

EAST RENFREWSHIRE COUNCIL

24 June 2015

Report by Chief Executive

Influencing the future of East Renfrewshire

**PURPOSE OF REPORT**

1. To seek approval of key areas where we wish to seek greater powers or resources from Government to shape the future of East Renfrewshire as an area of continuing and enhanced prosperity.

**RECOMMENDATIONS**

2. The Council should consider if it wishes to:
- approve the 8 key areas in the "Influencing the future statement" (Appendix 1) which outline where the Council wish to seek greater powers or resources
  - support and promote the statement in all relevant discussions with Scottish Ministers/ COSLA/ Scottish and UK Government.

**BACKGROUND**

3. There are regular requests from COSLA and Scottish Ministers (during visits) for the Council to outline their key concerns relating to powers or lack of resources. Therefore, the CMT agreed that it would be useful to produce **a statement** aimed at the Government which sets out key areas that we, as a Council, would like to have the powers or resources to change. The focus was on identifying areas which made sense to residents to ensure the future prosperity of East Renfrewshire.

**REPORT**

4. A range of issues emerged from discussions with Directors. These included requests to devolve powers more locally or to amend existing legislation. There are different ways which the Council can proceed depending upon the specific area of the legislation that we wish to change.

**How would we challenge existing legislation or ask for devolved powers?**

5. The Scottish Parliament has full powers in relation to legislating for the functions and powers of councils who can only act within the powers provided to them. The Scottish Parliament at Holyrood can pass laws on devolved matters – in general, those affecting most aspects of day-to-day life in Scotland. **Issues raised by Directors were mainly devolved matters.** The Scottish Parliament makes laws by passing bills. It also has the power to approve or reject subordinate legislation.

5.1 **Changes to legislation** – Parliament or its committees may investigate how the Government implements the Act and would consider any future Bills that amended or replaced it. Future changes to the law happen through the passing of another Act or delegated legislation. An Act can also be repealed so that its provisions no longer apply. Parliamentary committees examine laws and recommend the removal of out of date legislation. Therefore, elected members can influence Parliament to review legislation or to review an area of legislation (related to the specific area of the legislation that is problematic). Meanwhile officers/members can also discuss the issue with Scottish Government whose civil servants draft the legislation on their behalf.

5.2 **Changes to powers**- depending upon the legislation, it may be possible to ask for Scottish Ministers for the creation of an order to define or amend powers.

5.3 If we deem that an area of **legislation is unlawful**, we can challenge this at judicial review.

### **Key areas identified**

6. A list of 8 key areas emerged and these are included in Appendix 1. A brief summary of each area is included below:

#### **KEY AREA 1            Devolved powers to manage school assets more effectively**

The Council should have greater powers to make decisions to its school estate especially in relation to opening schools, merging schools and building annexes. The level of consultation required creates unnecessary delays.

What needs to change: Schools Consultation (Scotland) Act 2010. *This would involve lobbying Scottish Ministers to make changes through Scottish Parliament.*

#### **KEY AREA 2            Placing requests review of legislation**

In 2008, the Council successfully legally challenged a neighbouring Council for their obligation to provide for the additional support needs of the children who were attending school in East Renfrewshire via a placing request. Although we are now receiving funds to provide PSA's in schools under this arrangement, there is still debate about the responsibilities between councils for paying additional support needs especially if the child's needs have not been identified until they have transferred into the council area. There are also other areas of the legislation that should be updated and the acts should be consolidated.

What needs to change: Education (Scotland) Act 1980, Education (Additional Support for Learning) (Scotland) Act 2009,

#### **KEY AREA 3            The Scottish Reporters decision is binding and final and can only be appealed on points of law in the Court of Session.**

The Council believes this approach i.e. a single Reporter making a binding decision does not represent local democracy.

What needs to change: Planning etc (Scotland) Act 2006 *This would involve lobbying Scottish Ministers to make changes through Scottish Parliament.*

**KEY AREA 4                    Require investment (SFT) in the following schools:**

- a. Neilston Primary and St. Thomas' Primary (property condition rating C). Both schools are in Neilston and the Council could examine the feasibility of a shared campus, even with the library and local swimming pool (both condition rating as B).
- b. Carolside Primary (school roll of 816- one of the three largest primary schools in East Renfrewshire- property condition rating C)

**KEY AREA 5                    Improved formula for Local Government Grant Settlement to reflect the importance/cost implications of the rise in elderly especially the population aged over 85's**

From 2001 to 2011, there was a 42 per cent increase\* in the actual number of people aged 85 and over in East Renfrewshire. The Council has the second highest life expectancy rates in Scotland. Growing numbers of elderly people have a significant impact on Health and Social Care Partnership services. The Department of Health estimates that the average cost of providing hospital and community health services for a person aged 85 years or more is around three times greater than for a person aged 65 to 74 years.

What needs to change: Local Government Finance (Scotland) Act 1992. *This would involve lobbying COSLA (Local Government Finance Team)/ Scottish Ministers to encourage, when the distribution settlement is next due to be reviewed, to include this change to the range of indicators used for the Local Government Finance Settlement.*

\*Source: Census 2001/2011

**KEY AREA 6                    Increased funding to ensure the effective implementation of the Children and Young People Act**

The Council received £170,000 to fund the implementation of the Children and Young People Act as a whole for 2015/16. There will be other funding requirements to assist with the implementation of the Act and this is currently in the process of being scoped out. Nevertheless this funding will not cover the considerable costs incurred by the extension of the age to which care leavers can receive support. From April 2015, teenagers in residential, foster or kinship care who turn 16 will be entitled to remain looked after until the age of 21 under new provisions proposed for the Children and Young People Act. The Council has a statutory duty to provide support up to the age of 26-years-old for care leavers to help them move into independent living.

*Elected members should lobby COSLA (Local Government Finance Team)/ Scottish Ministers to ask for additional funding via the Local Government Finance Settlement.*

**KEY AREA 7                    Require funding to support the implementation of the new Scottish Teachers' Pension Scheme**

The new Scheme employer contribution rate will be 16.4% up from the existing rate of 14.1%. This will be payable from September 2015. Based on the budgeted teaching costs for 2015/16, a 2.3% increase in employer's superannuation contributions for teachers would cost the Council approximately £1.1m in a full year. This equates to a part year increase of £650,000 in 2015/16. The Council needs to find this additional money from existing budgets (part of savings). This increase should be reflected in the Local Government Finance Settlement.

*Elected members should lobby COSLA (Local Government Finance Team)/ Scottish Ministers to ask for additional funding via the Local Government Finance Settlement.*

## **KEY AREA 8    Require funding to support the implementation of the abolition of the National Insurance rebate due to come into effect in 2016/17**

The new flat-rate pension replaces the current basic pension of £107 a week, plus various means-tested top-ups, and will come into effect in 2016. The change involves merging the state second pension with the basic state pension. This will abolish the current practice whereby employees get a National Insurance (NI) rebate of 3.4% for contracting out of the second state pension to enter final-salary schemes, which affect more workers in the public sector such as in the NHS, the UK's largest employer. Employers will now have to pay higher NI, amounting to that 3.4% of their employees' relevant earnings. It is estimated that the cost to the Council of this change is approx £2m per annum. The Treasury revealed that public-sector employers will pay £3.33bn and employees £1.37bn more to the Treasury in 2016-17 as a result of bringing in the pension earlier.

*Elected members should lobby Government Ministers to ask for additional funding.*

## **FINANCE AND EFFICIENCY**

7.     There are no specific financial implications arising from this report.

## **CONSULTATION**

8.     The Corporate Management Team and key officers in both Legal and Accountancy were consulted to identify the key areas for inclusion in the statement.

## **CONCLUSION**

9.     A common theme that emerged through discussion with officers was the importance that the resourcing arrangements for new government policies are provided in a way that ensures local accountability and the flexibility to deliver resources and target local outcomes for communities. This would ensure that the Council can use resources to target areas of greatest need and gain maximum impact.

10.    It is intended that the statement will be promoted amongst elected members and key officers for discussion with Government Ministers. By influencing the way which these powers/ resources are distributed we will continue to protect, enhance and develop East Renfrewshire as a place to live, invest and visit. The statement will be refreshed and presented to Council on an annual basis.

## **RECOMMENDATIONS**

11.    The Council should consider if it wishes to:

- approve the 8 key areas in the "Influencing the future statement" (Appendix 1) which outline where the Council wish to seek greater powers or resources with Scottish Ministers/ COSLA/ Scottish and UK Government.
- support and promote the statement in all relevant discussions.

**Lorraine McMillan, Chief Executive**

**KEY WORDS**

This report sets out the key areas where the Council wishes to seek greater powers or resources from Government to shape the future of East Renfrewshire. The keywords are: "influencing the future, powers, resources, future of East Renfrewshire, investment."

# Influencing the future of East Renfrewshire Statement 2015-2018

## **KEY AREA 1      Devolved powers to manage school assets more effectively**

*The Council should have greater powers to make decisions to its school estate especially in relation to opening schools, merging schools and building annexes. The level of consultation required creates unnecessary delays.*

## **KEY AREA 2      Placing requests review of legislation**

*The Education (Scotland) Act 1980 and Education (Additional Support for Learning) (Scotland) Act 2009 needs to be reviewed to ensure that support costs associated with placing requests are transferred automatically between Councils. The legislation requires updated in other areas relating to placing requests and the acts should be consolidated.*

## **KEY AREA 3      The Scottish Reporters decision is binding and final and can only be appealed on points of law in the Court of Session.**

*The Council believes this approach i.e. a single Reporter making a binding decision does not represent local democracy.*

## **KEY AREA 4      Require investment (Scottish Futures Trust funding) for replacing the following schools:**

- **Neilston Primary and St. Thomas' Primary schools, Neilston**  
*(potential shared campus with library and swimming pool)*
- **Carolside Primary school, Clarkston**

## **KEY AREA 5      Improved formula for Local Government Grant Settlement to reflect the importance/ cost implications of the rise in elderly especially the population aged over 85's**

*From 2001 to 2011, there was a 42 per cent increase\* in the actual number of people aged 85 and over in East Renfrewshire. The Council has the second highest life expectancy rates in Scotland. Growing numbers of elderly people have a significant impact on Health and Social Care Partnership services.*

## **KEY AREA 6      Increased funding to ensure the effective implementation of the Children and Young People Act**

*From April 2015, teenagers in residential, foster or kinship care who turn 16 will be entitled to remain looked after until the age of 21 under new provisions proposed for the Children and Young People Act. The Council has a statutory duty to provide support up to the age of 26-years-old for care leavers to help them move into independent living.*

## **KEY AREA 7      Require funding to support the implementation of the new Scottish Teachers' Pension Scheme**

*The new Scheme employer contribution rate will be 16.4% up from the existing rate of 14.1%. This will be payable from September 2015. The Council needs to find approx £1.1m per annum of additional money from existing budgets.*

## **KEY AREA 8      Require funding to support the implementation of the abolition of the National Insurance (NI) rebate due to come into effect in 2016/17**

*From 2016, the new flat-rate pension replaces the current basic pension of £107 a week and the state second pension will be merged with the basic state pension. Employers will now have to pay higher NI, amounting to that 3.4% of their employees' relevant earnings. It is estimated that this change will cost £2m per annum which needs to be found from existing Council budgets.*