. It sets out:
- The Council's approach and commitment to sound asset management,
  - The aims and objectives of the Corporate Asset Management Strategy is to ensure that all assets held by the Council are required for operational and regeneration/economic development purposes,
  - Links between asset management and the Corporate Plan, the Argyll and Bute Outcome Improvement Plan (ABOIP), Service Plans, Live Argyll and the Argyll and Bute HSCP,
  - Governance arrangements for asset management,
  - An overview of the performance improvement framework for asset management,
  - The need for the asset management to be forward looking to deliver the asset which the Council requires for service delivery in the future.

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

- 3.1 Asset Management is a structured and systematic approach to managing fixed assets on an ongoing basis. This approach addresses all phases of an asset's life cycle, from pre-acquisition through to retirement. Effective asset management planning means knowing what you own, where it's located, what it costs you, what it will cost you in the future, whether it will support current and future service delivery and who is responsible for it.
- 3.2 It is recognised that these general guiding principles can also be applied to the management of non-fixed, or less permanent, assets such as vehicles, plant and equipment.
- 3.3 The Council will ensure that the assets it provides are used in a fair, consistent, efficient and effective way, taking into account their social and environmental impact and the needs and aspirations of our people, communities, areas and organisation.
- 3.4 Asset Management is the process of ensuring that the Council's Assets are:
- Fit for purpose,
  - Used efficiently,
  - Maintained on a sustainable basis,
  - Matched in investment terms to service needs.

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

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

### **Aims and Objectives of the Corporate Asset Management Strategy**

- 3.11 Plans for the future ensure that assets must be used primarily to enable the most effective provision of services together with the achievement of strategic objectives; and this should be done in the most efficient and economical manner. The Corporate Asset Management Strategy aims to provide an integrated approach to realising the Council’s overall strategic aims and objectives for optimising assets and challenge services in this regard. A primary objective of asset management is to ensure that all assets held by the Council are required for operational and regeneration/economic development purposes, linked to corporate, service and ABABOIP objectives, while reducing the total cost of ownership and maximising the benefits from investment in these assets.
- 3.12 The Corporate Asset Management Strategy provides a strategic direction of travel and sets out the framework for the development and implementation of a robust process for Asset Management.

- 3.13 The Council's short term strategic objective is to improve the asset management performance by challenging services to ensure the most efficient and effective use of assets focused on delivery of the ABOIP, corporate and service objectives.
- 3.14 The following governing criteria underpin the Corporate Asset Management Strategy and provide a basis for corporate challenge:
- The Council's fixed assets must support current and future service delivery requirements,
  - The Corporate Asset Management Strategy informs and directs service asset management planning, the Corporate Asset Management Plan and Capital Plan,
  - The Corporate Asset Management Strategy informs and enables the Council's actions to successfully progress and improve economic development and connectivity within Argyll and Bute,
  - The Council's Climate Change Declaration informs and directs the improvements required for assets to meet the Council's carbon reduction targets,
  - The criteria of condition, suitability and risk are applied to measure asset performance,
  - The balance between quality and cost in relation to the procurement of assets and Individual asset performance (running cost and utilisation) where appropriate will be subject to measurement to determine efficiency,
  - The development and implementation of a systematic approach to asset investment and expenditure, utilisation and disposal.
- 3.15 As stated earlier, sound asset management is crucial if the Council is to make best use of the resources available to it to deliver its overall aims and objectives. The environment within which the Council operates is dynamic. It is therefore crucial that the Council's asset management approach informs decisions about strategic change across the Council, and is sufficiently flexible to adapt to the circumstances created by such change.
- 3.16 Specific Aims of the Corporate Asset Management Strategy are:
- Provide a framework for conducting a corporate challenge to ensure that all assets held by the Council are required for operational and regeneration/economic development purposes, linked to corporate, service and ABOIP objectives
  - Ensure the capital investment programme will contribute to the achievement of the Council's key objectives designed to ensure that asset management issues are fully reflected in the planning of the Council.
  - Provide a framework for the management and monitoring of the capital programme and maintenance effects on revenue.
  - Inform the bidding for external "third party" additional capital funding and the management of any resources that are secured.
  - Address corporate policies on procurement and disposal policies as required by best value guidance.
  - Determine processes for the generation of capital project proposals; the monitoring of ongoing projects and the evaluation of completed projects.
  - Review existing assets and service needs to explore opportunities for the more efficient and effective use of assets and the release of resources through disposal.

### **Links Between Asset Management and Key Corporate Policies**

- 3.17 The Corporate Plan sets out the Council's corporate objectives and outcomes. The key features of the Corporate Plan are incorporated within this strategy.
- 3.18 The Council's vision is for Argyll and Bute's Economic Success to be built on a Growing Population. This is supported by making Argyll and Bute a place people choose to live, learn, work and do business.
- 3.19 The Corporate Asset Management Plan will need to move its focus from the current estate to considering what future service provision needs will be and the demands this will place on the asset base. This will ensure that in planning for the future the impact of the ABOIP, corporate objectives and national priorities will be taken into account as part of the corporate challenge contained within the asset management process.
- 3.20 There are important links between the Corporate Plan and the ABOIP. The outcomes set out in the Corporate Plan are the Council's contribution to the ABOIP. Each outcome is directly linked to one or more of the national outcomes set by the Scottish Government. The future service delivery requirement for assets is considered as part of the asset management process. This includes assets owned by the Council but operated by the Argyll and Bute Health and Social Care Partnership and Live Argyll.
- 3.21 Community Planning Partners have worked in partnership with the Council to ensure that the ABOIP identifies the outcomes for Argyll and Bute and the partnership action required for effective implementation. The Council will foster partnerships and co-operation with organisations and agencies in the public, private and voluntary sector. In particular we continue to engage with the Scottish Futures Trust (SFT) in view of their emerging role of promoting asset rationalisation between public sector agencies and have increased the capacity of the Transformation Board and Special Projects Team to take forward strategic asset projects.
- 3.22 Linked to the previous section it should be noted that the Community Planning Management Committee has engaged with the Scottish Futures Trust in carrying out "smarter places" reviews to identify project opportunities for rationalisation across Argyll and Bute. A number of these opportunities are moving into design phase.

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

- 3.23 Council governance of asset management by elected members is on the basis of the Council directing the work of the Council through the Strategic Management Team.
- 3.24 Responsibility for Council assets is held by the three Departments:
- Education (formerly Community Services)
  - Customer Services and
  - Development & Infrastructure.

These Departments are headed by an Executive Director reporting to the Chief Executive and supported by Heads of Services who are responsible for day to day service provision and the effective and efficient use of assets. Assets owned by the

Council but operated by the Argyll and Bute Health and Social Care Partnership and Live Argyll continue to be the responsibility of the Council.

- 3.25 The Head of Facility Services is the Chair of the Strategic Asset Management Board and is responsible for the development of the Corporate Asset Management Strategy, production of the Corporate Asset Management Plan, preparation of the Capital Plan.
- 3.26 The Strategic Asset Management Board is responsible for the development of asset management policy, planning and specification. In addition, the Board is responsible for the development and delivery of the asset management improvement programme and to support the production of the Corporate Asset Management Plan, Capital Plan and for providing corporate challenge within the asset management process.
- 3.27 The corporate requirements of asset management will be driven forward by the Strategic Asset Management Board; which is the link between senior officers and elected members and the Council's service operations in respect of matters of policy related to asset management. In this way a corporate view will be applied to major proposals relating to assets.
- 3.28 The Strategic Asset Management Board responsibilities are:
1. To oversee Asset Management within the Council by applying a corporate challenge which ensures that all assets held by the Council are required for operational and regeneration/economic development purposes linked to corporate, service and ABOIP objectives and the requirements of Live Argyll and the Argyll and Bute HSCP.
  2. To develop, introduce and fully establish asset management performance, planning and governance systems.
  3. To plan for economic, efficient and effective use of assets, ensuring compliance with statutory regulations.
  4. To prepare the Council's Corporate Asset Management Strategy and Corporate Asset Management Plan.
  5. To manage the approval process for Service and Group Asset Management Plans.
  6. To provide objective appraisal of Initial Business Cases (IBC), Outline Business Cases (OBC) and Full Business Cases (FBC).
  7. To provide objective appraisal of Service Asset Management Plans (SAMPs) and Group Asset Management Plans (GAMPS).
  8. To provide objective appraisal of Asset Group Summary templates in relation to the Capital Plan.
  9. To work with stakeholders, both internal and external, in managing its assets including Community Planning Partners.

10. To review delivery of the Capital Programme.
11. To review the resourcing of the delivery of the Capital Programme.
12. To ensure the capital works undertaken are of a high standard the Board should ensure that feedback of projects is sought by the users of the building / school / IT system etc. The board should review this feedback and pick up on any lessons learnt.
13. To resolve issues in respect of project risks for individual projects that have impacted (reached a level above tolerance).
14. To ensure life cycle costs in terms of building, maintain and decommissioning are considered in procurement and prior to committing to the project.
15. To oversee the standardisation and future development of asset specification and procurement.
16. To undertake a full review of Asset Management IT systems held by the Council and the development of a strategic approach towards future system integration.
17. Seek to ensure that adequate provision is made for planned programme maintenance.

### **Performance Improvement Framework for Asset Management**

- 3.29 The Council must underpin asset management, business case development and capital and revenue decision making with robust asset performance data. The Performance Improvement Framework supports the required improvement in asset performance management, and the Strategic Asset Management Board has identified the continued development of asset performance measures as a key priority.
- 3.30 The table below summarises the asset base of the Council. The Council has an asset base at 31 March 2018, with a Net Book Value of £608.200m (2017 - £503.705m) that includes:

<b>Description</b>	<b>Number</b>	<b>Description</b>	<b>Number</b>
Administrative Buildings	30	Roads (km)	2,284
Operational Depots	20	Public Road Bridges	900
Primary Schools	72	Car Parks	118
Secondary Schools	5	Marine Structures	41
3-18 Schools	5	Public Road Coastal Protection (km estimated)	200
Joint campuses	1	Public Road Retaining Wall (estimated)	2,000
Gaelic Medium Units	7	Public Conveniences	85
Adult Learning Centres	2	Waste Disposal facilities	11
Early Learning Centres (52 Council with 4 partners)	56	Ferries	6
School Houses	21	Airports	3

Learning Centre for pupils with additional support needs	1	Cemeteries	131
Leisure Centres	5	Crematoria	1
Community Centres	4	Lighting Units	14,422
Halls	5	Vehicles and Plant	500
Libraries	11	IT Systems and Devices (estimated)	11,151

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

- 3.31 A range of policies in support of good asset management practice have been developed and are included in the appendices to this document. The asset management policies approved to date are outlined in Appendix 1. In addition Services have been encouraged to develop policy statements in respect of each asset group.
- 3.32 Each year the Corporate Asset Management Plan will be prepared on the basis of the Corporate Asset Management Strategy and it will take account of the risks identified in the SAMPs and GAMP. The aim of the Corporate Asset Management Plan is to ensure that capital and revenue expenditure is directed efficiently and effectively to further:
- Strategic Change
  - Service Development
  - Asset Sustainability.
- 3.33 The Corporate Asset Management Plan sets out how Services will ensure that the opportunity cost of financial resources tied up in assets are minimised and that there is:
- An integrated corporate approach towards asset management, capital planning and budgeting process for both capital and revenue
  - A process for changing the Council's Asset portfolio consistent with the Corporate Plan and ABOIP
  - A process for asset decision making which is consistent with Services' requirements
  - An identification of opportunities for innovation, asset investment or disposal
  - Provision of a context for capital project evaluation helping to prioritise decisions on spending.
- 3.34 Each Executive Director is responsible for the completion of their Service Asset Management Plan (SAMP), Group Asset Management Plan (GAMP) and Asset Group Summary templates. Service Asset Managers will prepare the Service Asset Management Plan, Group Asset Management Plan and Asset Group Summary templates, which when approved by the Departmental Executive Director, will be submitted to the Strategic Asset Management Board. The Strategic Asset Management Board will evaluate each Service Asset Management Plan (including Asset Management Plans prepared by the Argyll and Bute Health and Social Care Partnership and Live Argyll), Group Asset Management Plan, and Asset Group Summary template, from which the Corporate Asset Management and Capital Plan will be prepared.

- 3.35 In preparing Service Asset Management Plans, Service Asset Managers must consider the following guiding criteria:
- Maximise the impact of all capital and revenue expenditure on assets
  - Apply asset performance indicators and benchmarking (Condition, Suitability and Risk ) to ensure robust planning and decision making
  - Maximise the utilisation of assets
  - Reduce the unit costs of service delivery through smarter and more efficient asset management
  - Dispose of underperforming, unsuitable assets and assets which are at risk and invest in “fit for purpose” assets
  - Share assets with Community Partners and Third Sector to maximise public benefit
- 3.36 Community Empowerment legislation has recently been enacted. The Council has established an asset transfer policy and process to reflect the legislation and guidance.
- 3.37 The Council requires that decision making regarding the procurement, development and disposal of assets is founded on a robust process of options appraisal and Business Case gateways and have been subject to robust corporate challenge. The Capital Programme Planning and Management Guide sets out the Council’s approach towards, and requirement for, options appraisal and Business Case development including the Council’s Climate Change Declaration.
- 3.38 In terms of procurement, the Council will take cognisance of traditional or emerging delivery options. It will have regard to the delivery options afforded, for instance, by the SFT and the Northern Hub Co, where appropriate.
- 3.39 Services continue to use a set of asset performance indicators and an associated programme of asset surveys that were previously introduced by the Strategic Asset Management Board. The performance indicators form part of the Service Asset Management Planning process to allow Services and the Council to benchmark asset performance and better inform decision making. In the future the Strategic Asset Management Board will monitor the survey frequency for specific asset groups and continually develop a programme of asset surveys in line with the agreed frequencies.
- 3.40 In order to fully support this strategy, the Council have implemented a corporate property management IT system to develop and improve its asset management and performance reporting capabilities.
- 3.41 The Asset Management Board will increasingly work closely with the Council’s Transformation Board and Special Projects Team to exploit opportunities for improved efficiency in asset planning and utilisation. One initiative that is under development is the “One Council” approach to property management which may provide improved asset management and quicker disposal of surplus assets.

#### **4. CONCLUSION**

- 4.1 In the short term the aim of the Corporate Asset Management Strategy is to ensure that all the foregoing policies, plans, systems and processes are implemented and operational with on-going development taking place. The Council will, in the coming

year, develop and test an alternative approach to Capital Planning and prioritisation for future review.

## **5. IMPLICATIONS**

- |     |                    |  |
|-----|--------------------|--|
| 5.1 | Policy –           | The report sets out the Council’s policy in respect of asset management. |
| 5.2 | Financial -        | None.  |
| 5.3 | Legal -            | None.  |
| 5.4 | HR -               | None.  |
| 5.5 | Equalities -       | None.  |
| 5.6 | Risk -             | None.  |
| 5.7 | Customer Service - | None .   |

**Policy Lead for Strategic Finance and Capital Regeneration Projects:  
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## **APPENDICES**

Appendix 1 – Asset Management Policies

# APPENDIX 1 – ASSET MANAGEMENT POLICIES

1.0 INTRODUCTION

2.0 OPERATIONAL PROPERTY ASSET POLICY STATEMENT

3.0 NON-OPERATIONAL PROPERTY ASSET POLICY STATEMENT

4.0 ASSET DISPOSALS POLICY STATEMENT

5.0 ASSET ACQUISITIONS POLICY STATEMENT

6.0 FLEET ASSET POLICY STATEMENT

7.0 INFRASTRUCTURE ASSET POLICY STATEMENT

8.0 ICT ASSET POLICY STATEMENT

9.0 BUILDING ELEMENT RISK CATEGORY POLICY STATEMENT

## 1.0 INTRODUCTION

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

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

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

Improved service delivery through effective asset management will be achieved when key assets are in the right location, suitable and fit for purpose and in good condition. In particular all property assets will also need to be accessible and energy efficient.

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

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

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

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

## 2.0 OPERATIONAL PROPERTY ASSET POLICY STATEMENT

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

To do this the Board will:-

- Ensure property is regarded and managed as a corporate resource.
- Ensure best value and best practice in the delivery of property and asset management services.
- Review and challenge the need for retaining properties with services.
- Ensure our property portfolio is suitable for its current use and supports effective service delivery.
- Ensure properties are compliant with relevant legislation.
- Ensure properties are in an appropriate condition and maintained effectively.
- Ensure office space is used efficiently.
- Regularly measure and report the sufficiency of the school estate.
- Review options for rationalising or consolidating property assets.
- Regularly monitor and report on the performance of property and put in place measures for securing continuous improvement.
- Ensure property running costs and the consumption of resources are minimised.
- Consider the needs of stakeholders.
- Ensure that comprehensive asset management information to support decision making is collected, maintained and stored efficiently.

## 3.0 NON-OPERATIONAL PROPERTY ASSET POLICY STATEMENT

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

- The commercial portfolio is managed effectively to maximise income.
- Rental voids are kept to a minimum.
- Key properties are held for economic development purposes.
- Regular reviews of commercial portfolio are carried out to assess rate of return, purpose of retention and alternative development options.
- Underperforming assets are declared surplus to requirements.
- The cost of managing the non-operational portfolio remains competitive through benchmarking and regular review.

## 4.0 ASSET DISPOSALS POLICY STATEMENT

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

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

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

The Strategic Asset Management Board will challenge service departments to review their future property requirements and this will ultimately lead to a net reduction of property assets. The Board will ensure arrangements are in place to:-

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

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

The Council has developed a set of enhanced procedures to provide a clear and transparent asset transfer request process to ensure compliance with the act. Web pages have also been developed to provide an interactive tool with advice and guidance, a list of the Council's assets, contact details, the relevant forms and documents required to make a request, an “expression of interest form” (to facilitate early informal discussions between organisations and officers). A single point of contact for enquiries is also provided.

## 5.0 ASSET ACQUISITIONS POLICY STATEMENT

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

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

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

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

## 6.0 FLEET ASSET POLICY STATEMENT

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

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

Fleet Management ensure that services have:-

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

## 7.0 INFRASTRUCTURE ASSET POLICY STATEMENT

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

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

- The infrastructure assets perform well in terms of suitability and condition.
- Appropriate asset management information is gathered, maintained and used to underpin decision making.
- Infrastructure meets the needs of users' requirements and compliance with relevant legislation and regulations is achieved.
- Data continues to be gathered and held on appropriate systems.
- Benchmarking activities continue to inform business improvement actions.
- All of the above within the confines of the available budgets.

## 8.0 ICT ASSET POLICY STATEMENT

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

The following approach will be undertaken to achieve this:-

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

## 9.0 BUILDING ELEMENT RISK CATEGORY POLICY STATEMENT

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

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

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

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

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

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

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

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**ARGYLL AND BUTE COUNCIL****COUNCIL****STRATEGIC ASSET MANAGEMENT BOARD****21 FEBRUARY 2019**

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**CORPORATE ASSET MANAGEMENT PLAN**

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**1. EXECUTIVE SUMMARY**

- 1.1 The Corporate Asset Management Strategy sets out the strategic framework for the development of asset management planning including the development of the Corporate Asset Management Plan, Service Asset Management Plans, ICT Group Asset Management Plan and Asset Group Summary templates and provides the basis for corporate challenge within the asset management process.
- 1.2 The Corporate Asset Management Plan reflects the Council's strategic objectives contained in the Argyll and Bute Outcome Improvement Plan (ABOIP) and Corporate Plan, capital investment priorities and Service Plans to support Strategic Change, Service Development and Asset Sustainability projects in 2019-20 and beyond. These projects have been developed taking account of the future service delivery requirements of the Council, the Argyll and Bute Health and Social Care Partnership (HSCP) and Live Argyll.
- 1.3 On an ongoing basis all Services assess the risk arising from the condition and suitability of the assets they have responsibility for. This enables the prioritisation of projects for inclusion within the capital plan.
- 1.4 The continued reduction in revenue maintenance budgets has had an impact on planned maintenance programmes. This in turn increases the rate of deterioration in asset condition across the Council leading to increasing demand for capital investment in the asset base to maintain service delivery.

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**ARGYLL AND BUTE COUNCIL****COUNCIL****STRATEGIC ASSET MANAGEMENT BOARD****21 FEBRUARY 2019**

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**CORPORATE ASSET MANAGEMENT PLAN**

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**2. INTRODUCTION**

- 2.1 The Corporate Asset Management Plan reflects the Council's strategic objectives contained in the ABOIP and Corporate Plan, capital investment priorities and Service Plans to support Strategic Change, Service Development and Asset Sustainability projects in 2019-20 and beyond. These projects have been developed taking account of the future service delivery requirements of the Council, Live Argyll and the Argyll and Bute HSCP. The Council is also aware of the potential implications of future agreements in securing investment through a Rural Growth Deal for the council area.
- 2.2 The Strategic Change programme identifies the Council's strategic planning priorities which include the CHORD programme, the Lorn Arc Tax Incremental Funding (TIF) programme, School Replacement, Helensburgh Waterfront development, Harbour Investment Programme and Road and Infrastructure projects.
- 2.3 The Service Development and Asset Sustainability programmes focus on addressing a combination of the Condition, Suitability and Risk associated with the Council's assets. The Corporate Asset Management Plan addresses individual assets or asset groups which have been identified as highest risk (*significant* risk of impairment to both the asset and/or service delivery), either through capital plans founded on Business Cases, or through the proposed development of Outline Business Cases in 2019-20.
- 2.4 The Corporate Asset Management Strategy sets out the strategic framework for the development of asset management planning including the development of the Corporate Asset Management Plan, Service Asset Management Plans, ICT Group Asset Management Plan, Asset Group Summary templates and provides the basis for corporate challenge within the asset management process.

**3. DETAIL****Corporate Asset Management Planning – Key Issues**

- 3.1 The Corporate Asset Management Plan reflects existing Departmental and service structures and planning. It brings together the Council's strategic change programmes such as CHORD and the Lorn Arc Tax Incremental Funded project, with Service Asset Management Plans, ICT Group Asset Management Plan, Asset Group summary templates, the Argyll and Bute HSCP and Live Argyll Asset Management Plan and capital plans.

- 3.2 Service Asset Management Plans and ICT Group Asset Management Plan and Asset Group summary templates set out how each Service is planning to manage the assets they utilise to deliver services. The standard of these reflects the current maturity of the Council's asset management planning and demonstrate an improvement in terms of information, quality and meaningful asset performance measures - varying between areas of best practice to areas where there has been limited asset performance management to date.
- 3.3 In addition, for 2019-20 Departments were asked to complete Asset Group Summary templates for the assets they have responsibility for. These summarise the information contained within the Service Asset Management Plans and Group Asset Management Plan highlighting the key pieces of information. The Service Asset Management Plans and Group Asset Management Plan are still completed and available to refer to but these summary reports allow high level information to be obtained quickly with the back up detail available if required.
- 3.4 All new capital projects included within Capital Plan are founded on either an Initial Business Case (IBC) or an Outline Business Case (OBC) (as required by the Council's Capital Programme Planning and Management Guide). The quality and standard of business cases produced is reflective of the development of asset management planning across the Council. Strategic change project OBCs show best practice: incorporating options appraisal, whole life costing and risk analysis. Progress has been made with the standard of IBCs for the Asset Sustainability programme but will continue to be a focus for further development within the capital monitoring process. The Capital Programme Planning and Management Guide, which was approved in May 2010, updated January 2018 and is reviewed regularly, contains templates for each form of Business Case with the OBC incorporating Life Cycle Costing.
- 3.5 The Service Asset Management Plans and ICT Group Asset Management Plan provide the Council with a robust suite of data which informs strategic decision making. The data allows consideration of adjusting block allocations between Services and/or between strategic priorities and is useful in the context of Strategic Change, Service Development and Asset Sustainability. The data is becoming even more useful as improvements can be targeted and reported upon. It will also inform future decision making and corporate challenge in relation to asset disposal.
- 3.6 The main sources of data for the Corporate Asset Management Plan are the Service Asset Management Plans, the ICT Group Asset Management Plan and the Argyll and Bute HSCP and Live Argyll Asset Management Plans, all of which are then summarised within the Asset Group Summary templates. The plans are based on the objective assessment of Condition, Suitability and Risk that has been applied to asset groups.
- 3.7 The day to day operations of Local Authorities is very much dictated by legislation. Each Service has to be mindful of the legislation affecting each of its operations and the key legislation is set out in the individual Service Asset Management Plans. Relevant Legislation includes:-
- Legislation involving Care Inspectorate issues
  - Legislation relating to Education Scotland
  - Roads (Scotland) Act 1984

- New Roads and Street works Act 1991
- Flood Risk Management Act (Scotland) 2009
- Health and Safety legislation
- Environmental and other protective legislation
- Legionella - Approved Code of Practice and Guidance Document

### **Corporate Asset Management Plan Development**

- 3.8 The Strategic Asset Management Board has a set of Asset Performance Indicators and the associated programmes of asset surveys/inspections. This will continue to improve the quality of Asset Management Plans which allows the Council to benchmark asset performance and provide the basis for corporate challenge within the corporate decision making. Our approach will be further refined in due course following the publication of updated guidance on core fact information for schools which is currently subject to national review.
- 3.9 The Corporate Asset Management Plan is updated annually to reflect national policy requirements. In addition, strategic asset management planning arrangements between other public bodies and major Community Planning Partners within Argyll and Bute are becoming more effective. The Council has an approved policy in place for this.
- 3.10 The gateway system for appraising and approving future capital expenditure has been in operation since 2010. The process has been utilised again for 2019-20 with consideration being given to addressing highest risks and improvements to the Condition and Suitability of assets. The programme for 2019-20 includes projects which have been previously approved by the Council as summarised in the following sections.

### **Capital Projects Previously Approved**

- 3.11 The following significant strategic change projects have been previously approved by the Council:
- Progress and deliver the CHORD programme
  - Progress the delivery of Oban High School
  - Progress the delivery of Dunoon Primary School
  - Progress the delivery of Campbeltown Grammar School Campus
  - Production of an FBC for the Helensburgh Waterfront development
  - LED Street Lighting project
  - Marine Infrastructure Improvements
- 3.12 The following significant service development projects have been previously approved by the Council
- IT Applications Projects
  - Cycle ways Helensburgh and Lomond
- 3.13 The following section summarises the position with regard to asset sustainability projects previously approved by the Council:
- Development and Infrastructure
    - The Roads Reconstruction programme is targeted on sections identified as High and Medium Risk by the Roads Maintenance and

the Scottish Road Maintenance Condition Survey Road (SRMCS) and roads inspectors. Prioritisation is given to those routes which are likely to contribute greatest to economic growth and improved quality of life within our communities.

- The other Asset Sustainability programmes included in 2019-20 onward are Flood Prevention, Bridge Strengthening, Street Lighting, Environmental, Footway Improvements and Fleet Management.
- Education
  - The 2019-20 to 2021-22 capital programme will continue to include works to address the condition issues of the departments assets informed by the surveys carried out by Facility Services. For the school estate, asset sustainability projects will target suitability and condition issues.
- Customer Services
  - The IT Programme focuses upon securing information, IT hardware and data and voice networks, more use of collaborative tools such as Sharepoint, Unified Communications and Voice Over IP and the deployment of numerous services in support of a flexible workforce.
  - Council wide Personal Computer and laptop replacement programme. Underfunding over the past three years has led to a shortfall and an increase in red risk assets.
  - Replacement of Education PCs that are either already red risk assets or due to become red risk assets in 2019/20.
  - Shared Offices: the main thrust of the programme is health and safety upgrades to address red risk elements in strategically important shared offices and key Council buildings. In addition the Service will continue to support office and depot rationalisation projects to ensure that the estate is managed efficiently.
- Live Argyll
  - The programme for Live Argyll will include works identified in conjunction with Facility Services to address condition and suitability issues on Council owned assets.
- The Argyll and Bute Health and Social Care Partnership (HSCP)
  - The HSCP will focus on ensuring current assets are maintained in a safe, wind and watertight condition but will continue to explore opportunities for co-location. In addition, the digitalisation of Telecare will be progressed as approved in last years budget motion.

### **High Risk Assets Not Addressed within Capital Plan Proposals for 2019-20**

3.14 The Capital Programme for 2019-20 has been structured to address the majority of the Council's High Risk assets. In 2019-20, Service Asset Managers will develop Business Cases and Plans to tackle the following High Risk assets which are not addressed by projects within the Capital Programme for 2019-20 to 2021-22

- Education
  - The Education Services have allocated all asset sustainability projects a high, medium and low priority ranking on an assessment

of the condition and suitability requirements for each property. High priority projects should be completed by 2019-2020 however due to the limited funding available some high priority projects will be required to be delivered in 2020-21 and medium priority projects in 2020-21 and 2021-22. Low priority projects have not yet been allocated within the five year horizon of this SAMP. The condition of our assets is beginning to reflect the inspection gradings received by both Education Scotland and the Care Inspectorate.

- Shared Office Accommodation
  - The programme of asset sustainability projects to address red risks in strategically important offices and other buildings has been limited in recent years due to the restricted funding available. This has led to a scenario where work has had to be planned over several years thereby creating a backlog of urgent projects including rewires, fire alarm replacements, heating upgrades and structural improvements. As a result, the Council is facing the increased risk of property element failures that could adversely affect service delivery.
  - The following red risks are not addressed within the proposed projects. An indicative cost has been provided for each risk:
    - Equality Act Compliance, Argyll House, Dunoon £ 20k
    - Roads & Carparks Upgrade, Argyll House, Dunoon £ 25k
    - Rewire, Ellis Lodge, Dunoon £ 110k\*
    - Property Upgrade, High Street Office, Rothesay £ 6k\*
    - Doors/Wind Upgrade, High Street Office, Rothesay £ 35k\*
    - Property Upgrade, Hill Street Office, Dunoon £ 20k\*
    - Rewire/Fire Alarms, Hill Street Office, Dunoon £ 50k\*
    - Oil to Gas Conversion, Hill Street Office, Dunoon £ 30k\*
    - Internal Upgrade, Hill Street Office, Dunoon £ 25k\*
    - Roads & Carpark, Hill Street Office, Dunoon £ 15k\*
    - Suitability Upgrade, Hill Street Office, Dunoon £ 10k\*
    - Equality Act Upgrade, Kilarrow House, Bowmore £ 50k\*
    - Heating Upgrade, Kilarrow House, Bowmore £ 80k\*
    - Accessibility Upgrade, Kilarrow House, Bowmore £ 30k\*
    - Rewire, Kilmory Castle, Lochgilphead £1,400k
    - Equality Act, Kilmory Castle, Lochgilphead £ 25k
    - Roof Upgrade, Kilmory Castle, Lochgilphead £170k
    - Roof Overhaul, Manse Brae, Lochgilphead £ 50k
    - Partial Internal Refurbishment, Manse Brae £ 50k
    - Internal/External Upgrade, Manse Brae Roads Off £ 50k
    - Toilet Upgrade, Milton House, Dunoon £ 20k\*
    - Internal Upgrade, Milton House, Dunoon £ 25k\*
    - Accessibility Upgrade, Milton House, Dunoon £ 20k\*
    - Window upgrade, Municipal Buildings, Oban £100k
    - Toilet upgrade, Old Quay Offices, Campbeltown £ 20k\*
    - Roof upgrade, Old Quay Offices, Campbeltown £130k\*
    - Internal Walls upgrade, Old Quay Offices £ 20k\*

▪ Window upgrade, Tobermory Area Office	£ 35k
▪ Completion of roof upgrade, Tobermory Office	£ 25k
▪ Accessibility upgrade, Tobermory Area Office	£ 25k
▪ Internal upgrade, Union Street Office, Rothesay	£ 25k*
▪ Windows upgrade, Union Street Office, Rothesay	£ 30k*
▪ Toilets upgrade, Union Street Office, Rothesay	£ 20k*
▪ Accessibility upgrade, Union Street Office, Rothesay	£ 20k*
▪ Walls, fences, paths upgrade, Whitegates Office	£ 25k
▪ Rewire, Whitegates Office, Lochgilphead	£250k
▪ Roads & Carpark Upgrade, Willowview, Oban	£ 20k
▪ Ext Walls & Insulation Upgrade, Willowview, Oban	£ 35k
▪ Internal Upgrade, Willowview, Oban	£ 30k

\* Subject to outcome of Office Rationalisation proposals, which should see office rationalisations in Dunoon, Islay and Rothesay finalised over the next two financial years.

The current funding levels are inadequate to address all the Statutory and Regulatory requirements in relation to Health and Safety with work having to be delivered over a longer timescale than is desirable. In addition there is limited budget allocation to address emergent works associated with Capital Property Work which historically has required annual funding of between £50k and £100k.

- ICT
  - The reduction in capital funding will have an impact on the Council's ability to maintain and upgrade its applications, IT infrastructure and equipment to keep pace with improvements in technology. The critical service emerging priorities will not all be met following the reduction in capital. The programme will instead deliver limited infrastructure maintenance and a much reduced development programme covering only the highest priority projects. There is insufficient funding in 2019/20 to cover the critical red risk assets in the Helenbsburgh Server Room (additional £370k required). The allocation for ICT also does not cover School iPad red risks of £422k and does not bring back corporate PCs to a 3 year replacement cycle. The cycle for the replacement of PCs and laptops has increased from 3 to 4 years in corporate environments and 4 to 5 years in schools with no warranty or maintenance on PCs after the first 3 years. This will have consequences on the reliability of desktop equipment and our ability to work with the latest releases of application software.
- Road Infrastructure
  - In the most recent official figures provided by the Scottish Road Management Condition Survey the roads of Argyll and Bute were the lowest ranked in Scotland. However, the investment since 2011 has seen an overall improvement in the Road Condition Index (RCI) for the more strategic routes.

In February 2011 Audit Scotland reported that “*Transport Scotland and councils should review their road maintenance strategies and plans to confirm that adequate prioritisation is given to those routes which are likely to contribute greatest to economic growth and improved quality of life.*”

*Audit Scotland in its Audit report published in August 2012, of Argyll and Bute Council ‘Maintaining Scotland’s Roads – Follow up work’, identified the following Risk:- Whilst the Council has increased the roads maintenance and reconstruction budgets, there is a risk that the budget will not be sufficient to meet maintenance requirements of the roads network.*

In terms of supporting the Council’s Corporate Plan and the requirement to support and develop the local economy, it is essential that the Council targets its resources wisely to support routes which contribute to economic growth and the quality of life of our town and rural communities.

While it will be a long term aim of the Council to improve its national ranking in terms of the Road Management Condition Survey, the short to medium term strategy to achieve the outcomes set out within the Corporate Plan is set out within the Council’s Roads Asset Management Strategy, which sets out its capital asset investment and roads maintenance strategies. The Annual Status and Options Report also details the strategy, provides an analysis of performance and also models outcomes based on investment levels.

Currently the RCI survey results indicate that 54.4% of the carriageway network should be considered for maintenance treatment with 16.3% assessed as Red.

- The street lighting project underway with Energy Efficient Scotland provides a very positive opportunity to upgrade low maintenance lighting infrastructure funded from savings from reduced energy.

Replacement of aged columns and cabling is required and upgrading of lighting stock at some locations to improve lighting levels and accessibility as well as reliability.

- Ferry Vessels
  - The future of the red risk ferry assets (four main vessels plus two back-ups) will be the subject of a report and recommendations to be completed within 2019.
- Bridges and Retaining Walls
  - The bridge inspection and assessment programmes continue to identify Red Risks. Works to address these Red Risk bridge/wall defects are being made through Bridge Maintenance Revenue and Bridge Strengthening Capital Programmes, and will be planned and

prioritised to reduce the need for either restrictions or escalating costs. However, the current level of funding may result in an increased risk of bridge/road restrictions which in turn could leave communities isolated.

- Marine
  - The 10 year Marine asset management plan has been reported through the Harbour Board. The structures are scored individually as part of the condition assessment associated with the inspection process and the red risk assets continue to be monitored for condition and suitability for their on-going use.
  
- Depots
  - Under the Oban Depot rationalisation all Services will be moved to the current Roads Depot at Jacksons Quarry, which represents both an improvement in the current asset condition as well as a rationalisation of assets.
  - Preparatory design work is underway for rationalisation at Lochgilphead, Bute, Islay and Campbeltown depots.
  
- Fleet Services
  - A review of the vehicle fleet and plant equipment has been undertaken and based on increasing costs it has been decided to begin a replacement programme to ensure capital and revenue cost savings can be made.
  
- Amenity
  - Argyll and Bute Council carried out a review of cemeteries in 2014 which highlighted some were at critical point and unable to accept new internments. Capital funding had not been used to date to improve this issue which now has meant several are at this point and local community are voicing serious concerns, it is estimated that capital funding of £1.2m will be required to upgrade sites to “an acceptable standard”. There is a very clear risk that Argyll and Bute Council will not be able to bury the dead in the preferred local communities should this funding not be secured which will breach legislation and seriously damage public opinion of our services.
  - As part of our commitment to make Argyll and Bute a better place to live, we need to improve our grass playing fields to attract younger families. Our grass playing fields have had no significant drainage work carried out over 15 years and extensive funding of approximately £1m is required to bring them into an acceptable condition. This can be further supported with upgrades to children’s play areas which are now coming to an end of their useful life.
  - Various public conveniences require turnstile improvements and general upgrades in the region of £250k. This will allow income generation going forward which will assist in the upkeep of public conveniences.

- Flood Protection Infrastructure
  - Flood risk reduction at Antrim View, Frederick Crescent (Port Ellen) and other small scheme sites as funding permits.
  - The scheme for Campbeltown is progressing to detailed design stage but risk of flooding remains until it is implemented. Overall cost anticipated to be a maximum of £9.8m with the Scottish Government contributing 80% of that. Funding of £0.155m received for further flood studies.
  
- Waste Services
  - Review of the waste management strategy driven by changing requirements for zero waste to landfill. Revised strategy needs to be progressed in conjunction with Renewi (previously known as Shanks) who have a contract with the council until 2026.
  - The Council has a duty to ensure that a suitable water supply is available for staff welfare and operational purposes at Blackhill CA site, therefore investment is required.
  - The Glengorm waste team are using staff welfare facilities that the Council H&S department have requested to be replaced.
  
- Capital Regeneration Programme
  - There are risks associated with Rothesay Pavilion and Helensburgh Waterfront Development where there may be additional costs that are not currently funded within the current capital programme.

### **Anticipated Developments Within Next Five Years**

- 3.15 In the future the Corporate Asset Management Plan will need to move its focus from the current estate to considering what future service provision needs will be and the demands this will place on the asset base. This will ensure that in planning for the future the impact of the ABOIP, corporate objectives including the transformation programme and national priorities will be taken into account. The impact of reducing maintenance budgets will also have to be considered as they will accelerate the deterioration of the condition of the Council's assets and may result in elemental failure which will increase the risk to service delivery and require the capital plan to be focused on asset sustainability projects.
- 3.16 The main issues identified within the Asset Group Summary templates which must be considered within future asset management planning include:
- High priority projects identified from condition and suitability surveys to ensure the school estate meets statutory and regulatory requirements and meet the needs of 21<sup>st</sup> century learning.
  - Ongoing programme of asset sustainability projects to address red risk assets to achieve value for money whilst providing the best outcome for both building users and the Local Government Benchmarking Framework on Building Condition.
  - Ongoing sustainability of ICT infrastructure assets to best support services

in the delivery of Council services and ensuring compliance with PSN, CyberEssentials Plus, Data Protection (incl. GDPR) and PCI DSS regulations.

- Replacement of aged columns and cabling and upgrade lighting stock at some locations to improve on lighting levels and accessibility as well as reliability.
- Depot Rationalisation programmes in Lochgilphead, Bute, Islay, Campbeltown, Dunoon & Mull.
- Provision of reliable, safe fleet vehicles and plant to service users to fulfil statutory requirements relating to work plans.
- The delivery of the marine asset management plan.
- Extension of cemeteries which are at a critical point as Argyll & Bute Council has a statutory requirement to bury the dead.
- Enhancing parks and open spaces facilities to a safe and acceptable standard.
- Ongoing work to facilitate implementation of the Flood Risk Management Act and how much budget the Council elects to fund its share of the national strategy to reduce flood risk.
- Ongoing maintenance programme to ensure asset sustainability enabling Live Argyll Leisure Trust to deliver its services.
- Community Partnership opportunities for smarter utilisation of assets through Shared Services - to support service delivery and the development of a strategy/mechanism to allow potential asset transfer to the Third Sector.
- Ongoing programme of asset sustainability projects to address red risk assets within the HSCP. In addition, co-location working is also being progressed.

3.17 As a priority, Services must develop asset management planning, Options Appraisal and Business Case development to address all High Risk assets. This will assist in the development of the proposed approach to capital prioritisation.

3.18 For assets rated C or D and an Amber Risk profile, future planning must appraise options to upgrade, replace or dispose of these assets. For assets rated A or B for condition or suitability, and/or with a Green or Yellow Risk profile, asset sustainability planning must ensure that these assets do not deteriorate by carrying out appropriate mitigation works. This will be achieved through the Council's Business Case gateway process.

### **Leased Land and Property**

3.19 The Council leases land and properties to external parties giving a rental income of circa £600k per annum and leases property and land assets from external landlords with an outgoing rental of circa £261k per annum. Focussed work by the Transformation Board will look at increased income from the lease of assets where there is a market opportunity.

### **Asset Register Systems and Software**

3.20 The Strategic Asset Management Board is overseeing the final stages of implementation of the new integrated property management system Concerto which will combine a number of processes (including maintenance of the

Corporate Finance Asset Register) which have operated independently and as a result simplify obtaining reliable property asset performance data as well as recording and maintaining that data.

- 3.21 Following the completion of the process for property it is necessary that Infrastructure and other assets are similarly controlled and work will commence to maintain the Finance asset register in accordance with the WDM system used to monitor our infrastructure assets. This work is being carried out in awareness of the potential for securing future investment through a Rural Growth Deal for the Council area.

#### **4. CONCLUSION**

- 4.1 The Corporate Asset Management Plan sets out the way in which the Council's Corporate Asset Management Strategy will be delivered in 2019-20 and beyond.
- 4.2 The reduction in maintenance budget will increase the risk of asset failure which may have an impact on service delivery. The proposed move to a prioritisation approach to capital planning will be developed to allow projects to be aligned to Council priorities.

#### **5. IMPLICATIONS**

- 5.1 Policy – Sets out how the Corporate Asset Management Strategy will be delivered.
- 5.2 Financial – None.
- 5.3 Legal – The funding for new expenditure may not address all the Statutory and Regulatory requirements in relation to Health and safety.
- 5.4 HR - There are risks that the funding available will have an impact on the sustainability of the Property Design and Roads Design Teams.
- 5.5 Equalities – None.
- 5.6 Risk - There are insufficient resources to address all the red risk assets.
- 5.7 Customer Service – None.

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

**Malcolm MacFadyen, Head of Facility Services**

**Kirsty Flanagan, Head of Strategic Finance**

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

#### **APPENDICES:**

Appendix 1 – Asset Group Summary Templates

## STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

<b>Service Area</b>	Education Service, Customer Services	
<b>Responsible 3<sup>rd</sup> Tier Manager</b>	Morag Brown – Business Improvement Manager, Customer Services	
<b>2018/19 Investment</b>	Approved at budget setting last year      £1.49M Other funding – Early Years                    £2.1M Funding allocated in previous years        £2.294M Total for 18/19                                        £5.884M	
<b>2019/20 Anticipated Investment</b>	Anticipated budget                                £1.927M Slippage    £0.128M Total for 2019/20                                £2.055M  In addition the service has received £2.5M additional grant funding from the Scottish Government for the introduction of 1,140 hours early learning and childcare.	
<b>Proposed Outcome from the 2019/2020 investment</b>	This will enable us to only complete the very highest priority asset sustainability projects. These projects have been identified from condition surveys to ensure the school estate meets statutory and regulatory requirements and our education establishments are suitable to meet the needs of 21 <sup>st</sup> century learning. Projects identified ensure that we address health and safety issues and those that will have an impact on the learning and teaching environment for the largest number of pupils. Completing this work should ensure we maintain the current condition scores for these properties. However there is a risk that failure to invest in planned capitalised maintenance in a timeous manner across such a large estate will see a reduction in the scores of other properties and / or could result in component failure and building closure across the school estate. There is a backlog of work which includes roof repairs, rewiring, damp repairs, heating upgrades and suitability works.	
<b>3 Years of Indicative Funding And The Projected Outcomes</b>	<b>2020/21</b>	<b>2021/22</b>
	£2.92M High priority projects identified from condition and suitability surveys to ensure the school estate meets the statutory and regulatory requirements and education establishments are suitable to meet the needs of 21 <sup>st</sup> century learning. Works include roof repairs, rewiring, damp repairs, heating upgrades, kitchen upgrades, internal refurbishment and assorted suitability works.	£2.92M High and medium priority projects identified from condition and suitability surveys to ensure the school estate meets the statutory and regulatory requirements and education establishments are suitable to meet the needs of 21 <sup>st</sup> century learning. Works include roof repairs, rewiring, damp repairs, heating upgrades, kitchen upgrades, internal refurbishment and assorted suitability works, including improvements to outdoor play areas.
<b>Backlog Maintenance Figure</b>	In a similar manner to other Scottish Local Authorities, this figure is not recorded because the cost of doing so would be	

	disproportionate to the benefit, particularly when budgets are restricted. Instead a risk based approach is adopted.															
<b>Match Funding Opportunities/ External Funding</b>	<b>Achieved in 2018/19</b> There are no external or match funding opportunities available for planned maintenance of the education estate.															
	<b>Opportunities in 2019/20</b> There are no external or match funding opportunities available for planned maintenance of the education estate.															
<b>Description Of Asset Group (assessment)</b>	<p>The Education Services is responsible for 3 education offices, 72 primary schools, 5 secondary schools, 4 x 3-18 schools, 1 joint campuses, 7 Gaelic medium units, 1 learning centre for pupils with additional support needs, 2 early learning and childcare centre, 2 adult learning centres and 19 school houses. The details for these are as follows:</p> <p><u>School Buildings Owned &amp; In Use</u> Number: 86 Gross Internal Floor Area: 90,702m<sup>2</sup> Overall Average Condition: B Overall Average Suitability: B</p> <p><u>Buildings Provide via NPDO</u> Number: 5 Gross Internal Floor Area: 51,546m<sup>2</sup> Overall Average Condition: A Overall Average Suitability: A</p> <p><u>Buildings Under Construction</u> Number: 1 Gross Internal Floor Area: 4,012m<sup>2</sup> Overall Average Condition: D Overall Average Suitability: C</p> <p><u>School Houses Buildings Owned</u> Number: 19 Gross Internal Floor Area: 1,767m<sup>2</sup> Overall Average Condition: B Overall Average Suitability: C</p> <p>Notwithstanding these overall averages, individual property elements deteriorate on an ongoing basis and are at risk of failure thereby requiring the need for ongoing investment. The capital projects identified in the 2019/20 programme are for the school buildings which are owned and in use. The current condition and suitability scores for all of these buildings is summarised in the table below:</p> <table border="1"> <thead> <tr> <th>% of the school estate in use</th> <th>Condition scores</th> <th>Suitability scores</th> </tr> </thead> <tbody> <tr> <td>A</td> <td>15%</td> <td>21%</td> </tr> <tr> <td>B</td> <td>85%</td> <td>66%</td> </tr> <tr> <td>C</td> <td></td> <td>13%</td> </tr> <tr> <td>D</td> <td></td> <td></td> </tr> </tbody> </table> <p>As a result of limited capital and revenue budgets, expenditure is targeted at the property condition issues. However there needs to be an awareness of the impact of poor suitability ratings, particularly if they result in any noncompliance of</p>	% of the school estate in use	Condition scores	Suitability scores	A	15%	21%	B	85%	66%	C		13%	D		
% of the school estate in use	Condition scores	Suitability scores														
A	15%	21%														
B	85%	66%														
C		13%														
D																

	regulatory authority requirements. This is particularly challenging as many of the properties were inherited at the time of local government re-organisation and were not designed with current approaches to service delivery in mind and nor do they have the flexibility in terms of their construction to be easily modified to do so.
<b>Asset Management System supporting condition assessment criteria</b>	Building condition and suitability is measured for school buildings in accordance with the Scottish Government's School Core Facts. Other building assets are measured in a similar manner via the Local Government Benchmarking Framework (LGBF). The condition rating of buildings is measured through an assessment of the main elements of the building (roof, walls, windows, doors, services etc.) via a weighted scoring matrix. Suitability is measured in a similar manner but instead of building elements the head teachers assess the areas within the school including learning and teaching spaces, internal social spaces, internal facilities, external social spaces and external facilities following the guidance provided by the Scottish Government "The suitability core fact". These assessment methodologies have recently changed and in moving forward will require more input/assessment for each property. Core Facts returns are submitted on an annual basis to the Scottish Government. LGBF are also submitted annually.
<b>Methodology used to set priorities/programmes of work</b>	The prioritisation of projects identified in the capital programme for Education follows a risk based approach informed by the Condition and Suitability surveys. This also takes into account health and safety issues, life cycle costs and any emerging service or legislative requirements. In addition inspections by the regulatory bodies Education Scotland and the Care Inspectorate highlight improvement works required to properties to maintain or improve gradings.
<b>Implications of Underinvestment</b>	In the absence of adequate funding many buildings and building elements are deteriorating at a rate which may not be able to be addressed by the current level of capital and revenue (maintenance) expenditure. This is beginning to impact on the use of buildings, capacity of the school, flexibility to deliver the curriculum, support for pupils with complex needs and our inspection gradings. This will continue unless the number of properties is reduced or the capital and revenue budget is increased.
<b>Statutory Duties</b>	The following, while not exhaustive, are the main pieces of legislation which drive the need for investment in the Education Estate: <ul style="list-style-type: none"> <li>• Education (Scotland) Act 2016</li> <li>• Education (Scotland) Act 1980</li> <li>• Education (Additional Support for Learning) (Scotland) Act 2009</li> <li>• Children and Young Persons (Scotland) Act 2014</li> <li>• Public Bodies (Joint Working) (Scotland) Act 2014</li> <li>• Schools Consultation (Scotland) Act 2010</li> <li>• Standards in Scotland's Schools etc. Act 2000</li> <li>• Scottish Schools (Parental Involvement) Act 2006</li> <li>• Protection of Children (Scotland) Act 2003</li> <li>• Regulation of Care (Scotland) Act 2001</li> </ul>

	<ul style="list-style-type: none"><li>• Fire Scotland Act 2012</li><li>• Health and Safety and Work Act 1974</li><li>• Legionella - Approved Code of Practice</li><li>• Equalities Act 2010</li></ul> <p>There are new and emerging legislative duties in the term of the current Council which will impact on its potential use of assets, notably the:</p> <ul style="list-style-type: none"><li>• Expansion of the provision of funded Early Learning and Childcare (ELC) from the current 600hrs to 1140 hours by 2020</li><li>• “The National Improvement Framework for Scottish Education: Achieving Excellence and Equity”, published in December 2016</li><li>• “Education Governance: Next Steps”.</li><li>• There is also greater adherence to the legislation for the provision of ASN support in the Education (Scotland) Act 2016</li></ul>
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## STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

<b>Asset Group</b>	Shared Office Accommodation (The asset group incorporates a museum and Council archives)	
<b>Service Area</b>	Facility Services, Customer Services	
<b>Responsible 3<sup>rd</sup> Tier Manager</b>	Craig Houston, Property Services Manager	
<b>2018/19 Investment</b>	£2.621M	
<b>2019/20 Anticipated Investment</b>	Anticipated budget £1.291M	
<b>Proposed Outcome from the 2019/2020 investment</b>	<p>The funding will be used to deliver asset sustainability projects in Shared Office Accommodation buildings that have red risk elements and/or have significant ongoing revenue budget maintenance requirements.</p> <p>The works will generally include roof/partial roof upgrades, works to address deficiencies with building services (e.g. re-wires/boiler plant upgrades), structural stabilisation works, works to assist with compliance with Equality Act and safe access/egress (e.g. lift upgrade and escape fire stair replacement) and a relatively small contingency element to deal with emergent issues associated with health and safety matters, fire risk assessments and asbestos containing materials in Shared Office Accommodation. In addition there is an allowance to facilitate further office rationalisation to reduce ongoing revenue costs to the Council. It also includes an allowance to undertake legionella control works in all council buildings that have a water supply.</p> <p>As a result of the investment, the condition of individual elements will improve but the impact on the overall condition of the assets is anticipated to remain static, or marginally decline given that the condition of other building elements is deteriorating.</p>	
<b>2 Years of Indicative Funding And The Projected Outcomes</b>	<b>2020/21</b> Anticipated Funding £561k	<b>2021/22</b> Anticipated Funding £561k
	Ongoing programme of asset sustainability projects to address red risk elements/assets (roof upgrades, window upgrades, re-wires, heating plant upgrades and ongoing compliance with health and safety, fire risk etc.) to achieve value for money whilst providing the best outcome for both building users and the Local Government Benchmarking Framework on Building Condition.	Ongoing programme of asset sustainability projects to address red risk elements/assets (roof upgrades, window upgrades, re-wires, heating plant upgrades and ongoing compliance with health and safety, fire risk etc.) to achieve value for money whilst providing the best outcome for both building users and the Local Government Benchmarking Framework on Building Condition.

<b>Backlog Maintenance Figure</b>	In a similar manner to other Scottish Local Authorities, this figure is not recorded because the cost of doing so would be disproportionate to the benefit, particularly when budgets are restricted. Instead a risk based approach is adopted. As an example of up-and-coming risk, investment of circa £1.4M will be required in the next 2 to 3 years to re-wire Kilmory Castle.
<b>Match Funding Opportunities/ External Funding</b>	<b>Achieved in 2018/19</b> The capital allocation for Shared Office Accommodation is used to primarily address red risk elements as asset sustainability (major maintenance) projects. There is no external funding available to address major maintenance of buildings.
	<b>Opportunities in 2019/20</b> The capital allocation for Shared Office Accommodation is used to primarily address red risk elements via asset sustainability (major maintenance) projects. There is no external funding available to address major maintenance of buildings. However, given that there is also a need to ensure building assets are efficient and greenhouse gases are reduced, Property Services have secured Scottish Government Funding to develop a local heat and energy efficiency strategy (LHEES) and identify opportunities for low carbon solutions in the wider Argyll and Bute area that could attract external funding in future years to deliver projects that could result in revenue savings to the Council.
<b>Description Of Asset Group (assessment)</b>	Shared Office Accommodation is split into buildings that are owned by the Council and buildings leased-in by the Council. The details for these are as follows:  <b><u>Buildings Owned</u></b> Number: 28 Gross Internal Floor Area: 22,176m <sup>2</sup> Gross Book Value: £15.7M Overall Average Condition: B Overall Average Suitability: B  <b><u>Buildings Leased-In</u></b> Number: 2 Gross Internal Floor Area: 215m <sup>2</sup> Overall Average Condition: B Overall Average Suitability: B  Notwithstanding these overall averages, individual property elements deteriorate on an ongoing basis and are at risk of failure thereby requiring the need for ongoing investment.
<b>Asset Management System supporting condition assessment criteria</b>	Building condition and suitability and measured in accordance with the Local Government Benchmarking Framework (LGBF) which in turn references the Scottish Government's School Core Facts. The condition rating of buildings is measured through an assessment of the main elements of the building (roof, walls, windows, doors, services etc.) via a weighted scoring matrix. Suitability is measured in a similar manner but instead of building elements assesses themes including: location; accessibility; building facilities; the working environment; and

	<p>ICT infrastructure etc. These assessment methodologies have recently changed and in moving forward will require more input/assessment for each property.</p> <p>All information is recorded within the Council's property management system, Concerto, and LGBF returns are made on an annual basis.</p>
<p><b>Methodology used to set priorities/programmes of work</b></p>	<p>Property condition and suitability assessments are reviewed annually along with input from Property Officers on burdensome maintenance issues to inform elements of buildings that are needing attention/investment. In addition output from statutory inspection of building services (typically annual inspection) also inform the need for investment.</p> <p>These works are prioritised as per health and safety legislative requirements and given the limited budget, ensure that buildings remain wind and watertight and safe for use by members of staff and visitors.</p>
<p><b>Implications of Underinvestment</b></p>	<p>The main implications for underinvestment are:</p> <ul style="list-style-type: none"> <li>• Lack of revenue maintenance funding leads to limited planned maintenance leading to building element failures. This increases demand for capital expenditure on asset sustainability (major maintenance) projects.</li> <li>• Risk of increased likelihood of building closure thereby impacting on ability of the Council to deliver services.</li> <li>• Risk of reputational damage to the Council from poor appearance of buildings.</li> <li>• Risk of increase in third party insurance claims from building users (both staff and visitors).</li> </ul>
<p><b>Statutory Duties</b></p>	<p>Facility Services is responsible for the provision of all statutory health and safety property inspection, testing and maintenance requirements which are governed by more than 50 pieces of legislation, codes of practice and British and European standards. The following, while not exhaustive, are the main pieces of legislation which drive the need for investment in Shared Office Accommodation:</p> <ul style="list-style-type: none"> <li>• Health &amp; Safety at Work Act</li> <li>• Management of Health and Safety at Work Regulations</li> <li>• Electricity at Work Regulations</li> <li>• Control of Substances Hazardous to Health Regulations</li> <li>• Control of Asbestos Regulations</li> <li>• Fire Precautions Act/Fire (Scotland) Act</li> <li>• Gas Safety Regulations</li> <li>• Lift Operations and lifting Equipment Regulations</li> <li>• Legionella - Approved Code of Practice and Guidance.</li> <li>• Climate Change (Scotland) Act</li> </ul>

## STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

<b>Asset Group</b>	<i>ICT</i>							
<b>Service Area</b>	<i>ICT, Customer and Support Services, Customer Services</i>							
<b>Responsible 3<sup>rd</sup> Tier Manager</b>	<i>Gerry Wilson</i>							
<b>2018/19 Investment</b>	<i>2018/19 budget £1.331m</i>							
<b>2019/20 Anticipated Investment</b>	<i>Known or anticipated budget £0.962m</i>							
<b>Proposed Outcome from the 2019/2020 investment</b>	<table border="1"> <tr> <td>Server Sustainability</td> <td>Replacement of some Microsoft and IBM servers in Kilmory in order to be robust, supported and fit for purpose for at least 5 years. <b>Red Risk Total : £59k 2019/20 Investment : £59k</b></td> </tr> <tr> <td>PC Replacement</td> <td>Replacement of Corporate PCs due to become red risk assets (&gt; 4 years old) in 2019/20, resulting in fitness for purpose with 3 years of warranty. Replacement of Education PCs that either are already red risk assets or due to become red risk assets (&gt; 5 years old) in 2019/20, resulting in fitness for purpose with 3 years of warranty. Note – the PC replacement programme is based on a continuous cycle of investment. One quarter of all corporate PCs were expected to be replaced each year alongside one fifth of Education PCs each year. Under funding over the past three years has led to a shortfall and an increase in red risk assets. <b>Red Risk Total : £872k 2019-20 Investment : £812k</b></td> </tr> <tr> <td>Telecoms Network</td> <td>Replacement of Telecoms Infrastructure technologies which are either due to become or are already red risk assets in 2019/20, resulting in fitness for purpose for potentially 5 years. <b>Red Risk Total : £91k 2019/20 Investment : £91k</b></td> </tr> </table> <p>The ICT Infrastructure requires a continuous cycle of investment to maintain current operation levels. The Infrastructure will naturally generate more than £1m worth of red risk assets each year and the current investment levels will fail to sustain the asset group condition at current levels. There is insufficient funding in 2019/20 to cover the critical red risk assets in the Helensburgh Server Room. An additional £370k is required to meet this critical need. The allocation for ICT does not cover School iPad red risks of £422k and does not bring back corporate PCs to a 3 year replacement cycle. With £0.962m available for ICT in 2019/20 some £1.391m is required to resolve all ICT red risks in 2019/20 or £1.831m if the Council wished to address the School iPad risks. The PC investment is £60k short of the full requirement. There is therefore no funding available to</p>		Server Sustainability	Replacement of some Microsoft and IBM servers in Kilmory in order to be robust, supported and fit for purpose for at least 5 years. <b>Red Risk Total : £59k 2019/20 Investment : £59k</b>	PC Replacement	Replacement of Corporate PCs due to become red risk assets (> 4 years old) in 2019/20, resulting in fitness for purpose with 3 years of warranty. Replacement of Education PCs that either are already red risk assets or due to become red risk assets (> 5 years old) in 2019/20, resulting in fitness for purpose with 3 years of warranty. Note – the PC replacement programme is based on a continuous cycle of investment. One quarter of all corporate PCs were expected to be replaced each year alongside one fifth of Education PCs each year. Under funding over the past three years has led to a shortfall and an increase in red risk assets. <b>Red Risk Total : £872k 2019-20 Investment : £812k</b>	Telecoms Network	Replacement of Telecoms Infrastructure technologies which are either due to become or are already red risk assets in 2019/20, resulting in fitness for purpose for potentially 5 years. <b>Red Risk Total : £91k 2019/20 Investment : £91k</b>
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Telecoms Network	Replacement of Telecoms Infrastructure technologies which are either due to become or are already red risk assets in 2019/20, resulting in fitness for purpose for potentially 5 years. <b>Red Risk Total : £91k 2019/20 Investment : £91k</b>							

	invest in improved/updated systems during 2019/20 or to be allocated under the usual business case submissions via the ICT Steering Board					
<b>3 Years of Indicative Funding And The Projected Outcomes</b>	<b>2020/21</b>	<b>2021/22</b>				
	<i>£1.01m - Ongoing sustainability of ICT infrastructure assets including networks components, servers, PCs and laptops - to best support services in the delivery of Council services and ensuring compliance with PSN, CyberEssentials Plus, Data Protection (incl. GDPR) and PCI DSS regulations.</i>	<i>£1.01m - Ongoing sustainability of ICT infrastructure assets including networks components, servers, PCs and laptops - to best support services in the delivery of Council services and ensuring compliance with PSN, CyberEssentials Plus, Data Protection (incl. GDPR) and PCI DSS regulations.</i>				
<b>Backlog Maintenance Figure</b>	<p><i>The overall replacement value of all the Councils red risk ICT assets at present</i></p> <table border="1"> <tr> <td><b>Current Red Risk Assets</b></td> <td>1,391k</td> </tr> <tr> <td><b>Current Amber Risk Assets</b></td> <td>1,022k</td> </tr> </table> <p>There is insufficient funding for the replacement of end of life Server Infrastructure in the GWITC datacentre and some Microsoft and IBM servers in Kilmory in order to be robust, supported and fit for purpose for at least 5 years. <b>This is a critical unfunded Red Risk totalling £429k</b></p> <p>School iPads are currently excluded from the PC Replacement budget and funded directly by schools. They are not included in the condition summary above but condition details are held separately. An initial investment of £422k would be required to clear iPad red risks in 2019/20 and an additional £135k per annum would be needed from 2020/21 to include iPads in a 4 year cycle of replacement.</p>		<b>Current Red Risk Assets</b>	1,391k	<b>Current Amber Risk Assets</b>	1,022k
<b>Current Red Risk Assets</b>	1,391k					
<b>Current Amber Risk Assets</b>	1,022k					
<b>Match Funding Opportunities/ External Funding</b>	<b>Achieved in 2018/19</b>					
	None					
	<b>Opportunities in 2019/20</b>					
	Potential for 17k matched funding from Improvement Service for local GIS/ Spatial projects					
<b>Description Of Asset Group (assessment)</b>						
The ICT Asset Group is broken into sub Asset categories that comprise the ICT Infrastructure and Business Applications.						
<i>Condition Summary (Reference ICT GAMP Nov 2018 Appendix 1 Asset Inventory)</i>						
<b>Red</b>	Beyond expected warranted life or unsupported Corporate PCs – older than 4 years Education PCs – older than 5 years					
<b>Amber</b>	Approaching end of life or no longer updated Corporate PCs – older than 3 years Education PCs – older than 4 years					

Yellow	Within warranty but will need replaced within next two years Corporate PCs – older than 2 years Education PCs – older than 3 years
Green/ Purple	Current/new, warranties valid for at least 2 years

Replacement of ICT assets where condition is already categorised as “red risk” or will become “red” in 2019/20. This includes the IBM server Hardware at GWITC of which 100% is at or approaching red risk status.

Asset Group	Value	Number	CONDITION			
			Red	Amber	Yellow	Green/ Purple
<b>Server Infrastructure Overall</b>	<b>1.299m</b>	<b>245</b>	<b>22%</b>	<b>6%</b>	<b>12%</b>	<b>60%</b>
Microsoft Servers	432k	150	3%	10%	19%	68%
IBM/Sun Server Hardware Kilmory	497k	51	6%	4%	0%	90%
IBM Server Hardware Helensburgh	370k	45	<u>100%</u>	0%	0%	0%
<b>PC, Laptops and Tablet Devices – Corporate</b>	<b>791k</b>	<b>1810</b>	<b>28%</b>	<b>20%</b>	<b>0%</b>	<b>52%</b>
<b>PC, Laptop and Tablet Devices – Education</b>	<b>1.813m</b>	<b>5366</b>	<b>36%</b>	<b>30%</b>	<b>0%</b>	<b>34%</b>
<b>Communications Equipment incl phones and Broadband</b>	<b>1.386m</b>	<b>1352</b>	<b>2%</b>	<b>3%</b>	<b>57%</b>	<b>38%</b>
<b>Supported Business Software Applications</b>	<b>N/A</b>	<b>89</b>	<b>0%</b>	<b>6%</b>	<b>13%</b>	<b>81%</b>

<b>Asset Management System supporting condition assessment criteria</b>	Not Applicable
<b>Methodology used to set priorities/programmes of work</b>	The ICT Development framework establishes a consistent and transparent method for the evaluation of ICT proposals being presented to the ICT Steering Board and Strategic Asset Management Board. The framework allows competing demands for Council resources to be compared like for like with the purpose of establishing an ICT Development Plan that will include a mix of small and significant ICT developments that are both affordable and deliverable. The ICT Development Plan will be the sole mechanism for determining the ICT Asset service development priorities and the levels of funding required to meet them.
<b>Implications of Underinvestment</b>	Failure of key infrastructure supporting technology components that are critical for day to day service delivery across all services of the Council. The severity and the reach of the impact will very much depend on which components fail and consequences for individual services but could also be cross Council affecting.  As technology components age and move out of support, the Council risks non-compliance with PSN, Cybersecurity and PCI DSS obligations.
<b>Statutory Duties</b>	<ul style="list-style-type: none"> <li>• Public Services Network (PSN);</li> <li>• CyberEssentialsPlus;</li> <li>• Data Protection (incl GDPR);</li> <li>• Payment Card Industry Data Security Standards (PCI DSS).</li> </ul>

## STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

<b>Asset Group</b>	Council Owned/HSCP Occupied Buildings	
<b>Service Area</b>	Adult Care/Children and Families	
<b>Responsible 3<sup>rd</sup> Tier Manager</b>	David Ross	
<b>2018/19 Investment</b>	£841k	
<b>2019/20 Anticipated Investment</b>	Anticipated budget £58k	
<b>Proposed Outcome from the 2019/2020 investment</b>	<p>The limited funding will be prioritised and used to assist in delivering the digitalisation of Telecare with the balance being set against asset sustainability projects in HSCP occupied buildings that have red risk elements and/or have significant ongoing revenue budget maintenance requirements.</p> <p>The works will generally include roof/partial roof upgrades, works to address deficiencies with building services (e.g. re-wires/boiler plant upgrades), internal and external upgrades, works to assist with compliance with Equality Act and/or safe access/egress and a relatively small contingency element to deal with emergent issues associated with health and safety matters, fire risk assessments and asbestos containing materials in HSCP occupied buildings.</p> <p>As a result of the limited investment, the condition of individual elements and the overall condition of the assets is anticipated to decline given that the condition of other building elements is deteriorating.</p> <p>The limited funding will significantly impact on the ability to deliver any projects.</p>	
<b>2 Years of Indicative Funding And The Projected Outcomes</b>	<b>2020/21</b> Anticipated Funding £561k	<b>2021/22</b> Anticipated Funding £561k
	Ongoing programme of asset sustainability projects to address red risk elements/assets (roof upgrades, window upgrades, re-wires, heating plant upgrades and ongoing compliance with health and safety, fire risk etc.) to achieve value for money whilst providing the best outcome for both building users and the Local Government Benchmarking Framework on Building Condition.	Ongoing programme of asset sustainability projects to address red risk elements/assets (roof upgrades, window upgrades, re-wires, heating plant upgrades and ongoing compliance with health and safety, fire risk etc.) to achieve value for money whilst providing the best outcome for both building users and the Local Government Benchmarking Framework on Building Condition.
<b>Backlog Maintenance Figure</b>	In a similar manner to other Scottish Local Authorities, this figure is not recorded because the cost of doing so would be	

	disproportionate to the benefit, particularly when budgets are restricted. Instead a risk based approach is adopted.
<b>Match Funding Opportunities/ External Funding</b>	<p><b>Achieved in 2018/19</b></p> <p>The capital allocation for HSCP occupied buildings is used to primarily address red risk elements as asset sustainability (major maintenance) projects. There is no external funding available to address major maintenance of buildings.</p>
	<p><b>Opportunities in 2019/20</b></p> <p>The minimal capital allocation for HSCP occupied buildings is used to primarily address red risk elements via asset sustainability (major maintenance) projects. There is no external funding available to address major maintenance of buildings.</p>
<b>Description Of Asset Group (assessment)</b>	<p>HSCP occupied buildings are split into categories the details of which are as follows</p> <p><b><u>Childrens Homes</u></b>  Number: 4  Gross Internal Floor Area: 1,072m2  Overall Average Condition: A  Overall Average Suitability: A</p> <p><b><u>Elderly Persons Homes</u></b>  Number: 6  Gross Internal Floor Area: 8,508m2  Overall Average Condition: B  Overall Average Suitability: B</p> <p><b><u>Hostels</u></b>  Number: 4  Gross Internal Floor Area: 4,821m2  Overall Average Condition: B  Overall Average Suitability: B</p> <p><b><u>Resource Centres</u></b>  Number: 3  Gross Internal Floor Area: 1,765m2  Overall Average Condition: B  Overall Average Suitability: B</p> <p><b><u>HSCP Other</u></b>  Number: 7  Gross Internal Floor Area: 788m2  Overall Average Condition: B  Overall Average Suitability: B</p> <p>Notwithstanding these overall averages, individual property elements deteriorate on an ongoing basis and are at risk of failure thereby requiring the need for ongoing investment.</p>
<b>Asset Management System supporting condition assessment criteria</b>	<p>Building condition and suitability and measured in accordance with the Local Government Benchmarking Framework (LGBF) which in turn references the Scottish Government's School Core Facts. The condition rating of buildings is measured through an assessment of the main elements of the building (roof, walls, windows, doors, services etc.) via a weighted scoring matrix. Suitability is measured in a similar manner but instead of</p>

	<p>building elements assesses themes including: location; accessibility; building facilities; the working environment; and ICT infrastructure etc. These assessment methodologies have recently changed and in moving forward will require more input/assessment for each property.</p> <p>All information is recorded within the Council's property management system, Concerto, and LGBF returns are made on an annual basis.</p>
<p><b>Methodology used to set priorities/programmes of work</b></p>	<p>Property condition and suitability assessments are reviewed annually along with input from Property Officers on burdensome maintenance issues to inform elements of buildings that are needing attention/investment. In addition output from statutory inspection of building services (typically annual inspection) also inform the need for investment.</p> <p>These works are prioritised as per health and safety legislative requirements and given the limited budget, ensure that buildings remain wind and watertight and safe for use by members of staff and visitors.</p>
<p><b>Implications of Underinvestment</b></p>	<p>The main implications for underinvestment are:</p> <ul style="list-style-type: none"> <li>• Lack of revenue maintenance funding leads to limited planned maintenance leading to building element failures. This increases demand for capital expenditure on asset sustainability (major maintenance) projects.</li> <li>• Risk of increased likelihood of building closure thereby impacting on ability of the Council to deliver services.</li> <li>• Risk of reputational damage to the Council from poor appearance of buildings.</li> <li>• Risk of increase in third party insurance claims from building users (both staff and visitors).</li> </ul>
<p><b>Statutory Duties</b></p>	<p>Facility Services is responsible for the provision of all statutory health and safety property inspection, testing and maintenance requirements which are governed by more than 50 pieces of legislation, codes of practice and British and European standards. The following, while not exhaustive, are the main pieces of legislation which drive the need for investment in HSCP occupied buildings:</p> <ul style="list-style-type: none"> <li>• Health &amp; Safety at Work Act</li> <li>• Management of Health and Safety at Work Regulations</li> <li>• Electricity at Work Regulations</li> <li>• Control of Substances Hazardous to Health Regulations</li> <li>• Control of Asbestos Regulations</li> <li>• Fire Precautions Act/Fire (Scotland) Act</li> <li>• Gas Safety Regulations</li> <li>• Lift Operations and lifting Equipment Regulations</li> <li>• Legionella - Approved Code of Practice and Guidance.</li> <li>• Climate Change (Scotland) Act</li> </ul>

## STRATEGIC ASSET MANAGEMENT PLAN – LiveArgyll's ASSET GROUP SUMMARY

<b>Asset Group</b>	LiveArgyll	
<b>Service Area</b>	Leisure, Halls, Libraries, ComEds, (Museum and Archives are detailed within Share Office Accommodation template)	
<b>LiveArgyll Contact</b>	Marius Huysamer (Property and Projects Manager)	
<b>2018/19 Investment</b>	£450K plus £493K (additional funding from budget motion) = £943K	
<b>2019/20 Anticipated Investment</b>	£5K (Unallocated) Of the available £616K, £611K is already committed from previous years with no additional budget available.	
<b>Proposed Outcome from the 2019/2020 investment</b>	All proposed work is to sustain the current asset portfolio occupied and managed by the LiveArgyll Leisure Trust. Work is required to maintain the facilities in a wind and water tight condition and to ensure compliance to legislative and regulatory requirements. Work will include numerous roof refurbishments, heating/electrical/ Air Handling upgrades, address DDA and Health and Safety issues, pool tank refurbishments and dealing with asbestos issues.	
<b>2 Years of Indicative Funding And The Projected Outcomes</b>	<b>2020/21</b>	<b>2021/22</b>
	£561K Ongoing maintenance programme to ensure asset sustainability; enabling Live Argyll Leisure Trust to deliver its services.	£561K Ongoing maintenance programme to ensure asset sustainability; enabling Live Argyll Leisure Trust to deliver its services.
<b>Backlog Maintenance Figure</b>	In a similar manner to other Scottish Local Authorities, this figure is not recorded because the cost of doing so would be disproportionate to the benefit, particularly when budgets are restricted. Instead a risk based approach is adopted.	
<b>Match Funding Opportunities/ External Funding</b>	<b>Achieved in 2018/19</b>	
	LiveArgyll has been unable to secure additional funding for asset improvement works due not being the asset owners. In the majority of enquiries made to date, there is a requirement to demonstrate ownership or long term leasehold of the asset.  LiveArgyll continues to explore external / match funding opportunities. Discussions are on-going in respect of specific projects. Subject to any agreed licence revisions and an agreed business case there may be the possibility of securing approximately £200k to fund improvement works at our Victoria Hall, Helensburgh venue.	
<b>Description Of Asset Group (assessment)</b>	LiveArgyll manages the following Asset Group:  <b>Culture and Libraries:</b> The service covers 11 libraries, archives and Campbeltown Museum. It aims to provide a comprehensive public library service including free access to a wide range of lending materials, ICT facilities and lifelong learning support. The Archives acts as the custodian of Argyll and Bute's written heritage. Campbeltown Museum aims to curate, interpret and display the archaeology, social and industrial history, decorative and fine art and natural science material in the Council's collections and to	

	<p>collect appropriate material for the enjoyment and education of the local community and visitors alike.</p> <p><b>Leisure, Active Schools and Sport Services:</b> The service manages 4 Leisure Centres (including swimming pools), Mid Argyll Sports Centre, 5 Halls ranging from large venues such as the Queen's Hall, Dunoon to small local halls such as the Ramsay Hall, Port Ellen, Islay. LiveArgyll also operates 6 all-weather pitches, Campbeltown 3G, Dunoon Cages, Bendarroch Park, Tarbert, Tiree and Tobermory.</p> <p><b>Community Centres:</b> The service is responsible for 4 community centres in Campbeltown, Lochgilphead, Dunoon and Rothesay.</p> <p>A number of buildings listed under the below ratings do not fall within the licence agreement with LiveArgyll, but have historically been categorised under 'Leisure Services'.</p> <table border="1" data-bbox="531 813 1398 1290"> <thead> <tr> <th>Asset Category</th> <th>Owned</th> <th>Leased</th> <th>Overall floor area</th> <th>Average Condition rating</th> <th>Average Suitability rating</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Community Centres</td> <td>6</td> <td></td> <td>4,079m<sup>2</sup></td> <td>B</td> <td>B</td> </tr> <tr> <td></td> <td>1</td> <td>261m<sup>2</sup></td> <td>B</td> <td>B</td> </tr> <tr> <td rowspan="2">Leisure Centres</td> <td>4</td> <td></td> <td>8373m<sup>2</sup></td> <td>B</td> <td>B</td> </tr> <tr> <td></td> <td>1</td> <td>3706m<sup>2</sup></td> <td>B</td> <td>B</td> </tr> <tr> <td rowspan="2">Halls</td> <td>5</td> <td>0</td> <td>8019.3m<sup>2</sup></td> <td>B</td> <td>A</td> </tr> <tr> <td></td> <td>7</td> <td>1750.75m<sup>2</sup></td> <td>B</td> <td>None available</td> </tr> <tr> <td>Libraries</td> <td>6</td> <td></td> <td>1686.37m<sup>2</sup></td> <td>A</td> <td>A</td> </tr> <tr> <td>Museum</td> <td colspan="5" rowspan="2">Detailed within Shared Office Accommodation's template.</td> </tr> <tr> <td>Archives</td> </tr> </tbody> </table>	Asset Category	Owned	Leased	Overall floor area	Average Condition rating	Average Suitability rating	Community Centres	6		4,079m <sup>2</sup>	B	B		1	261m <sup>2</sup>	B	B	Leisure Centres	4		8373m <sup>2</sup>	B	B		1	3706m <sup>2</sup>	B	B	Halls	5	0	8019.3m <sup>2</sup>	B	A		7	1750.75m <sup>2</sup>	B	None available	Libraries	6		1686.37m <sup>2</sup>	A	A	Museum	Detailed within Shared Office Accommodation's template.					Archives
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<p><b>Asset Management System supporting condition assessment criteria</b></p>	<p>Building condition and suitability is measured in accordance with the Local Government Benchmarking Framework (LGBF). The condition rating of buildings is measured through an assessment of the main elements of the building (roof, walls, windows, doors, services etc.) via a weighted scoring matrix. Suitability is measured in a similar manner but instead of building elements assesses themes including: location; accessibility; building facilities; the working environment; and ICT infrastructure etc. These assessment methodologies have recently changed and in moving forward will require more input/assessment for each property.</p> <p>All information is recorded within the Council's property management system, Concerto, and LGBF returns are made on an annual basis.</p>																																																				
<p><b>Methodology used to set priorities/programmes of work</b></p>	<p>Property condition and suitability assessments are reviewed annually along with input from Property Officers on burdensome maintenance issues to inform elements of buildings that need attention/investment. In addition outputs from statutory inspection of building services (typically annual inspection) also inform the need for investment.</p> <p>These works are prioritised as per health and safety legislative requirements and given the limited budget, ensure that buildings</p>																																																				

	<p>remain wind and watertight and safe for use by members of staff and visitors.</p>
<p><b>Implications of Underinvestment</b></p>	<p>The asset base managed by the Trust is ageing and requires significantly more investment to ensure it remains in an operable state. Year-on-year the Capital Investment is becoming less which in turns places greater strain on already constrained central repairs budgets. Underinvestment of Capital funds will lead to facilities that will further deteriorate in condition and suitability and inevitably reach a stage where they are deemed not fit for purpose. Failure to maintain assets and ensure they are fit for purpose will adversely impact on LiveArgyll's ability to deliver agreed service specification requirements and fulfil charitable objectives. From a business plan perspective the failure or long term unavailability of an asset, particularly a leisure centre or venue may have a significant impact the Company's ability to generate income, thus reducing the likelihood of the Company achieving a primary objective of becoming less reliant on management fee funding. There is great potential to increase recurring income streams and generate new streams however this requires the Asset base to be fit for purpose and of a suitable standard and quality which ensure customers choose to use and pay for our services. The council is contractually bound through the licence agreement with LiveArgyll Leisure Trust to invest in and maintain all assets under the Trust's management.</p>
<p><b>Statutory Duties</b></p>	<ul style="list-style-type: none"> <li>• Fire Scotland Act 2012</li> <li>• Health and Safety At Work Act 1974</li> <li>• Electricity at Work Regulations</li> <li>• Legionella - Approved Code of Practice</li> <li>• Control of Substances Hazardous to Health Regulations</li> <li>• Equalities Act 2010</li> <li>• Land Reform Act 2003</li> <li>• Management of Health &amp; Safety at Work Regulations 1999 (key regulation covering risk assessment requirements, contractors, shared premises plus more)</li> <li>• Confined Spaces Regulations 1997 (pool undercrofts etc.)</li> <li>• The Employment Rights Act 1996 (new/expectant mothers)</li> <li>• Workplace (Health, Safety &amp; Welfare) Regulations 1992</li> <li>• Pool Water Treatment Advisory Group (PWTAG) 'Swimming Pool Water Treatment &amp; Quality Standards' 1999</li> <li>• Health &amp; Safety Executive (HSE) 'Managing Health &amp; Safety in Swimming Pools' 2003 HS (G)179</li> <li>• Construction (Design &amp; Management) Regulations 2015 (demolition/construction)</li> <li>• Occupiers Liability Act 1984</li> <li>• Lifting Operations &amp; Lifting Equipment Regulations 1998 (LOLER)</li> <li>• Lift Regulations 1997</li> <li>• Working at Height Regulations 2005</li> <li>• Manual Handling Operations Regulations 1992</li> <li>• Health &amp; Safety (Safety Signs and Signals) Regulations 1996</li> <li>• Provision and Use of Work Equipment Regulations 1998</li> <li>• Pressure Systems Safety Regulations 2000</li> <li>• Dangerous Substances and Explosive Atmospheres Regulations 2002 (fuel/gases)</li> </ul>

	<ul style="list-style-type: none"><li>• Control of Asbestos Regulations 2012</li><li>• Display Screen Equipment Regulations 1992</li></ul>
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## STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

<b>Asset Group</b>	Road Infrastructure (carriageways and footways)	
<b>Service Area</b>	Roads and Amenity Services, Development and Infrastructure	
<b>Responsible 3<sup>rd</sup> Tier Manager</b>	Hugh O'Neill – Network and Standards Manager (for inventory information and programme development) Tom Murphy – Operational Delivery	
<b>2018/19 Investment</b>	£9.780m Roads Reconstruction and £0.569m footways	
<b>2019/20 Anticipated Investment</b>	£6.636m Roads Reconstruction and £0.250m footways	
<b>Proposed Outcome from the 2019/2020 investment</b>	<p>Carry out a mix of surface dressing, edge strengthening, resurfacing works. The surfacing works will include proportionate drainage works. Works will be identified from condition surveys, collision data, known development activity and from customer demands. Final programmes may be adjusted to take account of any winter deterioration.</p> <p>£8M with the current level of revenue funding would enable steady state or a slight improvement to be achieved, dependent on the severity of winter weather.</p>	
<b>3 Years of Indicative Funding And The Projected Outcomes</b>	<b>2020/21</b>	<b>2021/22</b>
	£4.775m Ongoing programme of surface dressing, edge strengthening, resurfacing works to achieve value for money whilst providing the best outcome for the Road Condition Index (RCI) score.	£3.777m Ongoing programme of surface dressing, edge strengthening, resurfacing works to achieve value for money whilst providing the best outcome for the Road Condition Index (RCI) score.
<b>Backlog Maintenance Figure</b>	Independently calculated at £100M (this is the amount required to bring all of Argyll and Bute's road network up to an A1 condition).	
<b>Match Funding Opportunities/ External Funding</b>	<b>Achieved in 2018/19</b>	
	Strategic Timber Transport Fund (available to strengthen roads to allow timber extraction) £1.6M secured for 2018/19 which has been used to extend schemes in the council programme, thus reducing reactive demands for repairs.	
	<b>Opportunities in 2019/20</b>	
	Grant funding opportunities will be pursued through the STTF fund. Any further opportunities e.g. from whisky production companies, aquaculture etc.	
<b>Description Of Asset Group (assessment)</b>	2309.7km of road network with 23% built on peat	
	A Class Roads	502.7km

	<p>B Class Roads            613.8km  C Class Roads            439.8km  Unclassified Roads       753.4km  Total Network Length    2309.7km</p> <p>Road condition is measured by the Scottish Road Maintenance Condition Survey (SRMCS) which assesses parameters such as surface texture and cracking, smoothness and rutting. This provides an indication of the residual life of the road structure.</p> <p>The RCI survey results indicates that 54.4% of the carriageway network should be considered for maintenance treatment (compared to 55.48% in the previous survey).</p> <p>Roads assessed as:</p> <p>Red                        16.34%  Amber                     38.08%  Green                      45.58%</p> <p>The Council's Annual Status and Options Report (ASOR) provides a detailed analysis of the condition of the road infrastructure. The ASOR also provides an analysis of the projected condition based on the financial investment available.</p>
<p><b>Asset Management System supporting condition assessment criteria</b></p>	<p>Annual SCANNER Surveys carried out as part of a Scotland wide programme. The Surveys produce a Road Condition Index (RCI) which is used locally and by Audit Scotland to monitor asset condition.</p>
<p><b>Methodology used to set priorities/programmes of work</b></p>	<p>Capital formula established at 2006 Council Committee to determine area allocation.</p> <p>Local priorities based on output from machine surveys, SCRIM, STATS 19, engineering judgement, service demands. roads assessed as amber and those with the greatest impact on the economy.</p> <p>Maintaining Scotland's Roads – Audit Scotland, February 2011  <i>"Transport Scotland and Councils should review their road maintenance strategies and plans to confirm that adequate prioritisation is given to those routes which are likely to contribute greatest to economic growth and improved quality of life."</i></p> <p>The road infrastructure is also covered by the Roads Asset Management Plan (RAMP) which has been carried out as part of a national project steered by SCOTS. This means that the roads asset infrastructure's condition can be compared not only across Argyll and Bute, but across the whole of Scotland.</p>
<p><b>Implications of Underinvestment</b></p>	<p>Increase in third party insurance claims.  Restricted traffic and the possibility of some roads having to be closed on safety grounds.  Detriment to business and tourism should the road network deteriorate to a point that its condition is not convenient for the travelling public.</p>

	<p>This area can be expanded with the provision of a risk register picking up risk, impact and mitigation for each of the issues raised above.</p>
<b>Statutory Duties</b>	<p>Roads Scotland Act 1984 New Road and Street Works Act 1991 Road Traffic Act 1984 And various other associated statutory instruments</p>

## STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

<b>Asset Group</b>	Street Lighting	
<b>Service Area</b>	Roads and Amenity Services, Development and Infrastructure	
<b>Responsible 3<sup>rd</sup> Tier Manager</b>	Hugh O'Neill – Network and Standards Manager (for inventory information and programme development) Tom Murphy – Operational Delivery	
<b>2018/19 Investment</b>	£100k capital	
<b>2019/20 Anticipated Investment</b>	£207k capital	
<b>Proposed Outcome from the 2019/2020 investment</b>	Replace some aged columns and cabling and upgrade lighting stock at some locations to improve on lighting levels and accessibility as well as reliability. Replace a number of lit signs at junctions. Install some new lighting schemes in at least 2 rural locations	
<b>2 Years of Indicative Funding And The Projected Outcomes</b>	<b>2020/21</b>	<b>2021/22</b>
	Nil capital assumed. Replace some aged columns and cabling and upgrade lighting stock at some locations to improve on lighting levels and accessibility as well as reliability. Replace a number of lit signs at junctions.	Nil capital assumed. Replace some aged columns and cabling and upgrade lighting stock at some locations to improve on lighting levels and accessibility as well as reliability. Replace a number of lit signs at junctions.
<b>Backlog Maintenance Figure</b>		
<b>Match Funding Opportunities/ External Funding</b>	<b>Achieved in 2018/19</b>	
	Continuing LED upgrade replacement program funded by prudential borrowing – A £3.9m scheme to replace sox and son fittings with LED energy efficient cost saving luminaires is now 88% complete.	
	<b>Opportunities in 2019/20</b>	
	Complete the LED Upgrade project as above – to realise further energy savings	
<b>Description Of Asset Group (assessment)</b>	Gross street lighting stock replacement cost (new replacement) from Asset Register £40m 14,447 Luminaires 434 Illuminated Signs 13,681 Lighting Columns (9920 Galvanised Steel, 2266 Un-galvanised Steel, 1278 Aluminium Columns, 42 Concrete Columns, 175 Lights on Wooden Poles)	

	35% of these columns have exceeded their expected service life.
<b>Asset Management System supporting condition assessment criteria</b>	Service Standards to ensure that electrical certification / testing is required every 6 years with column condition and ranking carried out every 4 years as part of scheduled planned maintenance
<b>Methodology used to set priorities/programmes of work</b>	Study of Planned Maintenance findings, analysis of fault records and reliability, Light level meter checks for inadequacies, column condition scores – All will be considered to compile and prioritise programs of work
<b>Implications of Underinvestment</b>	Increase in third party insurance claims. Detriment to business and tourism should the network deteriorate to a point that its condition is not convenient or safe for the travelling public / pedestrians and motorists.
<b>Statutory Duties</b>	There is no statutory duty to provide street lighting but where the Authority has provided street lighting there is a duty to maintain to BS5489 Electricity at Work Act and BS 7671 Electrical regulations S5489 Road Traffic Act 1984 (for illuminated signs)

## STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

<b>Asset Group</b>	<i>Bridges &amp; Retaining Walls</i>	
<b>Service Area</b>	<i>Roads and Amenity Services, Development and Infrastructure Infrastructure Design</i>	
<b>Responsible 3<sup>rd</sup> Tier Manager</b>	<i>Arthur McCulloch</i>	
<b>2018/19 Investment</b>	<i>Capital Bridge Strengthening and Replacement Programme - £150k Revenue Structural Maintenance - £235k Revenue Structural Assessment - £65k</i>	
<b>2019/20 Anticipated Investment</b>	<i>Capital Bridge Strengthening and Replacement Programme - £388k Revenue Structural Maintenance - £235k Revenue Structural Assessment - £65k</i>	
<b>Proposed Outcome from the 2019/2020 investment</b>	<p><i>Capital Bridge Strengthening and Replacement Programme</i></p> <ul style="list-style-type: none"> <li>- <i>Strengthening &amp; Replacement of Bridges &amp; Retaining Walls</i></li> <li>- <i>Strengthening &amp; Replacement of Coastal Protection</i></li> <li>- <i>Strengthening and replacement of parapets</i></li> </ul> <p><i>Revenue Structural Maintenance</i></p> <ul style="list-style-type: none"> <li>- <i>Bridge &amp; Wall Inspections</i></li> <li>- <i>Bridge &amp; Wall Maintenance Repairs</i></li> <li>- <i>Management of Abnormal Load Notifications</i></li> <li>- <i>Technical Approval</i></li> <li>- <i>Asset Management</i></li> </ul> <p><i>Revenue Structural Assessment</i></p> <ul style="list-style-type: none"> <li>- <i>Assessment of Bridges and Retaining Walls</i></li> <li>-</li> </ul> <p>The current level of total capital &amp; revenue funding is expected to result in an increase in the number of restricted bridges in the longer term as well as a reduction in the overall Bridge Condition indicator (BCi).</p> <p>It should be noted that structural assets deteriorate slowly and road users and members of the public are generally not aware of their condition, unless a weight restriction is put in place.</p>	
<b>2 Years of Indicative Funding And The Projected Outcomes</b>	<b>2020/21</b>	<b>2021/22</b>
	<p>£270k capital and £300k revenue.</p> <p>Ongoing programme of strengthening, replacement, maintenance, assessment and management of structures.</p> <p>Value Management</p> <p>Prioritisation shall be used to</p>	<p>£250k capital and £300k revenue.</p> <p>Ongoing programme of strengthening, replacement, maintenance, assessment and management of structures.</p> <p>Value Management</p> <p>Prioritisation shall be used to</p>

	ensure available finances are allocated to the most suitable structures.	ensure available finances are allocated to the most suitable structures.
<b>Backlog Maintenance Figure</b>	<p>Backlog of £18.5M under Bridge Strengthening and Replacement Programme</p> <p>Backlog of £2M under Revenue Structures Maintenance.</p>	
<b>Match Funding Opportunities/ External Funding</b>	<b>Achieved in 2018/19</b>	
	None	
	<b>Opportunities in 2019/20</b>	
	None	
<b>Description Of Asset Group (assessment)</b>	<p>901 Bridges (over 1.5m span)  2000 Retaining Walls (over 1m retained height) (circa. 80% of assets recorded)  <i>(Culverts under 1.5m span are managed by Roads Operations are excluded from the above – but when they are replaced can be reclassified as bridges due to the increase in size generally required to mitigate flood risk. Retaining walls under 1m retained height are likewise managed by Roads Operations.)</i></p> <p><i>Bridge Condition is calculated through Structural Inspections carried out by in-house Bridge Inspectors through the National Asset Management Software used by the Council.</i></p> <p>Structural condition is measured through the in-house inspection of assets which considers each element of a structure. National guidance documents are utilised as well as a standardised Asset Management system.</p> <p>The Bridge Condition indicator for the Council's structures stock is 89.19; compared to 90.72 in 2012/13). As stated above, it should be noted that structural assets deteriorate slowly.</p>	
<b>Asset Management System supporting condition assessment criteria</b>	<p><i>24 Months bridge inspections carried out in-house provide data to calculate the Bridge Condition indicator (BCi) for each structure. This BCi is used locally and by SCOTS and Audit Scotland to monitor asset condition. This is also being used to rank the parapet systems in place.</i></p> <p><i>Structural Assessments in accordance with relevant guidance documents in Design Manual for Roads &amp; Bridges (DMRB) used to support Roads Scotland Act (1984). These assessments determine whether any structural restrictions should be considered as well as</i></p>	
<b>Methodology used to set priorities/programmes of work</b>	<p><i>Bridge Strengthening and Replacement Programme is prioritised using an in-house method which has been modified in recent years to take account of new SCOTS guidance.</i></p>	

	<p><i>Revenue Structural Maintenance is currently prioritised based primarily on engineering judgement. Following a restructuring of the management of structural maintenance repairs, along with new guidance being issued on Value Management Prioritisation from UK Roads Liaison Group 'Well-managed highway infrastructure' a risk based prioritisation methodology is being incorporated for 2019/20 onwards.</i></p> <p>Parapets have been ranked using an in-house system of factors.</p>
<p><b>Implications of Underinvestment</b></p>	<p><i>Increase in Bridge / Road restrictions or closures.</i></p> <p><i>Communities left isolated should any single access areas have closures imposed.</i></p> <p><i>Inspections, assessments and works will need to be prioritised to best manage the risks and available funding against the Council's responsibilities for its assets.</i></p>
<p><b>Statutory Duties</b></p>	<p>Roads Scotland Act 1984 to ensure this is properly applied, the following guidance documents are followed:</p> <ul style="list-style-type: none"> <li>- UK Roads Liaison Group Code of Practice 'Well-managed highway infrastructure' along with associated SCOTS guidance / frameworks.</li> <li>- Design Manual for Roads &amp; Bridges</li> <li>- Eurocodes</li> </ul> <p>New Road and Street Works Act 1991</p> <p>Various other associated statutory instruments</p>

## STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

<b>Asset Group</b>	<i>Car Parking</i>	
<b>Service Area</b>	<i>Roads and Amenity Services</i>	
<b>Responsible 3<sup>rd</sup> Tier Manager</b>	<i>Hugh O'Neill – Network and Standards Manager</i>	
<b>2018/19 Investment</b>	<i>Nil capital £1M Revenue</i>	
<b>2019/20 Anticipated Investment</b>	<i>Nil Capital £1.25M revenue</i>	
<b>Proposed Outcome from the 2019/2020 investment</b>	<i>Improvements to lining, car park surfaces and associated maintenance of grounds and parking machines. As well as subsidising roads maintenance and traffic management improvements. Improve current condition of sites with the most deterioration in line with finances available. Increase number of wardens by 3 FTE's.</i>	
<b>3 Years of Indicative Funding And The Projected Outcomes</b>	<b>2020/21</b>	<b>2021/22</b>
	<i>Nil capital £1.51M revenue Improvements to lining, car park surfaces and associated maintenance of grounds and parking machines. As well as subsidising roads maintenance and traffic management improvements. Improve current condition of sites with the most deterioration in line with finances available.</i>	<i>Nil Capital £1.51M revenue Improvements to lining, car park surfaces and associated maintenance of grounds and parking machines. As well as subsidising roads maintenance and traffic management improvements. Improve current condition of sites with the most deterioration in line with finances available.</i>
<b>Backlog Maintenance Figure</b>	<i>Argyll and Bute have 118 off street car parks all in various states of repair. To bring the car park to A1 condition regarding the surface, access and associated amenities such as toilets, grass cutting and picnic areas this is estimated at £10M</i>	
<b>Match Funding Opportunities/ External Funding</b>	<b>Achieved in 2018/19</b> <i>Tourism Infrastructure Fund, award pending.</i>	
	<b>Opportunities in 2019/20</b> <i>Tourism Infrastructure if still available.</i>	
<b>Description Of Asset Group (assessment)</b>	<i>118 off street car parks of various sizes and locations throughout Argyll and Bute. Currently the majority of car parks are maintained to a satisfactory standard.  Argyll and Bute parking policy framework.</i>	

<b>Asset Management System supporting condition assessment criteria</b>	<i>No fixed scoring mechanism. Wardens and local roads inspectors report issues as and when required.</i>
<b>Methodology used to set priorities/programmes of work</b>	<i>Informal assessment process by wardens and roads inspectors</i>
<b>Implications of Underinvestment</b>	<i>Increase in 3<sup>rd</sup> party insurance claims Loss of revenue if parking meters are not fixed timeously Reduction in visitors to Argyll and Bute which would also affect the local economy/tourism and businesses. Increase in Fly-tipping</i>
<b>Statutory Duties</b>	<b><i>Health and Safety Act</i></b>

## STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

<b>Asset Group</b>	Amenity	
<b>Service Area</b>	Development and Infrastructure, RAS	
<b>Responsible 3<sup>rd</sup> Tier Manager</b>	Hugh O'Neill, principal manager Tom Murphy Operational Manager	
<b>2018/19 Investment</b>	£0.183m Capital £3.88M revenue	
<b>2019/20 Anticipated Investment</b>	£414k capital allocated at present however there is a need for additional circa £0.450m Capital. £3.88M revenue	
<b>Proposed Outcome from the 2019/2020 investment</b>	<p><i>Environmental Projects:</i> <u>Cemetery Extensions and infrastructure.</u> We currently have in excess of 14 cemeteries which have reached end-of-life from a total of 131 (currently 66 are live and able to accept new internments). Proposal to extend cemeteries which are at critical point and unable to accept new internments. Argyll and Bute has a statutory duty to bury the dead; this will enhance the current service and protect our reputation.</p> <p><u>Parks and Open space areas:</u> <i>Grass Playing Fields:</i> No significant drainage work has been carried out on the playing fields for over 15 years. In order to link in with our vision of communities leading healthier lives we are looking to improve drainage on identified playing fields.</p> <p><u>Children's Play areas:</u> Upgrades to facilities which are now coming to the end of their lifespan are required. We have previously involved 3<sup>rd</sup> sector assistance here however a number of play areas have not been upgraded or taken on by 3<sup>rd</sup> sector parties.</p> <p><u>Toilet Facilities:</u> Discussions have taken place over the last two years in respect of identifying public conveniences for potential income streams. We have successful partnerships in several areas who manage the facilities for a minimum fee. We will continue to build on this with a view to getting further partnerships. Turnstiles at some facilities need improvement to allow proper revenue recovery.</p>	
<b>2 Years of Indicative Funding And The Projected Outcomes</b>	<b>2020/21</b>	<b>2021/22</b>
	Nil allocated at present however there is a need for circa £1M capital identified at present. Ongoing programme of burial provision (Cemetery Extensions/Infrastructure) and enhancing sports and recreation facilities to a safe and acceptable standard.	Nil allocated at present however there is a need for circa £1M capital identified at present. Ongoing programme of burial provision (Cemetery Extensions/Infrastructure) and enhancing sports and recreation facilities to a safe and acceptable standard.

<b>Backlog Maintenance Figure</b>	<p>In 2014 an internal review was carried out on Cemetery sites which identified £980,000 would be required to upgrade sites to an acceptable standard. Since then several more sites have become full and further funding would now be required in the region of £1.2M.</p> <p>Parks and Open spaces have not been properly funded for several years and will require extensive funding to bring them to an acceptable condition, in the region of £1M</p> <p>Public Conveniences: Various public conveniences require turnstile improvements and general upgrades. £250k</p>	
<b>Match Funding Opportunities/ External Funding</b>	<p><b>Achieved in 2018/19</b></p> <p><i>Grounds maintenance contract with ACHA which brought in £48k</i></p> <p><i>Children's Play Area in Campbeltown where InspirAlba obtained £30k of external funding to renew damaged equipment, therefore reducing the strain on our departmental budget and providing a local facility which was much improved and fir for purpose. This is a process which could be built upon to create further robust partnerships to improve local amenities.</i></p> <p><b>Opportunities in 2019/20</b></p> <p>Public Conveniences: We could look at using partners where we would support them initially with a start off fund and agree they seek external funding which would bring back income to Argyll and Bute Council to improve local facilities.</p> <p>We could look at a partnership agreement with Sports Scotland to match fund some drainage projects. There is also the opportunity to create partnerships around sports facilities where user partners can seek external funding.</p>	
<b>Description Of Asset Group (assessment)</b>	<p>131 Burial Grounds In excess of 15 pitches 85 Public Conveniences 30 Childrens play areas</p>	
<b>Asset Management System supporting condition assessment criteria</b>	<p><i>Regular Inspections in line with council practices.</i></p>	
<b>Methodology used to set priorities/programmes of work</b>	<p><i>Suitability Studies carried out by internal staff.</i></p>	
<b>Implications of Underinvestment</b>	<p><i>Unable to carry out statutory duty of burying the dead and existing cemeteries would exceed available plots. Severe reputational damage</i></p> <p><i>Sports pitches would become dangerous and unfit for purpose breaching our own vision of a healthy community. Reputational damage and possibility of less younger families coming to the area.</i></p> <p><i>Breach of health and safety legislation if the toilets are not maintained to a clean condition. Underinvestment may lead to</i></p>	

	<i>the closure of our facilities which would be reputationally damaging.</i>
<b>Statutory Duties</b>	<b><i>Bury the dead – Burial and Cremation Act 2016 Health and Safety Act.</i></b>

## STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

<b>Asset Group</b>	<i>Depots</i>
<b>Service Area</b>	<i>Roads and Amenity Services, Development and Infrastructure</i>
<b>Responsible 3<sup>rd</sup> Tier Manager</b>	<i>Tom Murphy (Operations)</i>
<b>2018/19 Investment</b>	<p><b><i>Nil net Capital required from Council</i></b></p> <p><b><i>Oban depot rationalisation</i></b></p> <p><i>£77,802.54 committed (internal costs plus design fees associated to contract)</i></p> <p><b><i>Lochgilphead depot rationalisation</i></b></p> <p><i>£11,570 in internal costs with further costs to come from further work by the Roads Design Team (costs based on actual hours worked)</i></p> <p><b><i>Remainder</i></b></p> <p><i>£0</i></p>
<b>2019/20 Anticipated Investment</b>	<p><b><i>Nil net capital required</i></b></p> <p><i>Anticipated total budget 3.5million (programme) + £1,395,249.82 (Oban insurance claim)</i></p> <p><i>The 3.5million figure is based on prudential borrowing against revenue income derived from vacated depot sites plus any capital receipts from sites which are sold (Ref template TB07 Depots Council meeting February 2018). It is unlikely that this sum will be spent entirely in 2019/20 although some costs will be incurred to the internal Roads Design team in relation to developmental work on Islay, Bute and in Campbeltown (these sites comprising Phase Two of the programme after Phase One Oban and Lochgilphead). The Oban site is being fully funded through the insurance claim.</i></p> <p><b><i>The total funding would be dependent on the capital receipts received from depot disposal. It remains to be seen if or whether the monies raised from vacated sites will be sufficient to complete the depot rationalisation programme. Investment levels required to be determined on a case by case basis on realistic service requirements per site.</i></b></p> <p><i>The Oban insurance claim monies to be spent 19/20 (total contract length 27 weeks – handover expected October/November)</i></p>

<p><b>Proposed Outcome from the 2019/2020 investment</b></p>	<p><b>Oban depot rationalisation</b></p> <p>Move all services to the current Roads Depot at Jackson's Quarry. Specifically this will involve:</p> <ul style="list-style-type: none"> <li>• construction of a new office and meeting facility;</li> <li>• construction of a new fleet workshop;</li> <li>• expanding the footprint of the current site and including new hard standing for heavy vehicle parking;</li> <li>• refit of the current welfare facility;</li> <li>• relocation of the fuel tank to the depot entrance;</li> <li>• construction of material storage etc.</li> </ul> <p>It is expected that all facilities in the new Oban depot will be in A1 condition – this project represents both an improvement on the current asset condition as well as a rationalisation of assets.</p> <p>Types of work – design, construction.</p> <p><b>Lochgilphead depot rationalisation</b></p> <p>Design is underway for preparatory works including surveys and some initial elements of design in advance of preparing a tender pack for design/construction</p> <p>Types of work – preparation for design, initial design</p> <p><b>Bute, Islay, Campbeltown</b></p> <p>As Lochgilphead</p> <p>Types of work – preparation for design, initial design</p> <p><b>NOTE:</b> given the agreed depot rationalisation programme it is expected that any investment required in current assets such as the Lochgilphead fleet workshop will be only that which is absolutely necessary to safely continue the operation (managed decline) until such time as new facilities are in place</p>	
<p><b>2 Years of Indicative Funding And The Projected Outcomes</b></p>	<p><b>2020/21</b></p>	<p><b>2021/22</b></p>
	<p><b>Nil net capital required.</b> Complete Lochgilphead</p> <p>Deliver Bute; Islay and Campbeltown</p>	<p><b>Nil net capital required.</b> Deliver Dunoon and Mull</p> <p><b>NOTE:</b> these timings are based on the savings timetable (ref TB07). The actual programme is likely to run beyond the three year timeframe, with specific project timescales determined on a case by case basis</p>
<p><b>Backlog Maintenance Figure</b></p>	<p>Unknown.</p>	

	<i>Proactive capital investment in the depot rationalisation outlined above is designed to supersede any backlog maintenance requirement</i>
<b>Match Funding Opportunities/ External Funding</b>	<b>Achieved in 2018/19</b>  <i>Although not external funding per se, the Oban Depot rationalisation is being funded via insurance monies from the Mill Park depot which was destroyed by fire. The total claim is £1,473,052.36, of which £77,802.54 is committed 18/19</i>
	<b>Opportunities in 2019/20</b>  <i>As above for Oban, with £1,395,249.82 committed 19/20.</i>  <i>There are likely to be limited if any funding opportunities for the actual depot redevelopment works but there may be the opportunity to seek external funding in order to redevelop the vacated sites prior to taking them to market, particularly in relation to any future use as business incubator hubs.</i>
<b>Description Of Asset Group (assessment)</b>	<i>Main depots: 17</i>  <i>Satellite depots/storage areas: 14:</i>  <i>Average condition score (Property): 2.95; average condition rating: B</i>
<b>Asset Management System supporting condition assessment criteria</b>	<i>Concerto Property System</i>
<b>Methodology used to set priorities/programmes of work</b>	<i>The priorities for the depot rationalisation programme are determined by operational requirements alongside commercial opportunities.</i>
<b>Implications of Underinvestment</b>	<b><i>Risk: underinvestment in depot rationalisation meaning single site solutions not progressed</i></b>  <b><i>Impact: significant. The Council would continue to operate multiple sites with all the costs associated to these sites; efficiencies from shared working on service delivery would not be realised; culturally Operational Services would remain separated; lack of available land for business and industry use; lack of opportunity for wider economic growth</i></b>  <b><i>Mitigation: robust design process focussing on needs over wants; regular reporting as programme progresses; active marketing of sites to be vacated</i></b>  <b><i>Risk: general underinvestment in facilities means services cannot be delivered safely</i></b>

	<p><b>Impact:</b> the Council is unable to deliver its statutory duties in terms of roads maintenance, waste collections, burials etc.</p> <p><b>Mitigation:</b> regular monitoring of assets – potential to redefine programme if urgent needs have suitable visibility.</p>
<p><b>Statutory Duties</b></p>	<p>Specific to the operation of the sites, Health and Safety at Work Act 1974</p> <p>In general, suitable depot facilities allow the Council to meet its statutory obligations in terms of the Roads Scotland Act 1984; the Environmental Protection Act 1990; New Roads and Streetworks Act 1990; various statutory instruments.</p>

## STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

<b>Asset Group</b>	Fleet Services
<b>Service Area</b>	Development and Infrastructure
<b>Responsible 3<sup>rd</sup> Tier Manager</b>	John Blake
<b>2018/19 Investment</b>	Nil capital (£908k prudential borrowing)
<b>2019/20 Anticipated Investment</b>	Nil capital (£2310k prudential borrowing)
<b>Proposed Outcome from the 2019/2020 investment</b>	<p>Vehicle Replacement Programme;  Replacement welfare unit – Dunoon workshop;  The introduction of technology which directly attributes to efficiencies for mechanics working remotely;  Fleet structure at Ballisgate, Mull;  Tachograph centre, Lochgilphead.</p> <ol style="list-style-type: none"> <li>1. Vehicle replacement will be programmed ensuring that suitable, reliable fleet vehicles and plant equipment are available for service users.</li> <li>2. Enhanced welfare facilities for the fleet team which require replacement.</li> <li>3. The technology base items will allow the integration to current management systems therefore allowing uploads on inspections etc. to occur timeously.</li> <li>4. The investment for a tachograph centre in Lochgilphead. The tachograph centre is a commercial revenue opportunity as there are no other facilities of this time in Argyll.</li> </ol> <p>The Council has a duty to ensure vehicles are fit for purpose and comply with current legislation. In addition, capital and revenue savings have been identified in the procurement of new vehicles, this will also contribute to climate change with more modern vehicles and reduced CO2 emissions.</p> <p>The Dunoon fleet team are using welfare facilities that the Council H&amp;S have requested be replaced. The purchase of a new facility will allow the staff to have suitable toilets, staff rest areas and showers. The unit will be in the form of a pre-fabricated unit.</p> <p>The purchasing of technology based items to allow for efficiencies, in addition these technological based items will allow updates on online forms and paperwork to be completed on the islands or when travelling via ferry, therefore providing real time information to our systems but also reducing time when back at mainland workshops by having already input relevant uploads.</p> <p>The development of a tachograph centre would allow private sector organisations to have servicing and</p>

	inspections conducted through the Council tachograph centre. This would generate a revenue stream as there are no other providers of this service in Argyll.	
<b>2 Years of Indicative Funding And The Projected Outcomes</b>	<b>2020/21</b>	<b>2021/22</b>
	£1600k prudential borrowing identified at present. Ongoing replacement programme and short term priorities.	£449k capital identified at present. Prudential borrowing may be final source used). Ongoing replacement programme and short term priorities.
<b>Backlog Maintenance Figure</b>	A review of the vehicle fleet and plant equipment has been undertaken and based on increasing costs it has been decided to begin a replacement programme to ensure capital and revenue costs savings can be made. The Council did not have a vehicle replacement programme in place and a decision was taken to replace necessary vehicles with the limited capital budget available. The cost of this exercise is circa £3m per annum. Other smaller priorities are noted above.	
<b>Match Funding Opportunities/ External Funding</b>	<b>Achieved in 2018/19</b>	
	External funding through the Scottish Government will be investigated to support the drive towards the hybrid and electric vehicle agenda. No match funding is available, capital investment is required by the Council.	
	<b>Opportunities in 2019/20</b>	
	N/A.	
<b>Description Of Asset Group (assessment)</b>	The Council currently operate a combination of fleet vehicles and plant equipment (466). Periodically, replacement will be required in line with the end of life cycle of the aforementioned.	
<b>Asset Management System supporting condition assessment criteria</b>	Vehicles and plant will be maintained in line with current legislation.	
<b>Methodology used to set priorities/programmes of work</b>	Assessment and review conducted by officers.	
<b>Implications of Underinvestment</b>	The inability to provide reliable, safe fleet vehicles and plant to service users to fulfil statutory requirements relating to work plans. Ensuring suitable welfare facilities are available for the workforce and a compliant solution for fleet staff to work under cover, out-with the elements on Mull. The technology based items e.g. tablets/iPads will streamline the process with regard to form completion and uploads. The technology will allow efficiencies by introducing these items. Investment in the tachograph	

	centre promotes the Council's services and therefore offers income generation through private sector companies in Argyll.
<b>Statutory Duties</b>	Operating Licence Undertaking Health and Safety at Work Act 1974 The Road Vehicles (Construction and Use) Regulations Drivers Hours Regulations Operator Compliance Risk Score (OCRS) SEPA fuel regulations

## STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

<b>Asset Group</b>	Flood Protection Infrastructure	
<b>Service Area</b>	Infrastructure Design – Development and Infrastructure	
<b>Responsible 3<sup>rd</sup> Tier Manager</b>	Arthur McCulloch	
<b>2018/19 Investment</b>	Flood Prevention: £171k (Construction works at Antrim View and Frederick Crescent, Port Ellen) Campbeltown Flood Protection Scheme: £150k (external Scottish Government funding) <b>Total £321k</b>	
<b>2019/20 Anticipated Investment</b>	Flood Prevention: £38k Campbeltown Flood Protection Scheme: £369k (External SG funding but should include for the Council's 20% contribution. This would have been £127k when the estimate for 19-20 was £400k) <b>Total £407k</b>	
<b>Proposed Outcome from the 2019/2020 investment</b>	Flood Prevention: Flood risk reduction at Antrim View, Frederick Crescent (Port Ellen) and other small scheme sites as funding permits. Reactive works to mitigate long-standing flood risk. Involves construction of new, and improvement of existing assets.  Campbeltown Flood Protection Scheme (CFPS): Progressing scheme to detailed design stage pre-tender noting scheme value may be up to £9.3M	
<b>2 Years of Indicative Funding And The Projected Outcomes</b>	<b>2020/21</b>	<b>2021/22</b>
	£2850k which would be £570k from Council and £2280k from Scottish Government for CFPS for design and partial construction.	£5696k which would be £1139k from Council and £4557k from Scottish Government for CFPS for partial construction.
<b>Backlog Maintenance Figure</b>	The maintenance backlog on designed flood protection assets is minimal currently (Rothesay and Dunoon) as these assets are relatively new. Estimated at £250k. Current flood prevention assets are maintained under a combination of flood, coastal, and roads budgets depending upon the context.  On a wider scale there are under and un-designed flood protection assets throughout Argyll and Bute which are not formally recognised as such and may not be owned by the Council but serve this purpose e.g. the banks of the Black Lynn through Oban. There is an unknown backlog on such assets but would certainly run to tens of millions of pounds of investment to bring to an ideal condition.	
	<b>Achieved in 2018/19</b>	

<p><b>Match Funding Opportunities/ External Funding</b></p>	<p>External funding from Scottish Government for Campbeltown Flood Protection Scheme - £83k (cumulative £603k to end of 18/19 of which spend to end 18/19 forecast as £234k i.e. funding has been provided in advance of expenditure by Scottish Government)</p>
<p><b>Description Of Asset Group (assessment)</b></p>	<p><b>Opportunities in 2019/20</b></p> <p>Scottish Government has notified the Council that it is to award £4.184m for Campbeltown (which will be in advance of actual expenditure) and also £0.155m for Flood studies. For Campbeltown the Scottish Government is expected to contribute up to £7.464M in total over the next four years. This represents a contribution of 80% to the project.</p> <p>Designed flood protection schemes in Rothesay and Dunoon (x2). No formal condition rating but assessed as good condition/green status.</p> <p>Other structures which provide flood protection to population centres would require to be documented in order to quantify the asset, owner, and condition. This is in part the purpose of the Local Flood Risk Management Plan, to assess risk in those areas affected by flooding.</p> <p>The current focus is delivery the two Local Flood Risk Management Plans which relate to Argyll and Bute as described in the Strategic Asset Management Plan.</p>
<p><b>Asset Management System supporting condition assessment criteria</b></p>	<p>There is no condition index currently in use for measuring the condition of flood protection assets.</p>
<p><b>Methodology used to set priorities/programmes of work</b></p>	<p>On a strategic scale this is through the Local Flood Risk Management Plan(s) and the SEPA led National Flood Risk Assessment process to consider local history and impact of flooding as well as national flood risk based on climate change predictions. The cost of implementing each scheme has to exceed the damages avoided.</p>
<p><b>Implications of Underinvestment</b></p>	<p>A key risk is loss of investment from Scottish Government. There is a defined process currently for assessing flood risk and prioritising investment across Scotland. If ABC do not participate in this process then the potential for 80% funding of flood schemes is lost.</p> <p>The long term risk without ongoing flood protection works is an increase in flood damages and impact on residential and commercial areas as well as impact on transport infrastructure which are key lifelines in Argyll and Bute.</p> <p>Populated areas on the coast are most at risk to long term rising sea levels based on the latest climate change predictions and how these are to be dealt will need to be considered.</p>

<b>Statutory Duties</b>	Defined by the Flood Risk Management Act (Scotland) 2009
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## STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

<b>Asset Group</b>	<i>Housing</i>	
<b>Service Area</b>	<i>Development and Infrastructure</i>	
<b>Responsible 3<sup>rd</sup> Tier Manager</b>	<i>Matt Mulderrig</i>	
<b>2018/19 Investment</b>	<i>Nil Capital £15 000 revenue</i>	
<b>2019/20 Anticipated Investment</b>	<i>Nil capital £25 000 revenue</i>	
<b>Proposed Outcome from the 2019/2020 investment</b>	<p><i>Carry out effective reactive maintenance of all properties and also carry out survey of Council owned properties to determine level of Capital investment required:-</i></p> <p><i>Women’s Aid Refuge, Dunoon</i>  <i>6 Council owned flats, Helensburgh</i>  <i>1 Council owned flat, Lochgilphead</i></p> <p><i>Maintenance work carried out to ensure that the properties are fit for occupation as temporary accommodation in order that the Council can meet Statutory Obligations under the Housing (Scotland) Act 1987 and the Housing (Scotland) Act 2001 as amended.</i></p>	
<b>3 Years of Indicative Funding And The Projected Outcomes</b>	<b>2020/21</b>	<b>2021/22</b>
	<p><i>Nil capital £50 000 revenue</i>  <i>Carry out effective reactive maintenance of all properties.</i></p> <p><i>Start a planned Capital maintenance programme based on the results and recommendations of the surveys carried out in 2019/20</i></p>	<p><i>Nil capital £50 000 revenue</i>  <i>Carry out effective reactive maintenance of all properties.</i></p> <p><i>Start a planned Capital maintenance programme based on the results and recommendations of the surveys carried out in 2019/20</i></p>
<b>Backlog Maintenance Figure</b>	<i>No significant costs have been identified during 2018/19 when routine maintenance has been carried out to the buildings</i>	
<b>Match Funding Opportunities/ External Funding</b>	<b>Achieved in 2018/19</b>	
	<i>n/a</i>	
<b>Description Of Asset Group (assessment)</b>	<b>Opportunities in 2019/20</b>	
	<i>n/a</i>	
<b>Description Of Asset Group (assessment)</b>	<p>1 Women’s Aid Refuge Dunoon</p> <p>Block of six one bedroom flats, Helensburgh</p>	

	One three bedroom property in Lochgilphead
<b>Asset Management System supporting condition assessment criteria</b>	<i>The condition of the properties need to meet the Scottish Social Housing Quality Standard(SHQS)</i>
<b>Methodology used to set priorities/programmes of work</b>	<i>Annual property condition reports carried out by Property services will inform any required programme of works</i>
<b>Implications of Underinvestment</b>	<i>Failure to maintain the assets to the SHQS standard would mean that the Council would struggle to fulfil statutory duties to homeless households. In particular if the Women's Aid refuge is not maintained to an acceptable standard the Council would be at risk of not being able to provide emergency appropriate accommodation for women fleeing violence.</i>
<b>Statutory Duties</b>	Housing (Scotland) Act 1987 (Duty to assess homelessness and duties to those homeless and threatened with homelessness. Housing (Scotland) Act 2001 (Homelessness strategies, advice on homelessness, review of decisions) Housing (Scotland) Act 2010 (Assessment and provision of housing support). The Housing Support Services (Homelessness) (Scotland) Regulations 2012

## STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

<b>Asset Group</b>	<i>Marine</i>	
<b>Service Area</b>	<i>Marine Operations, Roads and Amenity Services</i>	
<b>Responsible 3<sup>rd</sup> Tier Manager</b>	<i>Stewart Clark</i>	
<b>2018/19 Investment</b>	<i>Nil net capital by A&amp;BC £2.336M by Prudential Borrowing</i>	
<b>2019/20 Anticipated Investment</b>	<i>Nil net capital by A&amp;BC £4.800M by Prudential Borrowing</i>	
<b>Proposed Outcome from the 2019/2020 investment</b>	<i>This budget is ring fenced from Fees and Charges paid to the Council for the use of Marine Assets. The 10 year Marine Asset Management Plan has been reported through the Harbour Board.</i>	
<b>2 Years of Indicative Funding And The Projected Outcomes</b>	<b>2020/21</b>	<b>2021/22</b>
	<i>Nil net capital by A&amp;BC £4.56M by Prudential Borrowing</i>	<i>Nil net capital by A&amp;BC £7.13M by Prudential Borrowing</i>
<b>Backlog Maintenance Figure</b>	<i>Currently not known. However, principal surveys are being carried out on a number of the marine assets which will inform the Marine Asset Plan of the future priorities. <b>Note funding sources for investment in ferry fleet still to be ascertained – see addendum for dates and estimated capital spend</b></i>	
<b>Match Funding Opportunities/ External Funding</b>	<b>Achieved in 2018/19</b>	
	<i>The service generated £5,679,516 through Fees and Charges for use of the Council's Marine Assets in 2017/18. A similar level of income is anticipated for 2018/19.</i>	
	<b>Opportunities in 2019/20</b>	
	<i>£5.7M of fee income is anticipated from external parties for the use of the Council's Marine Assets.</i>	
<b>Description Of Asset Group (assessment)</b>	<i>The asset group includes piers, harbours, slipways, linkspans, breakwaters and associated marine infrastructure at 39 piers and harbours across Argyll and Bute. These range from small mass masonry slipways to multi-purpose facilities such as Campbeltown which provides service to a local fishing fleet, passenger ferries, commercial traffic and MoD vessels.</i>	
<b>Asset Management System supporting condition assessment criteria</b>	<i>Currently no national scoring system. However, the individual structure are scored individually as part of the condition assessment associated with the inspection process.</i>	

<b>Methodology used to set priorities/programmes of work</b>	<i>The priorities have been set based on the demand of service users (e.g. Transport Scotland Vessel Deployment Strategy). A ten year asset management plan has been produced, this document having been reported to previous Harbour Boards.</i>
<b>Implications of Underinvestment</b>	<i>Marine infrastructure assets need to be fit for purpose, comply with the Port Marine Safety Code (PMSC) and, in general, be to the satisfaction of the MCA.</i>
<b>Statutory Duties</b>	<ul style="list-style-type: none"> <li>• <i>Port Marine Safety Code (PMSC)</i></li> <li>• <i>The Health and Safety at Work etc. Act 1974</i></li> <li>• <i>Management of Health and Safety at Work Regulations 1999</i></li> <li>• <i>The Workplace (Health, Safety and Welfare) Regulations 1992</i></li> <li>• <i>The Provision and Use of Work Equipment Regulations 1998</i></li> <li>• <i>The Lifting Operations and Lifting Equipment Regulations 1998</i></li> <li>• <i>The Electricity at Work Regulations 1989</i></li> <li>• <i>The Gas Safety (Installation and Use) Regulations 1998</i></li> <li>• <i>The Dangerous Substance and Explosive Atmosphere Regulations 2002</i></li> <li>• <i>The Control of Asbestos Regulations 2006</i></li> <li>• <i>Fire Scotland Act 2005</i></li> <li>• <i>Fire Safety (Scotland) Regulations 2006</i></li> </ul>

**ADDENDUM**

Aging ferry fleet will incur addition expense for maintenance / breakdown, issue with obsolete spares and potential interruptions to service timetables. Replacement costs in following order: £220K Easdale (2019/20); £500k – Lismore (2020/21); £1200K – Belanahua (2025/26); £2,000K - Eilean Dhiura (year 10). Question over the Lismore sailing - dependent upon future plans for ferry service to Lismore (one or two routes). Also, question remains over potential transfer of assets to Transport Scotland. Ferry services currently operate at an overall loss to the Council - replacement ferries could be either leased of funded through prudential borrowing.

## STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

<b>Asset Group</b>	<i>Airports</i>	
<b>Service Area</b>	<i>Strategic Transportation, Development and Infrastructure</i>	
<b>Responsible 3<sup>rd</sup> Tier Manager</b>	<i>Moya Ingram</i>	
<b>2018/19 Investment</b>	<i>Nil</i>	
<b>2019/20 Anticipated Investment</b>	<i>Nil Capital £10k to repair Oban airport boundary fence line. Revenue</i>	
<b>Proposed Outcome from the 2019/2020 investment</b>	<p><i>The Council's airfields and associated buildings and specialist vehicles will require periodic capital investment to ensure they are maintained fit for purpose and meet standards set out by the Civil Aviation Authority. Oban airport opened in 2008 and its runway has a life span of around 20-25 years. Coll and Colonsay have a longer lifespan as they experience less traffic. White lining at Oban appears to require maintenance every 5 years. This has been refreshed in 2017/18 and the cost is approximately £27k funded through current revenue. Again the lining on the islands is in better condition. There are differing issues with the island runways compared to Oban, such as weed control and goose droppings on the runway (most notably on Coll). Ditch clearance and drainage work has also been undertaken on Coll due to ponding issues adjacent to the runway.</i></p> <p><i>Fire appliances – two replaced at Oban in 2015 and each of the fire appliances on the islands were replaced in 2018 though Fleet Services as these were at the end of their life cycle. Fire fighter breathing apparatus was replaced in 2017 at a cost of circa £30k. This is expected to have a service life of 10 years.</i></p> <p><i>Meteorological equipment was recently upgraded at Oban airport.</i></p> <p><i>The boundary fence at Oban airport is in poor condition and needs to be replaced. A quote from Oban Electrics via property services has been received for £10k.</i></p>	
<b>3 Years of Indicative Funding And The Projected Outcomes</b>	<b>2020/21</b>	<b>2021/22</b>
	<i>None</i>	<i>Nil capital £20k anticipated repairs to white lining. Revenue</i>
<b>Backlog Maintenance Figure</b>		
<b>Match Funding Opportunities/ External Funding</b>	<b>Achieved in 2018/19</b>	
	<p><i>European Funding through Smart Peripheral and Remote Airports (SPARA) – HITRANS. £20k for new waiting room furniture and signage at Oban airport.</i></p>	
	<b>Opportunities in 2019/20</b>	

	<i>Development of Oban airport and air services to the central belt has been included as a Rural Growth Deal project (£3.5M).</i>
<b>Description Of Asset Group (assessment)</b>	<i>Oban, Coll and Colonsay airports – Oban runway length 1200m, Coll and Colonsay runway lengths 500m. Both Coll and Colonsay have a small terminal facility comprising of office/waiting area/integral garage. Oban airport has a larger terminal building comprising of office/crew commander room/meeting room/waiting area/drying area/integral double garage. Oban airport also has a tower from which a Flight Information Service is offered. The current overall condition of the asset group is good.</i>
<b>Asset Management System supporting condition assessment criteria</b>	<i>Building condition matrix, road condition index</i>
<b>Methodology used to set priorities/programmes of work</b>	<i>Runway Inspections are held daily with any defects noted. Annually the Civil Aviation Authority will undertake aerodrome audits at all three airports.</i>
<b>Implications of Underinvestment</b>	<i>Argyll and Bute Council operate three licensed aerodromes at Oban, Coll and Colonsay. These aerodromes are licensed by the Civil Aviation Authority as required by law to allow scheduled passenger flight services (for use by paying members of the public) to land and take off. The license stipulates the required safety standards and fire cover required for each aircraft movement. Operations at the licensed aerodromes are audited on a regular basis by the CAA and require the appropriate level of resource.</i>
<b>Statutory Duties</b>	<ul style="list-style-type: none"> <li><i>(i) European Commission Legislation Regulation (EC) No 1008/2008 of the European Parliament on operation of air services in the Community.</i></li> <li><i>(ii) Air Navigation Order (ANO). Under Article 128, the Civil Aviation Authority implements this Order by requiring that applicants/users comply with CAP168 – Licensing of Aerodromes.</i></li> </ul>

## STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

<b>Asset Group</b>	Waste Services	
<b>Service Area</b>	Development and Infrastructure	
<b>Responsible 3<sup>rd</sup> Tier Manager</b>	John Blake	
<b>2018/19 Investment</b>	£106k capital £25,000 revenue	
<b>2019/20 Anticipated Investment</b>	Nil Capital £25,000 revenue	
<b>Proposed Outcome from the 2019/2020 investment</b>	<p>Water tank and pump at Blackhill CA site; Welfare unit – Glengorm.</p> <ol style="list-style-type: none"> <li>1. Water tank and pump at Blackhill CA site</li> <li>2. Welfare unit - Glengorm.</li> </ol> <p>The Council has a duty to ensure that a suitable water supply is available for staff welfare and for operational purposes. Therefore, investment is required to ensure that this facility is in situ.</p> <p>The Glengorm waste team are using staff welfare facilities that the Council H&amp;S department have requested be replaced. This facility incorporates, toilets, a staff rest area and showers.</p>	
<b>2 Years of Indicative Funding And The Projected Outcomes</b>	<b>2020/21</b>	<b>2021/22</b>
	Nil capital Short term priorities. R&A programme yet to be agreed.	Nil capital Short term priorities. R&A programme yet to be agreed.
<b>Backlog Maintenance Figure</b>	A review of the facilities has been undertaken by officers and a request for funding is requested through this proposal.	
<b>Match Funding Opportunities/ External Funding</b>	<b>Achieved in 2018/19</b>	
	Capital funding to be requested and allocated to waste services. Improvements are required on-site.	
	<b>Opportunities in 2019/20</b>	
	N/A.	
<b>Description Of Asset Group (assessment)</b>	N/A.	
<b>Asset Management System supporting condition assessment criteria</b>	To comply with SEPA regulations and the Health and Safety at Work act 1974.	

<b>Methodology used to set priorities/programmes of work</b>	Assessment and review conducted by officers.
<b>Implications of Underinvestment</b>	<p>Ensuring suitable staff welfare facilities are available for the workforce which include toilets, a staff rest area and showers.</p> <p>Being compliant with SEPA by introducing a facility for water at the CA site in Blackhill.</p>
<b>Statutory Duties</b>	<p>Health and Safety at Work Act 1974  Refuse and Amenity Act 1978  Environmental Protection Act 1990  Waste (Scotland) Act 2012</p>

## STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

<b>Asset Group</b>	<i>Capital Regeneration Programme</i>																		
<b>Service Area</b>	<i>Economic Development, CHORD</i>																		
<b>Responsible 3<sup>rd</sup> Tier Manager</b>	<i>John Gordon – CHORD Programme Manager</i>																		
<b>2018/19 Investment</b>	<i>£12.922m £11.931M gross</i>																		
<b>2019/20 Anticipated Investment</b>	<i>£7.381m £7.893M gross</i>																		
<b>Proposed Outcome from the 2019/2020 investment</b>	<ol style="list-style-type: none"> <li>1. Agree Final Account for the Queens Hall Refurbishment and Public Realm Improvements</li> <li>2. Works for the restoration of Rothesay Pavilion, a Grade A Listed Structure, and one of the Top 10 Buildings constructed in Scotland in the last 100 years.</li> <li>3. Construction works on the Helensburgh Waterfront Development</li> </ol>																		
<b>2 Years of Indicative Funding And The Projected Outcomes</b>	<b>2020/21</b>	<b>2021/22</b>																	
	<i>Niltbc £17.244M gross</i>	<i>£0tbc</i>																	
	<i>3 (above)</i>																		
<b>Backlog Maintenance Figure</b>	£0 – capital investment in refurbishment, restoration address any backlog maintenance issues.																		
<b>Match Funding Opportunities/ External Funding</b>	<b>Achieved in 2018/19</b>																		
	<ol style="list-style-type: none"> <li>2. Restoration of Rothesay Pavilion</li> </ol> <table border="1" data-bbox="730 1317 1321 1668"> <thead> <tr> <th style="background-color: #4F7942; color: white;">INCOME</th> <th style="background-color: #4F7942; color: white;">18-19</th> </tr> </thead> <tbody> <tr> <td>Heritage Lottery Fund</td> <td>1,694,203</td> </tr> <tr> <td>European Regional Development Fund</td> <td>518000</td> </tr> <tr> <td>Historic Environment Scotland</td> <td>150,000</td> </tr> <tr> <td>Highlands &amp; Islands Enterprise</td> <td>600,778</td> </tr> <tr> <td>Regeneration Capital Grant Fund</td> <td>0</td> </tr> <tr> <td>Coastal Communities Fund</td> <td>0</td> </tr> <tr> <td>Scottish Landfill Communities Fund</td> <td>0</td> </tr> <tr> <td>Trusts/Foundations secured</td> <td>232,949</td> </tr> </tbody> </table>		INCOME	18-19	Heritage Lottery Fund	1,694,203	European Regional Development Fund	518000	Historic Environment Scotland	150,000	Highlands & Islands Enterprise	600,778	Regeneration Capital Grant Fund	0	Coastal Communities Fund	0	Scottish Landfill Communities Fund	0	Trusts/Foundations secured
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	<table border="1" data-bbox="730 170 1326 521"> <thead> <tr> <th data-bbox="730 170 1182 210">INCOME</th> <th data-bbox="1182 170 1326 210">19-20</th> </tr> </thead> <tbody> <tr> <td data-bbox="730 210 1182 250">Heritage Lottery Fund</td> <td data-bbox="1182 210 1326 250">1,875,801</td> </tr> <tr> <td data-bbox="730 250 1182 291">European Regional Development Fund</td> <td data-bbox="1182 250 1326 291">537,602</td> </tr> <tr> <td data-bbox="730 291 1182 331">Historic Environment Scotland</td> <td data-bbox="1182 291 1326 331">225,000</td> </tr> <tr> <td data-bbox="730 331 1182 371">Highlands &amp; Islands Enterprise</td> <td data-bbox="1182 331 1326 371">75,000</td> </tr> <tr> <td data-bbox="730 371 1182 412">Regeneration Capital Grant Fund</td> <td data-bbox="1182 371 1326 412">0</td> </tr> <tr> <td data-bbox="730 412 1182 452">Coastal Communities Fund</td> <td data-bbox="1182 412 1326 452">0</td> </tr> <tr> <td data-bbox="730 452 1182 492">Scottish Landfill Communities Fund</td> <td data-bbox="1182 452 1326 492">0</td> </tr> <tr> <td data-bbox="730 492 1182 521">Trusts/Foundations secured</td> <td data-bbox="1182 492 1326 521">141,957</td> </tr> </tbody> </table> <p data-bbox="639 562 1134 591"><b>3. Helensburgh Waterfront Development</b></p> <ul data-bbox="691 600 1246 779" style="list-style-type: none"> <li>• LIBOR Grant Funding - £5M</li> <li>• S75 Funds - £0.195M</li> <li>• A&amp;BC Unallocated Reserves - £0.110M</li> <li>• TBA - £1.000M (Receipt from Future Retail Development)</li> </ul>	INCOME	19-20	Heritage Lottery Fund	1,875,801	European Regional Development Fund	537,602	Historic Environment Scotland	225,000	Highlands & Islands Enterprise	75,000	Regeneration Capital Grant Fund	0	Coastal Communities Fund	0	Scottish Landfill Communities Fund	0	Trusts/Foundations secured	141,957
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Scottish Landfill Communities Fund	0																		
Trusts/Foundations secured	141,957																		
<b>Description Of Asset Group (assessment)</b>	Combination of public realm improvements, maritime visitor and transit berthing facilities, building restoration/refurbishment, and development of new building and associated external infrastructure.																		
<b>Asset Management System supporting condition assessment criteria</b>	<i>Condition assessed by combination of condition and structural surveys, asbestos management and demolition surveys, and/or ground and site investigations</i>																		
<b>Methodology used to set priorities/programmes of work</b>	<i>Argyll and Bute Council agreed to an ambitious and forward-looking programme to assist regeneration and economic development in five of its waterfront towns - Campbeltown, Helensburgh, Oban, Rothesay and Dunoon. In November 2008, the Council unanimously agreed to allocate more than £30 million to the programme, since named 'CHORD'.</i>																		
<b>Implications of Underinvestment</b>	<p data-bbox="639 1290 1406 1532"><b>2. Restoration of Rothesay Pavilion is supported by match funding/external funding support from six key funding organisations. Should A&amp;BC be unable to provide its' funding contribution then completion of the restoration works would be put at risk. Additionally as a consequence of the various funding agreements A&amp;BC could be required to repay some or all of the external funding:</b></p> <ul data-bbox="691 1541 935 1756" style="list-style-type: none"> <li>• RCGF - £0.625M</li> <li>• CCF - £0.6M</li> <li>• HIE - £0.75M</li> <li>• HES - £0.75M</li> <li>• HLF - £4.188M</li> <li>• ERDF - £1.056M</li> </ul> <p data-bbox="639 1796 1374 1863"><i>In addition the Rothesay Pavilion Charity has secured funding contributions of £0.446M</i></p> <p data-bbox="639 1904 1398 2110"><b>3. Helensburgh Waterfront Development focusses on the pierhead site where the current swimming pool / leisure centre is located. The site, which extends out into the River Clyde, is currently at risk from coastal flooding, and this risk is only predicted to increase as a consequence of the latest Climate Change Predictions (UKCP18). Failure to improve the flood</b></p>																		

	<i>defences to the site will place the existing swimming pool/leisure centre at greater risk from flooding, with the greatest risk arising from the plant/filtration room being flooded and putting the swimming pool out of operation. Additionally the current swimming pool/leisure centre has passed its design life, despite refurbishment works being undertaken in 2007, to extend that life by 10years (to 2017).</i>
<b>Statutory Duties</b>	<i>2. Rothesay Pavilion is an Grade 'A' Listed building</i>

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