

## SERVICE ANNUAL PERFORMANCE REPORT

<b>COMMERCIAL SERVICES</b>	<b>PERIOD: FINANCIAL YEAR 2019/20</b>
<b>DELIVERING OUR OUTCOMES – CASE STUDIES ILLUSTRATING THE POSITIVE CONTRIBUTION TO OUR COMMUNITIES</b>	
<b>Corporate Outcome: Children And Young People Have The Best Possible Start</b>	
<b>Business Outcome 107 The Support And Lifestyle Needs Of Our Children, Young People And Their Families Are Met</b>	
<p>1. The Council has once again been recognised for offering fresh, healthy and sustainable school lunches, and were awarded the Soil Association Scotland’s Bronze Food For Life Served Here award. This award is a widely respected and independently assessed scheme, supported by the Scottish Government, which helps local authorities to source food from the local area for school meals so that children benefit from freshly prepared, sustainable meals. It recognises councils that serve food made from fresh ingredients, free from genetically modified ingredients and undesirable additives, using free-range eggs and high-welfare meat. The catering service serves 4,300 Food for Life accredited meals a day.</p>	
<b>Corporate Outcome: We Have An Infrastructure That Supports Sustainable Growth</b>	
<b>Business Outcome 113 Our Infrastructure Is Safe And Fit For The Future</b>	
<p>1. The CRC Energy efficiency Scheme is a UK Government initiative which applies to large energy users in the public and private sectors, including supermarkets, water companies, banks, local authorities and all central government sectors. The Scheme aims to incentivise energy efficiency and cut emissions. Organisations which meet the qualification criteria are required to participate and must buy/surrender allowances for every tonne of carbon they emit. Argyll and Bute Council met the qualifying criteria for phase 2 of the Scheme which was conducted from 1<sup>st</sup> April 2014 to 31<sup>st</sup> March 2019. During this period the Council reduced carbon emissions from 18,845 to 10,285 CO<sub>2</sub> Tonnes (circa 45%), and associated annual costs also reduced substantially from £293,778 to £142,122 (circa 52%). A significant contributor to the carbon emissions reduction has been the de-carbonisation of the electrical grid, however Council initiatives that have made a positive impact include LED street lighting programme and the implementation of renewable projects. The cost reduction has largely been attributed to the linked reduction in emissions but final year participation also involved some successful carbon trading in the secondary markets. The CRC Scheme closed on 31<sup>st</sup> March 2019 and is being replaced by the introduction of significantly higher charges within the existing CCL charging mechanism. It is estimated that the Council will incur additional CCL charges of circa £70,000 per annum which is however considerably less than CRC Scheme participation.</p>	

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### Corporate Outcome: We Have An Infrastructure That Supports Sustainable Growth

#### Business Outcome 113 Our Infrastructure Is Safe And Fit For The Future

2. In February 2018, as part of the budget process, the Council approved and commenced the implementation of the 'One Council' property approach, which has seen a change in management of the Council's land and buildings to a proactive property development service. The One Council approach involves a staffing, cultural, and accounting restructure on the understanding that the team would generate additional cashable benefits.

The One Council approach has generated a number of successes and benefits for the period April 2019 to march 2020, including:-

- Generating capital receipts from the sale of surplus properties will also support the private sector in the development of a new care home, a mixed use restaurant, deli and events space and support the expansion of local businesses.
- Undertaken over 100 asset valuations to meet financial reporting deadlines.
- Acquired the former RBS bank in Rothesay for a nominal sum to facilitate a Townscape Heritage Initiative (THI) project to refurbish a prominent commercial / residential block.
- Negotiated access rights with a housing developer to provide social housing and an exchange of land to allow a local business to develop in our island communities while also generating an income.
- Procured site investigations at Oban Airport Business Park and Tweeddale Street car park in Oban to assess development costs for key projects.