

Department of Business Operations and Partnerships

Director: Louise Pringle

Council Headquarters, Eastwood Park, Giffnock, East Renfrewshire, G46 6UG

Phone: 0141 577 3000 Fax: 0141 577 3834

website: www.eastrenfrewshire.gov.uk

Date: 25 February 2022

When calling please ask for: Eamonn Daly (0141-577-3023)

e-mail: eamonn.daly@eastrenfrewshire.gov.uk

TO: Provost Fletcher; Deputy Provost Cunningham; and Councillors Aitken, Bamforth, Buchanan, Convery, Devlin, Gilbert, Grant, Ireland, Lafferty, Macdonald, McLean, Merrick, Miller, O'Kane, Swift and Wallace.

EAST RENFREWSHIRE COUNCIL

A meeting of the East Renfrewshire Council will be held on **Thursday 3 March 2022 at 10.00 am.**

The agenda of business is as listed below.

Please note this is a virtual meeting.

Yours faithfully

Louise Pringle

L PRINGLE

DIRECTOR OF BUSINESS OPERATION AND PARTNERSHIPS

PROGRAMME OF BUSINESS

1. **Report apologies for absence.**
2. **Declarations of Interest.**
3. **Submit for approval as a correct record and signature the Minute of meeting of the Council held on 15 December 2021.**
4. **Submit for approval as a correct record the Minutes of meetings for the period 16 December 2021 to 2 March 2022.**
- 5./...

5. Items Remitted to the Council:

- (i) **Community Empowerment (Scotland) Act 2015 – Community Asset Transfer – Report by Director of Environment (copy attached, pages 5 - 60)(Cabinet – 27 January 2022).**

Cabinet Recommendation

That the establishment of the Community Asset Transfer Review Panel, its terms of reference and membership be remitted to the Council.

- (ii) **Treasury Management Strategy Report for 2022/23 – Report by Head of Accountancy (Chief Financial Officer)(copy attached, pages 61 - 120)(Audit & Scrutiny Committee – 17 February 2022).**

Audit & Scrutiny Committee Recommendation

That the Council approve:-

- (a) **the Treasury Management Strategy for 2022/23, including the Prudential and Treasury Indicators and the amended list of organisations for investment of surplus funds;**
- (b) **the policy on the repayment of loans fund advances; and**
- (c) **the forms of investment Instruments for use as permitted investments.**

6. Notice of Motion

Consider Notice of Motion in the following terms:-

This motion requests that East Renfrewshire Council does not participate in the Scottish Government's 2021/22 Health and Well-being School Census without the proposed final version being presented to councillors at a full council meeting and its suitability for use in East Renfrewshire determined thereafter by way of a vote.

Submitted by Councillors Wallace and McLean

7. Statements by Conveners/Representatives on Joint Boards/Committees.

- 8. Provost's Engagements – Report by Director of Business Operations and Partnerships (copy attached, pages 121 - 122).**

- 9. East Renfrewshire Culture and Leisure Trust 2022/23 Business Plan – Report by Director of Education (copy attached, pages 123 - 166).**

- 10. Financial Planning 2022-2028 - Report by Head of Accountancy (Chief Financial Officer)(copy attached, pages 167 - 190).**

11. **East Renfrewshire Council Revenue Estimates 2022/23 – Report by Head of Accountancy (Chief Financial Officer) (copy attached, pages 191 - 332).**
12. **Capital Investment Strategy - Report by Head of Accountancy (Chief Financial Officer) (copy attached, pages 333 - 424).**
13. **General Fund Capital Plan 2022/23-2031/32 - Report by Head of Accountancy (Chief Financial Officer) (copy attached, pages 425 - 444).**
14. **Housing Revenue Account Budget 2022/23 – Report by Director of Environment (copy attached, pages 445 - 452).**
15. **Housing Capital Programme 2022/23 to 2031/32 – Report by Director of Environment (copy attached, pages 453 - 460).**
16. **Draft National Planning Framework 4 – Report by Director of Environment (copy attached, pages 461 - 500).**
17. **Strategic Planning - – Report by Chief Executive (copy attached, pages 501 - 510).**
18. **Scheme of Delegated Functions – Report by Director of Business Operations and Partnerships (copy attached, pages 511 - 584).**
19. **Scheme for Members’ Remuneration and Expenses 2022/23 - Report by Director of Business Operations and Partnerships (copy attached, pages 585 - 602).**

For information on how to access the virtual meeting please email eamonn.daly@eastrenfrewshire.gov.uk

A recording of the meeting will also be available following the meeting on the Council’s YouTube Channel <https://www.youtube.com/user/eastrenfrewshire/videos>

This document can be explained to you in other languages and can be provided in alternative formats such as large print and Braille. For further information, please contact Customer First on 0141 577 3001 or email customerservices@eastrenfrewshire.gov.uk

BLANK PAGE

EAST RENFREWSHIRE COUNCILCABINET27 January 2022Report by Director of EnvironmentCOMMUNITY EMPOWERMENT (SCOTLAND) ACT 2015 –
COMMUNITY ASSET TRANSFER**PURPOSE OF REPORT**

1. The purpose of this report is to seek approval to amend the Council's policy for Community Asset Transfers as governed by the Community Empowerment (Scotland) Act 2015.

RECOMMENDATIONS

2. The Cabinet is asked to:
 - a) Approve the amended Community Asset Transfer (CAT) Policy.
 - b) Approve the establishment of the CAT Working Group and CAT Leadership Group.
 - c) Support that the relevant departments notify the Asset Transfer Lead with named representatives outlined in paragraph 14 within 2 weeks of approval.
 - d) Note the upgrading to the ERC CAT webpage and literature to help communities understand the procedures required to request a transfer; and
 - e) Remit consideration of the CAT Review Panel, its terms of reference, and membership to the Council.

BACKGROUND

3. The Community Empowerment (Scotland) Act 2015 helps to empower community bodies through strengthening their voices in decisions about public services and use of public body owned buildings and land.
4. Part 5 of the Act came into force in January 2017, providing eligible community organisations the opportunity to apply to a public body to take over the occupation of publicly owned property assets (Land and/Buildings) in one of the following ways;
 - new management agreements for an existing facility or land;
 - leases (including maintenance of the property/land) and;
 - full transfer of ownership and all property responsibilities.
5. As directed by Section 80 of the Act, there are strict criteria that the community organisation must meet to be eligible to apply for a CAT including its legal structure and the need to demonstrate the community benefits an asset transfer would bring to the local area including social, economic, health and environmental. These are more fully described in Appendix One paragraph 4.

6. The Community Empowerment (Scotland) Act 2015 was reported to Cabinet in April 2016, with follow up information brought to Cabinet in subsequent years.
7. The Council's existing CAT procedure involves a 2 stage process;
 - **Stage One** - The community group completes a formal full application form including a business plan and financial information. Council officers review the application seeking any further information before notifying the community organisation of the decision.
 - **Stage Two** - If a CAT request is refused, or if granted different conditions to those on the transfer request are attached to the proposed transfer, the group have the right to appeal firstly to the Council and if the rejection or attachment of different conditions is still upheld; to the Scottish Government.
8. Since Part 5 came into effect, the Council has received 1 formal application for a Community Asset Transfer which is currently under review.

OVERVIEW OF THE NEW POLICY & KEY PRINCIPLES

9. The full revised policy proposed can be found at Appendix One.
10. The aims of the revised policy are;
 - Set out a clear and consistent approach with greater guidance available to community organisations before a formal application is lodged.
 - Ensure the community organisation meets the eligibility criteria to be a Community Transfer Body (CTB) before a formal application is lodged.
 - Improve the structure of the decision making process.
 - Implement lessons learnt from other public bodies and feedback from CTBs over the first 5 years of Part 5 of the Act being in effect.
11. The stages of the amended policy are;
 - **Stage One**- Expression of Interest (pre formal application to assist the CTB in confirming this is the best route to take and discussing other options if a CAT is not applicable for the CTB).
 - **Stage Two**- Formal Full CAT application request received, the Asset Transfer Lead (see paragraph 12) issues the relevant notifications and works with the CAT Working Group to evaluate and assess the proposal against the ERC Scoring Matrix (see Appendix Three). All information is then passed to the CAT Leadership Group to make a recommendation to Cabinet.
 - **Stage Three**- The Cabinet makes the Council's decision on the CAT application and the Asset Transfer Lead notifies the Community Transfer Body (CTB) in writing of the decision.
 - **Stage Four**- If a CAT request is refused, or the decision notice relating to the request specifies material terms or conditions which differ to a significant extent from those specified in the request the group have the right to appeal firstly to the proposed

Community Asset Transfer (CAT) Review Panel, and if the rejection or the attachment of varied terms and conditions is still upheld; to the Scottish Government. If the Cabinet fail to determine the appeal within 6 months of the validation date of the application, the CTB has the right to appeal directly to Scottish Ministers.

12. An Asset Transfer Lead will take responsibility of overseeing the CAT policy and ensuring the relevant notifications, decision letters and strict timescales are adhered to. It is proposed the Asset Transfer Lead will be the Principal Officer, Asset & Property Management. In the event a CTB seek a review of a decision taken by the Cabinet it will be dealt with by Committee Services.
13. A CAT Working Group will be formed to provide guidance to the community groups and lead in their relevant skillsets from initial enquiry through to final decision. This ensures the appropriately trained professionals are providing the best advice to the groups.
14. It is proposed the CAT Working Group will comprise;
 - a. Asset Transfer Lead - Principal Officer, Asset & Property Management
 - b. Representative – Property & Technical Services
Property related issues including valuation of assets.
 - c. Representative - Community and Learning Development
Ensures eligibility of the group, advises on the community benefit, and advises on support for the group in the wider local area and all other community related issues.
 - d. Representative - Economic Development
Advises on the Business Plan, sustainability of the business model.
 - e. Representative - Legal Services
Advises on any legal issues and formulates the agreement in appropriate format.
All other legal related matters.
 - f. Representative - Accountancy Services / Finance
Advises on the financial records and implications of any transfer for the Council.
All other finance related matters.
15. The CAT Working Group will assess applications against the proposed ERC Scoring Matrix and put forward their evaluation to the CAT Leadership Group.
16. It is proposed the CAT Leadership Group is made up of:-
 - Head of Strategic Services, Environment Department
 - Head of Operational Services, Environment Department
 - Head of Communities, Revenues & Change

It should be noted that in the event one of the above noted officers is unavailable a suitable an alternative senior officer can be substituted to ensure decisions are reached timeously.
17. The CAT Leadership Group will review the evidence and present recommendations regarding the request to the Cabinet who will make a decision on the CAT request, inclusive a decision on the discount factor to be applied to the Market Value or Market Rental for the transfer of an asset if the recommendation is to approve the request.

18. The Act is silent on the monetary value the Council should accept for the transfer of an asset. After considering the approach taken by other councils across Scotland, it is proposed up to maximum discount of 25% of the Market Value will be accepted for a transfer via an outright sale all subject to any legal tests or restrictions on disposals imposed on the council by law.
19. For leased premises while the same percentage discounts should also be apply it is important to retain flexibility to further assist organisations. Consequently further discounts for leased premises may be agreed on a case by case basis and dependent upon the community benefits which can be derived from an organisations occupation of the leased premises all subject to any legal tests or restrictions on disposals imposed on the council by law.
20. The Community Transfer Body (CTB) will be advised in writing of the outcome of the application and where the application is refused provided with information relating to the appeals process and also provide feedback on why the application has been refused.
21. When the Cabinet either refuses an asset transfer request or grants it subject to terms and conditions which differ to a significant extent from those specified in the request, the CTB has a right to appeal firstly to the proposed Community Asset Transfer (CAT) Review Panel. It is proposed that the membership of the Panel will be 5 cross-party Elected Members who are not members of the Cabinet. If the Cabinet decision to refuse the request or to grant subject to the conditions referred to above is upheld by the Panel, the CTB can appeal thereafter to Scottish Ministers.
22. Each individual case will be fully considered on its merits in line with the CAT guidance associated with part 5 of the Community Empowerment (Scotland) Act 2015 and the Council's CAT policy and process.

KEY DEPENDENCIES

23. Cabinet should note that the Community Asset Transfer Model has a number of dependencies including:
 - a) Support of CCS, Legal, Finance, Planning, Economic Development and Estates to utilise the professional skills embedded across the council's departments to help contribute to the determination of a transfer request and assisting groups seeking to transfer an asset.
 - b) Support from the named departments in paragraph 14 to put forward a representative for the Asset Lead Transfer Officer to engage and forward relevant transfer details.
 - c) Key representatives are trained to understand the Council's policy, the procedures and strict timeframes to assist in the recommendation of any CAT enquiry or application relevant to their role in the group.

FINANCE

24. There are no known finance implications but it should be noted that this process can be labour intensive and dependent on the number of requests received this may be an issue going forward.

IMPLICATIONS OF THE PROPOSALS

25. It is anticipated that while this work stream will bring additional duties that existing staff resources will be able to accommodate the workload generated by CAT applications. Should this not be the case a further review may be necessary.

CONSULTATION

26. There has been consultation within the Environment Department and the Corporate and Community Services Department to devise the new framework and with Democratic Services on arrangements for reviews to be heard.

CONCLUSION

27. The amendment to the CAT transfer policy will provide better engagement and tools to the community looking to take over management of a service or council asset.
28. The policy will ensure the Council's procedures in dealing with a CAT request are more transparent, structured and appointed Council officers (representatives) with the relevant skillsets are in place to react to community organisations. .

Further information can be obtained from: Phil Daws, Head of Environment (Strategic Services) on 0141 577 3186 or Phil.Daws@eastrenfrewshire.gov.uk

BLANK PAGE

APPENDICES

BLANK PAGE

APPENDIX ONE

THE POLICY

BLANK PAGE

East Renfrewshire Council

COMMUNITY ASSET TRANSFER POLICY (Under Part 5 of the Community Empowerment Act)

1. Vision

East Renfrewshire Council (ERC) has a long history of supporting and working with local communities and recognises the important contribution that this makes to improving outcomes for local residents particularly those experiencing the highest levels of inequality.

ERC welcomes the focus placed on empowering and supporting local people to play a more active role in improving their communities as outlined in the Community Empowerment (Scotland) Act 2015. Community Asset Transfer (CAT) can have a significant impact on realising opportunities for community empowerment, enterprise and community led regeneration in the local area. ERC is committed to working with communities to support CAT requests as a potential mechanism for encouraging community ownership and involvement in local service delivery.

ERC is fully committed to maximising its assets, building on existing partnership working with communities against an agreed set of criteria in order to support and deliver the ambitious vision set out in Community Learning and Development Plan. The Council will work with community planning partners where appropriate to implement joint approaches to support communities to actively participate in the development and delivery of shared priorities.

This policy will support CAT as a mechanism by which ERC will demonstrate its continued commitment to engagement and partnership working with the community and voluntary sector to deliver effective local services.

ERC fully supports the underpinning principles of CAT and endeavours to positively support communities throughout the CAT process. However, there may be times that in order to protect the interests of the wider community, assets may need to remain in Council ownership and/or management to support the delivery of essential services or support economic growth and activity in the area.

2. Community Empowerment (Scotland) Act 2015

This policy responds to the framework for CAT requests set out in the Community Empowerment (Scotland) Act 2015 and provides the basis upon which the Council will manage requests for the transfer of assets (buildings or land owned by the Council) made under the Part 5 of the Act.

The aim of the policy is to set out a consistent approach and clear guidance for consideration of transfer of assets (including land and buildings) by the Council to relevant community groups and organisations (herein referred to as the Community Transfer Body or CTB) in the spirit of community empowerment and ownership.

CAT involves the right for a CTB to request to manage, lease or own an asset that is currently owned (or in some circumstances leased) by East Renfrewshire Council. The Council has developed a transparent process for CAT that takes into consideration

community benefit, potential impact on council services and long term sustainability at all stages from pre request discussion to decision and where relevant, appeal.

The policy will be implemented in-line with the Council's statutory obligations for CAT outlined in Part 5 of the Community Empowerment (Scotland) Act 2015

3. Scope of East Renfrewshire Council Community Asset Transfer Policy

This policy applies to all Council staff receiving CAT requests and/or managing an opportunity for CAT. The policy also provides guidance to communities wishing to submit a Community Asset Transfer Request (CATR).

Community Asset Transfer refers to the policies and associated procedures that relevant authorities (including local authorities) may use to transfer the ownership, lease or management of an asset to a community transfer body under Part 5 of the Community Empowerment (Scotland) Act 2015. Community Asset Transfer can occur in a range of ways including:-

- new management agreements for an existing facility or land;
- leases (including maintenance of the property/land in accordance with lease terms and conditions) and;
- transfer of ownership and property responsibilities.

4. Community Transfer Body (CTB): Community Benefit and Eligibility

The Council has identified a 'First Point of Contact' officer known as the Asset Transfer Lead for CAT enquiries in order to provide guidance to community groups to assess their eligibility to become a Community Transfer Body (CTB), to signpost for additional support as required, and to ensure that the agreed process is understood and adhered to.

This will involve checking with the organisation that they meet the criteria to become a Community Transfer Body (CTB) and are able to enter into a lease or contract with the Council under the terms of the Act. For example in order to be considered as a CTB the operation, governance and practice of the group must reflect:-

- That the group is controlled and managed by community members and ensure that membership is open to any adult who wishes to join;
- It is a community benefit society the registered rules of which includes provision that the society must not have fewer than 20 members;
- An asset clause stating that any profits can only be used to benefit that community and in accordance with the aims and objectives of the organisation (as set out in their constitution or incorporation documents);
- If the request is for transfer of title (ie ownership) the CTB needs to be a not for profit organisation and a Scottish charitable incorporated organisation.
- A clear Dissolution clause that states that the assets of the company can only go to another CTB or charity.

Certain bodies are not automatically eligible for CAT unless designated by Scottish Ministers for example Community Interest Companies (CICS), Community Trusts, Foundations or enterprising Voluntary and Community organisations. Where relevant the rules of these types of organisations would need to be examined to make sure they were eligible.

Companies or other organisations established for profit, for the benefit of private shareholders or to generate equity through 'for profit' objectives, are not eligible to apply for asset transfer under Part 5 of the Community Empowerment (Scotland) Act whether in part or as a whole but may engage with the Council as part of a wider asset management process to negotiate a mutually agreeable outcome.

Additionally, any potential CTB will be required to submit an "Expression of Interest Form (Form 1)" prior to submitting an official full request to consider if they meet the necessary criteria of a CTB but also aid them to demonstrate how they will evidence that the purposes for which they intend to use the asset they are requesting is for community benefit through:-

- contribution to a developing a sustainable community;
- empowering local communities;
- ensuring equality of access and benefit;
- improved quality and efficiency of service;
- demonstrating and enhancing social value;
- partnership working with other community and voluntary sector organisations; and
- assisting local communities to achieve their aspirations.

5. Underpinning Principles of Community Asset Transfer

The following principles govern the Council's approach to Community Asset Transfer:-

- the Council welcomes community interest and requests to improve use and potential for building and land assets;
- applications to transfer assets for community benefit/interest will be considered by the Council in line with the CAT process
- Requests relating to a Council asset will be considered on an individual basis and may therefore result in terms of agreement reflecting the circumstances of the individual case and asset;
- The consideration of expressions of interest and fully developed requests for transfer of an asset should be managed in a manner that promotes positive partnership working throughout the CAT process and beyond any potential handover;
- CAT requests should demonstrate that they meet the eligibility and criteria and provide all information outlined in section 6 of this document.
- Up to a maximum discount of 25% of the Market Value will be accepted for a transfer via an outright sale, with an ability to consider further discounts for leased premises decided on a case by case basis and dependent upon the community benefits (social, environmental, health and economic).

6. Implementation of CAT process

Any CTB considering CAT as an option should, in the first instance, speak to the Council's Asset Transfer Lead who will provide information regarding the process and basic requirements and direct the group to self-assess their eligibility and readiness through the CAT page on the Council's website. To aid this process and in preparation of the official Community Asset Transfer application, the group will be asked to complete an "Expression of Interest Form".

At this point, where it is evident that the group does not meet basic eligibility criteria, and as appropriate, the group may be signposted for additional support or information to assist them to meet their aspirations in the future. If the group meet the CAT requirements, they will be directed by the Asset Transfer Lead to submit an official Community Asset Transfer Form (Form 2).

The Council will accept a CAT request which can demonstrate clear benefits to communities and the capacity of the group to deliver/manage services/assets should the application be successful. The application will be considered where eligibility seems apparent and the group will be advised of the CAT process including timescales.

6.1 CAT Process

The Community Transfer Body will be supported to submit their formal request in writing stating that the application is being made under Part 5 of the Community Empowerment (Scotland) Act 2015. The request must detail:-

- the land or building being requested;
- if purchase or rental is being requested and the cost that the community transfer body is prepared to pay along with any other relevant terms and conditions;
- the intended use of the land or building;
- how the CTB will fund and manage its plan for the CAT;
- how the CAT will help the community and that there is support for the proposal from the wider community;
- the community transfer body's rules, or a note that the group has been designated by the Scottish Ministers; and
- details of project beneficiaries and how the proposed activity will address current gaps or complement / add value to existing service provision.

On receipt of the completed request the validation date is set and the Council must acknowledge the request and communicate a decision within 6 months of this date unless an alternative timescale has been formally agreed between the two parties.

The Council will inform those who may own, rent or use the land or building about the request, as well as publicising the request online for a 4 week consultation period. The Council will publish online information and at the subject relating to live CAT requests ensuring that GDPR guidance is adhered to.

The Council will not dispose of, or sell land, to anyone except for the CTB submitting the request until the request has been concluded. Where the asset has already been advertised for sale or lease before the request was made the Council is unable to accept or progress the CAT. Acknowledgement of the request will clearly state the Council's

position in relation to whether a ban on sale or lease to other people applies or if any other asset transfer requests had been received for this asset.

The CTB will be advised in writing of the outcome of the application and where the application is refused provided with information and signposting to assist them to develop or if appropriate to meet their aspirations in relation to CAT. Depending upon the reasons for refusal the group may be referred for direct support or assistance.

The group has a right to an internal review (setting out their reasons why) by the Council initially and can further appeal to Scottish Ministers if they are not satisfied with the outcome of internal review. A CTB cannot make another CAT request for the same asset within 12 months with the same terms.

The group can also appeal directly to Scottish Ministers if a decision notice is not issued within 6 months of the date of the validation of their request

7. Decision Making

7.1 Assessment Decision

A CAT Working Group made up of key officers from across Council services including representatives of key areas of business such as property, legal, finance and communities will assess the CAT request and present evidence based on the ERC Assessment Scoring Matrix to the Council's CAT Leadership Group.

The CAT Leadership Group is made up of:-

Head of Strategic Services, Environment Department
Head of Operational Services, Environment Department
Head of Communities, Revenues & Change

The CAT Leadership Group will review the evidence and make recommendations regarding the request to East Renfrewshire Council's Cabinet to make a formal decision on the CAT request.

The CTB is then informed of the decision within timescales agreed earlier in the process.

The Council may call upon specialist advisors to provide advice and inform the decision making process. Once the validation notice is issued a decision will be taken and communicated within 6 months. Should an extension be required this can be proposed in writing to the CTB and mutually agreed.

An annual report relating to all CAT requests and their outcome will be reported to the Cabinet.

7.2 Successful Outcome

In line with Regulations, the outcome of any CAT request will be communicated to the CTB within 6 months of the validation notice date. Where a decision is in favour of the community group, discussion will take place as to the terms of the CAT and the relationship between the Council and CTB in meeting these terms including financial agreements for sale or rental of the property or land.

i. Outright Sale

Up to a maximum discount of 25% of the Market Value will be accepted for a transfer via an outright sale.

ii. Lease or Management Transfer

Similar to an outright sale a maximum discount of up to 25% is envisaged for leases being dealt with under CAT applications. However the Council reserves the right to apply further discounts for leased premises decided on a case by case basis and dependent upon the community benefits (social, environmental, health and economic). The Council will also seek to incorporate within such leases clauses which ensure the CTB maintains its community benefits throughout the duration of any lease. The Council will consider the specific needs of the CTB, the condition of the asset and the requirements of any funders. The length of the lease will be based on:

- the business plan
- the capacity of the organisation to manage the asset
- financial capacity
- any future requirements for the asset by the council

Once granted, leases can be extended or restructured at a future stage, to meet the changes to the organisation's activities or circumstances. Leases will contain clauses that prevent the asset being assigned or sold on for unintended financial gain and the loss of the community agreed benefits. Leases will also contain suitable clauses to ensure the return of the asset to the Council if the terms of the lease clauses are not met, or in the case of dissolution, insolvency or corruption.

iii. Transferring of the Asset

The CTB must make the Council an offer and the expectation outlined in the statutory guidance is that a contract would be agreed within 6 months of the offer being received.

It is acknowledged that this timescale may not always be achievable due to matters out with the control of both parties and therefore agreement may be reached with the Council or imposed by Scottish Ministers to allow for more time to conclude the process.

7.3 Unsuccessful Outcome – Review and Appeal Process

Where a CAT request is unsuccessful, the CTB may request that the Council review their decision and this review must be undertaken by a panel of cross-party Elected Members.

The Community Asset Transfer (CAT) Review Panel is made up of a group of 5 cross-party Elected Members. The internal review process must be politically led and Council officers can act only in an advisory capacity to the review panel.

If the CTB is not satisfied after the internal review, they can appeal to the Scottish Ministers. A CTB can ask for a review or appeal if the Council:-

- does not agree to their asset transfer request;
- does not make a decision by the time it should have; and
- the CTB does not agree with the terms and conditions in the decision notice.

Following consideration by the Review Panel a decision notice will be sent to the CTB with the Panel's decision. The following points apply to CAT reviews and appeals:

- a community transfer body has 20 working days after the issue of the decision notice with the Cabinet's decision to ask for a review or appeal;
- other people who commented on the asset transfer request must be asked what they think about the review or appeal;
- all the papers about the review or appeal must be publically available online; and
- the Review Panel can ask anyone for more information to help them make a decision. They can ask for the information in writing or hold a meeting so people can tell them their views. They can also do other things, such as visiting the land or building the request is about.

8. The Asset

The guidance on CAT within the Community Empowerment (Scotland) Act 2015 will ensure that where CAT is being considered, the Council will always take into consideration community benefit. The CTB can indicate the price that they are willing to pay for the asset and the Council must consider the feasibility of agreeing a cost that reflects community benefit and also Council operational requirements. Market value will be considered alongside community benefit. This will inform the assessment and decision-making process, including securing the best price as can reasonably be obtained to support Council operations and priorities.

The Council's assessment of a CAT request and any subsequent decision to proceed will take into account the condition, usage, value of the asset, the availability of other suitable premises from which the proposed activity could take place and value for money offered by the proposal.

The Market Value or Market Rental of the asset price agreed will be informed by the social, economic and environmental benefits generated by the CAT including for example

- Economic development or regeneration
- Health
- Social Wellbeing
- Environmental factors

East Renfrewshire Council will provide information which it holds on the asset to the applicant CTB. The Council will consider requests for information on the asset submitted in writing, where this information is readily available and deemed to be useful to the progression of the CAT process.

CTB's should seek (and fund) any required independent legal and technical advice relating to property condition and value.

9. Reporting

The Council is required to report annually on:-

- the number of requests received;
- the outcome of requests; and
- any support put in place to support requests.

The Asset Transfer Lead, on behalf of the CAT Working Group, will provide reports to the Corporate Management Team and the Cabinet regarding any requests received and produce and make available annual reports to Scottish Government, the Cabinet and the public.

10. Approaches to Managing Risk

East Renfrewshire Council recognises that there are inherent risks in Community Asset Transfer both for the CTB and for the Council, and has in place mechanisms to ensure a consistent approach to managing these. Each request will be considered on a case by case basis against robust criteria. The assessment and decision making criteria will help to manage and minimise risk and support the CAT process.

The Council will as appropriate sign-post the CTB to the relevant local and national agencies for advice/ resources in managing the risks involved and to support and facilitate successful asset transfer.

11. Remit of CAT Panel and CAT Review Panel

11.1 CAT Panel

The CAT Panel is responsible for overseeing the development and strategic direction of the CAT policy and implementing the operational process for CAT requests. This group will be made up of officers from across the Council with practical experience and understanding of working with communities, management and transfer of community assets. There is the option to co-opt partners who have particular knowledge and expertise and include representation from the voluntary sector.

The CAT Panel will assess applications against the criteria set out in the community asset transfer process. The Panel will consider policy, legal and financial risk to the Council and provide information to The CAT Leadership Group to inform recommendations to the Cabinet for decision.

11.2 Community Asset Transfer (CAT) Review Panel

The Community Asset Transfer (CAT) Review Panel is made up of a group of 5 cross - party Elected Members. Decision making relating to reviews is the responsibility of CAT Review Panel. The internal review process must be politically led and Council officers can act only in an advisory capacity to the review panel.

It should be noted that members of the Cabinet who were party to the decision, or any Elected Member who has either been involved in the asset transfer process or commented publically on the request will not be able to participate in the review process. Where a CTB disagrees with a proposed decision they can appeal to Scottish Ministers for final determination.

12. Policy Review

ERC will continue to review the East Renfrewshire Council Community Asset Transfer Policy following an initial twelve month period and in line with any amended guidance from the Scottish Government on Community Asset Transfer.

13. Scottish Government – Asset Transfer Under the Community Empowerment (Scotland) Act 2015 – Guidance for Relevant Authorities

ERC will implement this Policy in accordance with the above guidance. All CAT requests will be considered in line with this.

BRIEF GLOSSARY

Community Empowerment Act (Scotland) 2015 (The Act) – A piece of Scottish Legislation approved in June 2015 which sets out a number of items that increase Scottish Communities ability to become more involved with Local governance, and rights which encourage Community Empowerment.

Community Asset Transfer (CAT) – The process whereby a Community led group can take over the responsibility of assets owned by a Relevant Authority such as East Renfrewshire Council. The CAT system is the result of the Scottish governments Community Empowerment Act (Scotland) 2015, covered under section 5.

Community Transfer Body (CTB) – An eligible community led group who make the asset transfer request, and who if successful will take full responsibility of ownership/ lease or management the property concerned, and operate it under the terms of the final lease or deed. East Renfrewshire Council is fully committed to engaging with Community Asset Transfers to Suitable Community Transfer Bodies. The Validity of the Community groups CTB status is assessed by the relevant representatives in the CAT Working Group. The attributes of a CTB are explained in Part 5, sections 77 and 80 of the Community Empowerment Act (2015) Scotland.

CAT Working Group – This is a Group formed by the East Renfrewshire Council to assess CAT Requests, to ensure that are both the CTB and the plan to gain control of the asset, and then to operate it successfully are viable and compliant to The Act.

Relevant Authority – A Statutory body named by the Scottish Government, in the Community Empowerment Act (Scotland) 2015. For the purposes of this document, East Renfrewshire Council.

Operating / Holding Service – All property owned by the council is assigned to a Service or Department. The Managing Service in this context is the Service in the Council (Such as Development Services or Education Services) who hold the property asset that the CTB are interested in. The MS is contacted by the CAT Working Group when CAT interest is shown on one of their property assets.

Expression of Interest (Eoi):- Stage 1 of the CAT Process- Identifies the asset the group seek to take responsibility of

Full Request Form The second stage of the CAT Process – An extensive form that must be filled in by the CTB, along with a full set of documentation needed for any Community Asset Transfer to be considered.

Notifications - At various stages of the CAT process interested parties will need to be notified of the possible Asset Transfer, and be allowed to make “**Representations**” i.e. comments or objections reference the CAT Plan.

APPENDIX TWO

COMMUNITY ASSET TRANSFER TOOLKIT

BLANK PAGE

COMMUNITY ASSET TRANSFER

A Toolkit to Support Community Groups

EAST RENFREWSHIRE COUNCIL

BLANK PAGE

Contents of the Toolkit

Introduction and Purpose

Your Committee

Your Community

Legal Structure and Eligibility

Finance and Business Planning

Learning from Others

Useful Links and Contacts

Notes Sections

CAT Flow Chart in ERC

BLANK PAGE

Introduction and Purpose

This Toolkit helps community groups and organisations consider the key issues they need to be aware of when considering a Community Asset Transfer (CAT).

It supports your group to assess your current situation and determine whether or not you are ready to take on an asset. The Toolkit is best completed by several committee members before considering the ownership or leasing of any asset.

The Toolkit covers the following key issues around your group:

- Your Committee Composition and Legal status
- How it currently works and operates Your experience in managing finance and resources
- Your Local community and how they benefit from your project

Each section of the Toolkit contains a series of questions and prompts which will help your group to better understand your current position, the extent to which you have the right skills and experience for taking on an asset, and the support or assistance you might need to progress.

What do we mean by taking on an asset?

Assets are land or buildings that are used to deliver a project or initiative that benefits your community.

There are two key considerations before taking on an asset:

1 Does your group have the right skills and experience to manage the asset?

2 Can your group generate enough money to continue to maintain and improve the asset over time?

There are different ways in which your group can take on an asset for example through a management agreement, a lease, or full ownership.

Where an asset is currently owned by a public body, like the Council, there are processes in place that support community groups to get access to them. One of these processes is called a Community Asset Transfer.

Community Asset Transfer

Community Asset Transfer is one of the ways through which a community group or organisation can request greater control of a Council-owned asset. The level of control can vary from simple access rights, right up to full ownership.

CAT is a legal process which was introduced under the Community Empowerment (Scotland) Act 2015

If your group submits a full application for Community Asset Transfer (CAT) you will be expected to provide evidence, including:

- a business plan showing how the asset will be sustained;
- details of how the CAT will benefit the community;
- details of how you will manage and finance your plans;
- evidence of support for your ideas among your community;
- and confirmation that funding has been identified and is available.

Help and information on Community Asset Transfer is available from:

Email:
communityassettransfer@eastrenfrewshire.gov.uk

Your Committee

This section of the Toolkit looks at your committee and how you work together. In this section, there is a small checklist that will help you identify any gaps in knowledge or skills that you will need to address.

If you find that you are unable to answer some questions positively, then this suggests that your Committee needs to do some additional work before you move forward with Community Asset Transfer.

You need to have a strong committee who work well together so that all the responsibility does not fall on one or two people. This is an important step to consider before thinking about a potential Community Asset Transfer. You will need to show that your organisation operates in an open and accountable manner. The questions in this section will give you a view of how well your committee is functioning and how involved your committee members are.

Section 3 of this Toolkit focuses on the legal status of your group and your eligibility to apply for a CAT.

- [Current Committee Knowledge and Understanding](#)

If this flags up areas of concern or specific questions for your committee, it is recommended that this is addressed first as the governance of your group is a key part of a Community Asset Transfer. There is also space for you in this Toolkit to take extra notes in Section 6.

- Do you plan your activities to meet the needs of your local community?

Yes/ No

- Do you have an annual action plan?

Yes/No/Not sure

- Do all your committee members have a copy of your constitution and understand it?

Yes/No/Not sure/we need help with this

- When did you hold your last AGM?

Within the last 12 months/More than 12 months ago

- How often do you hold committee meetings?

Every weeks/months

- What does your constitution say?

Every weeks/months

- Are all of your committee meetings quorate and do they follow the rules in your constitution?

Yes No/ Not sure

If you are not sure, you need to check what your constitution says.

- Do you minute all your committee meetings and note who agrees to do what and when?

Yes/No

- As part of a Community Asset Transfer Request you will need to show minutes of the Committee Meeting committee agreed to proceed with a Community Asset Transfer Request. This shows that your Committee supports the application. Do all Committee members receive copies of the minutes of meetings?

Yes/No

If not, you need to consider why not and whether all committee members can contribute fully to the committee.

- Ownership or lease of property will carry several responsibilities and decisions could be required in the future. All committee members must understand the responsibilities involved both for themselves and for the whole committee. Do all committee members understand their legal duties?

Yes/No

- Do you recruit new committee members following the rules of your organisation?

Yes/No

- Community members may have their own impressions of what your group and your committee do and what it is responsible for. When new people join your committee it is important that they clearly understand their roles and responsibilities. Do you give all new committee members copies of your: Constitution Accounts Action Plans Minutes of recent meetings

Yes/No

- Do you have clear aims and objectives and do your committee members know and understand what they are?

Yes/No/Not sure

- What skills do you need and do you already have them?

Skills	Committee Members	Notes

- Has your committee agreed on clear roles and responsibilities and/or formed subgroups to get tasks done? Make a list of everything which needs to be done. Make sure you have a name or a subgroup name against each task and keep updating the list with both an expected and completed date. This will help you to see the progress you are making and identify any areas in which you need more help. Keep adding to the list as more tasks are identified;

Task	Name	Timescale	Date Completed

o Policies and Procedures

To be considered for a Community Asset Transfer or to successfully apply for funding, your group will need to show that it operates in a responsible way and keeps staff, volunteers, and community members safe.

The policies you need will depend on the asset and what your plans are. Thinking about the policies and procedures early in the CAT process will help your committee be as prepared as possible. Some key areas that you may need to think around are given for you as examples in the table below. You may have other policies that you think are relevant to your project and group depending on your purpose and aims and objectives.

Make a list of policies you think you might need and decide who from the committee will be responsible for putting together or updating your policy. You might allocate responsibility for different policies to different committee members or have more than one committee member work on a policy. This is where your skills on the Committee in Section 1.2 will help you identify skills and experience to put these policies together. Be prepared to show copies of your policies to potential funders and the Council when you apply for Community Asset Transfer.

Policy	Committee Member
Writing Funding Applications	
Business Planning	
Community Engagement	
Policy Writing	

- Your Committee

This next section is about understanding your community. A successful CAT requires evidence of support for your project and this part of the Toolkit helps your committee to think about how your group engages and communicates with community members.

Involving your community in planning your activities helps your group to:

- ensure that the project reflects local needs,
- has local support, and seeks to minimise any adverse unintended consequences;
- gain new ideas and different perspectives;
- identify new partners and supporters;
- find people who can bring new skills,
- knowledge, and experience to the project;
- demonstrate accountability to your community.

More information and ideas on how to engage your local community can be found in Involving your Community resource which was completed by COSS (Community Ownership Support Service).

The following two diagrams help your group to think about how well you are currently engaging with your community and developing stronger links.

The first diagram is for you to discuss and record what you know about the community you are in. This may include some statistical data for example the local population statistics and demographic, current employment opportunities. By using this diagram as a mind-mapping exercise, it will help you to identify what you already know about your local community and areas where you need to develop further knowledge.

Diagram 1- Your Community

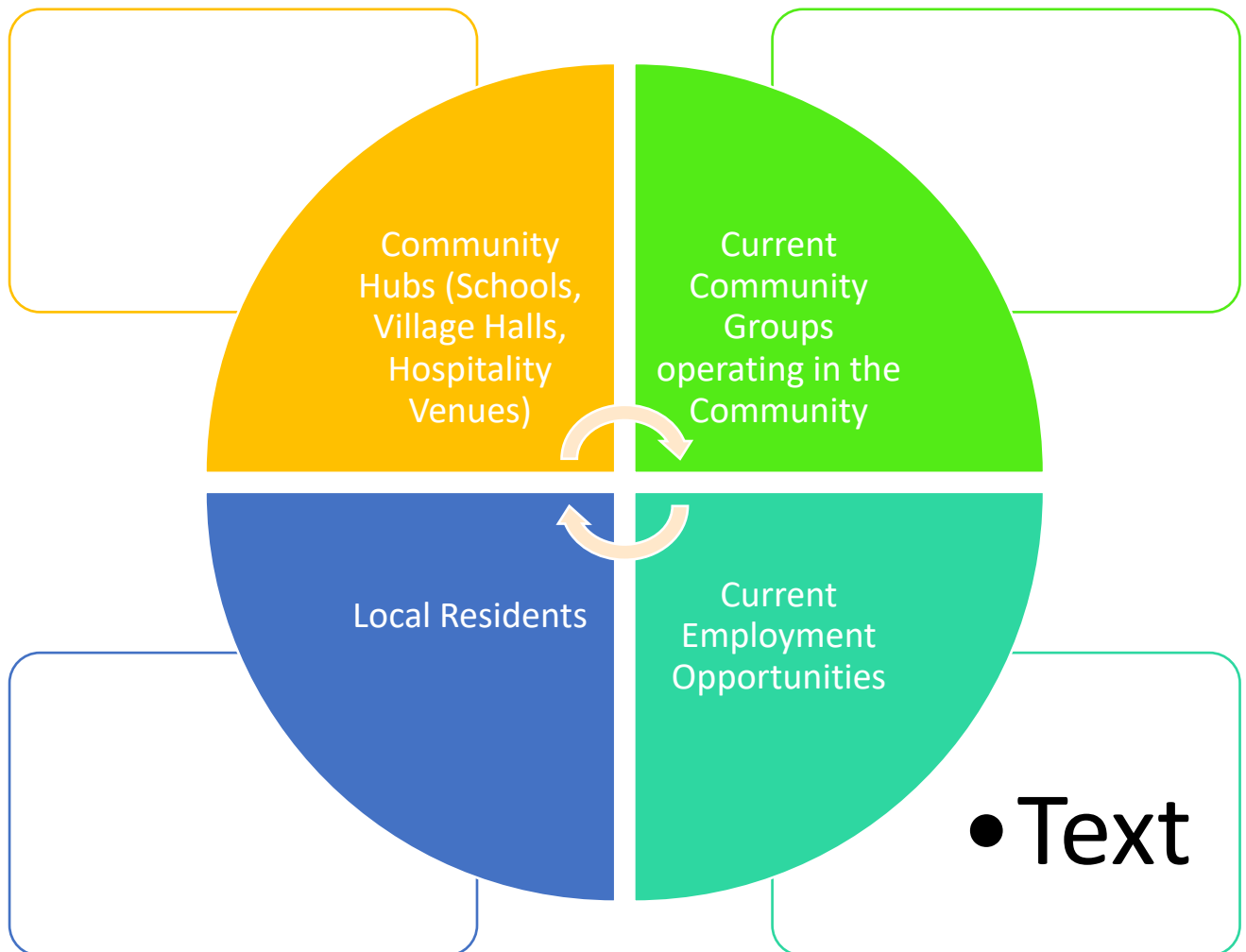


Diagram 2- Outreach

This diagram shows how your group is currently engaging with the wider community. If possible, use two different coloured pens to show what you are currently doing and if any ideas of how these areas of your community could be more engaged in your project.

By doing this will give clarity as Your Project/ Group Local Businesses Local Residents Social Media use and other forms of communication Key Partner Organisations Council, Health Board 2 to how you are engaging the wider community and also identify areas for improvement. To have a successful CAT request one of the key areas on which you will be assessed is community engagement and support. Using this tool will help you to strengthen any future CAT request.



- What to do when you have identified a local asset

If your group has an idea for improving your community that will require access to an asset you should have a look around your community to see what is available or check the asset register at:

www.eastrenfrewshire.gov.uk

Once you have identified a building or land belonging to East Renfrewshire Council in which you are interested you will need to complete an **Expression of Interest Form**:

Once the Council receives your **Expression of Interest Form** you will be invited to meet with representatives from the Council to discuss your interest in more detail. As part of this conversation,

Council officers will work with you to try to identify the best way for your group to secure access to the asset.

This may be through a Community Asset Transfer Request and all documentation is available on:

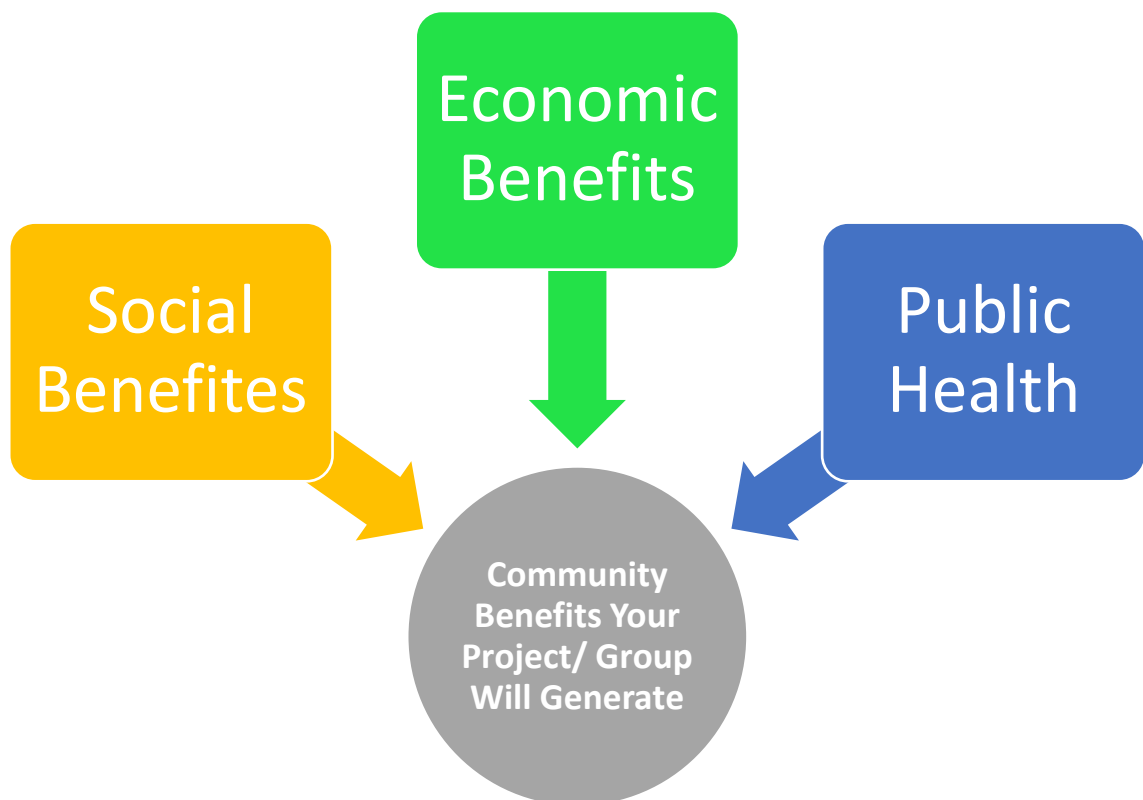
<https://www.eastrenfrewshire.gov.uk/article/4277/Community-asset-transfer>

- Community Benefit

A key aspect of a CAT Request is the level of community benefit it will generate. This could be providing local employment and training opportunities, improving health and wellbeing, or offering a social space for the benefit of community members. The level of community benefit is a **key source of justification for any discount** your group may seek for a lease or purchase of the asset.

The different benefits that your project would bring to your local area.

The diagram below shows your committee on how to think about the different benefits that your project would bring to your local area.



It also shows areas in which community benefit is assessed by the CAT team in the Council using a Scoring Matrix which is available for you to look at on the Council's website.

o Community Engagement

Community support is essential in any successful Community Asset Transfer. Your local community will want to know about your plans, be able to contribute ideas, and may want to help in various other ways. Community engagement allows your group to get the views of local people, get different perspectives on your proposals, and ultimately gather evidence of community support for your plans for the asset. Evidence of community engagement and support is another aspect that the Council will assess as part of any CAT Request.

The National Standards for Community Engagement can be found at www.scdc.org.uk/what/national-standards/ and can be used to help your group plan and deliver effective community engagement activities.

The following bullet points summarise some of the key areas of community engagement that your group can consider:

- Can you define your community? This should be included in your constitution. If you cover a geographic community this could be an area defined by postcode, Community Council area, an electoral ward, a settlement, a locality, or some other clear definition. If your community is a community of interest this might include people who pursue the same hobby, play a sport, or have an interest in a subject.
- Make a list of the main community organisations in your area and contact them to tell them about your plans. You could contact them individually or invite them to an information event. You should record which organisations you have consulted and what their responses are. Record any negative responses as well as positive ones as this demonstrates transparency and realistic engagement.
- If you are a community of interest you should still contact the community groups in the local geographic area of the asset as you need to show community support. Some of them may wish to work with you or rent some of the space from you and it is always useful to have positive links with your neighbours!
- How can you inform the community of your plans? You need to find out their views as well as tell them about your plans. Ideas of how this may be undertaken could include:

*Could you set up your own social media account, or start a regular newsletter?

*Can you use an online survey or hand out paper copies to collect people's views?

*Is there a community event, a gala day, or a community newsletter where you can share your ideas and ask other people for theirs?

*Have you spoken to the Community Council, Parent Teacher Association, local health professionals, anyone who provides services in the community?

*You can also find lots of useful ideas in COSS Publication - Involving Your Community:

<https://dtascommunityownership.org.uk/sites/default/files/Involving%20Your%20Community%20020.pdf>

In Section 6 of this Toolkit, there is a space for you and your committee to look at some of these areas in your context and some key questions for you to access your groups' activities in this area.

- Legal Structure & Eligibility

To be eligible to apply for any type of Community Asset Transfer your group must demonstrate that it is "community – controlled". That means that you must have a written constitution that;

- (a) describes the community to which your group relates;
- (b) confirms that most of the members of your group are members of your community;
- (c) confirms that the members of your group control decision-making;
- (d) confirms that members of your group are open to any member of your community;
- (e) contains a statement of your aims including the promotion of community benefit;
- (f) confirms that any surplus funds or assets are to be applied for the benefit of your community.

A community-controlled body which wants to make a CAT request for ownership must also be a 'community transfer body', meaning that it must have at least 20 members and be incorporated as:

- a company limited by guarantee;
- a two-tier SCIO (Scottish Charitable Incorporated Organisation) with members electing a committee or a BenCom (Community Benefit Company).

Failure to meet the strict legal structure requirements will mean the group will not be eligible for a Community Asset Transfer.

- Finance and Business Planning

When submitting your CAT application, you will also be required to submit a business plan that shows your expected income and outgoing related to the asset. This can include expected income from rent, hospitality, or any other way in which you plan to bring in an income. While expected income can never be certain, by engaging with your community and by researching other rental facilities in the area or projects similar to yours in other parts of the country you should have an idea of feasibility.

Your committee may also need to secure funds to purchase/lease or obtain other rights for a property through Community Asset Transfer. The CAT legislation does allow you to offer a price less than the market value of the asset. However, in your application, you will have to show how any discount is justified by the level of community benefit your project will generate. This is referred to as Best Value. Best Value is about ensuring that there are good governance and effective management of resources

to deliver the best possible outcomes for the general public which applies to all public bodies in Scotland.

Money and Property

You will also need resources to cover things like insurance, ongoing running costs including any common repair and maintenance obligations, repairs, and perhaps renovations/alterations to the property. COSS can both suggest potential funders.

- How do you manage your group’s finances at the moment?

- If your finances increased significantly due to the capital expenditure of a CAT would you need to change or adapt any of your current finance processes?

Yes/No/Not Sure

If “Yes”, how would you need to change your current process?

- Have you discussed with potential funders?

Yes/No

If yes, record some of the details here;

Funder Name & Contact Details	Area/ Activities they might help	Notes
<i>i.e National Lottery, Joe Bloggs XXXX XXX XXXX</i>	<i>Grant for upgrading of an asset</i>	<i>Group meets criteria for grant, need to complete application. No deadline for application submissions.</i>

- o Have you identified legal and other professionals, eg solicitors, surveyors, architects?

Yes/No/Not Sure

If Yes, make sure notes are here;

Service	Contact Details	Notes

- o Other Professional Support

You will need a solicitor to carry out the conveyancing, source the title deeds for the property, check if there are any shared access agreements in place, and manage all the paperwork. If you have a Solicitor already, you can add their details here. Name and address of your Solicitor:

--

You may need an architect to give you an estimate of possible alterations you could make to the asset and outline costs for the work. You can then make inquiries about potential grants before taking on an asset avoiding the risk of finding it cannot be used as intended.

You may also want to obtain an independent survey of the property which considers the value, and an indication of any essential repairs. If work is needed to upgrade or maintain the property you will need an estimate of the costs involved before you enter into any Asset Transfer Agreement.

Long leases from the Council are usually on a full repairing basis, meaning that you are responsible for all the upkeep, externally and internal maintenance, and repairs to the property. You will also be responsible for any common liabilities such as service charges.

All costs for professional support will need to be met by the project/ group and will be due even if the CAT is rejected.

- Is there anyone in your local community with these skills?

Yes/No/Not Sure

If ‘Yes’ have you asked them if they can help, or give you some advice on who else you could approach? They may not be able to offer their services free of charge but might be interested in being involved. There are grants available to cover professional fees. You could consult other community groups who have done something similar to find out who they used.

Name and Contact Details	Potential Skill	Who will contact them?

- Learning from Others

You can learn a lot from community groups who have already gone through the CAT process.

COSS has supported lots of Community Groups through the Community Asset Transfer process and can suggest some which may have similar ideas to your own. It’s always useful to visit and hear what went well, what was a challenge, and what they might do differently next time, or wish they had known at the start of the process.

Contact COSS Community Ownership Support Service at:

Email coss@dtascot.org.uk

Tel 0131 225 2080

Community Land Scotland also supports Community Groups who own or would like to own land and/or buildings. They organise regular study visits where you can learn from other groups and share ideas. They can be contacted at:

Community Land Scotland

Email: info@communitylandscotland.org.uk

- Useful Links and Contacts

The following links will take you to some helpful websites where information, advice, and guidance on CAT is available:

Scottish Government Guidance for groups who are considering CAT;

<https://dtascommunityownership.org.uk/resources/getting-started/asset-transfer-guidance-community-transfer-bodies>

Community Ownership Support Service (COSS) has experience in supporting community groups through the CAT process and have lots of useful information on their website:

<https://dtascommunityownership.org.uk/>

- Notes Section

Your group's legal structure (please select one of the following options);

Unincorporated Association (You have a constitution, but no other legal status):

Charity Charity Number: Single Tier SCIO SCIO Number: Two Tier SCIO SCIO Number: Limited Company Company Number: Community Benefit Society Registration Number:

Community Benefit What is the benefit to the community that will result from you having access to the asset?

What evidence of community support do you have? eg funding pledged, community groups, getting involved in the project, results of surveys or meetings?

APPENDIX THREE

EAST RENFREWSHIRE COUNCIL SCORING MATRIX

BLANK PAGE



Community Asset Transfer



Application Assessment

Purpose

*The purpose of this Scoring Matrix is to support the **Community Asset Transfer Working Group** in evaluating the community benefit of the CAT Request and pass this information to the Community Leadership Group to make their recommendations for final decision by Cabinet. The Scoring Matrix is intended to guide decision-making.*

Process

*CAT Working Group comprising representatives from Community Learning and Development (CLD), Estates, Legal, Finance and Economic Development are asked to complete their sections of the assessment and this information is collated and shared with all **CAT Team members**.*

Structure of Assessment

The application assessment is structured using 5 key headings:

1. Group capacity - CLD
2. Community Benefits (Project outcomes) -CLD
3. Impact on Community Plan priorities - CLD
4. Financial information (including Business Plan) - Economic Development
5. Financial discount -Estates

Consideration will also be given to the terms and conditions requested by the Community Asset Transfer Body and what equivalent terms may be appropriate.

Each of the 5 assessment areas will be assessed separately, considering any and all additional supporting documentation and evidence provided. This will be used to give an overall score rating to the request from very strong to poor. A summary of the evidence required to achieve each rating is outlined under each key area and should be considered by the Community Asset Transfer body when completing the application.

Scoring

To weight an application, the following scores will be applied:

Very Strong = 10 points

Strong = 8 points

Moderate = 5 points

Weak = 2 points

Poor = 0 points

Comments

Each of the questions for scoring also include a section where CAT team members can note any points they wish to make, including any points of clarification or requests for additional information.

Community Transfer Body

Name of the Group	
--------------------------	--

The Asset

Full Name of the Asset	
Location of Asset (Address if possible)	
Unique Property Reference Number of Asset (If Known)	
Details of the asset including asset status and proposed use	

The Application Process

Date of Submitted	
Date of Decision	
Recommendation Approval/ Reject/ Defer	
Final Decision	

Summary Grading	Score
1. Group capacity	
2. Community Benefit	
3. Impact on Community Plan priorities	
4. Financial information	
5. Financial discount	

TOTAL SCORE	
-------------	--

1. Group capacity and ability to deliver the project including managing performance

Question	SCORE					Comments
	Very Strong 10	Strong 8	Moderate 5	Weak 2	Very Weak 0	
To what extent has the applicant demonstrated that they have the relevant skills, knowledge, and experience to successfully deliver this project?						
To what extent does the applicant have the appropriate governance in place to facilitate the successful delivery of this project?						
To what extent has the applicant outlined their succession plan and ensured the long-term sustainability of the project?						
To what extent has the applicant outlined how they will monitor their achievements and evaluate progress against their outcomes. How will the project report their performance to the community in an open and transparent way?						

Very Strong: The applicant has clearly evidenced that they are a robust and viable organisation with effective governance arrangements in place. **1 point** They have secured appropriate funding including long term projections. **1 point**. The group have all the skills, experience, knowledge in place to deliver their project and manage a building effectively including all the task and responsibilities associated with this. **2 points**. The group have the appropriate governance arrangements in place including being a fully functioning, constituted committee. **1 point** They have the appropriate standards, procedures, and policies in place. E.g., Human Resources policies and protocols, Data Protection, Health and Safety procedures including Risk Assessments, Children and Adult Protection processes and policies (where applicable). **1 point** The group have a clear plan with appropriate structures and policies in place to help ensure success in the longer-term including details of succession planning and sustainability for the future. **1 point** Examples of which include self- financing arrangements, environmental sustainability and promoting good governance. The group have effective committee terms and processes in place, including retention,

recruitment, and training for new members. 1 point The applicant has established processes in place to/ have clearly outlined how they will, monitor their achievements and evaluate progress against their outcomes **1 point** These are clearly linked to local and or national priorities, and use a variety of methods. This includes a well thought out approach to how they will report their performance to stakeholders and the wider community. **1 point**

Strong: The applicant has provided adequate evidence that they are a robust and viable organisation with effective governance arrangements in place. The applicant has secured funding including some long-term projections. The group have some of the skills, experience, knowledge in place to deliver their project and manage a building effectively including all the task and responsibilities associated with this. The group are a fully functioning, constituted committee. They have some of the appropriate standards, procedures, and or policies in place. E.g., Human Resources policies and protocols, Data Protection, Health and Safety procedures including Risk Assessments, Children and Adult Protection processes and policies (where applicable). The group have a plan with some of the appropriate structures and policies in place to help ensure success in the longer-term including details of succession planning and sustainability for the future. Examples of which include self- financing arrangements, environmental sustainability and promoting good governance. The group have committee terms and processes in place. The applicant has established a process for how they will, monitor their achievements and evaluate progress against their outcomes These are linked to local priorities and include reporting performance to stakeholders and the wider community.

Moderate: The applicant has provided some signs of being a robust and viable organisation with effective governance arrangements in place. The applicant has secured funding including with nominal long-term projections. The group have a few of the skills, experience, knowledge in place to deliver their project and manage a building. The group are a are constituted committee. They have a few procedures in place. E.g., Human Resources policies and protocols, Data Protection, Health and Safety procedures including Risk Assessments, Children and Adult Protection processes and policies (where applicable). The group have a plan with a few of the appropriate structures and policies in place to help ensure success in the medium term but have limited details of succession planning and sustainability for the future. The applicant has established a process for how they will evaluate progress against their outcomes These are linked to local priorities and include reporting performance to stakeholders and the wider community.

Weak: The applicant has provided no evidence of being a robust and viable organisation with effective governance arrangements in place. They have not secured funding or considered long-term projections. The group have very limited skills, experience, knowledge in place and none in managing a building. The group are a are constituted committee, however they have no formal procedures in place. E.g., Human Resources policies and protocols, Data Protection, Health and Safety procedures including Risk Assessments, Children and Adult Protection processes and policies (where applicable). The group do not have a firm plan to ensure success in the medium term or succession planning. The applicant has not established a clear process for how they will evaluate their project or report performance to stakeholders or the wider community.

Very Weak: The applicant has provided no evidence of being a robust and viable organisation with effective governance arrangements in place. They have not secured funding or considered long-term projections. The group does not have the skills, experience, knowledge in place to deliver their project and manage a building. The group are a not a constituted committee. They have no procedures either informal or formal in place. E.g., Human Resources policies and protocols, Data Protection, Health and Safety procedures including Risk Assessments, Children and Adult Protection processes and policies (where applicable). The group do not have a plan to ensure success in the medium term or sustainability for the future and have not considered it. The applicant has no process for, and not considered how they will evaluate their project or report performance to stakeholders or the wider community.

2.Community Benefits – Identified need, project outcomes, stakeholder and community engagement, and partnership working (where applicable).

Question	SCORE					Comments
	Very Strong 10	Strong 8	Moderate 5	Weak 2	Very Weak 0	
To what extent has the applicant demonstrated a clear need within the community for this project? Including engagement and robust statistical evidence.						
To what extent has the applicant identified the project outcomes, including community regeneration, tackling inequalities, improved health outcomes and economic impact? (Where applicable)						
To what extent has the applicant engaged and consulted with their stakeholders?						
To what extent has the applicant engaged with and secured support from the community?						
To what extent is the applicant able to demonstrate partnership working as part of this project? (If applicable)						

Very Strong: The applicant has clearly demonstrated the need for the project based on robust data, both local and national (1 point) and robust engagement with relevant communities and stakeholders and appropriate community groups have had their needs considered. (1 point) The applicant has clear and achievable outcomes based (1

point) on the identified need, including community regeneration, tackling inequalities, improved health outcomes and economic impact? (1 point) (Where applicable). The applicant has clearly outlined where they will impact on either the Fairer East Ren Outcomes, Locality Planning Outcomes and/or Equality Outcomes. (1 point) The project need is clearly based on comprehensive evidence identified through surveys and or extensive research. (1 point) Considerable support for the project has been secured from the community and included in the application. (1 point) The applicant demonstrates strong partnership working, where appropriate, which will enhance the outcomes for the community. Roles and responsibilities of the partners each are clearly defined. Considerable awareness of the potential impact of the transfer on others, and the barriers and challenges in achieving this have clearly been identified (1 point) with a plan to remove or mitigate where appropriate. (1 point) The applicant has provided comprehensive information on the anticipated social benefit and impact of the transfer and how this will be measured. (1 point)

Strong: The applicant has demonstrated the need for the project based on strong data, both local and national and engagement with relevant communities and stakeholders and appropriate community groups have had their needs considered. The applicant has achievable outcomes based on the identified need, including community regeneration, tackling inequalities, improved health outcomes and economic impact? (Where applicable). The applicant has shown where they will impact on either the Fairer East Ren Outcomes, Locality Planning Outcomes and/or Equality Outcomes. The project need is based on evidence identified through surveys and or research. Support for the project has been secured from the community and included in the application. The applicant demonstrates some partnership working, where appropriate, which will enhance the outcomes for the community. Roles and responsibilities of the partners are defined. Awareness of the potential impact of the transfer on others, and the barriers and challenges in achieving this have clearly been identified with a plan to remove or mitigate where appropriate. The applicant has provided adequate information on the anticipated social benefit and impact of the transfer and how this will be measured.

Moderate: The applicant has demonstrated limited need for the project based on strong data, both local and national and engagement with relevant communities and stakeholders and appropriate community groups have had their needs considered. The applicant has outlined minimal outcomes based on some areas of need, including community regeneration, tackling inequalities, improved health outcomes and economic impact? (Where applicable). The applicant has shown some evidence of where it will impact on either the Fairer East Ren Outcomes, Locality Planning Outcomes and/or Equality Outcomes. The project need is based on minimal evidence identified through surveys and or research. Minimal support for the project has been secured from the community and included in the application. The applicant demonstrates limited partnership working, where appropriate, and does not detail how this will enhance the outcomes for the community. Roles and responsibilities of the partners are not clearly defined. Insufficient awareness of the potential impact of the transfer on others, and the barriers and challenges in achieving this have clearly been identified with a no plan to remove or mitigate these. The applicant has provided minimal information on the anticipated social benefit and impact of the transfer and how this will be measured.

Weak: The applicant has demonstrated no/poor need for the project based on strong data, both local and national and engagement with relevant communities and stakeholders and appropriate community groups have had their needs considered. The applicant has outlined no/poor outcomes based on some areas of need, including community regeneration, tackling inequalities, improved health outcomes and economic impact? (Where applicable). The applicant has shown no/poor evidence of where it will impact on either the Fairer East Ren Outcomes, Locality Planning Outcomes and/or Equality Outcomes. The project need is based on no/poor evidence identified through surveys and or research. No/poor support for the project has been secured from the community and included in the application. The applicant demonstrates no/poor partnership working with roles and responsibilities of the partners not defined. No/poor awareness of the potential impact of the transfer on others, and the barriers and challenges in achieving this have not been identified or any plan to remove or mitigate these considered. The applicant has provided no information on the anticipated social benefit and impact of the transfer and how this will be measured.

Very Weak: The applicant has not demonstrated the need for the project; included any data, or carried out any engagement. The applicant has outlined no outcomes. The applicant has shown no evidence of where it will impact on either the Fairer East Ren Outcomes, Locality Planning Outcomes and/or Equality Outcomes. The project need has no evidence base and has not used surveys or research. No support for the project has been secured from the community. The applicant has no partnership working. No awareness of the potential impact of the transfer on others, or the barriers and challenges in achieving this have not been identified. The applicant has provided no information on the anticipated social benefit and impact of the transfer and how this will be measured

3. Impact on Community Plan Priorities – Which Community Plan priority will the project impact on and in what way will it have an impact?						
Question	SCORE					Comments
	Very Strong 10	Strong 8	Moderate 5	Weak 2	Very Weak 0	
To what extent does the project support the Community Plan priority “All children in East Renfrewshire experience a stable and secure childhood and succeed”?						
To what extent does the project support the Community Plan priority “East Renfrewshire residents are healthy and active and have the skills for learning, life and work”?						
To what extent does the project support the Community Plan priority “East Renfrewshire is a thriving, attractive and sustainable place for business and residents”?						
To what extent does the project support the Community Plan priority “East Renfrewshire residents are safe, and live in supportive communities”?						
To what extent does the project support the Community Plan priority “Older people and people with long term conditions in East Renfrewshire are valued; their voices heard, and they enjoy full and positive lives”?						

Very Strong: The applicant has provided detailed evidenced that their project links in to one or more of the Community Plan. **2 points** They have detailed how their project will achieve this in line with the Community Plan outcomes **1 point** and the intermediate outcomes which support these (including Fairer East Ren

and Locality Planning Outcomes). **1 point** The applicant has considered the range of critical activities **2 points** and measures **2 points** associated with the Community Plan and demonstrates how their project can contribute to these. **2 points**

Strong: The applicant has provided satisfactory evidence that their project links in to one or more of the Community Plan priorities. They have shown how their project will achieve this in line with the Community Plan outcomes and the intermediate outcomes which support these (including Fairer East Ren and Locality Planning Outcomes). The applicant has considered some of the critical activities and measures associated with the Community Plan and demonstrates how their project can contribute to these.

Moderate: The applicant has provided limited evidence that their project links to the Community Plan priorities. They have made a minimal attempt to show how their project will achieve this in line with the Community Plan outcomes but made minimal connections to the intermediate outcomes which support these (including Fairer East Ren and Locality Planning Outcomes). The applicant has considered some of the critical activities and measures associated with the Community Plan and but provided a limited demonstration of how their project can contribute to these.

Weak: The applicant has provided little or no evidence that their project links to the Community Plan priorities. They have not demonstrated how their project will achieve this in line with the Community Plan outcomes with minimal connections to the intermediate outcomes which support these (including Fairer East Ren and Locality Planning Outcomes). The applicant has not considered the critical activities and measures associated with the Community Plan or demonstrated how their project can contribute to these.

Very Weak: The applicant has provided no evidence or understanding that their project links to the Community Plan priorities. They have not demonstrated how their project will achieve this in line with the Community Plan outcomes with no connections to the intermediate outcomes which support these (including Fairer East Ren and Locality Planning Outcomes). The applicant has not considered the critical activities and measures associated with the Community Plan and or demonstrated how their project can contribute to these.

Financial Information- Includes fundraising, financial planning and management

(Please include any clarification of funding as part of the application stage together with a business plan projection)

Question	SCORE					
	Very Strong 10	Strong 8	Moderate 5	Weak 2	Very Weak 0	
To what extent has the applicant understood and identified all the relevant costs associated with the transfer and or redevelopment of the asset?						
To what extent has the applicant understood and identified appropriate and realistic sources of funding for the transfer and or redevelopment of the asset?						
To what extent has the applicant understood and identified all relevant maintenance and running costs associated with this project? E.g., Common repair charges and adequate repairs and renewal forecast.						
To what extent has the applicant evidenced appropriate income streams/funding to ensure these costs can be covered including establishing reserves where appropriate? Have they included a business plan showing a minimum of 5-year projection?						

Very Strong: The applicant has provided clear evidence showing that sufficient financial resources are/will be in place by the time of the transfer and or redevelopment of the asset. **2 points** This clearly takes account of all the relevant costs associated including maintenance costs, running repairs and any common costs. **2 point** The applicant has shown robust resource planning for medium/long term sustainability. **1 point** This includes detailed, realistic, and achievable income and expenditure, a robust business plan and cash flow forecast provided along with a comprehensive contingency plan. **1 point** The application and supporting documentation clearly explain how their current and future resources are part of a medium to long term project plan (5-10 years). **2 points** Where appropriate this includes the numbers of, and detailed costs associated with employees or volunteers and the financial maintenance of any other project assets. Adequate consideration and provision has been outlined, including all ongoing maintenance obligations, common repair charges, and planned and reactive maintenance changes. **2 points** This is an average of ***% of the asset value.

Strong: The applicant has provided sufficient evidence showing that financial resources are/will be in place by the time of the transfer and or redevelopment of the asset. This takes account of all the relevant costs associated including maintenance costs, running repairs and any common costs. The applicant has shown resource planning for medium/long term sustainability. This includes realistic and achievable income and expenditure, a thorough business plan and cash flow forecast provided along with a comprehensive contingency plan. The application and supporting documentation explain how their current and future resources are part of a medium to long term project plan (5-10 years). Where appropriate this includes the numbers of, and detailed costs associated with employees or volunteers and the financial maintenance of any other project assets. Consideration and provision have been outlined, including ongoing maintenance obligations including common repair charges and planned and reactive maintenance changes.

Moderate: The applicant has provided some evidence showing that financial resources will be in place but not all by the time of the transfer and or redevelopment of the asset. There is limited account taken of all the relevant costs associated including maintenance costs, running repairs and any common costs. The applicant has shown resource planning for medium/long term sustainability. There is limited achievable income and expenditure information, and no business plan with cash flow forecast or contingency plan. The application and supporting documentation do not show how their current and future resources are part of a medium to long term project plan (5-10 years). There is no reference to costs associated with employees or volunteers and the financial maintenance of any other project assets. Consideration and provision have not been outlined, in relation to maintenance obligations including common repair charges and planned and reactive maintenance changes.

Weak: The applicant has provided insufficient evidence that financial resources are in place or likely to be by the time of the transfer and or redevelopment of the asset. There is no account taken of all the relevant costs associated including maintenance costs, running repairs and any common costs. The applicant has not shown resource planning for medium/long term sustainability. There is no income and expenditure information, and no business plan with cash flow forecast or contingency plan. The application and supporting documentation do not show how their current and future resources are part of a medium to long term project plan (5-10 years). There is no reference to costs associated with employees or volunteers and the financial maintenance of any other project assets. Consideration and provision have not been outlined, in relation to maintenance obligations including common repair charges and planned and reactive maintenance changes.

Very Weak: The applicant has provided no evidence that financial resources are in place or likely to be by the time of the transfer and or redevelopment of the asset. There is no information about relevant costs associated including maintenance costs, running repairs and any common costs. The applicant has not shown resource planning for medium/long term sustainability. There is no income and expenditure information, no business plan, cash flow forecast or contingency plan. The application has no supporting documentation, future resource, employee or volunteers' costs and financial maintenance information. There is no information on maintenance obligations including common repair charges and planned and reactive maintenance changes.

Financial Discount – The key purpose of CAT under the Community Empowerment (Scotland) Act is to support eligible bodies to take on the ownership/lease/use of public assets from relevant authorities at less than market value.

Question	SCORE					Comments
	Very Strong 10	Strong 8	Moderate 5	Weak 2	Very Weak 0	
To what extent has the applicant demonstrated that the community benefits associated with this project justify the discount that they are seeking?						

Very Strong: Applicant has proposed acceptable terms, with prices reflecting Market/Fair Value. (score would reflect acceptable terms; for example – the right timescale for being able to complete the sale or lease and funds are already in place) the proposal has a cost saving, does not impact on council direct delivery or service and there are no restrictions on the asset transfer

Strong: Applicant has proposed terms, with prices reflecting Market/Fair Value. The proposal is cost neutral to the council, it does not impact on council direct delivery of services and there are no restrictions on the asset transfer.

Moderate: Applicant has proposed terms, with prices well below Market/Fair Value. The proposals presents difficulties on the council in terms of one or two of the following – direct cost, council direct delivery of services and or restrictions on the assets transfer.

Weak: Applicant has failed to propose terms or prices. The proposals presents difficulties to the council in terms of cost, council direct deliver of services and restrictions on the asset transfer.

Very Weak: Applicant unsure of securing funding to afford costs. Unlikely to proceed because of ownership restrictions on the asset this would prevent a transfer of responsibility or ownership to another organisation.

EAST RENFREWSHIRE COUNCILAUDIT AND SCRUTINY COMMITTEE17 February 2022Report by Head of Accountancy (Chief Financial Officer)Treasury Management Strategy Report for 2022/23**PURPOSE OF REPORT**

1. To advise the Audit and Scrutiny Committee on the treasury management strategy for the financial year 2022/23.

RECOMMENDATIONS

2. It is recommended that Members:-
 - (a) Consider the content of the Treasury Management Strategy Report for 2022/23;
 - (b) Recommend to the Council that the Treasury Management Strategy for 2022/23 be approved, including the Prudential and Treasury Indicators and the amended list of organisations for investment of surplus funds (Annex F)
 - (c) Recommend to the Council that they approve the policy on the repayment of loans fund advances, see section 3.4, and
 - (d) Recommend to Council the forms of investment Instruments for use as permitted investments (Annex D)

BACKGROUND

3. In line with the CIPFA Treasury Management Code of Practice 2017, the Audit and Scrutiny Committee is responsible for ensuring effective scrutiny of the treasury management strategy and policies.
4. The attached Treasury Management Strategy Report for the financial year 2022/23 is submitted in accordance with this requirement.

TREASURY MANAGEMENT STRATEGY FOR 2022/23 (TMS)

5. The TMS for 2022/23 is attached (see Appendix 1).

EQUALITY IMPACT

6. A screening exercise has revealed that the Treasury Management Strategy has no direct relevance to the Council's equality duties

Report Author

Head of Accountancy (Chief Financial Officer):
Chief Accountant:
Telephone Number:
E-mail:

Margaret McCrossan
Barbara Clark
0141 577 3068
barbara.clark@eastrenfrewshire.gov.uk

Report Date:

February 2022

APPENDIX 1

EAST RENFREWSHIRE COUNCIL

**TREASURY MANAGEMENT STRATEGY
2022/23**

BLANK PAGE

CONTENTS

SECTION		Page
1.	Background	5
2.	Reporting Requirements	5
3.	The Capital Prudential Indicators 2022/23 – 2026/27	7
4.	Borrowing	12
5.	Investment Strategy 2022/23	20
6.	Performance Indicators	26
7.	Monitoring and Reporting	28
8.	Member and Officer Training	28
ANNEXES		Page
Annex A	Summary of Prudential and Treasury Indicators	33
Annex B	Interest Rate Forecast 2021 - 2025	35
Annex C	Economic Background	36
Annex D	Objectives of the Permitted Investment Instruments	43
Annex E	Credit and Counterparty Risk Management – Permitted Investments, Associated Controls and Limits	49
Annex F	Council’s Counterparty list	53
	Glossary of Terms	55

BLANK PAGE

1 Background

The Council is required to operate a balanced budget, which broadly means that cash received during the year will meet cash expenditure. A major aspect of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the Council's low risk appetite, ensuring adequate liquidity before considering investment return.

The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, being essentially longer term cash flow planning to ensure that the Council can meet its capital spending obligations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses. On occasion, when it is prudent and economic, any debt previously drawn may be restructured to meet Council risk or cost objectives.

The contribution the treasury management function makes to the authority is critical, as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either on day-to-day revenue or for larger capital projects. The treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits affecting the available budget. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund Balance.

CIPFA defines treasury management as:

"The management of the local authority's borrowing, investments and cash flows, its banking, money market and capital market transactions, the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."

2 Reporting Requirements

2.1 The Council is required to receive and approve, as a minimum, three main reports on treasury activity each year, which incorporate a variety of policies as well as estimated and actual figures. These reports are as follows:-

a) **Treasury Management Strategy 2022/23** (this report).

This report is the most important of the three reports and covers:

- The capital plans of the Council (including prudential indicators);
- A policy for the statutory repayment of debt (how residual capital expenditure is charged to revenue over time);
- The Treasury Management Strategy (how the investments and borrowings are organised) including treasury indicators, and
- A permitted investment strategy (the parameters on how investments are to be managed).

b) **Mid-Year Treasury Management Report** – This is primarily a progress report and will update members on the debt position and current performance against

the approved Prudential Indicators. It will also seek approval to amend prudential indicators and policies where necessary

- c) **Annual Treasury Report** – This is a backward looking review document and provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimate within the strategy.

2.2 Scrutiny

These reports are required to be adequately scrutinised by committee before being recommended to the Council. This role is undertaken by the Audit and Scrutiny Committee.

2.3 Capital Investment Strategy

The CIPFA revised 2017 Prudential and Treasury Management Codes require all local authorities to prepare a capital investment strategy report, which will provide the following:

- A high-level long term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services
- an overview of how the associated risk is managed
- the implications for future financial sustainability

The aim of this capital investment strategy is to ensure that all elected members fully understand the overall long-term policy objectives and resulting capital strategy requirements, governance procedures and risk appetite. An update to the Council's current Capital Investment Strategy will be presented to Council on 3 March 2022 for approval.

2.4 Treasury Management Strategy for 2022/23

The treasury management issues covered by this report are:

Capital Issues

- The capital expenditure plans and associated prudential indicators
- The loans fund repayment policy

Treasury management issues

- The current treasury position
- Treasury indicators which will limit the treasury risk and activities of the Council
- Prospects for interest rates
- The borrowing strategy
- Policy on borrowing in advance of need
- Debt rescheduling
- The investment strategy and
- Credit Worthiness Policy

These elements cover the requirements of the Local Government in Scotland Act 2003, the CIPFA Prudential Code (the Prudential Code), the CIPFA Treasury Management Code and Scottish Government Investment Regulations.

2.5 Treasury Management Consultants

The Council uses the Link Group, Treasury Solutions as its external treasury management advisors.

The Council recognises that responsibility for treasury management decisions remains with the Council at all times and will ensure that it does not rely solely upon information and advice from its treasury advisors.

It also recognises however that there is value in employing external providers of treasury management services in order to gain access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review.

2.6 Council and Subsidiary Organisations

The Treasury Management Strategy covers the treasury management activities for the Council (including any subsidiary organisations i.e. East Renfrewshire Culture & Leisure Trust).

3 The Capital Prudential Indicators 2022/23 – 2026/27

The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members to overview and confirm them.

A summary of the indicators can be found in Annex A

3.1 Capital Expenditure (Prudential Indicator PI-1)

This prudential indicator is a summary of the Council's capital expenditure plans, both those agreed previously and those forming part of this budget cycle. The indicator also includes expenditure financed by PFI and leasing type arrangements which, for the purposes of financial planning and reporting, must be treated as capital expenditure.

The following capital expenditure forecasts are in line with the housing capital plan 2022/23- 2031/32 and the general fund capital plan 2022/23 – 2031/32 both of which will be submitted to Council on 3 March 2022.

Capital Expenditure (PI-1) £'000	2020/21 Actual	2021/22 Probable	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
General Fund – Capital Programme – Other Relevant Expenditure	27,848	34,094	68,711	76,434	30,998	11,371	8,680
General Fund Subtotal	27,848	34,094	68,711	76,434	30,998	11,371	8,680
Housing	5,731	15,538	14,491	23,968	12,482	5,699	3,736
Total	33,579	49,632	83,202	100,402	43,480	17,070	12,416

3.2 Capital Financing Assumptions

The table below summarises the capital expenditure plans for the general fund and how these plans are being financed. Any shortfall of resources results in a funding borrowing need.

General Fund £'000	2020/21 Actual	2021/22 Probable	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
Capital Expenditure Other Relevant Expenditure	27,848	34,094	68,711	76,434	30,998	11,371	8,680
Total	27,848	34,094	68,711	76,434	30,998	11,371	8,680
Financed by:							
Capital Receipts	159	20	140	0	0	0	0
Capital Reserve	0	0	0	0	0	0	0
Developer Contributions	2,714	704	708	426	426	426	424
Govt. General Capital Grant	8,539	5,336	5,351	5,351	5,351	5,351	5,351
Govt. Specific Capital Grants							
Other Grants & Contributions	5,904	3,169	7,091	5,348	2,017	848	75
Repairs & Renewals	0	0	0	0	0	0	0
Fund/CFCR	528	0	0	0	0	0	0
Net Borrowing Requirement for the year	10,004	24,865	55,421	65,309	23,204	4,746	2,830

As part of the long term capital planning process, the 2021/22 probable capital outturn has been reduced by £8,342,000 below the level reported to Cabinet on 25 November 2021. In addition the level and timing of capital income has reduced by £2,729,000, this therefore has impacted on the amount of borrowing required which has reduced by £5,613,000. These revisions will be incorporated within the 2021/22 monitoring report to be submitted to Cabinet during March 2022.

The table below summarises the capital expenditure plans for housing and how these plans are being financed. Any shortfall of resources results in a borrowing requirement.

Housing £'000	2020/21 Actual	2021/22 Probable	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
Capital Expenditure	5,731	15,538	14,491	23,968	12,482	5,699	3,736
Financed by:							
Capital Receipts – Right to Buy	0	0	0	0	0	0	0
Capital Receipts – Land Disposal	0	0	500	500	500	500	500
Recharges to Owners	0	0	100	100	100	100	100

Govt. Specific Capital Grants	1,882	5,622	165	11,307	1,969	140	140
Commutated Sums	0	0	0	0	0	0	0
CFCR	0	0	0	0	0	0	0
Net Borrowing Requirement for the year	3,849	9,916	13,726	12,061	9,913	4,959	2,996

The table below summarises the borrowing requirement resulting from both the general fund (including PFI and leasing type arrangements) and housing capital plans.

Borrowing Requirement £'000	2020/21 Actual	2021/22 Probable	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
General Fund	10,004	24,865	55,421	65,309	23,204	4,746	2,830
Housing	3,849	9,916	13,726	12,061	9,913	4,959	2,996
Net Borrowing Requirement for the year	13,853	34,781	69,147	77,370	33,117	9,705	5,826

The table below shows a split of the estimated internal and external borrowing

Borrowing Requirement £'000	2020/21 Actual	2021/22 Probable	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
Internal	13,853	19,781	14,147	17,370	33,147	9,705	5,826
External	0	15,000	55,000	60,000	0	0	0
Net Borrowing Requirement for the year	13,853	34,781	69,147	77,370	33,117	9,705	5,826

3.3 The Council's Borrowing Requirement (The Capital Financing Requirement – Prudential Indicator PI-2)

The second prudential indicator is the Council's Capital Financing Requirement (CFR). The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's indebtedness and so its underlying borrowing need. Any capital expenditure identified above, which has not immediately been paid for (e.g. via grants), will increase the CFR.

The CFR does not increase indefinitely, as prudent annual repayments from revenue need to be made which reflect the useful life of capital assets financed by borrowing. From 1 April 2016 authorities may choose whether to use scheduled debt amortisation (loans pool charges) or another suitable method of calculation in order to repay borrowing.

The CFR includes any other long term liabilities (e.g. PPP schemes, finance leases). Whilst these increase the CFR, and therefore the Council's borrowing requirement, these types of scheme include a borrowing facility by the PFI, PPP lease provider and so the Council is not required to separately borrow for these

schemes. The Council has liabilities of £83.795m relating to such schemes as at 31 March 2021.

The Council is asked to approve the CFR projections below:

Capital Financing Requirement (PI-2) £'000	2020/21 Actual	2021/22 Probable	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
General Fund	168,359	183,291	228,922	282,576	293,963	286,138	276,437
Housing	35,083	42,165	52,801	61,336	67,238	67,877	68,591
Total CFR (PI-2)*	203,442	225,456	281,723	343,912	361,201	354,015	345,028

Net borrowing requirement for the year (above)	13,853	34,781	69,147	77,370	33,117	9,705	5,826
Less scheduled debt amortisation and other financing movements	(13,465)	(12,767)	(12,880)	(15,181)	(15,828)	(16,891)	(14,813)
Movement in CFR	388	22,014	56,267	62,189	17,289	(7,186)	(8,987)

*The CFR for this calculation includes capital expenditure to 31 March of each financial year.

3.4 Statutory Repayment of Loans Fund Advances

The Council is required to set out its policy for the statutory repayment of loans fund advances prior to the start of the financial year. The repayment of loans fund advances ensures that the Council makes a prudent provision each year to pay off an element of the accumulated loans fund advances made in previous financial years.

A variety of options are provided to Councils so long as a prudent provision is made each year. The Council is recommended to approve the following policy on the repayment of loans fund advances:-

- For loans fund advances made before 1 April 2016, the policy will be to maintain the practice of previous years and apply the Statutory Method (in line with Schedule 3 of the Local Government (Scotland) Act 1975), with all loans fund advances being repaid by the annuity method in line with the repayment profile determined in previous years.
- Loans fund advances relating to City Deal projects which will be supported in later years by Government funding will be repaid in accordance with the funding/income profile method. This links the repayments to the project income stream.
- For loans fund advances made between 1 April 2016 and 31 March 2021, excluding the above, the Council will continue to calculate loan charge repayments in line with Schedule 3 of the Local Government (Scotland) Act 1975, using an annuity rate of 4%. The Council is permitted to use this option for new borrowing taken out over this transitional period.

- For loans fund advances from 1 April 2021, these will be repaid with reference to the life of an asset using the equal instalments method.

Additionally, the Scottish Government granted various flexibilities in 2020/21 to help address the current Covid-19 pressures which will impact on loan fund payments charged in 2020/21 and beyond. These fiscal flexibilities, which have been reviewed by the Scottish Government as part of the 2022/23 Scottish Budget, relate to:-

- Capital Receipts. Capital receipts received between 2020/21 and 2022/23 can be used to fund Covid-19 related revenue expenditure incurred before 31 March 2023
- Loans Fund Principal Repayment Holiday. Councils can defer loans fund principal repayments due in 2021/22 and carry that saving to the General Fund reserve and earmark it to be used to fund the revenue financial impact of covid. At the time of writing COSLA were in discussions with the Scottish Government to the option of taking a loan charge holiday in 2022/23 instead.
- Credit Arrangements. Council payments for service concessions, such as PFI type deals, include an element of debt repayment. This debt is paid over the life of the contract but discussions are also ongoing to account for this debt over the life of the asset instead, which would be a longer period and is in line with the treatment of the Council's loan charges.

The table below shows what the future General Fund loans fund balances are expected to be, with year 1 being 2021/22:

£'000	Year 1	Years 2-5	Years 5-10	Years 10-15	Years 15-20	Years 20+
opening balance	84,580	104,596	231,414	214,382	189,090	164,652
advances	24,865	143,934	16,792	4,795	-	-
repayments	(4,849)	(17,116)	(33,824)	(30,087)	(24,438)	(164,652)
closing balance	104,596	231,414	214,382	189,090	164,652	-

The table below shows what the future HRA loans fund balances are expected to be, with year 1 being 2021/22:

£'000	Year 1	Years 2-5	Years 5-10	Years 10-15	Years 15-20	Years 20+
opening balance	35,083	42,165	67,238	69,552	64,530	45,798
advances	9,916	35,700	16,554	12,779	-	-
repayments	(2,834)	(10,627)	(14,240)	(17,801)	(18,732)	(45,798)
closing balance	42,165	67,238	69,552	64,530	45,798	-

4 Borrowing

Section 3 provides a summary of the capital expenditure plans. The treasury management function ensures that the Council's cash is organised in accordance with the relevant professional Codes, so that sufficient cash is available to meet service activity and the Council's Capital Investment Strategy. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury/prudential indicators, the current and projected debt positions and the annual investment strategy.

4.1 Current Portfolio Position

The Council's actual and projected debt portfolio is summarised below. The table compares the actual and projected external debt against the Council's estimated borrowing need (the Capital Financing Requirement – CFR), highlighting any over or under borrowing.

£'000 as at 31 March	2020/21 Actual	2021/22 Probable	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
Borrowing	114,227	128,843	183,015	242,638	242,623	242,607	237,590
Other Long Term Liabilities	83,795	78,711	73,500	68,132	62,565	56,743	51,887
Total Gross Debt (Prudential Indicator PI-3)	198,022	207,554	256,515	310,770	305,188	299,350	289,477
CFR – the borrowing need	203,442	225,456	281,723	343,912	361,201	354,015	345,028
(Under) / Over Borrowing (Prudential Indicator PI-6)	(5,420)	(17,902)	(25,208)	(33,142)	(56,013)	(54,665)	(55,551)

Within the range of prudential indicators there are a number of key indicators to ensure that the Council operates its activities within well-defined limits. One of these (PI-3) is that the Council needs to ensure that its gross debt figure (shown above) does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2022/23 and following two financial years. This allows some flexibility for limited early borrowing for future years, but ensures that borrowing is not undertaken for revenue or speculative purposes.

The Council is currently maintaining an under-borrowed position. This means that the capital borrowing need (the Capital Financing Requirement), has not been fully funded by external loan debt as the cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This strategy remains both prudent and cost effective as investment returns are low and counterparty risk is relatively high.

4.2 Treasury Indicators: Limits to Borrowing Activity

a) The Operational Boundary (Prudential Indicator PI-4)

This indicator takes account of capital expenditure and financing requirements and projects the expected level of external debt for operational purposes. Temporary breaches of the operational boundary may occur as a result of unexpected cash movements. The Head of Accountancy (Chief Financial Officer) has delegated authority to manage the movement between borrowing and other long term liabilities such as finance leases in accordance with option appraisal and value for money considerations if it is considered appropriate. Any such movement will be reported to Council following the change.

Operational boundary for external debt (PI-4) £'000	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
Borrowing	208,277	275,394	297,900	296,549	297,431
Other Long Term Liabilities	78,711	73,500	68,132	62,565	56,743
Total	286,988	348,894	366,032	359,114	354,174

b) The Authorised Limit for External Debt (Prudential indicator PI-5)

This is a key prudential indicator and represents a control on the maximum level of borrowing. It is similar to the operational boundary but includes further headroom to accommodate adverse cash flow movements and opportunities for advance borrowing. It represents a legal limit which external debt is prohibited to exceed and reflects the level of external borrowing which, while not desired, could be afforded in the short term, but is not sustainable in the longer term. In circumstances where a breach takes place the reasons shall be reported to the next meeting of the Council and the limit revised if appropriate.

The authorised limits for external debt for the current year and two subsequent years are the legislation limits determined under Regulation 6(1) of the Local Authority (Capital Finance and Accountancy) (Scotland) Regulation 2016.

The proposed Authorised Limit for the Council is as follows:

Authorised limit for external debt (PI-5) £'000	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
Borrowing	239,518	316,703	342,585	341,032	342,046
Other Long Term Liabilities	78,711	73,500	68,132	62,565	56,743
Total	318,229	390,203	410,717	403,597	398,789

c) Leasing – International Financial Reporting Standard (IFRS) 16

From 1 April 2022, leases which were previously off balance sheet will now be included. As leases form part of the other long term liability figures which make up the Prudential Indicators above, it is possible that the Indicators currently suggested will be exceeded. Once the detailed data gathering has been substantially completed, later in the 2022/23 financial year, an updated report may be required to inform the members of the detailed impact of IFRS 16 with amended Prudential Indicators for approval.

4.3 Prospects for Interest Rates

The Council has appointed the Link Group as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. **Annex B** draws together a number of current city forecasts for short term (Base Rate) and longer fixed interest rates and the following table and commentary below gives the central view of the Link Group on 20th December 2021.

Link Group Interest Rate View 20.12.21														
	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25
BANK RATE	0.25	0.25	0.50	0.50	0.50	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.25
3 month ave earnings	0.20	0.30	0.50	0.50	0.60	0.70	0.80	0.90	0.90	1.00	1.00	1.00	1.00	1.00
6 month ave earnings	0.40	0.50	0.60	0.60	0.70	0.80	0.90	1.00	1.00	1.10	1.10	1.10	1.10	1.10
12 month ave earnings	0.70	0.70	0.70	0.70	0.80	0.90	1.00	1.10	1.10	1.20	1.20	1.20	1.20	1.20
5 yr PWLB	1.40	1.50	1.50	1.60	1.60	1.70	1.80	1.80	1.80	1.90	1.90	1.90	2.00	2.00
10 yr PWLB	1.60	1.70	1.80	1.80	1.90	1.90	2.00	2.00	2.00	2.10	2.10	2.10	2.20	2.30
25 yr PWLB	1.80	1.90	2.00	2.10	2.10	2.20	2.20	2.20	2.30	2.30	2.40	2.40	2.50	2.50
50 yr PWLB	1.50	1.70	1.80	1.90	1.90	2.00	2.00	2.00	2.10	2.10	2.20	2.20	2.30	2.30

Over the last two years, the coronavirus outbreak has done huge economic damage to the UK and to economies around the world. After the Bank of England took emergency action in March 2020 to cut Bank Rate to 0.10%, it left Bank Rate unchanged at its subsequent meetings until raising it to 0.25% at its meeting on 16th December 2021.

As shown in the forecast table above, the forecast for Bank Rate now includes four increases, one in December 2021 to 0.25%, then quarter 2 of 2022 to 0.50%, quarter 1 of 2023 to 0.75%, quarter 1 of 2024 to 1.00% and, finally, one in quarter 1 of 2025 to 1.25%.

Significant risks to the forecasts

- **Mutations** of the virus render current vaccines ineffective, and tweaked vaccines to combat these mutations are delayed, or cannot be administered fast enough to prevent further lockdowns. 25% of the population not being vaccinated is also a significant risk to the NHS being overwhelmed and lockdowns being the only remaining option.
- **Labour and supply shortages** prove more enduring and disruptive and depress economic activity.
- **The Monetary Policy Committee** acts too quickly, or too far, over the next three years to raise Bank Rate and causes UK economic growth, and increases in inflation, to be weaker than we currently anticipate.
- **The Monetary Policy Committee** tightens monetary policy too late to ward off building inflationary pressures.
- **The Government** acts too quickly to cut expenditure to balance the national budget.
- **UK / EU trade arrangements** – if there was a major impact on trade flows and financial services due to complications or lack of co-operation in sorting out significant remaining issues.
- **Longer term US treasury yields** rise strongly and pull gilt yields up higher than forecast.
- **Major stock markets** e.g., in the US, become increasingly judged as being over-valued and susceptible to major price corrections. Central banks become increasingly exposed to the “moral hazard” risks of having to buy shares and corporate bonds to reduce the impact of major financial market selloffs on the general economy.

- **Geopolitical risks**, for example in Ukraine, Iran, North Korea, but also in Europe and Middle Eastern countries; on-going global power influence struggles between Russia/China/US. These could lead to increasing safe-haven flows.

The balance of risks to the UK economy: -

- **The overall balance of risks to economic growth in the UK is now to the downside, including risks from Covid and its variants - both domestically and their potential effects worldwide.**

Forecasts for Bank Rate

It is not expected that Bank Rate will go up fast after the initial rate rise as the supply potential of the economy is not likely to have taken a major hit during the pandemic: it should, therefore, be able to cope well with meeting demand after supply shortages subside over the next year, without causing inflation to remain elevated in the medium-term, or to inhibit inflation from falling back towards the MPC's 2% target after the spike up to around 5%. The forecast includes four increases in Bank Rate over the three-year forecast period to March 2025, ending at 1.25%. However, it is likely that these forecasts will need changing within a relatively short timeframe for the following reasons: -

- We do not know how severe an impact Omicron could have on the economy and whether there will be another lockdown or similar and, if there is, whether there would be significant fiscal support from the Government for businesses and jobs.
- There were already increasing grounds for viewing the economic recovery as running out of steam during the autumn and now into the winter. And then along came Omicron to pose a significant downside threat to economic activity. This could lead into stagflation, or even into recession, which would then pose a dilemma for the MPC as to whether to focus on combating inflation or supporting economic growth through keeping interest rates low.
- Will some current key supply shortages spill over into causing economic activity in some sectors to take a significant hit?
- Rising gas and electricity prices in October and next April and increases in other prices caused by supply shortages and increases in taxation next April, are already going to deflate consumer spending power without the MPC having to take any action on Bank Rate to cool inflation.
- On the other hand, consumers are sitting on over £160bn of excess savings left over from the pandemic so when will they spend this sum, in part or in total?
- It looks as if the economy coped well with the end of furlough on 30th September. It is estimated that there were around 1 million people who came off furlough then and there was not a huge spike up in unemployment. The other side of the coin is that vacancies have been hitting record levels so there is a continuing acute shortage of workers. This is a potential danger area if this shortage drives up wages which then feed through into producer prices and the prices of services i.e., a second-round effect that the MPC would have to act against if it looked like gaining significant momentum.
- We also recognise there could be further nasty surprises on the Covid front beyond the Omicron mutation.
- If the UK invokes article 16 of the Brexit deal over the dislocation in trading arrangements with Northern Ireland, this has the potential to end up in a no-deal Brexit.

In summary, with the high level of uncertainty prevailing on several different fronts, we expect to have to revise our forecasts again - in line with whatever the new news is.

It should also be borne in mind that Bank Rate being cut to 0.25% and then to 0.10%, were emergency measures to deal with the Covid crisis hitting the UK in March 2020. At any time, the MPC could decide to simply take away such emergency cuts on no other grounds than they are no longer warranted, and as a step forward in the return to normalisation. In addition, any Bank Rate under 1% is both highly unusual and highly supportive of economic growth.

Forecasts for PWLB rates and gilt and treasury yields

Since the start of 2021, we have seen a lot of volatility in gilt yields, and hence PWLB rates. As the interest forecast table for PWLB certainty rates above shows, there is forecast to be a steady, but slow, rise in both Bank Rate and gilt yields during the forecast period to March 2025, though there will doubtless be a lot of unpredictable volatility during this forecast period.

While monetary policy in the UK will have a major impact on gilt yields, there is also a need to consider the potential impact that rising treasury yields in America could have on our gilt yields. As an average since 2011, there has been a 75% correlation between movements in US 10-year treasury yields and UK 10-year gilt yields. This is a significant upward risk exposure to our forecasts for longer term PWLB rates. However, gilt yields and treasury yields do not always move in unison.

US treasury yields. During the first part of 2021, US President Biden's, and the Democratic party's, determination to push through a \$1.9trn (equivalent to 8.8% of GDP) fiscal boost for the US economy as a recovery package from the Covid pandemic was what unsettled financial markets. However, this was in addition to the \$900bn support package already passed in December 2020. This was then followed by additional Democratic ambition to spend \$1trn on infrastructure, (which was eventually passed by both houses later in 2021), and an even larger sum on an American families plan over the next decade; this is still caught up in Democrat / Republican haggling. Financial markets were alarmed that all this stimulus was happening at a time when: -

1. A fast vaccination programme had enabled a rapid opening up of the economy during 2021.
2. The economy was growing strongly during the first half of 2021 although it has weakened overall during the second half.
3. It started from a position of little spare capacity due to less severe lockdown measures than in many other countries.
4. And the Fed was still providing substantial stimulus through monthly QE purchases during 2021.

It was not much of a surprise that a combination of these factors would eventually cause an excess of demand in the economy which generated strong inflationary pressures. This has eventually been recognised by the Fed at its December meeting with an aggressive response to damp inflation down during 2022 and 2023.

At its 3rd November Fed meeting, the Fed decided to make a start on tapering its \$120bn per month of QE purchases so that they ended next June. However, at its 15th December meeting it doubled the pace of tapering so that they will end all purchases in February. These

purchases are currently acting as downward pressure on treasury yields and so it would be expected that Treasury yields will rise over the taper period and after the taper ends, all other things being equal. The Fed also forecast that it expected there would be three rate rises in 2022 of 0.25% from near zero currently, followed by three in 2023 and two in 2024, taking rates back above 2% to a neutral level for monetary policy.

There are also possible downside risk from the huge sums of cash that the UK populace have saved during the pandemic; when savings accounts earn little interest, it is likely that some of this cash mountain could end up being invested in bonds and so push up demand for bonds and support their prices i.e., this would help to keep their yields down. How this will interplay with the Bank of England eventually getting round to not reinvesting maturing gilts and then later selling gilts, will be interesting to monitor.

There is likely to be exceptional volatility and unpredictability in respect of gilt yields and PWLB rates due to the following factors: -

- How strongly will changes in gilt yields be correlated to changes in US treasury yields (see below). Over 10 years since 2011 there has been an average 75% correlation between movements in US treasury yields and gilt yields. However, from time to time these two yields can diverge. Lack of spare economic capacity and rising inflationary pressures are viewed as being much greater dangers in the US than in the UK. This could mean that central bank rates will end up rising earlier and higher in the US than in the UK if inflationary pressures were to escalate; the consequent increases in treasury yields could well spill over to cause (lesser) increases in gilt yields. There is, therefore, an upside risk to forecasts for gilt yields due to this correlation. The Link Group forecasts have included a risk of a 75% correlation between the two yields.
- Will the Fed take action to counter increasing treasury yields if they rise beyond a yet unspecified level?
- Would the MPC act to counter increasing gilt yields if they rise beyond a yet unspecified level?
- How strong will inflationary pressures actually turn out to be in both the US and the UK and so put upward pressure on treasury and gilt yields?
- How will central banks implement their new average or sustainable level inflation monetary policies?
- How well will central banks manage the withdrawal of QE purchases of their national bonds i.e., without causing a panic reaction in financial markets as happened in the “taper tantrums” in the US in 2013?
- Will exceptional volatility be focused on the short or long-end of the yield curve, or both?

As the US financial markets are, by far, the biggest financial markets in the world, any upward trend in treasury yields will invariably impact and influence financial markets in other countries. Inflationary pressures and erosion of surplus economic capacity look much stronger in the US compared to those in the UK, which would suggest that Fed rate increases eventually needed to suppress inflation, are likely to be faster and stronger than Bank Rate increases in the UK. This is likely to put upward pressure on treasury yields which could then spill over into putting upward pressure on UK gilt yields.

The forecasts are also predicated on an assumption that there is no break-up of the Eurozone or EU within the forecasting period, despite the major challenges that are looming up, and that there are no major ructions in international relations, especially between the US and Russia,

China / North Korea and Iran, which have a major impact on international trade and world GDP growth.

The balance of risks to medium to long term PWLB rates: -

- **There is a balance of upside risks to forecasts for medium to long term PWLB rates.**

A new era – a fundamental shift in central bank monetary policy

One of the key results of the pandemic has been a fundamental rethinking and shift in monetary policy by major central banks like the Fed, the Bank of England and the ECB, to tolerate a higher level of inflation than in the previous two decades when inflation was the prime target to bear down on so as to stop it going above a target rate. There is now also a greater emphasis on other targets for monetary policy than just inflation, especially on 'achieving broad and inclusive "maximum" employment in its entirety' in the US, before consideration would be given to increasing rates.

- The Fed in America has gone furthest in adopting a monetary policy based on a clear goal of allowing the inflation target to be symmetrical, (rather than a ceiling to keep under), so that inflation averages out the dips down and surges above the target rate, over an unspecified period of time.
- The Bank of England has also amended its target for monetary policy so that inflation should be 'sustainably over 2%' before starting on raising Bank Rate and the ECB now has a similar policy.
- ***For local authorities, this means that investment interest rates and very short term PWLB rates will not be rising as quickly or as high as in previous decades when the economy recovers from a downturn and the recovery eventually runs out of spare capacity to fuel continuing expansion.***
- Labour market liberalisation since the 1970s has helped to break the wage-price spirals that fuelled high levels of inflation and has now set inflation on a lower path which makes this shift in monetary policy practicable. In addition, recent changes in flexible employment practices, the rise of the gig economy and technological changes, will all help to lower inflationary pressures.
- Governments will also be concerned to see interest rates stay lower as every rise in central rates will add to the cost of vastly expanded levels of national debt; (in the UK this is £21bn for each 1% rise in rates). On the other hand, higher levels of inflation will help to erode the real value of total public debt.

Investment and borrowing rates

- Investment returns are expected to improve in 2022/23. However, while markets are pricing in a series of Bank Rate hikes, actual economic circumstances may see the MPC fall short of these elevated expectations.
- Borrowing interest rates fell to historically very low rates as a result of the COVID crisis and the quantitative easing operations of the Bank of England and still remain at historically low levels. The policy of avoiding new borrowing by running down spare cash balances has served local authorities well over the last few years.
- On 25.11.20, the Chancellor announced the conclusion to the review of margins over gilt yields for PWLB rates which had been increased by 100 bps in October 2019. The

standard and certainty margins were reduced by 100 bps but a prohibition was introduced to deny access to borrowing from the PWLB for any local authority which had purchase of assets for yield in its three-year capital programme.

- Borrowing for capital expenditure. Our long-term (beyond 10 years), forecast for Bank Rate is 2.00%. As some PWLB certainty rates are currently below 2.00%, there remains value in considering long-term borrowing from the PWLB where appropriate.

4.4 Borrowing strategy

The Council is currently maintaining an under-borrowed position. This means that the capital borrowing need, (the Capital Financing Requirement), has not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as investment returns are low and counterparty risk is still an issue that needs to be considered.

Against this background and the risks within the economic forecast, caution will be adopted with the 2022/23 treasury operations. The Head of Accountancy (Chief Financial Officer) will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:

- * if it was felt that there was a significant risk of a sharp FALL in borrowing rates, then borrowing will be postponed.
- * if it was felt that there was a significant risk of a much sharper RISE in borrowing rates than that currently forecast, perhaps arising from an acceleration in the rate of increase in central rates in the USA and UK, an increase in world economic activity, or a sudden increase in inflation risks, then the portfolio position will be re-appraised. Most likely, fixed rate funding will be drawn whilst interest rates are lower than they are projected to be in the next few years.

Any decisions to borrow externally in excess of the amounts shown in para 3.2 will be reported to Council at the next available opportunity.

4.5 Treasury Management Limits on Activity

There are three debt related treasury activity limits. The purpose of these is to restrain the activity of the treasury function within certain limits, thereby managing risk and reducing the impact of any adverse movement in interest rates. However, if these are set to be too restrictive, they will impair the opportunities to reduce costs / improve performance. The indicators are:

(i) Upper limits on fixed interest rate exposure (Treasury Indicator TI-1)

This covers a maximum limit for borrowing exposure to fixed interest rates, based on the debt position and is set at 100%.

(ii) Upper limits on variable interest rate exposure (Treasury Indicator TI-2)

This identified a maximum limit for borrowing exposure to variable interest rates based upon the debt position and is set at 30%.

(iii) Maturity structure of borrowing (Treasury Indicator TI-3)

Gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing. The Council has set the limit of debt maturing in any one year to 15% at the time of borrowing.

4.6 Policy on borrowing in advance of need

The Council will not borrow more than or in advance of its needs, purely in order to profit from the investment of the extra sums borrowed.

Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.

The Head of Accountancy (Chief Financial Officer) has the authority to borrow in advance of need under delegated power where, for instance, a sharp rise in interest rates is expected, and so borrowing early at fixed interest rates will be economically beneficial or meet budgetary constraints. The Head of Accountancy (Chief Financial Officer) will adopt a cautious approach to any such borrowing and a business case to support the decision making process must consider:

- The benefits of borrowing in advance,
- The risks created by additional levels of borrowing and investment, and
- How far in advance it is reasonable to borrow considering the risks identified

Any such advance borrowing should be reported through the mid-year or annual Treasury Management reporting mechanism.

4.7 Debt Rescheduling

The reasons for any rescheduling to take place will include:

- The generation of cash savings and/or discounted cash flow savings
- Helping to fulfil the treasury strategy
- Enhance the balance of the portfolio (amend the maturity profile and/or the balance of volatility).

All rescheduling will be reported to Council at the earliest meeting following its action.

5 Investment Strategy

5.1 Investment Objectives and Policy

The Council's investment policy implements the requirements of the following:-

- Local Government Investments (Scotland) Regulations 2010 (and accompanying Finance Circular 5/2010),
- CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2017 ("the Code")
- CIPFA Treasury Management Guidance Notes 2018

The above regulations and guidance place a high priority on the management of risk. The Council's investment priorities will be security first, liquidity second and then return. This authority has adopted a prudent approach to managing risk and defines its risk appetite by the following means: -

1. Minimum acceptable **credit criteria** are applied in order to generate a list of highly creditworthy counterparties. This also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the short term and long-term ratings.
2. **Other information:** ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this consideration the Council will engage with its advisors to maintain a monitor on market pricing such as "**credit default swaps**" and overlay that information on top of the credit ratings.
3. **Other information sources** used will include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.
4. This authority has defined the list of **types of investment instruments** that are permitted investments authorised for use in Annex D. Annex E expands on the risks involved in each type of investment and the mitigating controls.
5. **Lending limits**, (amounts and maturity), for each counterparty will be set through applying the information gathered (see points 1-3 above)
6. **Transaction limits** are set for each type of investment (see Annex F)
7. This authority has engaged **external consultants**, (see paragraph 2.5), to provide expert advice on how to optimise an appropriate balance of security, liquidity and yield, given the risk appetite of this authority in the context of the expected level of cash balances and need for liquidity throughout the year.
8. This authority will set a limit for the amount of its investments which are invested for **longer than 365 days**, (see paragraph 5.6c).
9. The Council has determined that it will only use approved counterparties from within the United Kingdom.
10. As a result of the change in accounting standards for 2022/23 under IFRS 9, this authority will consider the implications of investment instruments which could result in an adverse movement in the value of the amount invested and resultant charges at the end of the year to the General Fund.

However, this authority will also pursue **value for money** in treasury management and will monitor the yield from investment income against appropriate benchmarks for investment performance, (see paragraph 5.7). Regular monitoring of investment performance will be carried out during the year.

5.2 Creditworthiness Policy

The primary principle governing the Council's investment criteria is the security of its investments, although the yield or return on the investment is also a key consideration. After this main principle, the Council will ensure that:

- It maintains a policy covering both the categories of investment types it will invest in, criteria for choosing investment counterparties with adequate security, and monitoring their security as set out in the investment sections below; and
- It has sufficient liquidity in its investments. For this purpose it will set out procedures for determining the maximum periods for which funds may prudently be committed. These procedures also apply to the Council's prudential indicators covering the maximum principal sums invested.

The Head of Accountancy (Chief Financial Officer) will maintain a counterparty list in compliance with the following criteria and will revise the criteria and submit them to Council for approval as necessary (see **Annex F**). These criteria provide an overall pool of classes of counterparties considered high quality which the Council may use, rather than defining what types of investment instruments are to be used.

Credit rating information is supplied by Link Group our treasury advisors, on all active counterparties that comply with the criteria below. Any counterparty failing to meet the criteria would be omitted from the counterparty (dealing) list, with the exception of the Council's own banker. Any rating changes, rating watches (notification of a likely change), rating Outlooks (notification of a longer term bias outside the central rating view) are provided to officers almost immediately after they occur and this information is considered before dealing. For instance, a negative rating watch applied to a counterparty that is already at the minimum Council criteria will be suspended from use, with all other counterparties being reviewed in light of market conditions.

The criteria for providing a pool of high quality investment counterparties are:

- Banks 1 - good credit quality – the Council will only use UK banks which have, as a minimum, the following Fitch (or equivalent) ratings (where rated):
 - i. Short Term – F1
 - ii. Long Term – A-
- Banks 2 – Part nationalised UK bank – Royal Bank of Scotland ring-fenced operations*. This bank can be included if it continues to be part nationalised or it meets the ratings in Banks 1 above.
- Banks 3 – The Council's own banker for transactional purposes if the bank falls below the above criteria, although in this case balances will be minimised in both monetary size and time invested.
- Bank subsidiary and treasury operation - The Council will use these where the parent bank has provided an appropriate guarantee or has the necessary ratings outlined above.
- Building societies - The Council will use societies which meet the ratings for banks outlined above;
- Money Market Funds
- Ultra-Short Dated Bond Funds
- UK Government (including gilts, Treasury Bills and the DMADF)

- Local authorities, including Police, Fire and the Council's subsidiary

Use of additional information other than credit ratings. Additional requirements under the Code require the Council to supplement credit rating information. Whilst the above criteria relies primarily on the application of credit ratings to provide a pool of appropriate counterparties for officers to use, additional operational market information will be applied before making any specific investment decision from the agreed pool of counterparties. This additional market information (for example Credit Default Swaps, negative rating Watches/Outlooks) will be applied to compare the relative security of differing investment opportunities.

Hub Schemes. The Council also invests in hub projects, which are based on robust business cases and a cashflow from public sector organisations (i.e. low risk). As additional assurance we restrict such investments to hub schemes where the Council is a significant participant.

Time and monetary limits applying to investments. The time and monetary limits for institutions on the Council's counterparty list are as stated in **Annex F**.

UK banks – *ring fencing

Ring-fencing is a regulatory initiative created in response to the global financial crisis. It mandates the separation of retail and Small and Medium Enterprises deposits from investment banking, in order to improve the resilience and resolvability of banks by changing their structure. In general, simpler, activities offered from within a ring-fenced bank, (RFB), will be focused on lower risk, day-to-day core transactions, whilst more complex and "riskier" activities are required to be housed in a separate entity, a non-ring-fenced bank, (NRFB). This is intended to ensure that an entity's core activities are not adversely affected by the acts or omissions of other members of its group.

While the structure of the banks included within this process may have changed, the fundamentals of credit assessment have not. The Council will continue to assess the new-formed entities in the same way that it does others and those with sufficiently high ratings, (and any other metrics considered), will be considered for investment purposes.

5.3 Country and Council's Banker

a) Country Limits –

The Council has determined that it will only use approved counterparties from within the United Kingdom. This policy may be reviewed if the sovereign rating for the UK is downgraded to below Fitch AA -, or equivalent.

b) Council's Own Banker

The Council's own banker (currently The Clydesdale bank) will be maintained on the Council's counterparty list in situations where rating changes mean this is below the above criteria. This is to allow the Council to continue to operate normal current account banking facilities overnight and short-term investment facilities.

5.4 The Monitoring of Investment Counterparties

All credit ratings will be monitored on a weekly basis. The Council is alerted to changes to ratings of all three agencies through its use of the creditworthiness service of Link Asset Services.

- If a downgrade results in the counterparty / investment scheme no longer meeting the Council's minimum criteria, its further use as a new investment will be withdrawn immediately.
- Additional market information (for example Credit Swaps and negative rating watches/outlooks) will be applied to compare the relative security of differing investment counterparties.

If the Council has funds invested in an institution which is downgraded to below the acceptable rating criteria, the Council will enter discussions with the counterparty to establish if the funds can be returned early. This however will be subject to an appropriate cost versus risk assessment of the specific situation.

The criteria for choosing counterparties set out above provide a sound approach to investment in "normal" market circumstances. Under exceptional market conditions, the Head of Accountancy (Chief Financial Officer) may temporarily restrict further investment activity to those counterparties considered of higher credit quality than the minimum criteria set out in this Strategy. These restrictions will remain in place until the Head of Accountancy (Chief Financial Officer) is of an opinion that the banking system has returned to 'normal'. Similarly a restriction may be placed on the duration of investments.

5.5 Types of Investments

For institutions on the approved counterparty list, investments will be restricted to safer instruments (as listed in **Annex E**). Currently this involves the use of money market funds, the Debt Management Agency Deposit Facility (DMADF) and institutions with higher credit ratings than the minimum permissible rating outlines in the investment strategy, as well as the Council's own bank.

Where appropriate, investments will be made through approved brokers. The current list of approved brokers comprises:

- Sterling International Brokers Limited
- Tradition (UK) Limited
- Martins Brokers
- King and Shaxson Capital Limited
- Tullet Prebon Brokers
- Imperial Treasury Services
- Link Agency Services

5.6 Investment Strategy and bank rate projections

a) In-house funds

Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months).

Greater returns are usually obtainable by investing for longer periods. While most cash balances are required in order to manage the ups and downs of cash flow, where cash sums can be identified that could be invested for longer periods, the value to be obtained from longer term investments will be carefully assessed.

- If it is thought that Bank Rate is likely to rise significantly within the time horizon being considered, then consideration will be given to keeping most investments as being short term or variable.
- Conversely, if it is thought that Bank Rate is likely to fall within that time period, consideration will be given to locking in higher rates currently obtainable, for longer periods.

b) Investment returns expectations

The current forecast shown in paragraph 4.3, includes a forecast for a first increase in Bank Rate in May 2022, though it could come in February.

The suggested budgeted investment earnings rates for returns on investments placed for periods up to about three months during each financial year, (based on a first increase in Bank Rate in quarter 2 of 2022), are as follows.:

Average earnings in each year	
2022/23	0.50%
2023/24	0.75%
2024/25	1.00%
2025/26	1.25%
Long term later years	2.00%

For its cash flow generated balances, the Council will seek to utilise its money market funds and short-dated deposits, (overnight to 100 days), in order to benefit from the compounding of interest.

Investment treasury indicator and limit - total principal funds invested for greater than 365 days. These limits are set with regard to the Council's liquidity requirements and to reduce the need for early sale of an investment and are based on the availability of funds after each year-end.

The Council is asked to approve the following treasury indicator and limit:

c) Investment Treasury Indicator And Limit (Treasury Indicator TI-4) Total Principal Funds Invested for Greater Than 365 days

These limits are set with regard to the Council's liquidity requirements and to reduce the need for early sale of an investment, and are based on the availability of funds after each year-end.

The treasury indicator and limit proposed is:

Maximum principal sums invested > 365 days (TI-4)			
	2020/21	2021/22	2022/23
Principal sums invested > 365 days	5%	5%	5%

5.7 Risk Benchmarking

These benchmarks are simple guides to minimise risk, so they may be breached from time to time, depending on movements in interest rates and counterparty criteria. The purpose of the benchmarks is that officers will monitor the current and trend position and amend the operational strategy to manage risk as conditions change. Any breach of the benchmarks will be reported, with supporting reasons in the mid-year or annual report.

a) Security –

The Council's **maximum** security risk benchmark for the current portfolio, when compared to historic default tables, is:

0.06% historic risk of default when compared to the whole portfolio for 1 year.

b) Liquidity

In respect of this area the Council seeks to maintain:

- Bank Overdraft: £100,000 East Renfrewshire Council
£25,000 East Renfrewshire Culture & Leisure Trust

c) Yield

Local Measures of yield benchmarks are:

Investments – Internal returns above the 7 day SONIA (Sterling Over Night Indexed Average) rate

5.8 End of year investment report

At the end of the financial year, the Head of Accountancy (Chief Financial Officer) will report on its investment activity as part of the annual treasury report.

6 Performance Indicators

6.1 The CIPFA Code requires the Council to set performance indicators to assess the adequacy of the treasury function over the year. These are distinct historic indicators, as opposed to the prudential indicators, which are predominantly forward looking.

6.2 Debt Performance Indicators

- (i) Average "Pool Rate" charged by the Loans Fund compared to Scottish Local Authority average Pool Rate:
Target is to be at or below the Scottish Average for 2021/22

- (ii) Average borrowing rate movement year on year:
Target is to maintain or reduce the average borrowing rate for the Council versus 2021/22.

6.3 Loan Charges

Loan Charges for 2022/23 are expected to be at or below the Revenue Budget estimate contained in the Council's Financial Plans to be approved in March 2022, which are estimated as follows:

£m	2022/23 Estimate	2023/24 Estimate
Capital Repayments	4.579	6.287
Interest on Borrowing	4.183	5.492
Expenses	0.204	0.219
Total Loan Charges*	8.966	11.998

**The Loan Charges exclude the capital element of PPP repayments*

6.4 Affordability prudential indicators

The previous sections cover the overall capital and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Council's overall finances.

(i) Ratio of financing costs to net revenue stream

This indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

%	2020/21 Actual	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
Non-HRA	7.60%	7.4%	7.2%	8.3%	8.3%
HRA	32.1%	29.8%	34.0%	37.3%	39.9%

The estimates of financing costs include current commitments and the proposals in the budget report.

(ii) HRA ratios

£	2020/21 Actual	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
HRA debt £m	35.083	42.165	52.800	61.335	67.237
HRA revenues £m	13.211	14.074	13.879	14.233	14.596
Ratio of debt to revenues %	265.6	299.6	380.4	430.9	460.65

£	2020/21	2021/22	2022/23	2023/24	2024/25
	Actual	Estimate	Estimate	Estimate	Estimate
HRA debt £m	35.083	42.165	52.800	61.335	67.237
Number of HRA dwellings	2,994	3,017	3,076	3,076	3,258
Debt per dwelling £	11,718	13,975	17,165	19,940	20,637

7 Monitoring and Reporting

In line with the CIPFA Code the following formal reporting arrangements will be adopted:

Requirement	Purpose	Responsible Body	Frequency
Scrutiny of Treasury Management Strategy	Detailed scrutiny prior to annual approval by Council	Audit & Scrutiny Committee	Annually
Treasury Management Strategy	Reporting on Annual Strategy	Council	Annually prior to start of new financial year
Scrutiny of Treasury Management Mid-Year Report	Detailed scrutiny prior to approval by Council	Audit & Scrutiny Committee	Annually in October/November of the current year
Treasury Management Mid-Year Report	Mid-Year Performance Report	Council	Annually after reported to the Audit & Scrutiny Committee
Scrutiny of Treasury Management Annual Report	Detailed scrutiny prior to approval by Council	Audit & Scrutiny Committee	Annually in September/ October of the financial year
Treasury Management Annual Report	Annual Performance report for previous financial year	Council	Annually after reported to the Audit & Scrutiny Committee
Treasury Management Practices		Council	As appropriate
Treasury Management Policy Statement	Reviews and Revisions	Council	As required

8 Member and Officer Training

The CIPFA Code requires the Head of Accountancy (Chief Financial Officer) to ensure that both members and officers with responsibility for treasury management receive adequate training in this area. This Council will address this important issue by:

a) Elected Members

- Working with members to identify their training needs
- Working with the Link Group to identify appropriate training provision for elected members

b) Officers dealing with treasury management matters will have the option of various levels of training including:

- Treasury courses run by the Council's advisers
- Attendance at CIPFA treasury management training events
- Attendance at the CIPFA Scottish Treasury Management Forum and information exchanged via the Treasury Management Forum network
- Training identified as part of the Council's Performance Review & Development system in line with the approved Treasury Management Practices (TMPs).

BLANK PAGE

ANNEXES

BLANK PAGE

ANNEX A

SUMMARY OF PRUDENTIAL AND TREASURY INDICATORS

Indicator Reference	Indicator	Page Ref.	2022/23	2023/24	2024/25	2025/26	2026/27	
PRUDENTIAL INDICATORS								
Capital Expenditure Indicator								
PI-1	Capital Expenditure Limits		£'000	£'000	£'000	£'000	£'000	
	General Fund	Page 7	68,711	76,434	30,998	11,371	8,680	
	Housing		14,491	23,968	12,482	5,699	3,736	
	Total		83,202	100,402	43,480	17,070	12,416	
PI-2	Capital Financing Requirement		£'000	£'000	£'000	£'000	£'000	
	General Fund	Page 9	228,922	282,576	293,963	286,138	276,437	
	Housing		52,801	61,336	67,238	67,877	68,591	
	Total		281,723	343,912	361,201	354,015	345,028	
Affordability Indicator								
External Debt Indicators								
PI-3	Gross Debt Borrowing		£'000	£'000	£'000	£'000	£'000	
	Other Long Term Liabilities	Page 12	183,015	242,638	242,623	242,607	237,590	
	Total		256,515	310,770	305,188	299,350	289,477	
PI-4	Operational Boundary for External Debt Borrowing		£'000	£'000	£'000	£'000	£'000	
	Other Long Term Liabilities	Page 13	208,277	275,394	297,900	296,549	297,431	
	Total		286,988	348,894	366,032	359,114	354,174	
PI-5	Authorised Limit for External Debt Borrowing		£'000	£'000	£'000	£'000	£'000	
	Other Long Term Liabilities	Page 13	239,518	316,703	342,585	341,032	342,046	
	Total		318,229	390,203	410,717	403,597	398,789	
	Ratio of Financing costs to net revenue Stream – Non -HRA	Page 27	7.2%	8.3%	8.3%	8.5%	8.3%	
	Ratio of Financing costs to net revenue Stream - HRA	Page 27	34.0%	37.3%	39.9%	40.9%	26.7%	
Indicators of Prudence								
PI-6	(Under)/Over Gross Borrowing against the CFR	Page 12	£'000 (25,208)	£'000 (33,142)	£'000 (56,013)	£'000 (54,665)	£'000 (55,551)	
TREASURY INDICATORS								
TI-1	Upper Limit to Fixed Interest Rates based on Net Debt	Page 19	100% of debt position					
TI-2	Upper Limit to Variable Interest Rates based on Net Debt	Page 19	30% of debt position					

TI-3	Maturity Structure of Fixed Interest Rate Borrowing	Page 20	15% maturing in any one year at the time of borrowing				
TI-4	Maximum Principal Sum invested greater than 365 days	Page 25	5%	5%	5%	5%	5%

ANNEX B: INTEREST RATE FORECASTS 2021 – 2025 PWLB forecasts shown below have taken into account the 20 basis point certainty rate reduction effective as of the 1st November 2012

Link Group Interest Rate View		20.12.21													
	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	
BANK RATE	0.25	0.25	0.50	0.50	0.50	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.25	
3 month ave earnings	0.20	0.30	0.50	0.50	0.60	0.70	0.80	0.90	0.90	1.00	1.00	1.00	1.00	1.00	
6 month ave earnings	0.40	0.50	0.60	0.60	0.70	0.80	0.90	1.00	1.00	1.10	1.10	1.10	1.10	1.10	
12 month ave earnings	0.70	0.70	0.70	0.70	0.80	0.90	1.00	1.10	1.10	1.20	1.20	1.20	1.20	1.20	
5 yr PWLB	1.40	1.50	1.50	1.60	1.60	1.70	1.80	1.80	1.80	1.90	1.90	1.90	2.00	2.00	
10 yr PWLB	1.60	1.70	1.80	1.80	1.90	1.90	2.00	2.00	2.00	2.10	2.10	2.10	2.20	2.30	
25 yr PWLB	1.80	1.90	2.00	2.10	2.10	2.20	2.20	2.20	2.30	2.30	2.40	2.40	2.50	2.50	
50 yr PWLB	1.50	1.70	1.80	1.90	1.90	2.00	2.00	2.00	2.10	2.10	2.20	2.20	2.30	2.30	
Bank Rate															
Link	0.25	0.25	0.50	0.50	0.50	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.25	
Capital Economics	0.25	0.25	0.50	0.75	0.75	0.75	0.75	1.00	1.00	-	-	-	-	-	
5yr PWLB Rate															
Link	1.40	1.50	1.50	1.60	1.60	1.70	1.80	1.80	1.80	1.90	1.90	1.90	2.00	2.00	
Capital Economics	1.40	1.40	1.50	1.50	1.60	1.70	1.70	1.80	1.90	-	-	-	-	-	
10yr PWLB Rate															
Link	1.60	1.70	1.80	1.80	1.90	1.90	2.00	2.00	2.00	2.10	2.10	2.10	2.20	2.30	
Capital Economics	1.60	1.60	1.70	1.70	1.80	1.80	1.90	2.00	2.00	-	-	-	-	-	
25yr PWLB Rate															
Link	1.80	1.90	2.00	2.10	2.10	2.20	2.20	2.20	2.30	2.30	2.40	2.40	2.50	2.50	
Capital Economics	1.80	1.80	1.90	1.90	2.00	2.10	2.10	2.20	2.30	-	-	-	-	-	
50yr PWLB Rate															
Link	1.50	1.70	1.80	1.90	1.90	2.00	2.00	2.00	2.10	2.10	2.20	2.20	2.30	2.30	
Capital Economics	1.40	1.50	1.60	1.70	1.80	1.90	2.00	2.20	2.30	-	-	-	-	-	

BLANK PAGE

ANNEX C - LINK Group Economic Background (as at December 2021) –

COVID-19 vaccines.

These were the game changer during 2021 which raised high hopes that life in the UK would be able to largely return to normal in the second half of the year. However, the bursting onto the scene of the Omicron mutation at the end of November, rendered the initial two doses of all vaccines largely ineffective in preventing infection. This has dashed such hopes and raises the spectre again that a fourth wave of the virus could overwhelm hospitals in early 2022. What we now know is that this mutation is very fast spreading with the potential for total case numbers to double every two to three days, although it possibly may not cause so much severe illness as previous mutations. Rather than go for full lockdowns which heavily damage the economy, the government strategy this time is focusing on getting as many people as possible to have a third (booster) vaccination after three months from the previous last injection, as a booster has been shown to restore a high percentage of immunity to Omicron to those who have had two vaccinations. There is now a race on between how quickly boosters can be given to limit the spread of Omicron, and how quickly will hospitals fill up and potentially be unable to cope. In the meantime, workers have been requested to work from home and restrictions have been placed on large indoor gatherings and hospitality venues. With the household saving rate having been exceptionally high since the first lockdown in March 2020, there is plenty of pent-up demand and purchasing power stored up for services in sectors like restaurants, travel, tourism and hotels which had been hit hard during 2021, but could now be hit hard again by either, or both, of government restrictions and/or consumer reluctance to leave home. Growth will also be lower due to people being ill and not working, similar to the pingdemic in July. The economy, therefore, faces significant headwinds although some sectors have learned how to cope well with Covid. However, the biggest impact on growth would come from another lockdown if that happened. The big question still remains as to whether any further mutations of this virus could develop which render all current vaccines ineffective, as opposed to how quickly vaccines can be modified to deal with them and enhanced testing programmes being implemented to contain their spread until tweaked vaccines become widely available.

A SUMMARY OVERVIEW OF THE FUTURE PATH OF BANK RATE

- In December, the Bank of England became the first major western central bank to put interest rates up in this upswing in the current business cycle in western economies as recovery progresses from the Covid recession of 2020.
- The next increase in Bank Rate could be in February or May, dependent on how severe an impact there is from Omicron.
- If there are lockdowns in January, this could pose a barrier for the MPC to putting Bank Rate up again as early as 3rd February.
- With inflation expected to peak at around 6% in April, the MPC may want to be seen to be active in taking action to counter inflation on 5th May, the release date for its Quarterly Monetary Policy Report.
- The December 2021 MPC meeting was more concerned with combating inflation over the medium term than supporting economic growth in the short term.
- Bank Rate increases beyond May are difficult to forecast as inflation is likely to drop sharply in the second half of 2022.
- However, the MPC will want to normalise Bank Rate over the next three years so that it has its main monetary policy tool ready to use in time for the next down-turn; all rates under 2% are providing stimulus to economic growth.

- We have put year end 0.25% increases into Q1 of each financial year from 2023 to recognise this upward bias in Bank Rate - but the actual timing in each year is difficult to predict.
- Covid remains a major potential downside threat in all three years as we are likely to get further mutations.
- How quickly can science come up with a mutation proof vaccine, or other treatment, – and for them to be widely administered around the world?
- Purchases of gilts under QE ended in December. Note that when Bank Rate reaches 0.50%, the MPC has said it will start running down its stock of QE.

MPC MEETING 16th DECEMBER 2021

- The Monetary Policy Committee (MPC) voted 8-1 to raise Bank Rate by 0.15% from 0.10% to 0.25% and unanimously decided to make no changes to its programme of quantitative easing purchases due to finish in December 2021 at a total of £895bn.
- The MPC disappointed financial markets by not raising Bank Rate at its November meeting. Until Omicron burst on the scene, most forecasters, therefore, viewed a Bank Rate increase as being near certain at this December meeting due to the way that inflationary pressures have been comprehensively building in both producer and consumer prices, and in wage rates. However, at the November meeting, the MPC decided it wanted to have assurance that the labour market would get over the end of the furlough scheme on 30th September without unemployment increasing sharply; their decision was, therefore, to wait until statistics were available to show how the economy had fared at this time.
- On 10th December we learnt of the disappointing 0.1% m/m rise in GDP in October which suggested that economic growth had already slowed to a crawl even before the Omicron variant was discovered in late November. Early evidence suggests growth in November might have been marginally better. Nonetheless, at such low rates of growth, the government's "Plan B" COVID-19 restrictions could cause the economy to contract in December.
- On 14th December, the labour market statistics for the three months to October and the single month of October were released. The fallout after the furlough scheme was smaller and shorter than the Bank of England had feared. The single-month data were more informative and showed that Labour Force Survey (LFS) employment fell by 240,000, unemployment increased by 75,000 and the unemployment rate rose from 3.9% in September to 4.2%. However, the weekly data suggested this didn't last long as unemployment was falling again by the end of October. What's more, the 49,700 fall in the claimant count and the 257,000 rise in the PAYE measure of company payrolls suggests that the labour market strengthened again in November. The other side of the coin was a further rise in the number of vacancies from 1.182m to a record 1.219m in the three months to November which suggests that the supply of labour is struggling to keep up with demand, although the single-month figure for November fell for the first time since February, from 1.307m to 1.227m.
- These figures by themselves, would probably have been enough to give the MPC the assurance that it could press ahead to raise Bank Rate at this December meeting. However, the advent of Omicron potentially threw a spanner into the works as it poses

a major headwind to the economy which, of itself, will help to cool the economy. The financial markets, therefore, swung round to expecting no change in Bank Rate.

- On 15th December we had the CPI inflation figure for November which spiked up further from 4.2% to 5.1%, confirming again how inflationary pressures have been building sharply. However, Omicron also caused a sharp fall in world oil and other commodity prices; (gas and electricity inflation has generally accounted on average for about 60% of the increase in inflation in advanced western economies).
- Other elements of inflation are also transitory e.g. prices of goods being forced up by supply shortages, and shortages of shipping containers due to ports being clogged have caused huge increases in shipping costs. But these issues are likely to clear during 2022, and then prices will subside back to more normal levels. Gas prices and electricity prices will also fall back once winter is passed and demand for these falls away.
- Although it is possible that the Government could step in with some fiscal support for the economy, the huge cost of such support to date is likely to pose a barrier to incurring further major expenditure unless it was very limited and targeted on narrow sectors like hospitality. The Government may well, therefore, effectively leave it to the MPC, and to monetary policy, to support economic growth – but at a time when the threat posed by rising inflation is near to peaking!
- This is the adverse set of factors against which the MPC had to decide on Bank Rate. For the second month in a row, the MPC blind-sided financial markets, this time with a surprise increase in Bank Rate from 0.10% to 0.25%. What's more, the hawkish tone of comments indicated that the MPC is now concerned that inflationary pressures are indeed building and need concerted action by the MPC to counter. This indicates that there will be more increases to come with financial markets predicting 1% by the end of 2022. The 8-1 vote to raise the rate shows that there is firm agreement that inflation now poses a threat, especially after the CPI figure hit a 10-year high this week. The MPC commented that “there has been significant upside news” and that “there were some signs of greater persistence in domestic costs and price pressures”.
- On the other hand, it did also comment that “the Omicron variant is likely to weigh on near-term activity”. But it stressed that at the November meeting it had said it would raise rates if the economy evolved as it expected and that now “these conditions had been met”. It also appeared more worried about the possible boost to inflation from Omicron itself. It said that “the current position of the global and UK economies was materially different compared with prior to the onset of the pandemic, including elevated levels of consumer price inflation”. It also noted the possibility that renewed social distancing would boost demand for goods again, (as demand for services would fall), meaning “global price pressures might persist for longer”. (Recent news is that the largest port in the world in China has come down with an Omicron outbreak which is not only affecting the port but also factories in the region.)
- On top of that, there were no references this month to inflation being expected to be below the 2% target in two years' time, which at November's meeting the MPC referenced to suggest the markets had gone too far in expecting interest rates to rise to over 1.00% by the end of the year.

- These comments indicate that there has been a material reappraisal by the MPC of the inflationary pressures since their last meeting and the Bank also increased its forecast for inflation to peak at 6% next April, rather than at 5% as of a month ago. However, as the Bank retained its guidance that only a “modest tightening” in policy will be required, it cannot be thinking that it will need to increase interest rates that much more. A typical policy tightening cycle has usually involved rates rising by 0.25% four times in a year. “Modest” seems slower than that. As such, the Bank could be thinking about raising interest rates two or three times next year to 0.75% or 1.00%.
- In as much as a considerable part of the inflationary pressures at the current time are indeed transitory, and will naturally subside, and since economic growth is likely to be weak over the next few months, this would appear to indicate that this tightening cycle is likely to be comparatively short.
- As for the timing of the next increase in Bank Rate, the MPC dropped the comment from November’s statement that Bank Rate would be raised “in the coming months”. That may imply another rise is unlikely at the next meeting in February and that May is more likely. However, much could depend on how adversely, or not, the economy is affected by Omicron in the run up to the next meeting on 3rd February. Once 0.50% is reached, the Bank would act to start shrinking its stock of QE, (gilts purchased by the Bank would not be replaced when they mature).

- The MPC’s forward guidance on its intended monetary policy on raising Bank Rate versus selling (quantitative easing) holdings of bonds is as follows: -
Raising Bank Rate as “the active instrument in most circumstances”.

Raising Bank Rate to 0.50% before starting on reducing its holdings.

Once Bank Rate is at 0.50% it would stop reinvesting maturing gilts.

Once Bank Rate had risen to at least 1%, it would start selling its holdings.

- **US.** Shortages of goods and intermediate goods like semi-conductors, have been fuelling increases in prices and reducing economic growth potential. In November, CPI inflation hit a near 40-year record level of 6.8% but with energy prices then falling sharply, this is probably the peak. The biggest problem for the Fed is the mounting evidence of a strong pick-up in cyclical price pressures e.g. in rent which has hit a decades high.
- Shortages of labour have also been driving up wage rates sharply; this also poses a considerable threat to feeding back into producer prices and then into consumer prices inflation. It now also appears that there has been a sustained drop in the labour force which suggests the pandemic has had a longer-term scarring effect in reducing potential GDP. Economic growth may therefore be reduced to between 2 and 3% in 2022 and 2023 while core inflation is likely to remain elevated at around 3% in both years instead of declining back to the Fed’s 2% central target.
- Inflation hitting 6.8% and the feed through into second round effects, meant that it was near certain that the Fed’s meeting of 15th December would take aggressive action against inflation. Accordingly, the rate of tapering of monthly \$120bn QE purchases announced at its November 3rd meeting was doubled so that all purchases would now finish in February 2022. In addition, Fed officials had started discussions on running down the stock of QE held by the Fed. Fed officials also expected three rate rises in 2022 of 0.25% from near zero currently, followed by three in 2023 and two in 2024, taking rates back above 2% to a neutral level for monetary policy. The first increase could come as soon as March 2022

as the chairman of the Fed stated his view that the economy had made rapid progress to achieving the other goal of the Fed – “maximum employment”. The Fed forecast that inflation would fall from an average of 5.3% in 2021 to 2.6% in 2023, still above its target of 2% and both figures significantly up from previous forecasts. What was also significant was that this month the Fed dropped its description of the current level of inflation as being “transitory” and instead referred to “elevated levels” of inflation: the statement also dropped most of the language around the flexible average inflation target, with inflation now described as having exceeded 2 percent “for some time”. It did not see Omicron as being a major impediment to the need to take action now to curtail the level of inflationary pressures that have built up, although Fed officials did note that it has the potential to exacerbate supply chain problems and add to price pressures.

- **EU.** The slow roll out of vaccines initially delayed economic recovery in early 2021 but the vaccination rate then picked up sharply. After a contraction of -0.3% in Q1, Q2 came in with strong growth of 2%. With Q3 at 2.2%, the EU recovery was then within 0.5% of its pre Covid size. However, the arrival of Omicron is now a major headwind to growth in quarter 4 and the expected downturn into weak growth could well turn negative, with the outlook for the first two months of 2022 expected to continue to be very weak.
- November’s inflation figures breakdown shows that the increase in price pressures is not just due to high energy costs and global demand-supply imbalances for durable goods as services inflation also rose. Headline inflation reached 4.9% in November, with over half of that due to energy. However, oil and gas prices are expected to fall after the winter and so energy inflation is expected to plummet in 2022. Core goods inflation rose to 2.4% in November, its second highest ever level, and is likely to remain high for some time as it will take a long time for the inflationary impact of global imbalances in the demand and supply of durable goods to disappear. Price pressures also increased in the services sector, but wage growth remains subdued and there are no signs of a trend of faster wage growth which might lead to *persistently* higher services inflation - which would get the ECB concerned. The upshot is that the euro-zone is set for a prolonged period of inflation being above the ECB’s target of 2% and it is likely to average 3% in 2022, in line with the ECB’s latest projection.
- ECB tapering. The ECB has joined with the Fed by also announcing at its meeting on 16th December that it will be reducing its QE purchases - by half from October 2022, i.e., it will still be providing significant stimulus via QE purchases for over half of next year. However, as inflation will fall back sharply during 2022, it is likely that it will leave its central rate below zero, (currently -0.50%), over the next two years. The main struggle that the ECB has had in recent years is that inflation has been doggedly anaemic in sticking below the ECB’s target rate despite all its major programmes of monetary easing by cutting rates into negative territory and providing QE support.
- The ECB will now also need to consider the impact of Omicron on the economy, and it stated at its December meeting that it is prepared to provide further QE support if the pandemic causes bond yield spreads of peripheral countries, (compared to the yields of northern EU countries), to rise. However, that is the only reason it will support peripheral yields, so this support is limited in its scope.
- The EU has entered into a period of political uncertainty where a new German government formed of a coalition of three parties with Olaf Scholz replacing Angela Merkel as Chancellor in December 2021, will need to find its feet both within the EU and in the three parties successfully working together. In France there is a presidential election coming up in April 2022 followed by the legislative election in June. In addition, Italy needs to elect a new president in January with Prime Minister Draghi being a favourite due to having suitable gravitas for this post. However, if he switched office, there is a significant risk that the current government coalition could collapse. That could then cause differentials between Italian and German bonds to widen when 2022 will also see a gradual running down of ECB support for the bonds of weaker countries within the EU. These political uncertainties could have repercussions on economies and on Brexit issues.

- **CHINA.** After a concerted effort to get on top of the virus outbreak in Q1 2020, economic recovery was strong in the rest of 2020; this enabled China to recover all the initial contraction. During 2020, policy makers both quashed the virus and implemented a programme of monetary and fiscal support that was particularly effective at stimulating short-term growth. At the same time, China's economy benefited from the shift towards online spending by consumers in developed markets. These factors helped to explain its comparative outperformance compared to western economies during 2020 and earlier in 2021.
- However, the pace of economic growth has now fallen back in 2021 after this initial surge of recovery from the pandemic and looks likely to be particularly weak in 2022. China has been struggling to contain the spread of the Delta variant through using sharp local lockdowns - which depress economic growth. Chinese consumers are also being very wary about leaving home and so spending money on services. However, with Omicron having now spread to China, and being much more easily transmissible, this strategy of sharp local lockdowns to stop the virus may not prove so successful in future. In addition, the current pace of providing boosters at 100 million per month will leave much of the 1.4 billion population exposed to Omicron, and any further mutations, for a considerable time.
- The People's Bank of China made a start in December 2021 on cutting its key interest rate marginally so as to stimulate economic growth. However, after credit has already expanded by around 25% in just the last two years, it will probably leave the heavy lifting in supporting growth to fiscal stimulus by central and local government.
- Supply shortages, especially of coal for power generation, were causing widespread power cuts to industry during the second half of 2021 and so a sharp disruptive impact on some sectors of the economy. In addition, recent regulatory actions motivated by a political agenda to channel activities into officially approved directions, are also likely to reduce the dynamism and long-term growth of the Chinese economy.

- **JAPAN.** 2021 has been a patchy year in combating Covid. However, recent business surveys indicate that the economy has been rebounding rapidly in 2021 once the bulk of the population had been double vaccinated and new virus cases had plunged. However, Omicron could reverse this initial success in combating Covid.
- The Bank of Japan is continuing its very loose monetary policy but with little prospect of getting inflation back above 1% towards its target of 2%, any time soon: indeed, inflation was actually negative in July. New Prime Minister Kishida, having won the November general election, brought in a supplementary budget to boost growth, but it is unlikely to have a major effect.

- **WORLD GROWTH.** World growth was in recession in 2020 but recovered during 2021 until starting to lose momentum in the second half of the year, though overall growth for the year is expected to be about 6% and to be around 4-5% in 2022. Inflation has been rising due to increases in gas and electricity prices, shipping costs and supply shortages, although these should subside during 2022. While headline inflation will fall sharply, core inflation will probably not fall as quickly as central bankers would hope. It is likely that we are heading into a period where there will be a reversal of world globalisation and a decoupling of western countries from dependence on China to supply products, and vice versa. This is likely to reduce world growth rates from those in prior decades.

- **SUPPLY SHORTAGES.** The pandemic and extreme weather events, followed by a major surge in demand after lockdowns ended, have been highly disruptive of extended worldwide supply chains. Major queues of ships unable to unload their goods at ports in New York, California and China built up rapidly during quarters 2 and 3 of 2021 but then

halved during quarter 4. Such issues have led to a misdistribution of shipping containers around the world and have contributed to a huge increase in the cost of shipping. Combined with a shortage of semi-conductors, these issues have had a disruptive impact on production in many countries. The latest additional disruption has been a shortage of coal in China leading to power cuts focused primarily on producers (rather than consumers), i.e., this will further aggravate shortages in meeting demand for goods. Many western countries are also hitting up against a difficulty in filling job vacancies. It is expected that these issues will be gradually sorted out, but they are currently contributing to a spike upwards in inflation and shortages of materials and goods available to purchase.

BLANK PAGE

ANNEX D

Treasury risks

All the investment instruments are subject to the following risks: -

1. **Credit and counter-party risk:** this is the risk of failure by a counterparty (bank or building society) to meet its contractual obligations to the organisation particularly as a result of the counterparty's diminished creditworthiness, and the resulting detrimental effect on the organisation's capital or current (revenue) resources. There are no counterparties where this risk is zero although AAA rated organisations have the highest, relative, level of creditworthiness.
2. **Liquidity risk:** this is the risk that cash will not be available when it is needed. While it could be said that all counterparties are subject to at least a very small level of liquidity risk as credit risk can never be zero, in this document, liquidity risk has been treated as whether or not instant access to cash can be obtained from each form of investment instrument. However, it has to be pointed out that while some forms of investment e.g. gilts, CDs, corporate bonds can usually be sold immediately if the need arises, there are two caveats: - a. cash may not be available until a settlement date up to three days after the sale. b. there is an implied assumption that markets will not freeze up and so the instrument in question will find a ready buyer.
3. **Market risk:** this is the risk that, through adverse market fluctuations in the value of the principal sums an organisation borrows and invests, its stated treasury management policies and objectives are compromised, against which effects it has failed to protect itself adequately.
4. **Interest rate risk:** this is the risk that fluctuations in the levels of interest rates create an unexpected or unbudgeted burden on the organisation's finances, against which the organisation has failed to protect itself adequately. This authority has set limits for its fixed and variable rate exposure in its Treasury Indicators in this report.
5. **Legal and regulatory risk:** this is the risk that the organisation itself, or an organisation with which it is dealing in its treasury management activities, fails to act in accordance with its legal powers or regulatory requirements, and that the organisation suffers losses accordingly.

Controls on treasury risks

1. **Credit and counter-party risk:** this authority has set minimum credit criteria to determine which counterparties and countries are of sufficiently high creditworthiness to be considered for investment purposes. See paragraphs 5.2 and 5.3.
2. **Liquidity risk:** this authority has a cash flow forecasting model to enable it to determine how long investments can be made for and how much can be invested.

3. **Market risk:** this authority purchases Certificate of Deposits, Corporate Bonds, Treasury Bills and Ultra-Short Bonds as they offer a higher rate of return than depositing in the DMADF. They are usually held until maturity but in exceptional circumstances, they can be quickly sold at the current market value, (which may be below the purchase cost), if the need arises for extra cash at short notice. Their value does not usually vary much during their short life.
4. **Interest rate risk:** this authority manages this risk by having a view of the future course of interest rates and then formulating a treasury management strategy accordingly which aims to maximise investment earnings consistent with control of risk or alternatively, seeks to minimise expenditure on interest costs on borrowing. See paragraph 5.6.
5. **Legal and regulatory risk:** this authority will not undertake any form of investing until it has ensured that it has all necessary powers and also complied with all regulations.

Objectives of each type of Permitted Investment instrument

1. DEPOSITS

The following forms of 'investments' are actually more accurately called deposits as cash is deposited in an account until an agreed maturity date or is held at call.

- a) **Debt Management Agency Deposit Facility (DMADF).** This offers the lowest risk form of investment available to local authorities as it is effectively an investment placed with the Government. It is also easy to use as it is a deposit account and avoids the complications of buying and holding Government issued treasury bills or gilts. As it is low risk it also earns low rates of interest. However, it is very useful for authorities whose overriding priority is the avoidance of risk. The longest period for a term deposit with the DMADF is 6 months.
- b) **Term deposits with high credit worthiness banks and building societies.** This is the most widely used form of investing used by local authorities. It offers a much higher rate of return than the DMADF (dependent on term). The authority will ensure diversification of its portfolio of deposits ensuring that an approved maximum can be placed with any one institution or group. In addition, longer term deposits offer an opportunity to increase investment returns by locking in high rates ahead of an expected fall in the level of interest rates. At other times, longer term rates can offer good value when the markets incorrectly assess the speed and timing of interest rate increases. This form of investing therefore, offers a lot of flexibility and higher earnings than the DMADF. Where it is restricted is that once a longer term investment is made, that cash is locked in until the maturity date.
- c) **Call accounts with high credit worthiness banks and building societies.** The objectives are as for 1b, but there is instant access to recalling cash deposited. This generally means accepting a lower rate of interest than that which could be earned from the same institution by making a term deposit. Some use of call accounts is highly desirable to ensure that the authority has ready access to cash when needed to pay bills.
- d) **Fixed term deposits with variable rate and variable maturities (structured deposits).** This line encompasses ALL types of structured deposits. There has been

considerable change in the types of structured deposits brought to the market over the last few years, some of which are already no longer available. In view of the fluidity of this area, this is a generic title for all structured deposits and provides greater flexibility to adopt new instruments as and when they are brought to the market. Approval will be sought before making deposits using instruments under this generic title.

- e) **Collateralised deposits.** These are deposits placed with a bank which offers collateral backing based on specific assets. Examples seen in the past have included local authority LOBOs, where such deposits are effectively lending to a local authority as that is the ultimate security.

2. DEPOSITS WITH COUNTERPARTIES CURRENTLY IN RECEIPT OF GOVERNMENT SUPPORT / OWNERSHIP

These banks offer another dimension of creditworthiness in terms of Government backing through either partial or full direct ownership. The view of this authority is that such backing makes these banks attractive institutions with whom to place deposits, and that will remain our view if the UK sovereign rating were to be downgraded in the coming year.

- a) **Term deposits with high credit worthiness banks which are fully or semi nationalised.** As for 1b, but Government full (or substantial partial) ownership, implies that the Government stands behind this bank and will be deeply committed to providing whatever support that may be required to ensure the continuity of that bank. This authority considers that this indicates a low and acceptable level of residual risk.
- b) **Fixed term deposits with variable rate and variable maturities (structured deposits).** There has been considerable change in the types of structured deposits brought to the market over the last few years, some of which are already no longer available. In view of the fluidity of this area, this is a generic title for all structured deposits so as to provide councils with greater flexibility to adopt new instruments as and when they are brought to the market. Approval will be sought before making deposits using instruments under this generic title

3. COLLECTIVE INVESTMENT SCHEMES STRUCTURED AS OPEN ENDED INVESTMENT COMPANIES (OEICS)

- a) **Government liquidity funds.** These are the same as money market funds (see below) but only invest in government debt issuance with highly rated governments. Due to the higher quality of underlying investments, they offer a lower rate of return than MMFs. However, their net return is typically on a par with the DMADF, but with instant access.
- b) **Money Market Funds (MMFs).** By definition, MMFs are AAA rated and are widely diversified, using many forms of money market securities including types which this authority does not currently have the expertise or capabilities to hold directly. However, due to the high level of expertise of the fund managers and the huge amounts of money invested in MMFs, and the fact that the weighted average maturity (WAM) cannot exceed 60 days, MMFs offer a combination of high security, instant access to funds, high diversification and good rates of return compared to equivalent instant access facilities. They are particularly advantageous in falling interest rate environments as their 60 day WAM means they have locked in investments earning higher rates of interest than are

currently available in the market. MMFs also help an authority to diversify its own portfolio as e.g. a £2m investment placed directly with HSBC is a 100% risk exposure to HSBC whereas £2m invested in a MMF may end up with say £10,000 being invested with HSBC through the MMF. For authorities particularly concerned with risk exposure to banks, MMFs offer an effective way of minimising risk exposure while still getting much better rates of return than available through the DMADF.

- c) **Ultra-short dated bond funds.** These funds are similar to MMFs, can still be AAA rated but have variable net asset values (VNAV) as opposed to a traditional MMF which has a Constant Net Asset Value (CNAV). They aim to achieve a higher yield and to do this either take more credit risk or invest out for longer periods of time, which means they are more volatile. These funds can have WAM's and Weighted Average Life (WAL's) of 90 – 365 days or even longer. Their primary objective is yield and capital preservation is second. They therefore are a higher risk than MMFs and correspondingly have the potential to earn higher returns than MMFs.
- d) **Gilt funds.** These are funds which invest only in U.K. Government gilts. They offer a lower rate of return than bond funds but are highly rated both as a fund and through investing only in highly rated government securities. They offer a higher rate of return than investing in the DMADF but they do have an exposure to movements in market prices of assets held.
- e) **Bond funds.** These can invest in both government and corporate bonds. This therefore entails a higher level of risk exposure than gilt funds and the aim is to achieve a higher rate of return than normally available from gilt funds by trading in non-government bonds.

4. SECURITIES ISSUED OR GUARANTEED BY GOVERNMENTS

The following types of investments are where an authority directly purchases a particular investment instrument, a security, i.e. it has a market price when purchased and that value can change during the period the instrument is held until it matures or is sold. The annual earnings on a security is called a yield i.e. it is normally the interest paid by the issuer divided by the price you paid to purchase the security unless a security is initially issued at a discount e.g. treasury bills.

- a) **Treasury bills.** These are short term bills (up to 18 months, but usually 9 months or less) issued by the Government and so are backed by the sovereign rating of the UK. The yield is higher than the rate of interest paid by the DMADF and another advantage compared to a term deposit in the DMADF is that they can be sold if there is a need for access to cash at any point in time. However, there is a spread between purchase and sale prices so early sales could incur a net cost during the period of ownership.
- b) **Gilts.** These are longer term debt issuance by the UK Government and are backed by the sovereign rating of the UK. The yield is higher than the rate of interest paid by the DMADF and another advantage compared to a term deposit in the DMADF is that they can be sold if there is a need for access to cash at any point in time. However, there is a spread between purchase and sale prices so early sales may incur a net cost. Market movements that occur between purchase and sale may also have an adverse impact on proceeds. The advantage over Treasury bills is that they generally offer higher yields the longer it is to maturity (for most periods) if the yield curve is positive.

- c) **Bond issuance issued by a financial institution which is explicitly guaranteed by the UK Government** e.g. National Rail. This is similar to a gilt due to the explicit Government guarantee.

5. SECURITIES ISSUED BY CORPORATE ORGANISATIONS

The following types of investments are where an authority directly purchases a particular investment instrument, a security, i.e. it has a market price when purchased and that value can change during the period the instrument is held until it is sold. The annual earnings on a security is called a yield i.e. is the interest paid by the issuer divided by the price you paid to purchase the security. These are similar to the previous category but corporate organisations can have a wide variety of credit worthiness so it is essential for local authorities to only select the organisations with the highest levels of credit worthiness. Corporate securities are generally a higher risk than government debt issuance and so earn higher yields.

- a) **Certificates of deposit (CDs).** These are shorter term securities issued by deposit taking institutions (mainly financial institutions). They are negotiable instruments, so can be sold ahead of maturity and also purchased after they have been issued. However, that liquidity can come at a price, where the yield could be marginally less than placing a deposit with the same bank as the issuing bank.
- b) **Commercial paper.** This is similar to CDs but is issued by commercial organisations or other entities. Maturity periods are up to 365 days but commonly 90 days
- c) **Corporate bonds.** These are (long term) bonds (usually bearing a fixed rate of interest) issued by a financial institution, company or other non-government issuer in order to raise capital for the institution as an alternative to issuing shares or borrowing from banks. They are generally seen to be of a lower creditworthiness than government issued debt and so usually offer higher rates of yield.
- d) **Floating rate notes.** These are bonds on which the rate of interest is established periodically with reference to short-term interest rates.

6. OTHER

- a) **Property fund.** This is a collective investment fund specialising in property. Rather than owning a single property with all the risk exposure attached to one property in one location rising or falling in value, maintenance costs, tenants actually paying their rent / lease etc., a collective fund offers the advantage of diversified investment over a wide portfolio of different properties. This can be attractive for authorities who want exposure to the potential for the property sector to rise in value. However, timing is critical to entering or leaving this sector at the optimum times of the property cycle of rising and falling values. Typically, the minimum investment time horizon for considering such funds is at least 3-5 years.
- b) **Loans to 3rd parties.** These are loans provided to third parties at either market rates of interest or below market rates. Each application is supported by the service rationale behind the loan and requires member approval. These loans are highly illiquid and may exhibit credit risk.

- c) **Loans to a Local Authority Company/ Partnership or Charity.** These loans have to be supported by the service rationale /business case and requires member approval. In general these loans will involve some form of security or clear cash flow that is available to service the debt. These loans are highly illiquid and may exhibit credit risk.
- d) **Shares in Hub schemes.** These are shares in projects that have both Council and the Scottish Government as participants. As such the Council are well placed to influence and ensure the successful completion of the projects, which are based on robust business cases with a cash flow from the public sector organisations. These investments are highly illiquid with a low credit risk.

ANNEX E

Credit and Counterparty Risk Management

Permitted Investments, Associated Controls and Limits for East Renfrewshire Council and East Renfrewshire Culture & Leisure Trust

Type of Investment	Treasury Risks	Mitigating Controls	Limits
a. Deposits with the Debt Management Account Facility (UK Government) (Very low risk)	This is a deposit with the UK Government and, as such, counterparty and liquidity risk is very low, and there is no risk to value. Deposits can be between overnight and 6 months	Little mitigating controls required. As this is a UK Government investment, the monetary limit is high.	£30m Maximum 6 months
b. Deposits with other local authorities or public bodies (Very low risk)	These are considered quasi UK Government debt and, as such counterparty risk is very low, and there is no risk to value. Liquidity may present a problem as deposits can only be broken with the agreement of the counterparty, and penalties can apply. Deposits with non-local authority bodies will be restricted to the overall credit rating criteria	Little mitigating controls required for local authority deposits, as this is a quasi UK Government investment. Non-local authority deposits will follow the approved credit rating criteria	£5m (per body), maximum 6 months
c. Money Market Funds (MMFs) Low Volatility Net Asset Value (LVNAV) (Low to very low risk)	Pooled cash investment vehicle which provides very low counterparty, liquidity and market risk. These will primarily be used as liquidity instruments.	Funds will only be used where the MMFs has a “AAA” rated status from either Fitch, Moody’s or Standard & Pools.	£10m per fund/£60m overall
d. Ultra-Short Dated Bond Funds (Low risk)	Pooled cash investment vehicle which provides very low counterparty, liquidity and market risk. These will primarily be used as liquidity instruments.	Funds will only be used where they have a “AAA” rated status from either Fitch, Moody’s or Standard and Poor’s.	£10m overall, part of category c.
e. Call account deposit accounts with financial institutions	These tend to be low risk investments, but will exhibit higher risks than categories (a), (b) and (c) above. These type of investments have no risk to	The counterparty selection criteria approved above restricts lending only to high quality counterparties, measured	As shown in the counterparty

(banks and building societies) (Low risk depending on credit rating)	value, liquidity is high and investment can be returned at short notice	primarily by credit ratings from Fitch, Moody's and Standard and Poor's. Day to day investment dealing with this criteria will be further strengthened by use of additional market intelligence.	listing (Annex F)
f. Term deposits with financial institutions (banks and building societies) (Low to medium risk depending on period & credit rating)	These tend to be low risk investments, but will exhibit higher risks than categories (a), (b) and (c) above. Whilst there is no risk to value with these types of investments, liquidity is low and term deposits can only be broken with the agreement of the counterparty, and penalties may apply.	The counterparty selection criteria approved above restricts lending only to high quality counterparties, measured primarily by credit ratings from Fitch, Moody's and Standard and Poors. Day to day investment dealing with this criteria will be further strengthened by the use of additional market intelligence.	As shown in the counterparty listing (Annex F)
g. UK Government Gilts and Treasury Bills (Very low risk)	These are marketable securities issued by the UK Government and, as such, counterparty and liquidity risk is very low, although there is potential risk to value arising from an adverse movement in interest rates (no loss if these are held to maturity).	Little counterparty mitigating controls are required, as this is a UK Government investment. The potential for capital loss will be reduced by limiting the maximum monetary and time exposures.	£5m, maximum 6 months
h. Certificates of Deposit with Financial Institutions (Banks & Building Societies) (Low risk)	These are short dated marketable securities issued by financial institutions and as such counterparty risk is low, but will exhibit higher risks than categories (a), (b) and (c) above. There is risk to value of capital loss arising from selling ahead of maturity if combined with an adverse movement in interest rates (no loss if these are held to maturity). Liquidity risk will normally be low.	The counterparty selection criteria approved above restricts lending only to high quality counterparties, measured primarily by credit ratings from Fitch, Moody's and Standard and Poor's. Day to day investment dealing with this criteria will be further strengthened by the use of additional market intelligence.	Dependent on institution as listed in counterparty listing in annex F
i. Gilt fund deposit facilities with banks & building societies	These tend to be medium to low risk investments, but will exhibit higher risks than categories (a), (b) and (c) above.	The counterparty selection criteria approved above restricts lending only to high quality counterparties, measured	Dependent on institution as listed in

(escalating rates, de-escalating rates etc.). (Low to medium risk depending on period & credit rating)	Whilst there is no risk to value with these types of investments, liquidity is very low and investments can only be broken with the agreement of the counterparty (penalties may apply).	primarily by credit ratings from Fitch, Moody's and Standard and Poor's. Day to day investment dealing with these criteria will be further strengthened by the use of additional market intelligence	counterparty listing in annex F
j. Structured deposit facilities with banks and building societies (escalating rates, de-escalating rates etc.) (Low to medium risk depending on period & credit rating)	These tend to be medium to low risk investments, but will exhibit higher risks than categories (a), (b) and (c) above. Whilst there is no risk to value with these types of investments, liquidity is very low and investments can only be broken with the agreement of the counterparty (penalties may apply).	The counterparty selection criteria approved above restricts lending only to high quality counterparties, measured primarily by credit ratings from Fitch, Moody's and Standard and Poor's. Day to day investment dealing with this criteria will be further strengthened by the use of additional market intelligence.	Dependent on institution as listed in counterparty listing in annex F
k. Corporate Bonds (Medium to high risk depending on period and credit rating)	These are marketable securities issued by financial and corporate institutions. Counterparty risk will vary and there is risk to value of capital loss arising from selling ahead of maturity if combined with an adverse movement in interest rates. Liquidity risk will be low.	The counterparty selection criteria approved above restricts lending only to high quality counterparties, measured primarily by credit ratings from Fitch, Moody's and Standard and Poor's. Corporate bonds will be restricted to those meeting the base criteria. Day to day investment dealing with this criteria will be further strengthened by the use of additional market intelligence.	Dependent on institution as listed in counterparty listing in annex F
l. Investment properties	These are non-service properties which are being held pending disposal or for a longer-term rental income stream. These are highly illiquid assets with high risk to value (the potential for property prices to fall or for rental voids)	In larger investment portfolios, some small allocation of property based investment may counterbalance/compliment the wider cash portfolio. Property holding will be re-valued regularly and reported annually with gross and net rental streams.	No limit

m. Loans to third parties, including soft loans	These are service investments either at market rates of interest or below market rates (soft loans). These types of investments may exhibit credit risk and are likely to be highly illiquid.	Each third party loan requires Member approval and each application is supported by the service rationale behind the loan and the likelihood of partial or full default.	£0.5m
n. Loans to a local authority company/ partnership or charity	These are service investments either at market rates of interest or below market rates (soft loans). These types of investments may exhibit credit risk and are likely to be highly illiquid	Each loan to a local authority company requires Member approval and each application is supported by the service rationale/business case behind the loan and the likelihood of partial or full default.	£1m
o. Shares in Hub Schemes	These are investments that are exposed to the success or failure of individual projects and are highly illiquid.	The Council and Scottish Government (via the SFT) are participants in and party to the governance and controls within the project structure. As such they are well placed to influence and ensure the successful completion of the project's term. These projects are based on robust business cases with a cash flow from public sector organisations (i.e. low credit risk)	Investment limited to HUB schemes where the Council is a major participant

The Monitoring of Investment Counterparties

The status of counterparties will be monitored regularly. The Council receives credit rating and market information from Link Asset Services, including when ratings change, and counterparties are checked promptly. On occasion rating may be downgraded when an investment has already been made. The criteria used are such that a minor downgrading should not affect the full receipt of the principal and interest. Any counterparty failing to meet the criteria will be removed from the list immediately (with the exception of the Council's Bank) and if required new counterparties which meet the criteria will be added to the list with written permission of the Head of Accountancy (Chief Financial Officer).

Annex F

EAST RENFREWSHIRE COUNCIL

ORGANISATIONS APPROVED FOR THE INVESTMENT OF SURPLUS FUNDS

Banking Group	Individual Counterparty	Limits	
		Deposit	Transaction
Bank of England	Debt Management Office	£30m	£30m
	UK Treasury Bills	£5m	£5m
Barclays Banking Group	Barclays Bank	£5m	£5m
Goldman Sachs International Bank		£10m	£10m
HSBC		£5m	£5m
Lloyds Banking Group:	Bank of Scotland	£12.5m	£10m
Royal Bank of Scotland Group:	Royal Bank of Scotland	}	£5m
	National Westminster Bank		
Santander Group	Santander UK PLC	£10m	£10m
Standard Chartered Bank		£10m	£10m
Clydesdale Bank		£0	£0
Building Societies			
Nationwide		£10m	£10m
Local Authorities			
All Local Authorities including Police & Fire (per fund)		£5m	£5m
Money Market Funds and Ultra-Short Dated Bond Funds			
Maximum limit of £10m per fund,		£60m	£10m

Credit Ratings

	Fitch		Moody's		S&P	
	LT	ST	LT	ST	LT	ST
Minimum Criteria	A-	F1	A3	P-1/P-2	A	A-1/A-2

(Unless Government backed)

(Please note credit ratings are not the sole method of selecting counterparty)

Limit

Investment of surplus funds is permitted in each of the above organisations, with the limits set on an individual basis by the Head of Accountancy (Chief Financial Officer).

The limit may only be exceeded or another organisation approved with the written permission of the Head of Accountancy (Chief Financial Officer).

Deposit Periods

The maximum period for any deposit is currently set at 6 months, based on the Link Assets Services suggested Duration Matrix, with the exception of the Bank of Scotland which is set at 365 days. These limits can only be exceeded with the written permission of the Head of Accountancy (Chief Financial Officer).

Hub scheme deposit periods are dependent on the lifetime of the associated scheme.

GLOSSARY OF TERMS

CIPFA	Chartered Institute of Public Finance and Accountancy
CIPFA Code	Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes
CFR	Capital Financing Requirement is the estimated level of borrowing or financing needed to fund capital expenditure.
Consent to Borrow	Para 1 (1) of Schedule 3 of the Local Government (Scotland) Act 1975 (the 1975 Act) effectively restricts local authorities to borrowing only for capital expenditure. Under the legislation Scottish Ministers may provide consent for local authorities to borrow for expenditure not covered by this paragraph, where they are satisfied that the expenditure should be met by borrowing.
Gilts	A gilt is a UK Government liability in sterling, issued by HM Treasury and listed on the London Stock Exchange. The term “gilt” or “gilt-edged security” is a reference to the primary characteristic of gilts as an investment: their security. This is a reflection of the fact that the British Government has never failed to make interest or principal payments on gilts as they fall due.
LIBID	London Interbank Bid Rate The rate at which banks bid on Eurocurrency Deposits, being the rate at which a bank is willing to borrow from other banks. This will cease at the close of 2021
SONIA	Sterling Overnight Interest Average: this is a risk-free rate for sterling markets administered by the Bank of England. SONIA is based on actual transactions and reflects the average of the interest rates that banks pay to borrow sterling overnight from other financial institutions and other institutional investors.
MPC	Monetary Policy Committee
NHT	National Housing Trust initiative undertaken in partnership with the Scottish Futures Trust (SFT)
Other Long Term Liabilities	Balance sheet items such as Public Private Partnership (PPP), and leasing arrangements which already include borrowing instruments.
PPP	Public-Private Partnership.
Prudential Indicators	The Prudential Code sets out a basket of indicators (the Prudential Indicators) that must be prepared and used in order to demonstrate that local authorities have fulfilled the objectives of the Prudential Code.
QE	Quantitative Easing
Treasury Indicators	These consist of a number of Treasury Management Indicators that local authorities are expected to ‘have regard’ to, to demonstrate compliance with the Treasury Management Code of Practice.

BLANK PAGE

EAST RENFREWSHIRE COUNCIL**3 March 2022****Report by Director of Business Operations and Partnerships****PROVOST'S ENGAGEMENTS****PURPOSE OF REPORT**

1. To advise the Council of the civic engagements carried out Provost Fletcher since the meeting of the Council in October.

RECOMMENDATION

2. That the report be noted.

REPORT

3. Throughout the pandemic numerous civic events or engagements that would normally have been attended by the Provost have not been taking place.

4. As the vaccination programme rolls out opportunities for the Provost to attend events have resumed, albeit these have been limited in number.

5. Since the meeting in December the Provost has carried out the following civic engagements:

16 December – Attendance at ACCORD Hospice Carol Service, Paisley Abbey.

12 January – Virtual East Renfrewshire Air Support Unit Drone Presentation.

19 January – Holocaust Memorial Day speech filming at Council HQ.

29 January – Virtual Holocaust Memorial Service.

17 February – SABS Diversity and Community Event, Paisley.

18 February – Attended Deputy Chief Executive's Retirement Event, Eastwood House.

19 February – Community Event, Woodfarm

21 February – Opening of West Hurllet House, Glasgow Road.

23 February – Attended 101st Birthday celebrations, Thornliebank.

25 February – Attended Young Enterprise Scotland Event, Rouken Glen Park.

26 February – Installation of new Archbishop of Glasgow, St Andrew's Cathedral

RECOMMENDATION/...

RECOMMENDATION

6. That the report be noted.

Report Author

Eamonn Daly, Democratic Services Manager 07584 116619
eamonn.daly@eastrenfrewshire.gov.uk

Background papers - None

EAST RENFREWSHIRE COUNCIL3 March 2022Report by Director of EducationEAST RENFREWSHIRE CULTURE AND LEISURE TRUST 2022/23 BUSINESS PLAN**PURPOSE OF REPORT**

1. The purpose of this report is to seek Council Approval for the East Renfrewshire Culture and Leisure Trust (ERCL) 2022/23 Business Plan.

RECOMMENDATIONS

2. It is recommended that the Council approves the proposed Business Plan for 2022/23, subject to budget to be confirmed at the full Council meeting on 3 March 2022.

BACKGROUND

3. East Renfrewshire Culture and Leisure Trust was established as an independent charity, registered with the Office of the Scottish Charity Regulator (OSCR) on July 1st 2015. The Charitable objectives of the Trust are laid out in the *Articles of Association*:

The Company will promote, advance and further Charitable Purposes and activities through the provision of services which enhance and contribute to the health, fitness, personal development and wellbeing of the residents of East Renfrewshire (and beyond) including, but not limited to, educational, sporting, culture and heritage based and community activities.

4. A business planning process was outlined in the Services Agreement between the Trust and the Council that vested the Trust with the assets to deliver culture and leisure services on behalf of the Council. This agreement determined that:
 - An annual business plan is to be presented to the Council;
 - The plan is to identify the projected resources and/or expenditure of the Trust during each Financial Year in performing the Services and complying with its contractual obligations to East Renfrewshire Council;
 - In relation to the facilities occupied by the Company under licence from the Council, the plan identifies any provision required by the Council under its capital programme, or through Council revenue budgets to meet planned or remedial maintenance requirements in any of these facilities; and,
 - The plan details a list of any new items of equipment that are required to deliver the contracted services in the forthcoming financial year, together with a budgeted cost for the same to be procured by the Council and/or remain the property of the Council, in accordance with charity law.
5. The Business Plan for 2022/23 (Appendix 1) is presented to Council for approval, subject to budget confirmation.

6. The Services Agreement between the Trust and the Council set out a timeline for this process, with the business plan usually presented not less than three months before the beginning of the financial year. However, given the ongoing impact of the Covid-19 pandemic, the decision was taken to present the business plan later in the financial year. This has allowed the Trust to plan more effectively for 2022/23 and has aligned more closely the budget setting process with the development of the business plan.

REPORT

7. The Business Plan identifies:-
- The projected resources and/or expenditure of the Trust during each Financial Year in providing the Services and complying with its contractual obligations to East Renfrewshire Council (ERC);
 - The Trust's People Strategy which sets aims including attract, develop, retain and mobilise which support the delivery of the overall strategic priorities;
 - The next phase in online customer journey development which will build on the new digital platforms, align all platforms and further improve customer digital experience; and,
 - The Trust's proposal for the next Annual Service Payment.
8. Through consultation with staff, board and stakeholders, the business plan was developed to plan strategically how the Trust will deliver quality services, whilst taking account of the following key issues which model the shape of the recovery, as a result of Covid-19, in culture and leisure:
- The imperative to recover commercial income streams to minimise losses which would exacerbate financial challenges faced by ERC;
 - The needs of various communities, many of whom have experienced adverse consequences to lockdown or the suspension of physical, cultural and social activities;
 - The intractable ongoing pressures from restrictions or public health guidance which affect capacities;
 - The challenges from sickness absence as a result of Covid-19 and isolation requirements; and,
 - Various challenges faced by communities that require priority attention and / or support, for example through collaboration with partners in Education or Health and Social Care.
9. The vision, mission and values were considered and developed to draw on the best of the organisation's track record, skills and experiences whilst setting out a blueprint for a flourishing and entrepreneurial model for the delivery of culture, sports and leisure opportunities in East Renfrewshire.
10. The following strategic aims have been identified:
- Create a financially sustainable business model;
 - Develop an understanding of customers and audiences and an offer that attracts them;
 - Develop a strong, diverse, resilient and committed workforce;
 - Establishing East Renfrewshire Culture and Leisure's role at the heart of Vibrant Communities; and,
 - Developing resilient, dynamic and productive partnerships that are developed and nurtured.

11. These themes all support the Trust's charitable objectives and its plans for ongoing organisational development and service improvement, and reflect a shared ambition to grow culture and leisure services in East Renfrewshire, in terms of quality, range and scope. In addition, they specifically support the Council in meeting its commitments outlined in its Community Plan and Fairer East Ren Plan.

FINANCE AND EFFICIENCY

12. The Council budget for 2022/23 will be agreed in March 2022; as such the Trust Business Plan and associated proposed budget are offered for approval subject to final agreement with the Council.
13. A significant focus of the Trust has been to move to a more commercial basis. The ability to raise this income was materially impacted over the last 2 years, through imposed suspension of services followed by restricted operations in line with Government guidelines in response to Covid-19. However, the Trust was pro-active in its response to the circumstances, maximising additional funding and support from Government, primarily in the form of the coronavirus Job Retention Scheme (CJRS) and the Performing Arts Venues Relief Fund (PAVRF). This has mitigated some of this impact, as has income recovery due to the facilitation of the asymptomatic and mass vaccination centres. Therefore 2021-22 is forecast to end the year with a £0.5M surplus, rather than the loss that has been budgeted for. This is a significant positive achievement.
14. The additional income which has been accessible through CJRS and supporting the NHS will not be available in 2022-23, whilst commercial customers are still only gradually returning, resulting in anticipated losses. The losses will be exacerbated with delays in resuming full operations in 2022-23 resulting in programmes and services remaining in the recovery phase of returning participation. The Trust will continue to take a managed approach to the opening of services, seeking to maximise income opportunities and minimise staff costs. Based on this approach the Trust is forecasting an operating deficit to £1.5 million.
15. East Renfrewshire Culture & Leisure Trust Best Value Review was considered in June 2020 by the Audit and Scrutiny Committee. The Director of Education, in consultation with the Chief Executive of the East Renfrewshire Culture and Leisure Trust, reviewed the recommendations within the Report in light of the current Covid-19 pandemic. The relevant recommendations have been incorporated into a Joint Action Plan to address recommendations of Finance and Business Review and Best Value Review; this was shared with the Audit and Scrutiny Committee in March 21.
16. The Business Plan and Budget will be aligned with the Service Payment to be agreed between the Trust and Council.

CONSULTATION

17. The plan has been developed through consultation with staff, the Board and stakeholders, including governing bodies, and national associations. It also responds to extensive feedback from both customers and non-users of the services.

PARTNERSHIP WORKING

18. Partnership working to deliver the objectives of the plan is a key strategic aim as outlined in Section Four of the Business plan.

IMPLICATIONS OF THE PROPOSALS

19. The approval of the Business Plan and the Budget, when confirmed, together with the Management Fee will allow the Trust to establish a stable and sustainable operating model. The ultimate aim is to recover as fast and efficiently as possible and identify ways of mitigating projected losses.
20. The Business Plan provides detail of the ongoing work that will take place to further improve the customer journey through building on the new digital platforms, aligning all platforms and continuing to improve customer digital experience.

CONCLUSION

21. The seventh East Renfrewshire Culture and Leisure Trust Business Plan gives clear strategic direction that is in accordance with the Council's strategies and takes account of the ongoing impact of the Covid-19 pandemic. The Plan is supported by detailed operational plans which deliver the Council's objectives under the Community Plan, Fairer East Ren Plan and Outcome Delivery Plan. The Plan will support recovery and renewal within our communities and will guide the work of the Trust and its staff to deliver high quality services to the residents of East Renfrewshire.

RECOMMENDATION

22. It is recommended that the Council approves the proposed Business Plan for 2022/23, subject to budget to be confirmed at a full Council meeting on 3 March 2022.

Report Author(s)

Siobhan McColgan (Head of Education Services, Equality and Equity)
Tel 0141 577 3481
Email Siobhan.McColgan2@eastrenfrewshire.gov.uk

Mark Ratter (Director of Education)
Tel 0141 577 3103
Email Mark.Ratter@eastrenfrewshire.gov.uk

Appendix 1

East Renfrewshire Culture and Leisure Trust Business Plan 2022/23

**East Renfrewshire Culture & Leisure
2022-23 Business Plan**

BLANK PAGE

Table of Contents

1.		Executive Summary
	1.1	Covid-19 Impact and Recovery, & this Plan
2.		Introduction
3.		The Vision for East Renfrewshire Culture & Leisure
	3.1	Purpose
	3.2	Vision
	3.3	Mission
	3.4	Values
4.		Strategic Context
	4.1	The Social Enterprise Model
	4.2	East Renfrewshire Community Plans
	4.3	Local Development Plan for East Renfrewshire (LDP2)
	4.4	ERCL Strategic Aims
	4.5	SWOT Analysis
	4.6	PESTLE Analysis
	4.7	Horizon Scanning
5.		2020-21 Performance
	5.1	Operational Performance to Date
	5.2	Financial Performance
	5.3	People Development
6.		Market Position
	6.1	East Renfrewshire as a Market
	6.2	Timing and Alignment with Core Target Demographics
	6.3	Customer Journey
7.		People
8.		Services
	8.1	Current Delivery Structure
	8.2	Services Overview
9.		Operational Plans
10.		Financials
	10.1	Reserves Policy
	10.2	Investment Policy
	10.3	Fixed Assets
	10.4	Budget 2022/23 – to be agreed
11.		Support Services
	11.1	Financial Services
12.		Risk Management

BLANK PAGE

1. Executive Summary

We are committed to the preparation of an annual Business Plan, created through a business planning process outlined in the Services Agreement at the Trust's establishment in July 2015.

This Business Plan identifies:-

- the projected resources and/or expenditure of the Trust during each Financial Year in performing the Services and complying with its' contractual obligations to East Renfrewshire Council (ERC);
- The Trust's proposal for the next Annual Service Payment

Through consultation with staff, board and stakeholders, our business plan was developed to strategically plan how East Renfrewshire Culture and Leisure (ERCL) would deliver quality services, whilst building its resilience and sustainability. The vision, mission and values were considered and developed to draw on the best of the organisation's track record, skills and experiences whilst setting out a blueprint for a flourishing and entrepreneurial model for the delivery of culture, sports and leisure opportunities in East Renfrewshire. Strategic aims are set out in Section 4.0 below.

These aims support our charitable objectives and our plans for ongoing organisational development and reflect our ambition to improve and develop our services. They reflect our commitment to ongoing service improvement, a number of which are outlined in this plan. In addition, they support our principal partner East Renfrewshire Council (ERC), in meeting its commitments as outlined in its Community Plans, and Local Outcome Improvement Plan (LOIP) Fairer East Ren.

It is clear that there are a number of related but separate measures of success for ERCL as a whole, but ultimately success will be measured against our charitable purposes, and the impact we make on our communities; the outcomes we deliver for our partners; and the effect this has on the charity itself. We will consider the questions all charities should ask of themselves, namely:-

- Who are our users, and how many do we have?
- What is their experience of our services?
- How effective are we in achieving our charitable objectives?
- Are we doing the right things, are we delivering the right services?
- Can we deliver services better by working in partnership, or are we duplicating services?

Since our launch much has been done to improve management information. This will continue to constitute a key focus in our work over the coming year.

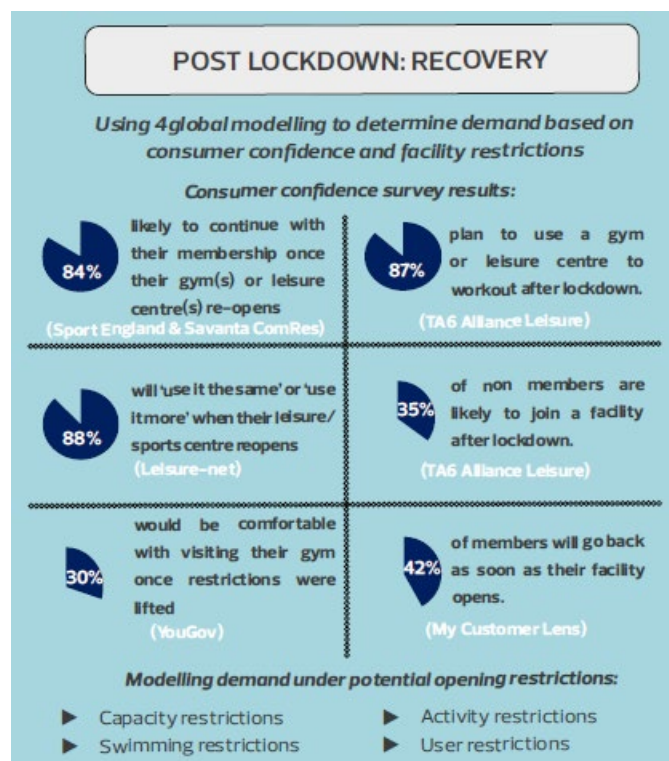
Earlier business plans necessarily focussed on the transition from council departments to a social enterprise model, whereby commercial activities generate profits to subsidise charitable activities. Whilst change programmes and organisational development work will continue to modernise the services, our focus is now on our sustainability. The growth of our commercial activities, and the associated profit margins, allied to the continued close cost control will further build upon the successes of our first years' operations.

1.1 Covid-19 Impact and Recovery, and this Plan

Our approach to recovery from closure and disruption has been and will continue to be a balanced one, recognising a number of sometimes competing issues:-

- the imperative to recover commercial income streams to minimise losses which would exacerbate financial challenges faced by ERC as our Sole Member
- the needs of our various communities, many of whom have experienced adverse consequences to lockdown or the suspension of physical, cultural and social activities
- the intractable ongoing pressures from restrictions or public health guidance which affect capacities
- the challenges from sickness absence as a result of Covid and isolation requirements
- various challenges faced by our communities that require priority attention and / or our support, for example through collaboration with partners in Education or Health and Social Care.

We have worked closely with colleagues across the sector to understand and model the shape of the recovery in culture and leisure, and test our experiences and plans accordingly. This has included market research into likely customer behaviour:-



Source: UKActive Covid-19 Impact Report: The Fitness and Leisure Sector's Path to Recovery

These studies confirmed our experience in recovering services after the lifting of restrictions. Recovery to date has tended to be around 60-80% of all services' pre-lockdown across the UK (Community Leisure UK Covid-19 Impact Report: Towards a post-pandemic public leisure and culture sector, Oct 2021), though there are some outliers.

The 2021 *LES MILLS Global Fitness Report* surveyed over 12,000 customers from across 14 countries noting similar trends in Europe and North America, and the fact that group fitness was generally more resilient than gym usage, possibly due to a younger demographic, and it tended to show a steeper growth curve reflecting higher customer confidence.

Whilst the study showed accelerated growth in fitness usage in China which gives some encouragement, generally a 3-4 year recovery is anticipated in the UK Leisure Sector.

This is similar to the projections for theatre. In Nov 2021 *Insights Alliance* surveyed 11,000 people who had been identified as regular arts attenders before the pandemic. Half had not attended a theatre since the pandemic; a quarter said they would wait until they could attend “as normal”.

However, where we have seen evidence of faster-than-anticipated recovery (such as panto, or swimming lessons) we have adjusted our plans and projections accordingly.

More detailed strategic and operational consideration of the Covid-19 impact on this plan is outlined later in this document.

2. Introduction

The purpose of this business plan is to strategically plan how ERCL will deliver a quality and exciting portfolio of culture and leisure programmes whilst building its resilience, sustainability and brand.

These programmes are in sports, leisure, social and community activities; libraries, information services and learning; arts and heritage.

The key purpose of the plan is to:-

- A) Develop ERCL's vision and mission to ensure it is representative of our future goals and aspirations and those of our key partners
- B) Develop the business model to enable the Trust to become resilient and sustainable
- C) Review the resources required to deliver the business
- D) Establish the sustainability of ERCL by developing a robust financial plan and sound management
- E) Identify the strategic aims and objectives which will support delivery of the plan.
- F) Develop staffing, management and governance structures to deliver our objectives
- G) Contribute to ERC's goals and community planning objectives

3. The Vision for East Renfrewshire Culture and Leisure

3.1 Purpose (i.e. Charitable Objectives)

The Charitable objectives of the Trust are laid out in the *Articles of Association*:-

The Company will promote, advance and further Charitable Purposes and activities through the provision of services which enhance and contribute to the health, fitness, personal development and wellbeing of the residents of East Renfrewshire (and beyond) including, but not limited to, educational, sporting, culture and heritage based and community activities.

In promoting, advancing and furthering Charitable Purposes and activities the Company seeks to:-

- *encourage the population of the East Renfrewshire area to be more active in promoting and supporting the development of sporting and health and fitness opportunities that are accessible for everyone;*
- *support people to be more creative and nurture potential for personal success and wellbeing through the provision of cultural facilities and resources;*
- *help individuals and community groups to benefit from social engagement, community interaction and volunteering; and*
- *promote and make available lifelong learning opportunities, including the promotion of literacy and digital inclusion and stemming from these opportunities make a social and economic contribution to society.*

For the purposes of the Charities Act the following Charitable Purposes are relevant and have been identified as applicable from section 7 of the Charities Act:-

- the advancement of education;
- the advancement of the arts, heritage or culture;
- the advancement of public participation in sport; and
- the provision of recreational facilities, or the organisation of recreational activities, with the object of improving the condition of life for the persons from whom the facilities or activities are primarily intended.

3.2 Vision

“Our vision is to help and inspire people to be actively involved in sport, arts and culture.”

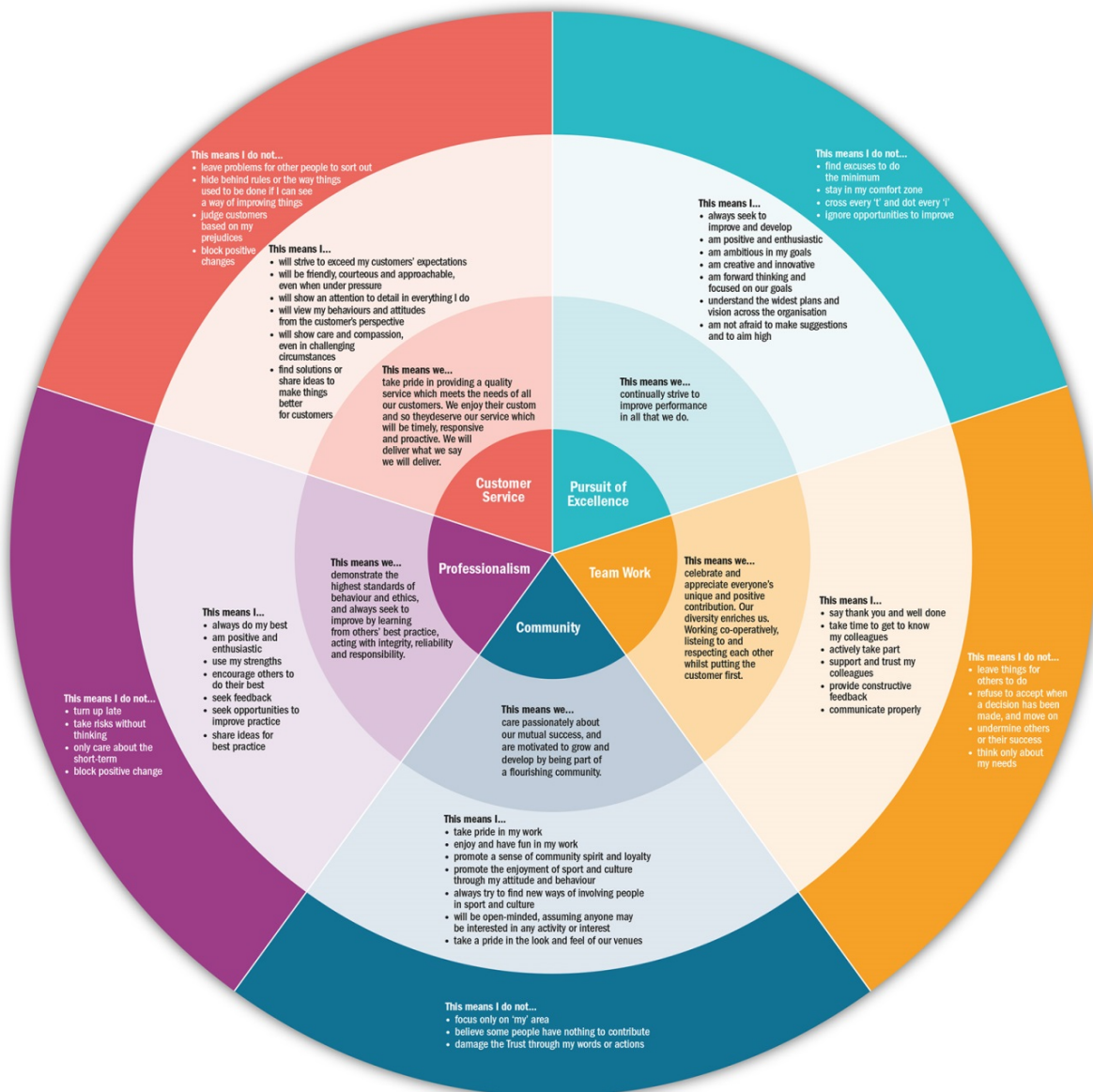
3.3 Mission

Our mission is to be the highest-performing Leisure Trust in Scotland.

We take this to mean that we will not only be more efficient and achieve more from our resources, but that we will grow with a view to becoming self-sufficient.

3.4 Values

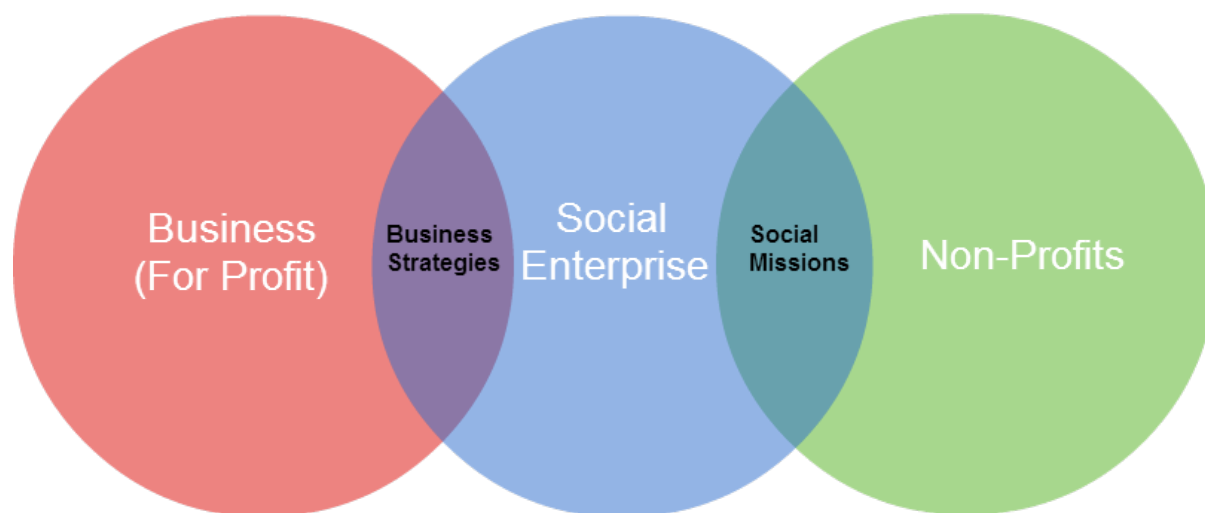
Our Values and behaviours



4.0 Strategic Context

4.1 The Social Enterprise Model

ERCL is a social enterprise. The charitable trust - a non-profit distributing independent charity governed by a board of voluntary trustees drawn from the local community with specific expertise across a range of areas – is supported by grant funding and commercial income. This commercial income is generated through a range of activities.



Charitable trusts such as ERCL occupying the middle-ground between commercial businesses and charities. Profits generated by the commercial activities such as gyms and events fund a widening range of programmes. Many of these are in partnership with national and local organisations, other charities and sports clubs, and deliver significant social and community benefit, but are not financially viable in themselves.

These include sport, leisure and cultural activities, many for specific groups such as those who are otherwise excluded for reasons as diverse as disability, long-term illness, mental health problems, drug and alcohol dependencies, deprivation, social isolation or access.

This is also reflected in our work to use commercial strategies to maximise improvements in personal and community health, and wellbeing:

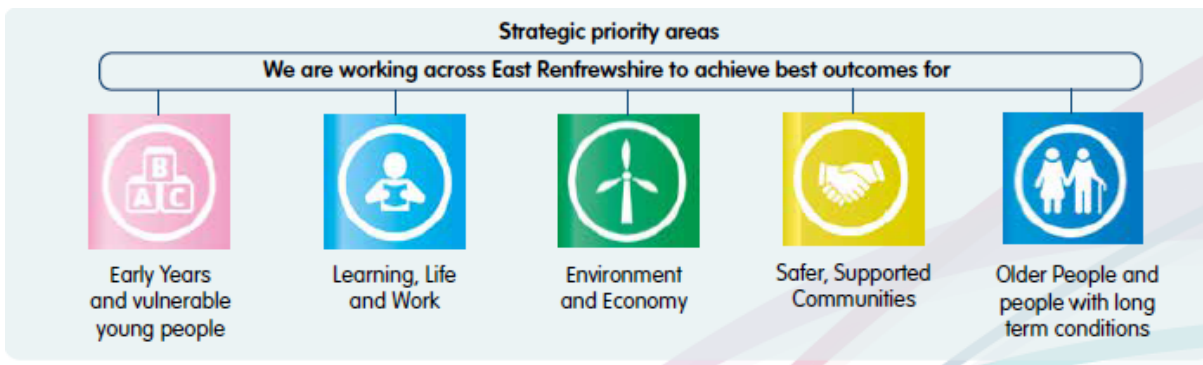
CUSTOMER	COMMERCIALISM	COMMUNITY
Avoidable Contact	Flexible Charging	Capacity Building
Channel Shift	Commercialise Services	Community Ownership
Customer Journeys	Strategic Procurement	Delegate Functions
Transactional Cost Transfer	Asset Usage	Maximise Access
Efficiencies	Fundraising	Voluntary Organisations
Rationalisation	Planned Developments	Volunteering & Leadership

The business plan aims to ensure that ERCL meets the requirements of our service agreement with ERC and can maintain the financial stability of the company. Our non-profit distributing status means that any surpluses generated are available for reinvestment in local facilities and services.

4.2 East Renfrewshire Community Plans

East Renfrewshire Community Planning Partnership (CPP) works for and with communities to ensure everyone has the best possible quality of life. ERCL is actively involved in the Community Planning Partnership and contributes to the delivery of outcomes together with partners.

The Community Plan is structured around five strategic priority areas following the key life stages of our residents, with a sharpened focus on inequalities. An obvious focus for ERCL will be the support of the intermediate outcome associated with Learning Life and Work (**2.4 Residents are as healthy and active as possible**), ERCL activities and programmes support a number of the outcomes associated with these themes:-



The role of work in adult education, libraries and information services, community facilities, holiday hunger programmes, GP referral schemes, the Vitality programme, Community Connections or MacMillan Cancer Support all delivered by ERCL, will all contribute to key measures for the areas of focus for the Fairer East Ren community plan:-

Fairer East Ren				
Reducing the impact of Child Poverty	Improved employability	Moving around	Improving mental health and wellbeing	Reducing social isolation, loneliness and increasing safety

4.3 LDP2: The Local Development Plan for East Renfrewshire, 2020-2024

The First Local Development Plan for East Renfrewshire envisaged delivering growth for the authority, attracting people to live and work in the authority. A measure of success is the extent to which East Renfrewshire has established itself as one of the most desirable places to live in Scotland. The challenge now is to sustain that growth, and satisfy the needs of those people attracted to live and work in the area. The current plan (LDP1), published in 2015, aimed “to maintain and build on the areas’ qualities”.

Work on reviewing the existing Local Development Plan began in 2016, and was consulted upon in late 2019. It sets out a long-term development plan for the area until 2029. It provides the opportunity to plan and deliver the priorities and needs of those who live, work, visit or want to invest in the area. The Plan was adopted in 2021 (<https://www.eastrenfrewshire.gov.uk/ldp2>)

A key challenge for us is ensuring that the infrastructure, services and facilities we need to deliver the right level of culture and leisure services can be put in place. As the plan states, new facilities will be required:

“The proposed plan aims to create thriving, attractive and sustainable places and neighbourhoods that provide for the younger generation, so they can live and work in the area they grew up in, provide homes and facilities for families and individuals moving into the area and enable older people to live independently in their homes for longer.”

This will require:-

- Revision of the planned maintenance regime in facilities to achieve investment in them to be fit for purpose, (as envisaged by ERC’s new Corporate Landlord model)
- Upgrading of facilities through targeted capital planning (including the Leisure and Learning in Neilston and Eastwood Park Leisure Developments).
- Plans to develop facilities in existing communities which are not catered for
- Plans to accommodate the demand arising from planned housing developments
- Exploring opportunities to work with other partners to improve and develop public services with new and innovative delivery models
- Plans to meet existing demand which our existing facilities do not cater for

4.4 ERCL Strategic Aims

Reflecting our vision and objectives we have identified activity priorities which go beyond the life of this Business Plan. We feel it is important from the outset to be looking forward and to articulate how we intend the organisation to develop within its governance framework, operating environment and partnerships.

Our strategic aims are:

<p>Create a financially sustainable business model, balancing strong ambitions with commercial viability</p>		<p>Develop an understanding of our customers and audiences and an offer that attracts them, working in partnership with organisations across the region to remove barriers to participation</p>
	<p>Develop a strong, diverse, resilient and committed workforce, building on our commitment to growing people and ideas</p>	<p>Establishing East Renfrewshire Culture and Leisure's role at the heart of Vibrant Communities through the services we deliver, the opportunities we provide and the support we offer.</p>
<p>Developing resilient, dynamic and productive partnerships that are developed and nurtured to grow our business and maximise the impact we have in our communities.</p>		

4.5 SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • Location of halls, venues, libraries and theatre – with good coverage geographically within local authority for access for local communities. • Continued Improvement approach in Services, Business Support and Management • Heightened recognition of the positive impact and importance on wellbeing from taking part in sports, leisure and cultural activity following their unavailability in lockdown • Loyal customer base with extremely positive feedback from customers – strong word of mouth and survey responses. • Wide variety of services / classes available to customers in the area • Well trained front-line staff supported by innovative & creative development officers • Business Development programme supporting Gyms, Fitness, Theatre and Swimming 	<ul style="list-style-type: none"> • Resourcing is very lean, with limited ability to support development – commercial, improvement or community • Condition of the estate and limitations on improving it • Ideal staffing model, contracts and terms and conditions and operating hours do not align with customer demands • Constraints on changing cost-base, given high proportion of staff costs-to -turnover, and limited discretionary non-pay budgets • Inability to respond quickly to evolving markets. • Car Parking at key sites • ICT infrastructure, systems and support, especially in relation to customer-facing ICT, not fit for purpose • Inadequate property maintenance budgets
Opportunities	Threats
<ul style="list-style-type: none"> • Aligning services to government objectives • Heightened public valuing of culture and leisure services following their forced withdrawal during the pandemic • Review business/staffing model to meet customer demands • Increased marketing, sales and promotion • Access to external funding to help support recovery, growth, re-design or improvement. • New Eastwood facility development • Potential new joint campus in Neilston • LDP3 and growth of population • Demand analysis work has identified opportunities to increase capacity in services and staff-time. • Transform customer journey investment. • Investment in digital capability transforming operational platform to drive customer shift to digital channel • Improvement in quality of Theatre performances 	<ul style="list-style-type: none"> • 50% of income is Earned Income and at risk, with an expected reduction in year on year funding. • Continued pressure on public finances • Balancing Charitable and Commercial objectives. • Tutor / casual roles / employment status • Difficulties recruiting staff across a number of services • Growing competition in key commercial areas • High tender prices for goods, services, and rising utility costs • Impact of political decisions, legislation or policy changes • Unplanned closures, and the need to re-build customer engagement • Asset Transfer • Covid-19 disruption to operations

- Upgrade facilities through targeted refurbishment

4.6 PESTLE Analysis

Political	<ul style="list-style-type: none"> • Local, regional and national impact • Scheduled local elections • Scottish Govt • UK wide issues • Global Pandemic consequences for public services and buildings
Economic	<ul style="list-style-type: none"> • Declining local-authority budgets further exacerbated by ring-fencing, meaning non-protected services such as cultural and leisure services bear brunt of budget pressures • fiscal receipts in Scotland below the UK level, and further risks in regarding Brexit; and increased demand on all public services. • Accounts Commission report from 2018 estimated local authorities could be spending 80% of their budgets on education and social work by 2025/6 • Gig economy/temp/casual contracts
Social	<ul style="list-style-type: none"> • Population growth rate/age • Shifts in working patterns, and growth of home-working • Attitudes to careers • Cultural barriers • Wellness
Technology	<ul style="list-style-type: none"> • Existing – MRM / Spektrix / Spydus operating platforms • New technologies/potential/options • Increased reliance on agile-working capabilities
Legal	<ul style="list-style-type: none"> • Legislation likely to impact ERCL – Employment Law – tutors/employment status • H&S • Industry Regs • Future Legislation
Environmental	<ul style="list-style-type: none"> • Weather climate/impact on our buildings – aircon/heating/green • Refuse collection and recycling • Drive to reduce or eliminate single-use plastics • NET ZERO Target by 2050

4.7 Horizon Scanning

4.7.1 Capital Investment

We will continue to work with our Council colleagues around capital planning, and ERCL plans are aligned to the Council's Capital Investment Strategy. ERCL is represented on the Council Corporate Asset Management Group, where proposals for investment in assets (fixed and moveable) are considered. These include plans for the future of Eastwood Park Leisure Centre, which had planning permission approved in January 2022, and the longer-term vision for Neilston. We will continue to work with the Council around the maintenance of our facilities to reduce disruption caused by upgrades, maintenance or unplanned closures which continue to pose significant challenges to ourselves and our customers.

4.7.2 The Customer Journey and Digital Capability

Enforced closure during 2020 provided the opportunity to accelerate the development of digital platforms such as the launch of the ERCL App which enables a smoother customer journey and an opportunity for improved customer communication. Work has continued on developing the customer journey with an upgraded website, implementation of a new library management system and continued development on the upgraded leisure management system to further increase online and mobile capability and smoother booking and payment methods.

4.7.3 Increased Competition

Increased competition in the local sports and leisure market will continue to exert pressure on our income, and shifts in customer behaviour in response to the closure / restrictions of facilities in 2020-21 further complicate this. Half of our budget is earned and over 75% of that is through sports. Recent developments in gyms, fitness and swimming will continue to pose a risk to that. We will seek to address this through tackling some of the maintenance and quality issues with venues; through continued improvements in customer care and quality assurance; and through ongoing business development work.

4.7.4 Grant Funding

The pandemic has had a catastrophic impact on our trading activities throughout and potentially beyond. Whilst additional funding and support from Government, primarily in the form of the coronavirus Job Retention Scheme (CJRS) has mitigated some of this impact in both 2020 and 2021, following the extension of the funding. The CJRS funding ceased well in advance of a full return of customers and associated commercial income streams, however, this has been partially offset in 2021/22 due to the income recovery due to the facilitation of the asymptomatic and mass vaccination centres. Therefore 2021-22 is forecast to end the year in a marginal positive position.

The additional income which has been accessible through CJRS and supporting the NHS will not be available in 2022-23, resulting in anticipated losses. The losses will be exacerbated with delays in resuming full operations in 2020-21 resulting in programmes and services very much in the recovery phase of returning participation.

The Trust is reliant on the support of its Sole Member ERC to meet these shortfalls, while at the same time ERC itself is experiencing serious financial pressures as a result of Covid-19. It is likely that this position will be exacerbated by continued financial pressure on our Council partner generally, which together with economic uncertainty mean ERCL's funding including the Management Fee will be under further pressure in 2022-23. Options for mitigating a forecast loss of for 2022-23 are being considered, in the context of significant budget shortfall on the part of ERC. This will be very difficult to meet from either reserves or non-pay efficiencies, and therefore plans including the withdrawal of services from some sites; suspension or cessation of some programmes; organisational restructure; and a review of the operating model all need to be explored. These will all be highly sensitive.

4.7.5 Core Systems

The on-going development of the recently implemented Core Systems platform (HR, Finance, Payroll) by the Council will continue to have an impact on the Trust as well as Council departments. This work aims to improve management systems, support for staff and management information and reporting to stakeholders. Both finance / procurement and HR / Payroll system implementations have taken place, with the core systems programme in the process of delivery the next phases of development to build out functionality.

4.7.6 Tackling Inequality

ERCL team members are embedded within ERC's Equality Officers Working group, feeding into the wider council strategic planning, contributing to and collaborating on projects such as the Equality Outcomes 2021-2025. Being part of the working group we have been able to influence and inform the reporting structure, format and frequency of the outcomes whilst considering ERCL's work and its active contribution to achieving the outcomes. This sits alongside our commitment to continually review and challenge our own service design to widen access to those with protected characteristics (e.g. commitment to an increased number of BSL performances at the theatre).

We will continue to work with Community Planning Partners on the development and implementation of East Renfrewshire's community plans. Tackling inequality and improving life chances for local people are at the heart of community planning partner's priorities and reflected in the Community Plan, the Local Outcome Improvement Plan Fairer East Ren, and a number of initiatives and programmes which ERCL will continue to deliver, or develop. These include Corporate Parenting, and the For Your Entertainment programme, support for those affected by Universal Credit, support for Veterans in the form of the Health for Heroes programme, support for people with chronic conditions (Vitality, GP Referral, MacMillan Cancer Support, Dementia Awareness), an expanded Holiday Hunger Programme, and a number of programmes in both arts and sports designed for people who are otherwise excluded from mainstream participation. We will also work in partnership with ERC and others to address any impact Covid may have had in widening inequalities, exacerbating issues, or creating new challenges for communities. These include supporting programmes in partnership with both ERC Education and Health and Social Work (such as emergency childcare for vulnerable children or key-workers' children, enrichment programmes and targeted activities).

4.7.7 Inclusivity & Diversity

As an employer we will revisit our People Strategy to promote initiatives which support diversity of our staff, and as a provider of public services work with the community to ensure our programming is inclusive, with a focus on widening participation. .

5. 2020-21 Performance

The Trust was launched in July 2015. Since inception, the Trust has continued to develop its services and operating processes to ensure effective and efficient delivery of services to the local community, supporting its charitable objectives, whilst improving its commercial focus.

Prior to the cessation of services in March 2020, the Trust experienced its strongest financial performance in 2019-20. The ability to build on this performance was abruptly halted as the pandemic impacted the Trust's ability to operate normal operations, which remained suspended during the period under Government restrictions in 2020-21, excluding those being used for Civil Contingency functions, or operated to support management or humanitarian responses to Covid.

Most notably these include Barrhead Foundry and Eastwood Park Leisure Centre (Carmichael Hall), operating as Mass Vaccination Centres (MVCs). Similarly, Library and Venues staff supported the operation of the Asymptomatic Testing Centre in Cowan Park which opened in March.

ERCL operated Easter, Summer and October Holiday Programmes, and working in partnership with both Education and Social Work, provided places for vulnerable children and young people at both Eastwood and Barrhead High Schools, as well as places for Key Worker's children during lockdown.

In addition to the established holiday / holiday hunger programmes the Trust delivers, we also delivered a *Get Into Summer* programme in response to the Scottish Government's drive to mitigate the effects of lockdown on young people.

During the period, the Coronavirus Job Retention Scheme was accessed, with up to 90% of staff furloughed when services were closed.

Although services were closed for the majority of the period, the delivery of them was developed to enable alternative engagement methods with customers, including:

Gyms and Fitness

- Throughout the period, online fitness classes were developed and delivered via Facebook.
- In addition, as restrictions eased and outdoor sports for adults were made accessible, an outdoor fitness programme was operated, delivering up to 28 classes per week in Barrhead and Eastwood.
- The gyms were adapted to conform to guidelines regarding social distancing, one-way routing, protection and ventilation for those periods when limited operation was permitted within the "Tiered" restrictions (indoor fitness classes from September).
- Marketing materials including on-line videos and induction materials were produced to explain new guidelines to customers

Swimming

- A Family swim product was developed to allow 'bubbled' family groups to swim when limited pool operations were permitted (September).

Active Schools & Community Sports

- Active Schools staff remained in work throughout the pandemic, delivering holiday programmes in Easter, Summer and October Week and supporting school hubs by providing outdoor sport and physical activity opportunities
- They supported our primary schools in the delivery of outdoor sports activities making sure that children continued to have regular opportunities to participate, and supported teacher training by producing online resources.
- An outdoor Community Sport programme operated, following a pilot programme run in Maidenhill to test new procedures (September)

Arts

- The Arts Team presented a series of online broadcast shows, including an online Christmas pantomime during the theatre's closure. This was in part funded by £90,000 funding secured from the Performing Arts Venues Relief Fund
- An SQA-accredited Theatre Skills course was developed by Theatre Staff during the closure, to train local people in a variety of technical theatre, design and production skills
- A programme of online Arts classes was also delivered during lockdown

Community Facilities

- While many Community Facilities were necessarily closed during lockdown, Dunterlie Resource Centre was open throughout the period as the site of the Humanitarian Food Hub
- Gradually nine Community Facilities were reopened prioritising Care Commission Registered bookings (after school clubs etc) in support of the Education Recovery, and commercial bookings (those clients whose livelihoods depend on access to ERCL-operated facilities, such as, for example, commercial dance schools). The sites opened were Albertslund, Carmichael Hall, Dunterlie Resource Centre, Eastwood House, Glen Hall, Muirend, and Netherlee.

Library and Information Services

- Click and Collect service was introduced from July, and limited browsing across a number of sites later in the year
- Extension of the current online offering through e-books / e-audio / digital magazine with an increase in the available content
- The Summer Reading Challenge – focused on e-books / digital content – was successfully maintained
- Clarkston Library was refurbished during lockdown, reopening in November

“From assistance with the booking system, the clear guidelines on how the pool operates, the pleasant welcome from the staff at the door, clear rules excellently explained, clean changing facilities, excellent lifeguards all made the experience very pleasurable and having worked for the past six months and not been in lockdown I actually feel safer in Eastwood Pool than anywhere else I have been in Covid times, which is all due to your excellent staff.”

Customer Comment

5.1 Operational Performance to Date

5.1.1 Covid Response

Our **Active Schools** Coordinators operated throughout the pandemic supporting school hubs by providing outdoor sport and physical activity opportunities; and supporting our primary schools in the delivery of outdoor sports activities making sure that children have regular opportunities to participate and supporting teacher training through producing online resources.

Key Worker and Vulnerable Children support was provided by ERCL who operated emergency childcare centres in East Renfrewshire during lockdown. Arts, Sports, Libraries and Venues staff worked alongside colleagues from the Council to operate centres in Barrhead High School, Williamwood High School, Carlibar Primary School and Eastwood High School to support hundreds of children and their families.

Summer Reading Challenge took place during lockdown, despite staff being furloughed. This year the challenge was split for the first time into two categories – In-person and Digital participation, with East Renfrewshire performing very well in both categories:

- In person – 4th best in Scotland for participation / 1st highest in terms of completion
- Digital – 3rd best for participation in Scotland and 2nd highest for completion

Online **Classes in Arts, Libraries and Sports and Fitness** took the place of venues operations, and continued during the limited recovery period from July-November. During the period, fitness classes were operating at 90% capacity (indoor, when restrictions permitted) and 80% capacity for outdoor.

The Trust operated selected community halls to support the provision of **Civil Contingency** facilities such as the Humanitarian Food Hub in response to the pandemic. Community Vaccination Centres in Barrhead Foundry and Eastwood Park Leisure Centre / Carmichael Hall opened in February.

Development of a **Youth Enrichment Programme** to provide vulnerable children and young people with opportunities to network and engage with peers and friends at the same time as involved in a wide range of fun activities.

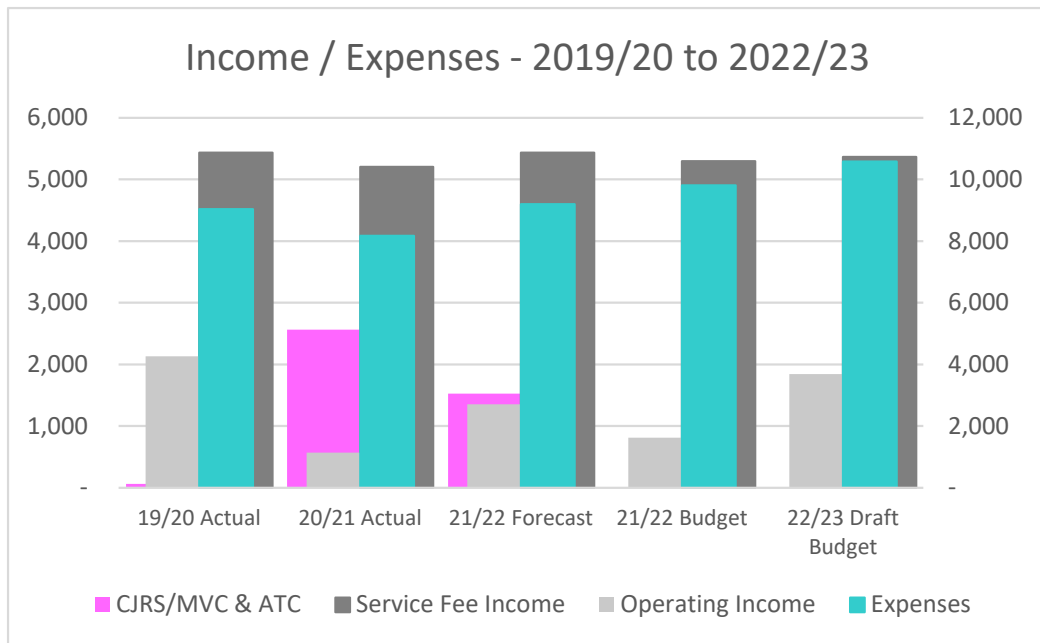
Library Services were delivered through a blend of access to online resources, Click & Collect services and limited browsing and PC use where possible.

During this time, ERCL have taken the opportunity to seek funding through the HMRC Coronavirus Job Retention Scheme (CJRS), with initially around 90% of staff furloughed during full lockdown.

5.2 Financial Performance

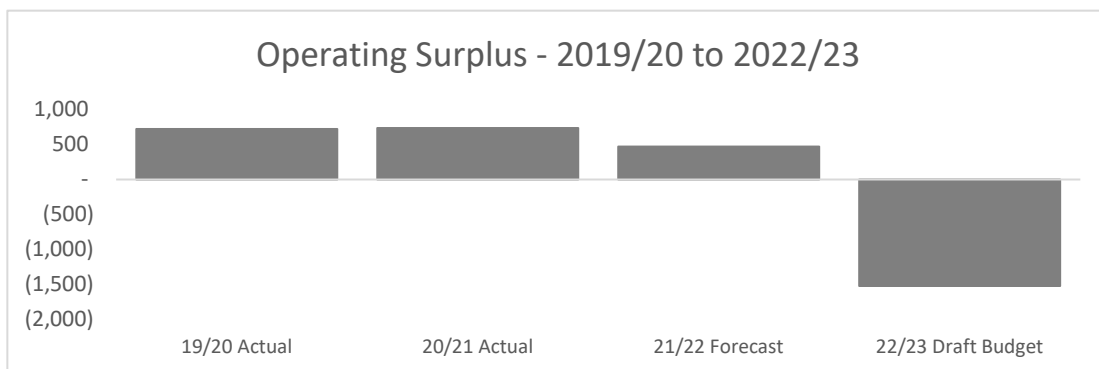
5.2.1 Commercial Income

A significant focus of the Trust has been to move to a more commercial basis. The ability to raise this income was materially impacted over the last 2 years, through imposed suspension of services followed by restricted operations in line with Government guidelines in response to Covid. To offset the loss of commercial income, the Trust focused on maximising available funding through the CJRS and other available sources, e.g. Creative Scotland. The following chart demonstrates the split of the income, demonstrating the traction that had been attained in Earned Income pre Covid primarily through Sports and Swimming.



The 2022/23 Budget figures included in the above chart are subject to Board approval, with the service fee awaiting confirmation from ERC.

The following chart demonstrates the shift in operating results across the same timeframe, highlighting the significant impact Covid19 has had on the financials of the Trust.



5.2.2 *Supporting Commercial Activities:*

In parallel to supporting the Covid response work and managing restricted operations, activity has continued in the background on a number of activities to support the delivery of a more commercial approach to operating which aims to support the speed of recovery. This has also involved developing new processes and support and training for staff to help them engage and shape the new culture. This work is ongoing, supporting a drive to deliver more services in a more effective and efficient way through the use of technology.

- Launch of a new website which aims to provide a clearer and easier way for customer to access information and services from the Trust
- Implementation of upgraded kiosk technology in both the sports centres and libraries, which are enabled with chip and pin functionality
- Implementation of a new library system, Spydus, which is supported by a consortium, helping to focus delivery of best practice and a broader digital offering
- Build out of upgraded leisure management platform to offer wider services through the mobile technology together with improved account connectivity allowing a smoother payment journey for linked accounts.
- Increased focus on decision making in relation to product development and service delivery through enhanced management information and increased performance oversight
- Development of more detailed operational plans to better understand the dependencies across services enabling improved scheduling of activities to leverage back office functions to support effectively
- Continued and heightened marketing and promotional activity for gyms and fitness, swimming and theatre
- Investment in the annual panto offering to deliver a more professional show

5.3 People Development

- Work undertaken to deliver the People Strategy is included in section 7.
- A 2nd Staff Engagement Survey delivered with People Insight was undertaken following the return to work of staff from furlough. The communication and development of actions plans to respond to the survey is underway.
- Mental Health Awareness and Mental Health First Aid training has been available across the organisation. As part of our Mental Health programme, virtual coffee-mornings / get-togethers and regular updates at team / service level operated throughout the period of furlough and continue to be available.
- Training has also been undertaken in Child and Vulnerable Adult Protection, Health and Safety, Library Management System and operational systems and processes.
- Staff returning from furlough as services fluctuated through the different restriction levels, were supported with comprehensive return inductions, which provided training on guidelines and new procedures in relation to the change in operations as a result of Covid19.
- The Trust is engaged with the West College of Scotland to enable our people to access an extensive range of developmental courses including training on project management, and the Lean Six Sigma programme.

6. Market Position

6.1 East Renfrewshire as a Market

The population of East Renfrewshire is 95,530. The number of people living in East Renfrewshire is projected to increase by 7.6% by the year 2025.

Household composition and age profile are key considerations in understanding our customer base. The age profile is:

- 20.2% aged 65 and over
- 59.3% aged 16 – 64
- 20.5% aged 15 and under

Over the next 25 years the proportion of children and young people and over 65s will increase as overall the population is projected to rise from around 95,000 at present to circa 110,000 by 2040.

The household composition is:

- Single person households – 30% (over 65yrs -14.6%, under 65 – 15.6%)
- Households with 1 or more dependent children – 31%
- Households with 2 adults (no dependent children) - 29%
- Households with 3+ adults – 10%

Within the Trust it is widely recognised that across our area we serve two relatively distinctive communities with differing demographic profiles.

- Eastwood (population 75%), which encompasses Busby, Clarkston, Crookfur, Eaglesham, Giffnock and Newton Mearns, is a relatively affluent area comprised predominantly of owner occupied households with young families or households of older residents (65+ plus) living as couples or alone.
- Barrhead/Neilston (population 25%) is an area with pockets of significant social and economic deprivation and a wider spectrum of household types including: young families; older adults; and younger adults with no dependent children. We intend to develop a more detailed analysis of East Renfrewshire’s demography to estimate more accurately the potential uptake and demand for existing services. This will also provide us with a greater insight into the potential market for new service and the relative attractiveness of different customer groupings in particular areas.

Based on this broad review of household demographics we can identify four key customer groups or segments that comprise much of the market for our services.

<p>1 Parents of young children</p>	<p>3 Older (60+) Adults</p>
<p>2 Children (<18 years)</p>	<p>4 Young adults (18-25 years)</p>

The largest customer group is comprised of categories 1 and 2 as families with young children which constitute over 40% of the population tend to operate as a single, socio-economic unit with parents having the major influence on how much time and money is allocated to culture, leisure and physical activity and the form that activity will take. While we offer a large range of services and activities for young children we need to market, promote and sell these to the parents.

The next largest group is older adults, category 3, who make up a further 20% of residents. While many are club members or regular casual users of our gyms, swimming pools, community facilities, arts classes and visitors to Eastwood Theatre, others with chronic health and mobility issues are beneficiaries of our Live Active and Vitality exercise and movement classes.

The young adult group, category 4, is the smallest group although it remains very important. Encouraging young people to remain physically and mentally active once they have left childhood and school will be important to addressing the long-term health challenges facing society. At any given time this grouping is likely to account for under 10% of our potential market.

6.2 Timing and Alignment with Core Target Demographics

Understanding our customers requires us to appreciate the way different types of household function as family or single units. For example, young families are largely dominated by two considerations, parental employment and child education. Trust services and programmes such as Active Schools, Learn to Swim, Community Sports and Library activities for younger children are planned to take account of school term, school holiday and school week cycles as parents (or carers) are already working and living with the school timetable'.

For the other major household type, older adults, there will be greater variation in how they organise their lives. Service planning and the development, pricing and scheduling of activities for older adults requires careful assessment of the potential uptake among different customer groups. This requires a flexible approach that will allow us to test new offerings and identify those that appeal.

6.3 Customer Journey

Improvements to the customer journey continue to be made, building on the 2020-21 developments, including implementation of new kiosks which support chip and pin transactions, extended product range available on the mobile app and improved customer online experience with the launch of a new website.

The new website improves the customer experience and increases our online commercial opportunities through the delivery of.

- Enhanced customer experience - customers can easily find products & services, make online bookings and buy products
- a commercial focus – with an emphasis on key income drivers for effective digital marketing campaigns and lead generation.
- A new search function – enables customers to easily search across all services resulting in enhanced cross promotion of our products and services
- A site designed for all devices (mobile, tablet and desktop)
- Improved Search Engine Optimisation and digital marketing

The library management system migrated onto a new platform in the summer of 2021, together with new online booking for Bookbug and other library events and the upgrade of self-service kiosks in libraries hardware. These offer significant improvement for customers. The self-service kiosk hardware was upgraded.

The next phase in our online customer journey development is to continue to build on our new digital platforms; aligning all platforms and further improve customer digital experience including:

- Further integration of 3rd party systems on our website
- Continued development of the ER Leisure App including customer communications and surveys
- Heritage data library
- Prospect management
- Concierge customer capability
- Improved payment capability

7. People

Lockdown and the impact of Covid-19 has inevitably interrupted our ability to deliver aspects of our People Strategy, but as staff return from furlough we will be revisiting this with a view to revitalising it to support our journey to recovery and our new operating realities.

During 2021/ 2 key surveys were carried out, the first focusing on the health and wellbeing of staff as they returned to work from furlough and the second, a follow up staff engagement survey. The output of the staff engagement survey is currently being analysed, with a session planned with the Extended Leadership to agree the action plans and delivery in response to the survey.

Aims of our People Strategy

Our People Strategy sets out eight inter-related strategic aims, which will support the delivery of our overall strategic priorities and will further embed our values and behaviours.



Our Aims - we will:

- 1 **Attract** and **recruit** the best staff
- 2 **Develop** and **support** our staff to fulfil their potential and meet their career aspirations
- 3 **Retain** and **reward** our staff through recognising their contribution in the delivery of the charity's priorities
- 4 **Mobilise** our staff to become advocates for our values, and services and agents of change

Our Outcomes – we will:

- 5 Promote and secure **excellent leadership and management** at all levels, by empowering staff and embedding everyday leadership to secure the highest returns from our creativity and commitment
- 6 Create and maintain a **progressive, collaborative and healthy working Environment**
- 7 Establish a **sustainable and stable planning and delivery model**
- 8 Deliver **measurable community impact** and **demonstrable social change**

Strategic Aims & Outcomes	Strategic Objectives	Key Measures of Success and Impact	Key Risks
<p>Attract</p> <p>Recruit the best staff to drive the success of the organisation</p>	<p>We will:</p> <p>Develop our reputation to enhance our standing</p> <p>Through our business planning processes identify the areas in which we want to excel, identifying the roles we need, and the campaigns to recruit to them</p> <p>Develop our recruitment processes to ensure they are flexible and our partnerships and development pathways to enable us to recruit the best talent</p> <p>Attract and maintain a diverse workforce with the relevant skills, experience and backgrounds</p>	<ul style="list-style-type: none"> • Vast majority of our posts filled first time around with the right calibre of staff • Increased diversity of applicants 	<ul style="list-style-type: none"> • Insufficient staff with the right skills and experience to deliver our objectives • Regulatory non-compliance • Financial constraints reduce the ability to create or fill posts, or to compete with the market
<p>Develop</p> <p>Build on our commitment to growing people and ideas</p>	<p>We will:</p> <p>Design, develop and commission relevant development programmes which meet the needs of our staff in driving the organisations' development and improvement</p> <p>Identify and share learning and best practice internally</p> <p>Ensure all staff at all levels are supported and developed through our appraisal process, with clear targets and expectations, and excellent support</p> <p>Develop a culture of continuous improvement and a clear understanding of service</p>	<ul style="list-style-type: none"> • Staff have a meaningful annual performance and review appraisal • Number of staff achieving in-work qualifications • Staff take part in mentoring, coaching or development programmes • Increased number of staff mentoring and supporting internal colleagues 	

Strategic Aims & Outcomes	Strategic Objectives	Key Measures of Success and Impact	Key Risks
<p>Retain</p> <p>Create an environment where staff can flourish, with a clear link between their performance and the success of the organisation</p>	<p>We will:</p> <p>Develop our approach to reward and recognition, ensuring it is fair and recognises excellence and celebrates success in the most inspiring ways</p> <p>Ensure our staffing structures and model meet the needs of our business and our customers' expectations</p> <p>Provide at-work programmes and opportunities in sport, arts and culture which both enrich the working lives of our staff and develop the passion and enthusiasm of our staff for our organisation and the work it does</p> <p>Identify, recognise, grow and develop our internal talent</p>	<ul style="list-style-type: none"> • Increased number of staff recognised and promoted internally • ERCL is recognised as a desirable place to work • Staff turnover rates • Take-up of at-work activities and the popularity 	<ul style="list-style-type: none"> • Cycle of expectations, development, resources and recognition is not closed leading to disengagement
<p>Mobilise</p> <p>Help our employees be role models and advocates for sport, arts and culture</p>	<p>We will:</p> <p>Develop a programme which provides volunteering opportunities for staff</p> <p>Provide at-work programmes and opportunities in sport, arts and culture which both enrich the working lives of our staff and develop the passion and enthusiasm of our staff</p>	<ul style="list-style-type: none"> • Staff volunteer hours (external) • High degree of satisfaction and motivation reported through staff engagement survey 	

Strategic Aims & Outcomes	Strategic Objectives	Key Measures of Success and Impact	Key Risks
<p>Excellent Management and Leadership</p> <p>Establish and grow everyday leadership to realise our common goals.</p>	<p>We will:</p> <p>Ensure that all leaders and managers are aware of their responsibilities and have the capacity to fulfil them</p> <p>Collaborate and learn from peers in the sector and beyond to build best practice</p> <p>Develop managers as leaders in their Disciplines</p> <p>Provide induction programmes which set the benchmark for our development programmes</p> <p>Work in partnership with our trade unions to develop our approach to staff engagement, communication and collaboration</p> <p>Ensure that leaders communicate and exemplify our values</p>	<ul style="list-style-type: none"> • Excellent leadership is recognised internally (staff survey) and externally (awards) • The charity is recognised as an excellent place to work (staff survey and exit surveys) • Number and quality of internal applications and appointments for leadership roles • Overall staff engagement surveys scores and feedback 	<ul style="list-style-type: none"> • Ineffective leadership or management skills lead to high turnover of high quality staff, or to staff working less effectively and not achieving objectives
<p>Progressive, Collaborative and Healthy Environment</p> <p>Create a progressive, collaborative, healthy and enjoyable working environment which benefits both customers and staff</p>	<p>We will:</p> <p>Maintain our staff engagement surveys and listen to staff</p> <p>Actively support health and wellbeing through Healthy Working Lives, and at-work programmes.</p> <p>Maintain effective internal communications</p> <p>Enable leaders to pro-actively assess staff wellbeing, health and safety within their teams and provide their appropriate management information to enable them to ensure the maintenance and improvement of a healthy and environment</p> <p>Foster a culture of continuous improvement and learning</p>	<ul style="list-style-type: none"> • Overall staff engagement surveys scores and feedback • Ratings of management and leadership through staff engagement surveys • Sickness and absence rates 	<ul style="list-style-type: none"> • Sickness levels rise because the triggers are not identified and addressed early or properly • Accidents or H&S issues arising from lack of training and development

Strategic Aims & Outcomes	Strategic Objectives	Key Measures of Success and Impact	Key Risks
Stability and Sustainability	<p>We will:</p> <p>Plan, implement and communicate change clearly, sensitively and thoughtfully</p> <p>Develop apprenticeships, volunteering, internship or work placement opportunities as a means of building pathways to employment with us</p>	<ul style="list-style-type: none"> • Evidence of well-managed change programmes (audits, feedback or pulse surveys) • Stress-related absence rates relative to the sector 	<ul style="list-style-type: none"> • Change is implemented poorly impacting on staff morale, engagement, absenteeism and wellbeing
Community Impact	<p>We will:</p> <p>Undertake periodic social impact surveys to evaluate our effectiveness in line with community planning</p>		

8. Services

8.1 Current Delivery Structure

ERCL is currently structured around operational services, headed by managers. These differ in size, and have slightly different management arrangements. These are:

- Operations (Sports and Cultural Venues comprising Eastwood Park, Barrhead Foundry, Eastwood High Sports Centre and Neilston Leisure Centre, Swimming, Health & Safety)
- Sports and Physical Activity (Sports Development, Active Schools, Gyms and Fitness, Physical Activity, Health and Wellbeing Programmes)
- Libraries & Information Services, (10 Libraries; Information Services, Support to School Libraries, Macmillan Information Points).
- Communities and Arts (17 Community Facilities and Pavilions; evening and weekend school lets, Heritage Services, Arts Development and Performing Arts including. Eastwood Theatre).

8.2 Services Overview

8.2.1 Operations

- We operate 4 multi-function Venues, which deliver Leisure and Sport Activities, Theatre, Library and also facilitate Schools PE.
- Pre Covid, we welcomed around 1 million customers per annum across the 4 sites.
- The swimming development programme operated with around 2400 customers per week pre Covid.
- Venues are based in the larger ERC communities.
- Significant investment has been made into Barrhead Foundry and forthcoming investment in Eastwood Park and Neilston will further enhance our customer offer.

8.2.2 Sports and Physical Activity

- The Sport and Physical Activity unit consists of Community Sports, Gyms & Fitness, Active Schools and Health & Wellbeing services.
- We operate gyms in all four Sports Centres and pre Covid, delivered approx. 100 fitness classes each week. The current level of classes is around 85, with this number expected to increase as participation levels being to return to pre Covid levels and new class opportunities are identified. There is very high local competition within this sector.
- Community Sports is focused on community capacity building and income generation, delivering 85 sport and physical activity coaching classes per week during the school term with over 1,200 people participating in these activities weekly. During the school holiday periods we provide up to 10 weeks of holiday camp activity for children and young people. We also support 32 local sports clubs and 5 Community Sports Hubs which have a combined membership of approx. 8,000 members.
- Active Schools is dedicated to developing and supporting the delivery of quality out of school hours sporting opportunities for children and young people in all schools (nursery, primary, secondary).

- We operate an extensive GP Referral (Live Active) and instructor led physical activity session programme to support people living with medical conditions and to prevent trips, slips and falls as part of the continuing care pathway in East Renfrewshire.

8.2.3 Libraries & Information Services

- With 10 libraries of varying sizes and opening hours there is a public library in almost every community within East Renfrewshire.
- Pre Covid we welcomed over half a million physical visitors a year, and our online services see around the same again in virtual visits. As we recover, there is a drive to return to these levels, through continued engagement with schools, development of activities and an extended digital offering.
- In addition to supporting reading and literacy and other cultural activities we support the residents of East Renfrewshire through ICT learning opportunities & digital support to health & well-being information and activities, and economic support.
- Libraries are universal with services accessed by all demographics in the community but through programmes like Bookbug and school visits focus continues to fall on families, children and young people.
- A housebound service is currently being developed which will aim to support vulnerable members of the community being able to access the library services.
- The library service takes the lead role on GDPR and data protection for ERCL and provides professional support to ERC school libraries and librarians.
- The Macmillan Information Centre - Information and Support is delivered in libraries, specifically Barrhead and Clarkston but with outreach sessions in all libraries. Types of provision includes regular drop-ins, information stands, financial support and outreach services. All sessions are free and delivered by volunteers.

8.2.4 Community & Arts

- Pre Covid we welcomed around one million visitors across our 17 halls and 35 schools every year. Services in the halls and schools have yet to return to a full service offering, with the focus currently on regular club bookings. Following the lifting of restrictions, the broader customer base have been contacted to offer the return of the services.
- Customers of all ages take part in a wide range of activities and events from playgroups and lunch clubs to yoga classes and baby discos, from weddings to counselling services and everything in between
- We program Eastwood Park Theatre, provide sound and lighting technical support, develop and deliver visual and performance arts classes, events, exhibitions and outreach theatre
- We manage the Heritage Service and are developing a dynamic range of heritage classes and volunteering opportunities. The platform that hosts this information is currently being developed with will aim to provide a more comprehensive and improved customer experience.
- The Business Support team support all ERCL services facilitating and programming bookings, payment, payroll procurement and directorate services.

9. Operational Plans

To achieve our strategic aim of creating ***“a financially sustainable business model, balancing strong ambitions with commercial viability”*** we must address and reduce the budgeted operating deficit, i.e. the difference between the income we generate from commercial activities and grants and our total operating expenditure.

To support the business delivering services and ensuring that the commercial activities are driving the best value, alongside the need to meet our charitable aims, development is on-going on the operational planning to ensure that the scheduling, dependencies and support for all the activities are delivered in an efficient manner.

In planning for the period 2022/2023 we need to recover as fast and efficiently as possible, and identify ways of mitigating projected losses. Options for mitigating a forecast loss for 2022/2023 are being considered, in the context of significant budget shortfall on the part of ERC. This will be very difficult to meet from either reserves or non-pay efficiencies, and therefore plans including the withdrawal of services from some sites; suspension or cessation of some programmes; organisational restructure; and a review of the operating model will need to be explored. These will all be highly sensitive.

10. Financials

The Trust reported an operating deficit of £0.1m (surplus of £0.1m excluding net pension service cost) for the year ended 31 March 2021 (2020: £0.2m deficit; £0.7m surplus excluding net pension service costs), which was in line with expectation. This is before allowing for the net actuarial loss of £3.3m in respect of the multi-employer defined benefit pension scheme (2020: gain of £2.9m).

In summary, the financial position for the period ended 31 March is noted below:

£k	Year ended 31 March 2021	Year ended 31 March 2020	Movement
Income	8,910	9,770	(860)
Net Expenditure	(72)	(212)	140
Actuarial Gains / (Losses)	(3,272)	2,910	(6,182)
Total funds (after retirement benefit scheme gains / losses)	(3,942)	(598)	(3,344)

The sixth year of trading has supported us in meeting our charitable aims and objectives, ending the year with a strong financial position, despite the impact of the pandemic.

The principle funding sources are a combination of income generated through a level of sales, fees and charges for our charitable activities (£1.5m) (2020: £4.2m), as well as a Management Fee received from ERC of £5.1m (2020: £5.4) for our work in managing the Leisure, Library, Arts and Community facilities within the local area. Funding was also provided via the CJRS of (£2.3m) (2020: £0.1m).

The primary areas of spend are people £8.0m (2020 £8.1m), Property £0.3m (2020: £0.5m) and Supplies and Services £0.7m (2020 £1.2m).

10.1 Reserves Policy

During 2015/16 the Trust agreed to build reserves over the first three years to a level of £250k to enable the Trust to manage financial risk and help deliver the Trust's commitments. This was our initial target and would therefore be regularly monitored and reviewed annually by the Finance, Audit and Risk committee. In light of the current events, the Trustees have agreed to increase the unrestricted non-designated reserves to £500k.

At the year end the charity had a total deficit of £3,942k (2020: deficit £598k), excluding the impact of the pension scheme, which had an unrealised liability of £(5,926k) (2019: £(1,847k)) at the year end, there was surplus funds of £1,984k (2020: £1,249k), of which £86k (2020: £22k) was restricted and £1,898k (2020: £1,227k) was unrestricted. Of this amount, £953k was designated for Transformation and Recovery activities, £363k to support the Digital programme and £82k in respect of fixed assets, leaving free reserves of £500k.

The Trustees continue to strive to maintain a £500k unrestricted non-designated level of reserves, but also to continue to rely on assurances of ERC as the sole member, to fund the Trust to meet its liabilities as they fall due, should the Trust be unable to do so. This is particularly critical as the Trust emerges from the Covid19 events.

10.2 Investment Policy

ERC manage investments on behalf of the Trust following their own organisational investment policy, primarily aimed at mitigating risk associated with safeguarding funds, ensuring liquidity of these funds and finally investment returns. As a result, the policy aims to invest cash and cash-like investments up to a maximum level on acceptable counterparties. Activity is monitored regularly and the policy is reviewed annually.

Any surplus funds held by the Trust are placed on deposit in line with the Treasury Management policy.

10.3 Fixed assets

The Trust has a maintenance lease agreement with ERC for the use of the buildings and equipment linked with the charitable activities and as such these assets do not belong to the Trust.

10.4 Budget 2022/23 – to be agreed

11. Support Services

As noted in previous Business Plans, a number of key support services are provided to ERCL by ERC under Service Level Agreements. These are regularly reviewed and revised but it has been recognised that internal customer service with attendance KPIs and mechanisms for service improvement, are a developmental need across ERC generally and not just in relation to the services delivered to ERCL.

Improvement and action plans for Support Services and other interfaces between the Trust and the Council were identified in a Solace in Business (SiB) report commissioned by ERC in 2017. This action plan – progress against which is reported to ERC's Audit and Scrutiny Committee – has been complemented further by recommendations arising out of the ERC Best Value Audit on the Trust undertaken in 2019. A review took place at the end of 2021 of the status of these plans with an update to the actions reflecting the change in the business since the reviews took place. This work was completed in conjunction with ERC, with the revised plan approved by the Board in November 2021.

11.1. Financial Services

ERC currently provides a range of accountancy, creditor and debtor services to ERCL. As part of the previous annual SLA review, a gap analysis was completed which identified a number of significant gaps in the financial control services provided to the Trust by ERC.

The gap analysis was supported by the output of the SiB review, with the resultant Joint Action Plan including a number of critical ERC service developments, including inter-company accounting and provision of regular balance sheet reporting. The Joint Action Plan Steering Committee closely monitors the progress of the actions.

As part of the ERC core systems platform, which included implementation of finance and procurement and HR and Payroll systems, the Trust were engaged in the initial procurement process and are represented on the associated Core Systems Board. The finance and procurement system went live at the end of August 2019 and work continues to develop the functionality including re-engineering finance processes in relation to inter-company transactions and the management of control and suspense accounts together with enhanced analysis capability, all of which is required to ensure the system is fit for purpose for the Trust.

The Trust has been represented during the project, although input was limited with regards to the new finance control and cash management processes which were developed by the core systems team. As noted above, work is on-going to develop Trust and enhance the financial controls and reporting capability.

The HR and Payroll system went live at the end of 2020 and the Trust was engaged with the project from a service perspective, with the system based on HR and Payroll defined requirements. Similar to the finance system, the HR and Payroll platform continues to be developed, including delivery of online timesheet functionality. Engagement with this project is critical to ensure that the new processes are

automated to reflect the additional complexity of shift patterns and the varying contract types to minimise the operational pull of the current manual work and thereby demonstrating the value of the upgraded digital platform to the Trust.

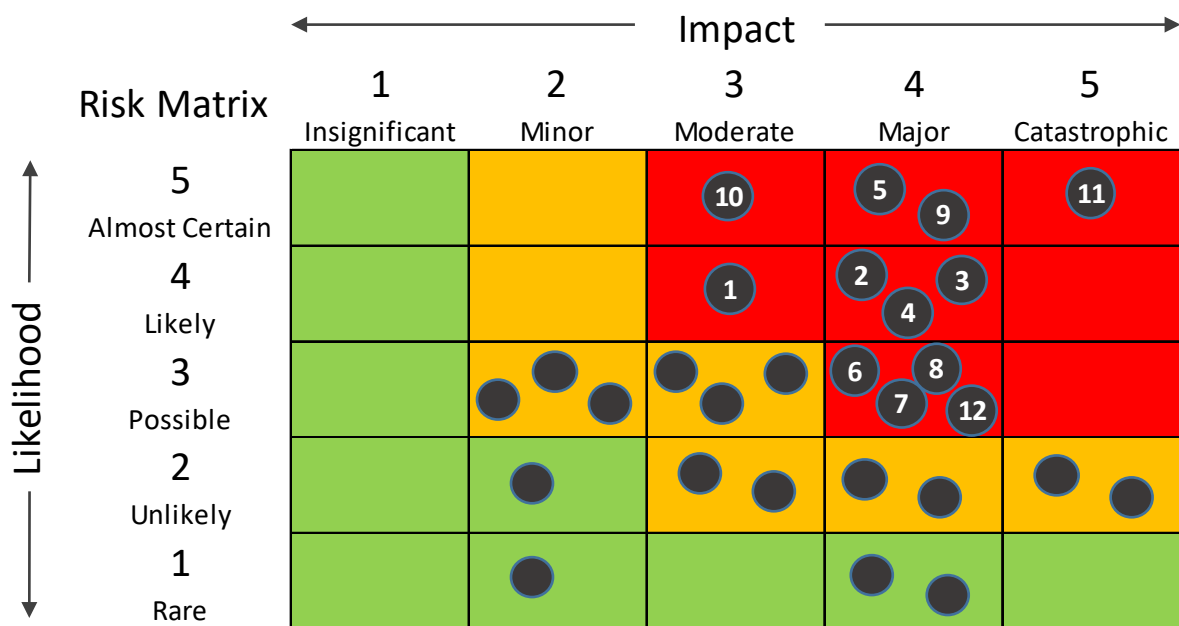
On the basis of delivery of the SiB Action plan and the continued successful implementation of the new core systems platform, the recommendation is to retain ERC as the service provider of financial services.

12. Risk Management

A detailed Risk Register is presented to the Finance and Audit and Risk Committee. Following consideration by the Finance, Audit and Risk Committee, an abstract highlighting the top key risks at any given point is considered by the Board, and a joint Risk Register is maintained by ERC and ERCL capturing shared risks.

Throughout the year the Risk Register is reviewed and revised in the light of the fluidity of the current environment, with risks considered accordingly.

The following table summarises the spread of risks across the business, which incorporates risks identified due to Covid, together with a summary of the top 12 risks:



Ref	Risk Category	Summary of Risk
1	Government Policy / Legislation	Change in legislation or direction of Government policy, leading to significant change in priorities or patterns of uptake
2	Shared vision with ERC	A single agreed ambition or vision for ERCL is not articulated and agreed by and with ERCL and ERC and its constituent departments.
3	External Providers / Contracts	Failure of external service providers to deliver on obligations, resulting in late or non-delivery of services, cancelled events, lost revenue and damaged credibility.
4	Facility Failure	Facility Failure impacts negatively on service delivery and performance, income or reputation. (Damage to key elements of the facility resulting in unbudgeted repair costs and suspension / reduction of services; maintenance backlog; H&S issues; plant failure; and/or otherwise compromised service offering).
5	Market Changes	Changes in the competitive environment resulting in fewer customers.
6	Violence & Aggression	Increased aggressive behaviour by members of the public, caused by anti-social behaviour and resulting in injury, or stress to staff or other customers, and negative impact on sales and attendance.
7	IT Systems Failure	Failure /Misuse of systems resulting in 1) loss of data 2) withdrawal of service 3) loss of revenue 4) increase in errors on the system. Major issues arising from Core Systems Project / implementation of changes to core business systems in Finance, Payroll and HR
8	Industrial Action	Industrial Action leading to suspension of services, cancellation of events, loss of revenue, etc.
9	Operational Impact due to Capital Projects	Capital Projects impact adversely business through slippage or impact on management and operational resources.
10	Recruitment	Difficulties in recruiting to key roles impact adversely on operations, finances or performance
11	Business Continuity / Finance Recovery	Recovery will have a long tail as customers and services require time to adjust to new ways of operating
12	ICT Systems Failure	Current ICT capability is not able to support a stable IT platform to enable remote working on an on-going basis and unable to support a new business model focused on a richer online offering to customers.

EAST RENFREWSHIRE COUNCIL3 March 2022Report by Chief Financial OfficerFINANCIAL PLANNING 2022-2028**PURPOSE OF REPORT**

1. To submit for approval the updated Outline Revenue Financial Plan for 2022-2028.

RECOMMENDATIONS

2. It is recommended that the Council: -
 - (i) notes the continuing budget pressures anticipated in the next 6 years and the mitigating actions proposed; and
 - (ii) approves the Outline Revenue Financial Plan 2022 – 2028

BACKGROUND

3. East Renfrewshire Council has undertaken long term financial planning for many years.
4. Capital planning is undertaken over a rolling 10 year period, reflecting the contents of the Capital Investment Strategy and the need to plan infrastructure over an extended period.
5. The Council normally plans its detailed revenue budgets over a 3 year time horizon and seeks to align these with the multi-year settlements from the Scottish Government. Due to the recent production of single year budgets by the Scottish Government and to significant shifts in the overall budget allocated to local government making long term planning challenging, the Council has been unable to prepare and publish detailed 3 year budget plans, updated annually, as it has in previous years. The Council does, however, maintain a rolling 3 year departmental budget to assist with its Outcome Delivery Plans and produces a Financial Planning document each year, forecasting financial resource levels for the next 6 years. As the Scottish Government intends to resume publication of multi-year settlements from May/June 2022, it is expected that the Council will resume its 3 year detailed budget setting approach from 2023/24.
6. The Council budget, which will be set today, will be set for a single year only, as a result of the lack of longer term national financial planning information. The budget proposals for 2022/23 reflect the terms of the Local Government draft settlement, announced by the Scottish Government on the 20th of December 2021, together with the late announcement of a further £120m of non-recurring funding for Councils in 2022/23. The Council's Outcome Delivery Plan and outline multi-year budget plans for 2023/24 onwards will also be refined to take account of the final figures.
7. Future multi-year budgets will align with longer term financial, workforce and asset planning. As recent settlements for Local Government have been on a single year only basis and have been difficult to predict, work has been undertaken by the Corporate Management Team to plan for a number of financial scenarios.

8. Traditionally the longer term financial outlook and the associated financial plans of the council have been presented at the annual budget meeting. This paper updates the Financial Planning document approved on 25 February 2021 and covers the next six years, 2022/23 to 2027/28.

9. It should be noted that financial planning is extremely difficult in the present economic and political situation, with continuing uncertainty on both the impact of Brexit and the ongoing COVID-19 pandemic complicating matters. Financial markets are uncertain about future economic growth prospects and the impact on the finances available to Scottish local government is very difficult to predict. One year budget settlements, rising inflation and late settlement of pay awards are making the situation even more challenging. The Council will have to be prepared to continue to analyse a range of scenarios and be ready to undertake detailed budget planning as the most likely scenarios emerge for future years from future multi-year settlements.

FINANCIAL OUTLOOK

10. Each year since May 2018 the Scottish Government has published its Medium Term Financial Strategy, taking account of the new financial powers provided through the Scotland Acts 2012 and 2016. The Medium Term Financial Strategy was most recently updated in December 2021.

11. The new Scotland Act's powers resulted in a change from Scottish Government funding being supported mainly from UK Block Grant and Non Domestic Rates to the introduction of a Scottish rate of Income Tax, Scottish Landfill Tax, Land and Buildings Transaction Tax, Scottish Air Passenger Duty and the retention of VAT raised in Scotland. UK Block Grant funding is correspondingly reduced to take account of these new powers.

12. The Scottish Fiscal Commission has a key role in forecasting future Scottish tax income but this is very difficult, given the amount of concurrent change, so the Medium Term Financial Strategy contains only a broad approach to managing the Scottish budget.

13. The Scottish Government's latest Medium Term Financial Strategy considers the medium term sustainability of Scotland's public finances and sets the context and various scenarios for the Spending Review scheduled for May/June 2022. Whilst the Scottish economy has made a good recovery from the pandemic impacts and should be back at pre-pandemic levels by June 2022, inflation will be a challenge for the next year or so and slight differences in the Scottish and UK economies' structures (e.g. higher proportion of oil and gas industry in Scotland) could result in the Scottish economy growing slightly slower than the rest of the UK in the medium term. The central scenario is for Scottish Government resources to rise by less than 1% for 2023/24, 2% in 2024/25, then by over of 3% in the next two years. Given current inflation of above 5%, this will prove difficult for public services, particularly those that are not regarded as priority areas such as health and social security. The document recognises that efficiencies, spending reductions and reform will be required for non-priority areas.

14. In response to the 2021 Independent Review of Adult Social Care, a consultation on the proposals for a National Care Service (NCS) was launched in August 2021 and the analysis of the responses was issued in February 2022. The proposals set out wide ranging implications for IJBs including creation of Community Health and Social Care Boards directly accountable to Scottish Ministers with a commissioning local delivery body for the NCS. The consultation did not include a financial analysis on the implementation of the proposals.

15. The ongoing COVID-19 pandemic continues to have a major impact on all public sector medium term plans, as does Brexit and the Levelling Up agenda. The Council's financial plans will continue to factor in any changes as these emerge.

16. The UK Spending Review in October/November 2021 covered the next three years and indicated a significant cash increase in revenue funding for Scotland in 2022/23, however this is difficult to compare on a like for like basis with the current year due to the one-off COVID funding received this year and last, which will not be recurring. Real terms cuts are indicated for 2023/24 and 2024/25 but with the NHS likely to receive above inflation uplifts to the detriment of other budget areas. Due to the timing of the UK announcement and to ongoing uncertainties relating to COVID-19, a multi-year Scottish spending review will not take place until spring 2022, so there remains a large degree of uncertainty in medium to long term financial planning at present.

17. John McLaren of the University of Glasgow expects Scottish revenue budgets other than Health and Education to reflect much lower levels than the above headline figures in the next year or two. This is due to prioritisation of these services and to the impact of other changes relating to areas including tax and block grant.

18. The position will start to become clearer after the findings of the Scottish Spending Review are announced in May/June this year.

19. More broadly, the Governor of the Bank of England is concerned at rising inflation, forecast to peak at 7.25% in April 2022, and has initiated increases in interest rates to combat this. However he does not expect the bank rate to have to rise as far as 1.5% by mid-2023 to allow inflation to fall back to the target 2% in three years' time.

20. The Council's Treasury advisers, Link Consultancy, have recently assessed the outlook for UK economic growth and interest rates. They note that the end of the furlough scheme has not impacted the economy as much as had been feared but that further recovery may be hindered by emerging labour shortages. The widespread Omicron variant was expected to slow the inflationary pressures in oil and other commodities but the current higher than forecast inflation rates instead resulted in the Bank of England raising rates to 0.5% in February with further rises expected to take the rate to 1.25% by December 2022 before stabilising. Nevertheless, rates are expected to remain very low for the next three years and below 2.5% long term.

21. Overall, the longer term outlook is not just about the level of resources nationally, but increasingly about the change in prioritisation of these resources, For example there may be less focus on office space and travel and more focus on shorter supply chains and digital provision. The Council's plans for "The Way We Work", digital transformation and "Get To Zero" are being developed to address new ways of delivering services post COVID whilst reducing carbon emissions. Likewise there is expected to be an increased focus on social care within the public sector as the country recovers from the pandemic and plans for a new national care service develop.

22. The draft 2022/23 public sector revenue budget plans announced by the Scottish Government on 20 December 2021 reflected an increase of £791m (7.19%) in cash terms for Councils, but after adjusting for £891m of new commitments and policy pressures included in the settlements COSLA calculated this to represent a £100m (0.9%) cash reduction in core budgets. Subsequently an additional one-off £120m was announced, bringing the cash position to an increase of £20m, although the base position for 2023/24 remains a £100m reduction. Most protection and new commitments related to Health and

Social Care, Education and to Early Learning and Childcare. Pay increases for 2022/23 have not yet been agreed but negotiating bodies are expected to seek awards significantly in excess of Scottish public sector pay policy, which is estimated to produce average rises of slightly above 2%. These factors will continue to increase pressures on Council services which are not afforded Scottish Government protections or prioritisation.

23. Scottish Budget plans published relate only to 2022/23 and considerable uncertainty exists beyond this due to the ongoing impact of Brexit and COVID-19, future Scottish tax revenues and the relative growth rates of the Scottish and UK economies. It is hoped that the Scottish Government will be able to move to multi-year settlements from 2023/24 and this would be welcomed as an aid to forward planning.

24. In recent years additional funding has been announced for local government as the Scottish budget progresses through the Parliamentary stages. Final confirmation of the 2022/23 Scottish budget will not be available until all stages are completed in early March 2022, however scope for late changes has reduced due to the SNP/Green joint working arrangements which include budget matters.

25. Consideration has been given to the additional fiscal flexibilities announced during 2020 for local authorities in terms of utilising capital receipts, deferring loans fund repayments for 12 months and/or reprofiling PFI/PPP debt calculations. Such options were offered to help Councils to meet the cost of unfunded COVID-19 pressures without impacting on short term revenue budget plans. The Council has earmarked £2m of capital receipts in case existing COVID grant funding proves to be insufficient to meet related pressures in 2022/23. Any such capital receipts not required for this purpose will be returned to the Council's capital reserve as at 31 March 2023. Funding forecasts in this report reflect that the Council intends to make use of existing COVID grants and the capital receipts fiscal flexibilities to cover any unfunded COVID pressures in 2021/22 and 2022/23 and does not expect COVID pressures to be met from core budgets.

26. The Council's grant for 2022/23 is £207.696m and produces a cash increase of £11.6m (5.9%) over the 2021/22 grant figure reported to Council in February 2021, however recognising that £10.4m of this increase relates to new commitments, mainly relating to substantial adult social care funding pressures, this represents only a £1.2m (0.6%) cash increase, or a flat cash position once mid year 2021/22 one-off grant allocations are factored in. After recognising that £2.2m of the 2022/23 grant is one-off funding, the settlement represents a £1.0m cash reduction on a recurring basis.

27. For the first time in more than a decade, the 2022/23 settlement gave Councils freedom to set their level of Council Tax for the coming year.

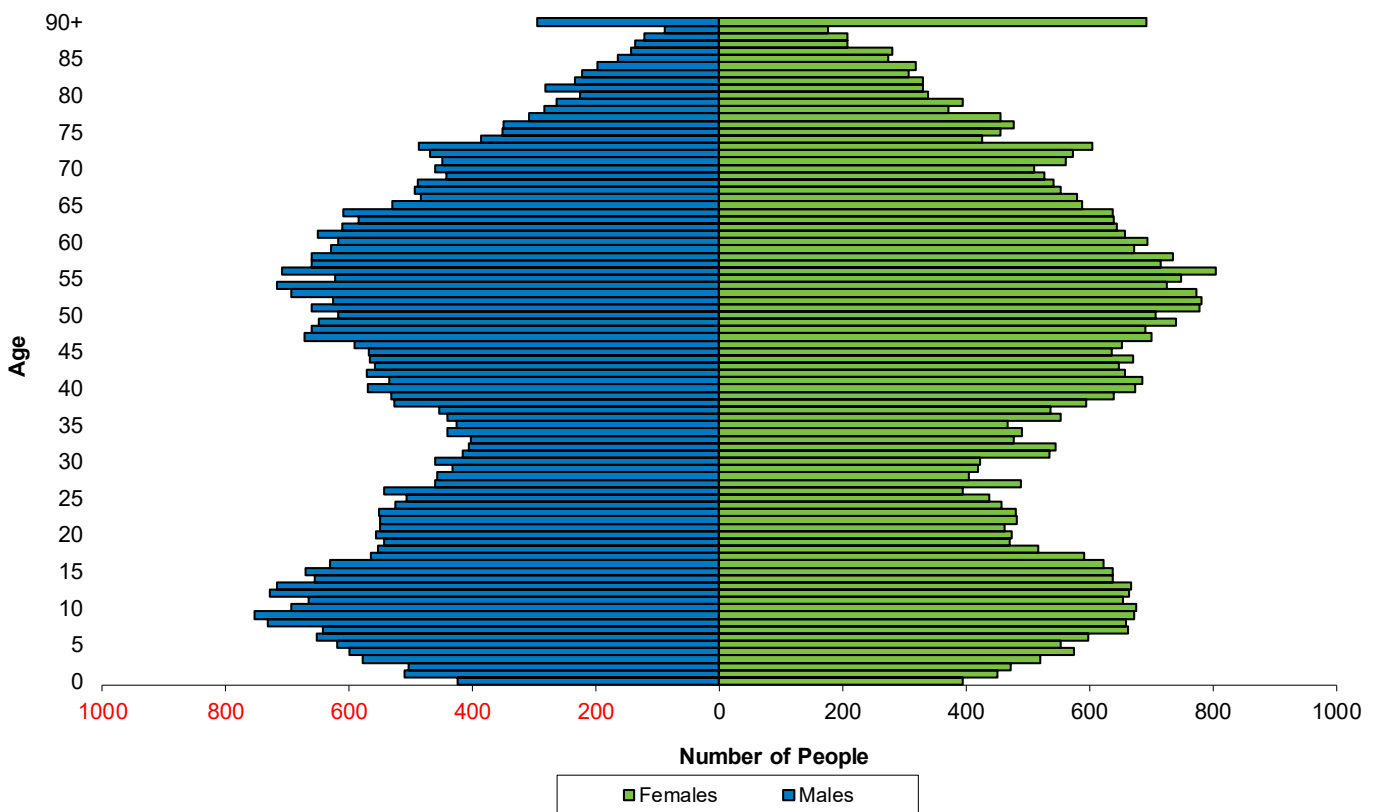
DEMAND PRESSURES

DEMOGRAPHICS

28. Our Planning for the Future report and Infographic Summary provides a comprehensive summary of a detailed analysis of the changing demographics of the East Renfrewshire Area. The report includes trend information from the Census and the use of the NRS mid-year estimates and NRS population projections. The latest update to the Planning for the Future report has been delayed because of the impact of Covid-19, all figures in this report have been updated to reflect the most recently published data. Information which is used to create the Local Development Plan such as service demand,

SIMD data and future housing projections and associated infrastructure is also included. The report provides an overview of natural changes in the population such as birth and death rates and incorporates the latest figures released on the significant rise in net migration across the East Renfrewshire area.

29. The population of East Renfrewshire is currently estimated at 96,060. The pyramid below shows the population split by age group and gender. Around 20 per cent of the population is made up of children and young people aged 0-15. The working age population (16-64) accounts for 60 per cent of the population whilst older aged adults (65 and over) make up the remaining 20%.



Source: NRS 2020 Mid-Year Population Estimates

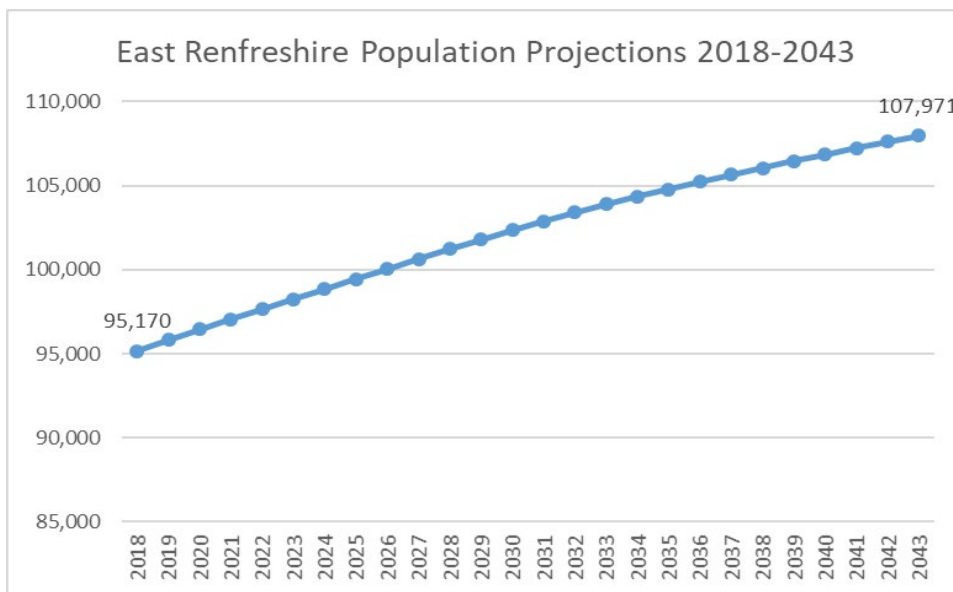
30. By 2043 the population of East Renfrewshire is projected to be 107,971, an increase of 13.5 per cent compared to the population in 2018 (base year for projections). The population of Scotland is projected to increase by 2.5 per cent between 2018 and 2043. Over the 25 year period, the age group that is projected to increase the most in size in East Renfrewshire is the 75+ age group.

31. The growth in the population of children, those of working age and older people is shown in the table below.

Age group	2018 population (base year for projections)	Predicted 2043 population	Population growth (%)
0-15 years	19,322	20,234	4.7%
5-18 years	17,601	18,870	7.2%
Working age (16-64)	56,951	62,086	9.0%
65+ years	18,897	25,651	35.7%
Total population	95,170	107,971	13.45%

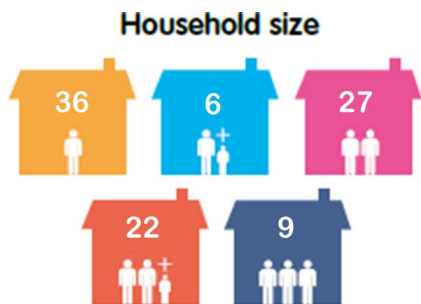
Source: NRS 2018-Based Population projections, published March 2020

32. It should be noted that a significant proportion of the growth in the 65+ population is accounted for by those aged 85 and over. This has an impact on our services because the number of people aged 85 and over is expected to grow at a faster rate than the rest of the population. On this basis we can expect the number of people with a need for home care or care home support to steadily increase year on year. The number of school age children is also expected to increase by more than 7% over this period.



Source: NRS 2018-Based Population projections

Predicted household size in 2043



33. The total number of households in East Renfrewshire is predicted to increase from 39,108 in 2018 to 46,537 in 2043.

34. It is predicted that single adult households (all ages) will account for almost 36% of all households in East Renfrewshire by 2043 (compared to 33% in 2018). Around a third of these single adult households will be occupied by someone aged 75 or over. (Source: NRS 2016-Based Household projections, published March 2020)

35. Single adult households will stay around the same level and the proportion of households with dependent children is predicted to drop slightly to 28% (Source: NRS 2018-Based Household projections, published March 2020)

36. The average household size is expected to decrease from 2.42 people per household in 2018 to 2.29 in 2043, which is still the largest household size in Scotland.

37. In East Renfrewshire, from 2018 to 2043, households headed by people aged 75+ are projected to increase in number by 74 per cent as the older population grows.

The next 5 years

38. Over the next 5 years (2021- 2026), a number of changes have the potential to create financial pressure.

39. The number of households is projected to increase by more than 1,500 which represents a 3.8 per cent increase. This increase in households will create additional demand for the full range of council services especially waste management, road maintenance, parking, money advice, customer services, early learning, childcare and education, employability, schools, health and social care, leisure and transport.

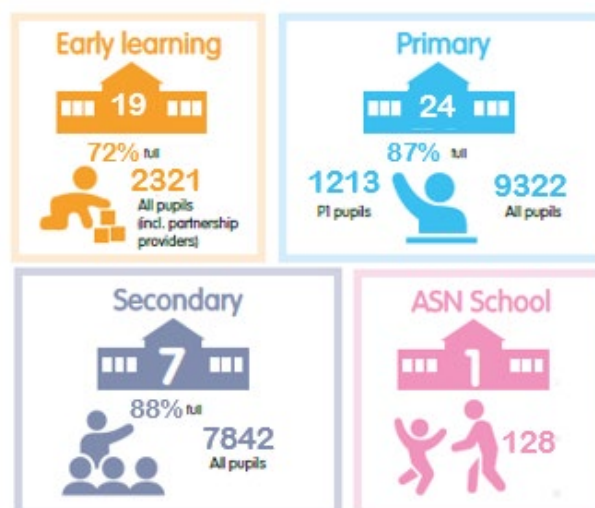
40. The pattern of more people entering East Renfrewshire than leaving is expected to continue. The largest proportion of entrants mostly tends to come from the Glasgow City Council area each year. Most recently the Education Department has seen a proportion of new catchment applications, around 10%, for children and young people who have moved to the Council area from Hong Kong; this may result in the requirement for additional support for such children, where English may be an additional language or little spoken/knowledge of English.

41. In East Renfrewshire there has been a rise in population of children under 15 years old. From 2015 to 2020, the number of children under the age of 15 increased by 6.9 per cent. The proportion of 0 to 14 year olds as a percentage of the total East Renfrewshire population is the highest across Scotland. This suggests that those moving into the area do so with young families.

42. Projections also show the children and young people cohort continues to grow over the next 25 years, which produces increasing demand for early learning and childcare, primary and secondary school places. The chart below shows that increasing trend in the number of 3 and 4 year olds in East Renfrewshire attending Council and funded (partnership) providers (i.e. private, voluntary and independent sectors and childminders) early years settings over the past 10 years, an increase of 23 per cent.

43. The number of 3 and 4 year olds resident in East Renfrewshire attending early learning and childcare centres managed by the Council and funded (partnership) providers (i.e. private, voluntary and independent sectors and childminders) has increased by 11% from 2010 to 2021. It is anticipated that in line with the projections the number of 3 and 4 year olds in the Council will increase in future years.

44. The annual school census figures of the number of pupils in our schools shows that the total number of primary pupils has steadily increased by over 14% between 2011 and 2020. From 2011 there has been a reduction of around 34% in the number of primary aged children who attend an East Renfrewshire school and reside outwith the council area, whilst the number of East Renfrewshire resident children has increased by 21% over the same period. This will impact on secondary school pupil numbers in subsequent years as these pupils move through the year stages. In recent years, the school census shows an increase in the number of East Renfrewshire resident young people coming through our secondary schools.



45. With the introduction of flexibility and choice for families in the early learning and childcare (ELC) offer, there is necessarily an element of inefficiency in operating entitled provision with lower occupancy levels. With consideration to the number of available ELC places related to staffing levels within establishments, the overall occupancy rate in ELC establishments is around 84%.

46. Overall the occupancy rates in the primary and secondary school sector are at 88% of available planning places. There are varying rates across schools, but there are several establishments with very high occupancy levels, with 13 where the school's roll is in excess of 90% of the school's planning capacity

47. Further new education places will be required as a consequence of ongoing and planned new residential development and inward migration to the authority. This includes the need to increase the very specialist places for our most vulnerable children and young people as more families move into the area to access this widely recognised and valued specialist provision. The authority continues to make progress with its review of provision as part of a wider assessment of the needs of ASN services across the authority looking at how best to address needs in the short and longer term. The Education Department has provided details of its plans to ensure appropriate support for learners on the basis of their needs and to ensure availability of places to such provision to the Council's Education Committee. Accordingly there is likely to be an increasing spending pressure to meet the demand for such specialist support.

48. In addition there is the need to increase places from the private, voluntary and independent sectors and childminders to provide flexibility and choice in early years' provision as a consequence of the statutory duty.

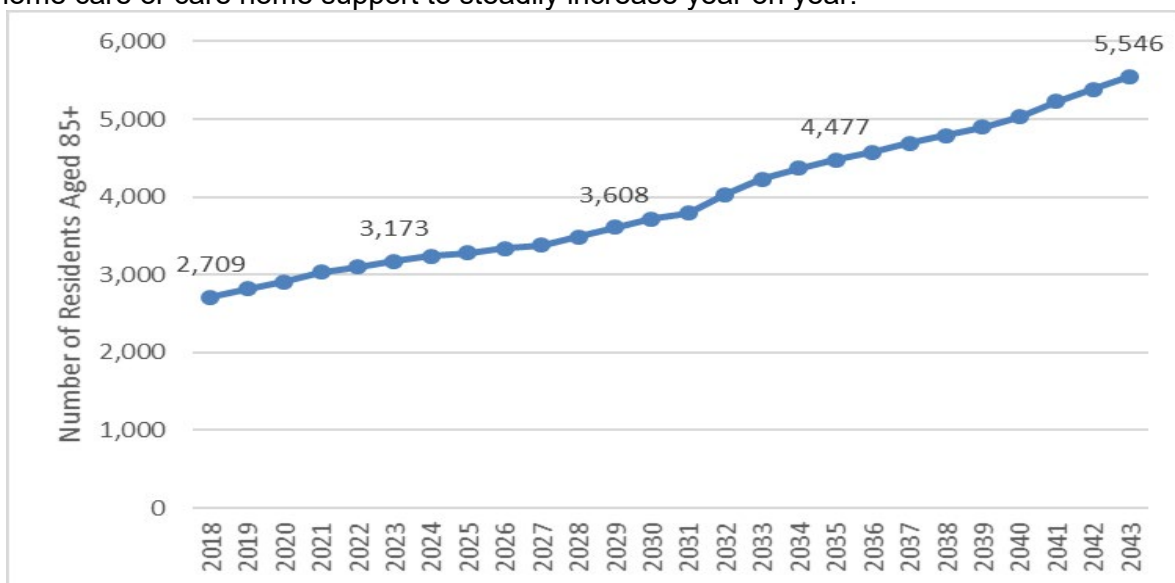
49. The number of looked after children in East Renfrewshire has fluctuated over the last four years from a high of 146 in 2018/19 to a low of 135 in 2020/21. The drop is partly due to the reduction in Children's Hearings that took place during the COVID-19 pandemic. As hearing activity begins to return to normal, the expectation is that numbers of children on supervision will increase and stabilise again to previous levels. Importantly, within the looked after population there has been a marked increase in children being accommodated away

from their family, with those in foster care increasing by 17.6% from 2018/19 to 2020/21, and the number of young people requiring residential care placements doubling over the last eighteen months.

50. This reflects the rise in the number of families in crisis who have been seeking support and the high risk of family breakdown and children requiring care placements, particularly those with a neuro developmental diagnosis. Concerns are complex with many families from backgrounds that would not ordinarily require social work interventions. In addition there is a significant upward trend in the percentage of looked after children who have a recorded disability. This has risen by 15% in four years. 38% of children known to social work teams have a complex disability and the number of children in receipt of an individual budget has quadrupled since 2014. In 2020/21, three quarters of children with disabilities allocated to social workers were in receipt of an individual budget. This will continue to be an area of significant growth and budgetary pressure. The recommendations from The Promise will likely place additional expectations on the delivery and quality of looked after children’s experiences within placements and the community. At this stage there is no certainty over additional funding for this.

51. Between 2019 and 2020 East Renfrewshire experienced a 1.4 per cent decrease in the number of births, decreasing slightly from 808 in 2019 to 797 in 2020. This is the third consecutive year where the number of births has decreased within East Renfrewshire. The number of births across Scotland declined by 6.1 per cent over the same time period. The East Renfrewshire deaths increased by 12.4 per cent between 2019 and 2020. East Renfrewshire has amongst the highest life expectancy rates in Scotland for both men (79.5) and women (84.0).

52. East Renfrewshire already has an increasing ageing population. By 2043, almost one quarter of East Renfrewshire will be aged 65 or over. In recent years, the number of people aged over 85 needing key services has been rising. This has an impact on our services because the number of people aged 85 and over is expected to grow at a faster rate than the rest of the population. On this basis we can expect the number of people with a need for home care or care home support to steadily increase year on year.



Source: NRS 2018-Based Population Projections, National Records of Scotland

53. All of these changes will lead to increased pressures for both the Council and local health services. Health and social care support to reduce unplanned admissions to hospital continues to improve alongside a reduction in the number of people residing in care home settings. This is contrasted with increasing levels of care at home services providing support to people with complex health in their own homes. The impact of the pandemic has increased pressures on acute services and patterns of hospital care which has meant delays to planned services and potential for worsening health within communities. The Independent Review of Adult Social Care recognises the need to robustly factor in demographic changes to future planning as well as a focus on meeting early intervention and preventative community support. The proposals set out in the National Care Service consultation are now being considered and will change the funding model for adult care, with new Community Health and Social Care Boards directly accountable to Scottish Ministers. This could have an impact on the Council's future funding.

54. The Council's financial plans reflect the expectation of additional income from Council Tax due to an increase in the number of dwellings. However any increase is in part compensated for by a decrease in Government Grant as an estimate of Council Tax income is part of the calculation of General Revenue Grant from the Government.

55. The Council's General Revenue Grant is primarily made up of Grant Aided Expenditure (GAE), former ring fenced grants and redeterminations (of new grants since 2008) with GAE the most significant contributor to our overall grant from the Government. The general revenue grant is also impacted by grants for loans repayments, the floors mechanism, "changes" which reflects the Council's share of any overall funding increases (or decreases) made available to local government and estimated changes to Council Tax income.

56. Whilst population is an important factor in calculating GAE, the calculation is extremely detailed and takes into account the age profile of the population, the number of schoolchildren and levels of deprivation as well as rurality. GAE is built up from a detailed analysis of the pressures on each service the council delivers. In recent years the calculation of several GAE allocations has undergone major change and this has resulted in some impact for the Council, most recently in reducing the level of grant support we attract for roads maintenance.

57. For many years East Renfrewshire Council's share of overall GAE had been steadily increasing as our population has grown. However, larger increases in population in other areas, particularly in the east of Scotland, have meant that East Renfrewshire's growth rate is now closer to the Scottish average. This change and an increasing focus on deprivation and other factors have slowed the growth trend for GAE in 2021/22, with the Council's share of GAE broadly steady over the last few years. The Council now has a 1.93% share of the overall GAE (2021/22 1.92%), but this is still significantly higher than our population share of 1.75%.

58. This high share is as a result of the relatively high number of pupils at our schools which is in part due to larger than average family unit sizes and in part due to the level of placements at our schools. Our share of Education GAE at 2.2% is well in excess of our population share and, as education GAE is the largest element of GAE at over 54%, the effect on the council's budget is significant.

59. In overall terms it is estimated that the high pupil numbers will increase our expenditure by in the region of £23m as compared to an average council of a similar population and this is taken into account by the Government in estimating our budget needs.

60. Our share of social work GAE is slightly below our population share at just under 1.72% but this too has been steadily growing over recent years primarily as a result of our ageing population with the calculations giving us a high premium for those over 85 years of age who are likely to be in the most need of care at home or a nursing or residential care placement.

61. The other determinants of funding, i.e. former ring fenced grants (FRFG) and redeterminations, have stayed largely unchanged.

62. These changes to our grant calculations mean that instead of an increase in GAE and other grants as we had usually planned for in previous years, it would be prudent to plan for a static level of funding until the new trends are more established.

63. In recent years, much of the increased grant share from demographics has been cancelled out as a result of the Floors adjustment. This mechanism is designed to limit the level of grant reduction that any Council with falling demographics can bear. This is having an increasing impact on East Renfrewshire, while protecting Councils with falling population from directly related budget reductions. East Renfrewshire's grant was reduced by £3.271m in 2022/23 (2021/22 £1.799m).

CAPITAL INFRASTRUCTURE

64. In terms of the capital infrastructure required to service our population's demands, the Council has produced a Capital Investment Strategy to inform investment priorities. This looks beyond our Capital Plan which covers 10 years. The Council will continue to utilise its Capital reserve provision and forecast developers' contributions to help support the investment required in relation to population growth in the coming years, but whilst inflation on capital works remains high and Scottish Government capital grants remain relatively fixed in cash terms, this will increase pressures for Councils to borrow to finance capital works. This in turn increases pressures on revenue budgets from capital financing charges.

65. Provision of new early learning and childcare facilities to deliver the statutory increase in entitlement to 1140 hours per year, additional school facilities to meet demands from new house building, and the need to replace assets nearing the end of their lives, have all contributed to a significant increase in borrowing with a resultant impact on future years' revenue budgets for loan charge repayments

66. More detail of the Council's plans to address future capital needs are set out in the Capital Investment Strategy report, which is updated annually.

CITY DEAL

67. Work continues to progress on the Council's £44 million of City Deal investment. In Newton Mearns, this has produced opportunities for business startups and networking at the new facility at Greenlaw (although the latter has been reserved for use as a COVID testing site over the last 2 years). At Barrhead North the remediation of the former Nestle site will provide exciting opportunities for retail and business and will create employment opportunities. The City Deal investment also includes significant projects which will improve the transport infrastructure to regenerate areas, link the communities of Barrhead and Eastwood and create access to employment. Projects include a new railway station at Barrhead South, recent improvements to Balgraystone Road, the straightening of Aurs Road and the establishment of a Dams to Darnley Country Park visitor centre with appropriate infrastructure.

68. Whilst the majority of the funding of City Deal investment will be provided by both the UK and Scottish Governments, the Council will be required to contribute £6.2m as well as fund the cash flow over an extended period as most of the grant support will not be received until well into the future. This will significantly increase pressure from loans charges in the medium term.

LEGISLATIVE CHANGE

Entitlement to 1140 hours of Early Learning and Childcare provision

69. The new statutory duty to increase the entitlement to free early learning and childcare from 600 hours to 1140 hours per year for all 3 and 4 year olds and eligible 2 year olds came into effect in August 2021.

70. To provide families with flexibility the Council has a range of delivery models in place, achieved through the development of new buildings and extending some existing early years' provision alongside increasing ELC places provided by the private, voluntary and independent sectors and childminders.

71. Expansion to 1140 hours by 2021 required a transformational increase in the early years' workforce, which presented a significant challenge over a short period of time in addition to significant revenue resources to take forward an acceptable model to locally address the principles of quality, flexibility, accessibility and affordability.

72. Whilst additional capital and revenue funding was made available from the Scottish Government towards the costs of this new burden, revenue allocations do not fully cover the rollout of 1140 hours under the Council's implementation. The current financial year 2021/22 is the last year of the specific multi-year funding package to support the ELC 1140hrs expansion and a new methodology has been introduced to allocate overall ELC resources from 2022/23 onwards. Subject to the overall level of funding this should provide a more appropriate level of funding for East Renfrewshire in future but the changes will be phased in over 3 years, meaning that the service will not fully benefit until 2024/25.

73. The Council nurseries and family centres are very popular with parents and at present there is a reasonable level of flexibility and accessibility, including full day provision for families, within their own geographical community. This level of flexibility and accessibility is at risk if the Council's resources continue to be restricted and delivery models may need to be reviewed in light of resources made available.

74. The Children and Young People (Scotland) Act 2014 requires local authorities to consult on early learning and childcare every 2 years. This will include seeking to address the changing needs of families with regards flexibility and choice and changes in provider status, reflecting available resources.

75. New legislation was laid in the Scottish Parliament by the Scottish Government in December 2020 about funded ELC places for all children who defer their primary one start (not yet 5 years old at the beginning of the school year). This will mean that, from August 2023, all children who defer will be entitled and able to access funded ELC (in the current system only the youngest children, i.e. those with a January or February birth date, are entitled to receive funding support). The Scottish Government and COSLA have agreed to

the phased implementation of this policy on the lead up to 2023 to inform assessment of likely uptake of the entitlement and improve the understanding of the consequent impact on available capacity and financial implications. This national implementation plan will inform local assessment of what this means for East Renfrewshire and feature in future financial planning.

Reduction in non-class contact time for teachers

76. The Scottish Government has committed to reducing the class contact time of teachers by 90 minutes from 22.5 hours per week to 21 hours per week with the intention of facilitating opportunities for teaching staff to access professional development opportunities and to design, plan and deliver improved educational experiences for children and young people. The timescales for implementation are still to be agreed. The reduction in class contact time for teachers will result in the requirement for additional teachers to be employed. Accordingly there will be a spending pressure to meet the demand for additional teachers, albeit this may be offset by additional Scottish Government funding.

Education governance: Empowerment

77. In June 2018 the Education Reform - Joint Agreement between the Scottish Government and Local Government was published. The Joint Agreement is based on the key principles that schools are empowered to make the decisions that most affect outcomes for their children and young people. This drive to an empowered system includes publishing the scheme for Devolved Management of Schools (DSM) by April 2022 and a requirement for regular review every three years. In the empowered system, Head Teachers are accountable and responsible for decisions which should be made in consultation with pupils, parents, staff and the wider community. The Council's plans for this new scheme were considered by Education Committee on 3 February 2022 and will be considered by Cabinet on 10 March 2022.

Educational Attainment

78. From 2022/23 ring fenced funding via the refreshed Scottish Attainment Challenge Fund will be made available. This national fund currently comprises monies allocated to the Local Authority on the basis of Children in Low Income Families data, monies distributed to all local authorities via the Pupil Equity Fund (PEF) and monies distributed to the local authority to support care experienced children and young people. This funding is aimed at using education to improve outcomes for children and young people impacted by poverty with a focus on tackling the poverty related attainment gap, helping to address excellence and equity for all learners.

79. East Renfrewshire's share of the local authority funding is £135k in 2022/23, this will rise to £533k in 2025/26. In terms of PEF, East Renfrewshire schools benefitted by £1.327m in 2021/22 with funding distributed directly in line with the policy objectives and based on the number of pupils registered for free school meals; the allocation for 2022/23 has yet to be finalised. This spending must be additional and spend determined by head teachers in consultation with their school community including staff, parents and pupils; accordingly the Council is not at liberty to control any of this funding.

Instrumental music tuition and core curriculum costs

80. The Scottish Government has committed to meeting the costs for families of all core curriculum charges (such as costs for Home Economics/Technical subjects etc.). In addition further budget will be allocated to all local authorities in Scotland towards the cost of the Instrumental Music lessons, removing the cost of this from families.

Gaelic Medium Education

81. The Education (Scotland) Act 2016 places a duty on education authorities to promote and support Gaelic Medium Education(GME) and Gaelic Learner Education (GLE) and establishes a process by which parents can request Gaelic Medium Primary Education (GMPE) from their education authority. The Council recently received a request seeking an assessment of the demand for GMPE in East Renfrewshire. The details of the initial assessment and the approach to the subsequent full assessment were considered at Education Committee on 3 February 2022.

82. In line with the statutory guidance, the Education Department has now determined that there is demand for GMPE within East Renfrewshire Council from school session 2023/24. Accordingly, there is likely to be an increasing spending pressure in future sessions to meet the demand for GMPE.

Participatory budgeting

83. In October 2017 COSLA Leaders endorsed the Community Choices Budgeting Framework (mainstream Participatory Budgeting), which committed Councils to 1% of their budget (initially £1.91m in East Renfrewshire) being allocated through participatory methods by the end of financial year 2020/21.

84. In principle, the Council defines mainstream PB as when we cede elements of control or decision making to communities; can attach a specific monetary value to it and communities recognise that they had the power to make decisions. In previous years local people have decided on designs and equipment for local parks; determined the Town Centre Fund projects and defined how Maidenhill Primary and the Calderwood Lodge/St Clare's Joint Campus would look and operate. The expectation on local authorities is that PB does not become an exercise in top slicing budgets to "do PB". Local authorities are expected to embed processes for local people to have a direct and active role in mainstream budgetary decisions. This means that PB activity can be complex, requiring clarity of scope, detailed forward planning and commitment to implement properly.

85. In February and March 2019, over 1,300 residents across four locality planning areas in Barrhead, Neilston and Thornliebank decided how £100,000 was distributed to local community groups as part of the Council and Community Planning Partnership's approach to Locality Planning. A similar exercise was scheduled for March 2020 with Linking Communities (a constituted community led steering group) leading the process, however due to the national; lockdown and the ongoing impact of COVID-19 on community activity, this has been delayed and is now scheduled for later this year.

86. Beyond the events outlined above, the pandemic has adversely affected Councils' ability to achieve this ambition as staff were diverted to emergency response work; planned projects were subject to delays as contractors and suppliers were impacted; and broad-based in-person community activity was significantly reduced due to lockdowns, reduced availability of halls etc. and social distancing restrictions.

87. The Council was able to turn its attention to PB again last year – holding staff workshops in summer and early autumn 2021, to enable department reps to refresh their awareness and understanding of PB and explore examples from other Councils. Staff across Business Operations and Partnerships, Education, Environment and the HSCP are currently working to identify and explore opportunities for building PB into their work in 2022/23.

Welfare reform

88. The reform of the Welfare System and the demand related to COVID-19 has led to changes in the responsibilities of councils and the levels of financial support available to residents. The Council has allocated a welfare contingency fund and is also allocating COVID-19 funding to cope with these changes.

Climate Change – Net Zero Carbon Targets

89. All of the Council’s revenue and capital expenditure will need to be reviewed in light of the requirement to achieve net zero greenhouse gas emissions by 2045. This will be an ongoing process over a number of years and will require investment decisions to be reappraised on a case by case basis. At the moment the cost of this and the funding that could become available is unknown. A draft climate change strategy or “get to zero” strategy is being prepared and will then be subject to a Strategic Environment Assessment before full adoption.

WIDER POLITICAL, SOCIETAL AND ECONOMIC CHANGE

Brexit

90. The full impact of the decision to leave the European Union is still not known and will require to be monitored carefully. The most obvious local impact will be the loss of European Structural Funds which support employability and business growth programmes in East Renfrewshire. These funds account for an average of £200,000 in grant funding per annum, although the UK Government via the UK Shared Prosperity Fund may well offer some degree of equivalent funding in future. In the shorter term, however, the nature of the UK’s trade deal will also impact upon many aspects of Council activities including procurement, workforce and legislative frameworks. A dedicated co-ordinator is in place and work is progressing in response to all of these issues.

COVID-19

91. The COVID-19 pandemic impacted significantly on all Council services during 2020 and 2021 and will continue to be a major factor in the coming year as we plan to recover and to establish a “new normal”. Service delivery approaches, workforce, technical capability and budgets have all had to be amended to recognise this. Grant funding was provided in 2020/21 and 2021/22 and Councils have been permitted additional fiscal flexibilities to allow them to meet any unfunded short term COVID-19 related revenue costs from capital sources if required. The position must continue to be carefully monitored in the coming years so that any such COVID-19 related costs are clearly identified and funding secured so as to minimise additional pressure on already strained service revenue budgets.

Independent Review of Adult Care Services

92. In response to the 2021 Independent Review of Adult Social Care the Scottish Government launched a consultation on the proposals for a National Care Service (NCS) in August 2021 and the analysis of responses was issued in February 2022. The proposals set out wide ranging implications for IJBs including the creation of Community Health and Social Care Boards directly accountable to Scottish Ministers, with a commissioning and local delivery body for the NCS. The proposals have far reaching implications for local authorities and the current arrangements for delivering social care services. This must be monitored and factored in to future Council plans.

Economic uncertainty

93. Brexit and political changes around the world have been exacerbated by the global COVID pandemic and this has increased uncertainty on world markets, however growth has recovered better than forecast as the vaccines have proven effective. The issue at present is the sharp rise in inflation and interest rates are increasing to combat this. Interest rates are, however, expected to stay at the relatively low level of 1.25% for the next few years and inflation is expected to fall back to close to or below the 2% target level within this timescale. The risk of further COVID variants and Brexit issues remains and any further economic detriment and related poverty would further increase the demand on council services, which has not yet fallen back to pre-pandemic levels.

OUTLINE REVENUE FINANCIAL PLAN

94. The Council's agreed financial policy states that "*The Council will make spending decisions based on an assessment of medium to long-term needs and consequences and will seek to avoid taking a short-term outlook in its policy making, service planning and budget setting decisions.*" Over the last number of years the Council has considered and set multi-year budgets. This has assisted in managing extremely difficult financial circumstances and is a demonstration of the value of adopting a longer term approach to financial planning. Whilst it is intended that the Council continues to adopt this longer term approach in future, the lack of multi-year budget information from the Scottish Government has resulted in the Council having to set only a single year budget for 2022/23.

95. The 2022/23 provisional Scottish Council settlement figures were announced on 20 December 2021 and a further non-recurring £20m subsequently announced.

96. The latest local government settlement figures appear slightly more favourable than forecast with a cash increase of £1.2m (0.6%) for East Renfrewshire (after adjusting for new policy commitments) when compared to the original budget for 2021/22. When additional one-off resources awarded during 2021/22 are taken into account, the year to year position is broadly flat cash. It should be noted, however, that over £2.2m of the 2022/23 grant is non-recurring and so results in a substantial underlying core cash reduction.

97. The impact of the settlement on the Council results in a shortfall for 2022/23 of £9.533m. This is before applying any Council Tax increase.

98. Detailed proposals to address this shortfall will be presented to Council later on today's agenda.

99. Looking further ahead and taking account of future pay, inflation, capital financing and demand pressures currently foreseen, together with the impact of the reducing scope for mitigating savings pressures by utilising reserves in the coming years, Table 1 below illustrates how varying grant levels could require savings of £2.747m to £18.532m per year from 2023/24 until 2027/28. From 2023/24 onwards the estimated savings requirements have been calculated on the basis that a 3% Council Tax increase is applied each year. The savings requirement for 2023/24 is significantly higher than the later years' gaps, mainly because the 2023/24 shortfall includes savings previously deferred by use of reserves, because the 2022/23 settlement contained one-off funding not available in 2023/24 and because the Council's loan charges profile increases sharply in 2023/24. Assuming annual grant reductions of 1% in cash terms, an average savings gap of £8.064m per year is forecast over the next 5 years. As such, officers must continue to update and develop long term financial plans and options for consideration within our multi-year budgeting approach to ensure that these can be factored into business/service planning, together with workforce and asset plans. The move to multi-year settlements at a national level will assist with this.

Table 1

FORECAST ANNUAL BUDGET GAP	CASH MOVEMENT 2023/24 ONWARDS				
	+0.5%	0% (FLAT CASH)	-1%(lower inflation)	-1%(higher inflation)	-2%
	£M	£M	£M	£M	£M
2023/24	13.396	14.423	16.478	17.873	18.532
2024/25	3.853	4.886	6.920	6.920	6.899
2025/26	6.277	6.287	7.315	7.315	7.315
2026/27	4.768	4.779	5.811	5.811	5.811
2027/28	2.747	2.757	3.795	3.795	3.795

100. Whilst the outlook for the 5 years beyond 2022/23 is illustrated in Table 1, our planning will also flag up and take account of any other major longer term issues impacting on financial forecasts over an even longer time horizon. Such items might include future expiry of PFI/PPP contracts, repayments of major tranches of loan charge debt, the move towards a National Care Service or other significant planned legislative change. This will be updated to take account of any proposed changes to local government funding arrangements once the alternative to the current Council Tax is determined.

MITIGATING ACTIONS

101. The Council has always taken a long term approach to financial planning. Whilst the scale of the budget cuts and the time period over which they would be implemented could not have been foreseen in 2008, the principles behind the approach to long term financial planning have stood the test of time. The focus has been on developing a very clear strategy to allow priorities to be identified and a very ambitious long term transformation programme to maximise all possible efficiencies in the Council.

COMMUNITY PLANNING AND THE COUNCIL'S STRATEGY

102. East Renfrewshire Council and its community planning partners have an outcome focussed approach to strategic planning. East Renfrewshire's Community Plan covers our 5 overarching strategic outcomes:-

- **Early Years & Vulnerable Young People-** All children in East Renfrewshire experience a stable and secure childhood and succeed.
 - **Learning, Life and Work-** East Renfrewshire residents are healthy and active and have the skills for learning, life and work
 - **Environment & Economy** - East Renfrewshire is a thriving, attractive and sustainable place for residents and businesses
 - **Safer, Supportive Communities-** East Renfrewshire residents are safe and live in supportive communities
 - **Older People & People with Long Term Conditions** - Older people and people with long term conditions in East Renfrewshire are valued; their voices are heard and they enjoy full and positive lives.
- Fairer East Ren, our Local Outcomes Improvement Plan, is part of our Community Plan which is focused on tackling inequality and closing the gap between communities of place and interest. Fairer East Ren is the main way our Community Planning partners work together to reduce the embedded inequalities in East Renfrewshire, many of which have widened as a result of the COVID pandemic. Formal partnership meetings have been reduced as we have focussed on supporting partnership action to co-deliver our humanitarian response and focus on the big challenges around employment/the economy and on wellbeing. Fairer East Ren will be updated and revised as we transition from response to recovery to take account of the changing nature of inequalities in East Renfrewshire informed by local community engagement and research.
 - Our Local Child Poverty Action Report, which we are required to publish annually has been developed as a partnership plan, and was published in 2021. This is linked to Fairer East Ren and focuses resources on taking action to increase income from employment and benefits and reduce the costs of living for families – all three objectives are more pressing given the pandemic impacts on low income families and those experiencing job loss or reduced hours.
 - Four Locality Planning areas have been identified in East Renfrewshire. These communities experience poorer outcomes than other areas across the authority. Progress on this has been impacted by the COVID-19 Pandemic with groups unable to meet as they normally would and challenges relating to digital access and confidence limiting capacity for virtual engagement. The focus during the pandemic has been on ensuring community awareness of, and involvement in, the authority wide humanitarian support efforts and to provide digital devices with free connectivity and support to local community members and households who were unable to access online opportunities. As local community activity begins to recover, community members from these localities are being supported to co-produce and take ownership of their own locality plans in partnership with council services and other agencies.

- As we continue towards recovery and as restrictions allow, we will continue to involve, consult and plan with community members through detached community engagement (outdoor street work), face to face meetings and online platforms to maximise their involvement in the locality planning process.
- We will continue to work together with other council departments and partners to ensure there is an appropriate level of focus on and collaboration with these communities to enable the required changes in how we utilise resources to deliver improvements in local outcomes.

103. We will use a new integrated Equality and Fairness impact assessment process and work with a new Equality Forum being established to ensure we are fulfilling our Fairer Scotland and Equalities and Human Rights duties to consider the impacts of strategic decisions on residents with protected characteristics and those socioeconomically disadvantaged.

104. The Council's strategy and plans are based on our overall Community Plan and articulate the role of the East Renfrewshire Council family (the Council, the HSCP and the ERCLT) in delivering the Community Plan. The Council's "Vision for the Future" strategy was approved in February 2020, based on a series of conversations about life in East Renfrewshire over the next 10 years. Whilst the pandemic has diverted the attentions of our organisations towards response and recovery in recent months, the themes of Vision for the Future remain as appropriate as ever, if not even more so.

105. The general theme of Vision for the Future is "connections", including physical connections across East Renfrewshire via greenspace development; transport connectivity and active travel routes such as cycleways; connections within and between our communities; and also connections between our services and users - these concepts have been brought into sharp focus over the last year. The aim is to continue to develop this vision over time, and now with a focus towards renewal. This will mean continuing the conversations with stakeholders and in tandem with processes such as Local Development Planning and wider City Region work, with a particular initial focus on the themes of environment/climate change and building communities.

106. Within "Vision for the Future" our clearly stated vision is to be a "Modern, Ambitious Council creating a Fairer Future with all". As part of our strategy, we focus on developing our 5 capabilities i.e. prevention, empowering communities, data, modernisation of how we work and digital. We aim to be excellent in each of these capabilities and then use them to redesign our services to make them more effective and more efficient.

107. These capabilities have formed the basis of our transformation programme in recent years. The many service improvements and savings that the council has achieved have been enabled by the 5 capabilities and these capabilities will continue to drive improvement in the future, focussing on customer experience, our business systems and processes and capitalising on the use of Office 365 capabilities to enhance the productivity of our workforce.

DIGITAL TRANSFORMATION

108. Whilst significant savings have already been achieved, the very difficult financial circumstances facing councils are expected to continue for the foreseeable future so the scale of change will need to be maintained. In June 2021, Cabinet considered an update report on our Modern, Ambitious Programme (MAP) and approved a new Digital Transformation Strategy for 2021-24. It was noted that a total of close to £11.8m (67%) of

the 2018-21 agreed savings (including almost £4.4m (59%) for 2020/21) arose from efficiencies, through the Council's MAP programme or as a result of our focus on the Council's 5 capabilities.

109. Savings plans for future years will be developed by the Corporate Management Team on the basis of the Scottish and UK budgets and will be reviewed to take account of any multi-year settlement information subsequently published. Whilst it is recognised that it will become progressively more difficult to identify efficiencies in future, the Council will continue to seek efficiencies through reviews and transformation initiatives wherever possible.

110. East Renfrewshire Council has a policy of always taking a prudent approach to the calculation of savings. Savings are only included in formal budgets once we have a high degree of confidence that they can be achieved (and in many cases are already in place through work in previous years).

111. The key principles behind the programme that will lead to budget savings are:

- Continue implementing our Digital Transformation Strategy, with a focus on customer experience, streamlined end to end systems and processes and greater use of Office365 capabilities for productivity
- An increased focus on user engagement in service design and more community empowerment to provide services which put customers at the heart of provision, improving services and potentially lowering costs
- Improving the sharing and management of data across the organisation

112. These are resource intensive areas of work but, given the right input and commitment, have real opportunity to transform our processes and deliver efficiencies for the future. It will be necessary for us to regularly prioritise this work to ensure a focus on benefit realisation and to rigorously manage the limited resources we have to support projects. This is especially relevant as we adopt new working practices in the wake of the COVID-19 pandemic.

PARTNERSHIP WORKING

113. The Council has already benefitted from joint working with other bodies in providing services and has delivered savings through the early adoption of integrated management of health and social care services in 2006, the establishment of the Integration Joint Board in June 2015 and through initiatives such as sharing Renfrewshire Council's Non Domestic Rates system and participation in the Clyde Valley Waste project. Joint working with our partners in the Glasgow City Region area now also extends beyond economic development and regeneration projects into education, transport and other initiatives.

SERVICE REDUCTIONS

114. Given the likely continuing constraints in cash terms on the Local Government budget over the foreseeable future and the increase in demand for services, it is clear that the transformation programme cannot deliver the full scale of budget savings required. In future a reduction in service levels will be required to ensure a balanced budget. The

strategy for service reductions will be heavily influenced by the policy and manifesto commitments of the administration of the Council. The present policy can be summarised as follows:

- Service cuts will only be taken once all possible efficiency savings have been taken, with an expectation that officers will deliver an ambitious programme of savings based on the 5 capabilities.
- Services will be maintained at statutory levels
- Any conditions of Scottish Government grant will be met e.g. national teacher ratios, IJB funding
- Outcomes for our most vulnerable residents will be protected where possible
- Staff will be treated fairly and compulsory redundancies avoided where possible

115. To date, even where there have been significant changes to service provision the outcomes achieved for residents have, in the main and excluding the impact of COVID, been protected and the trend was for key performance measures to increase. However if future budget cuts are as high as predicted, this will not continue and a more radical programme of future service cuts will be required.

INCOME GENERATION

Council Tax

116. In 2022/23 Councils are free to increase Council Tax as they wish, without any Government imposed sanctions or caps. A 1% Council Tax increase in 2022/23 would provide additional income of around £0.600m for the Council. It is unknown whether future grant settlements will reimpose a cap on increases.

Charging For Services

117. Each year the Council reviews charging for services. In general an inflationary rise is applied but market conditions are also taken into account, especially when there is alternative provision available to residents. During 2015 Sports and Leisure services were transferred to a Culture and Leisure Trust, allowing the management team to take a more commercial approach, to access additional sources of funding whilst still working as a charity for the residents of East Renfrewshire. Other sources of income generation will also be explored by the Council for future years, including new income generation and commercialisation opportunities. The opportunity for the Health & Social Care Partnership to generate income from charging may be limited going forward as one of the recommendations in the recent Independent Review of Adult Care Services is to abolish charging for non-residential care.

USE OF RESERVES

118. Audit Scotland have noted that in 2020/21 the level of usable reserves had risen significantly in many Scottish Councils by the end of that year. This is largely due to substantial COVID grant allocations paid to Councils in March 2021 to cover COVID pressures in the coming year. Forecast levels of this Council's usable reserves, including graphical illustrations of trends, are considered as part of the Revenue Estimates report later on this agenda.

119. The Council's Reserves Policy sets out how its reserves will be governed. The policy was last updated in February 2021. Due to the Council's prudent long term approach to financial planning, a range of reserves has been built up over a number of years to assist with expected and unexpected pressures. Should a budget gap remain after the application of savings measures and income generation the Council may consider the short term measure of drawing down on some of these reserves.

120. The Local Authority Accounting Panel (LAAP) Bulletin 99 on Reserves and Balances provides guidance to Chief Financial Officers in the area of using reserves to fund recurrent expenditure as follows:

"It is not normally prudent for reserves to be deployed to finance recurrent expenditure. CIPFA has commented that Councils should be particularly wary about using one off reserves to deal with shortfalls in current funding. Where such action is taken, this should be made explicit, and an explanation given as to how such expenditure will be funded in the medium to long term. Advice should be given on the adequacy of reserves over the lifetime of the medium term financial plan, and should also take account of the expected need for reserves in the longer term"

121. It is important that members understand that any use of Reserves is a short term, one off measure and is only justifiable to address non-recurring pressures or on the basis that there will be a fundamental review of Council budgets over the next year.

122. The Council forecasts holding unallocated General Reserves of £9.427m (3.63%) as at 31 March 2022. The Council's normal aim is ideally to hold 4% of our revenue budget as a general reserve. Auditors broadly consider reserves of between 2 and 4% to be prudent. Should it be decided to meet any of the gap from reserves in 2022/23, these would have to apply only to one off items or the savings would simply be deferred to future years. Should members wish to utilise reserves to help balance the budget in the short term, it is recommended that this should be kept to a minimum and used as far as possible only to cover one off or short term spending pressures or where recurrent savings are expected to be identified in the near future or for the following year.

Future Workplan

123. Accountancy staff have been reviewing financial pressures and funding levels for the coming year and outline budget proposals for 2022/23 are contained later on today's agenda for approval. Work will continue in updating budget scenarios for the period to 2028 with a view to continuing with multi-year budget planning in future.

124. The timescales for submission of the Council's financial plans are listed below:

Plan	Approval
Financial Plan 2022/2028	Council, February 2022
Capital Investment Strategy	Council, February 2022
10 year Capital Plan 2022/2032	Council, February 2022
Reserves Policy	Council, February 2024
Revenue Budget 2022/23	Council, February 2022
ODP 2022/23 to 2024/25 (including 3 year draft budget figures)	Council, June 2022
Financial Plan 2023/2029	Council, February 2023
3 Year Revenue Budget 2023/26	Council, February 2023

CONCLUSIONS

125. In view of the significant financial and demand pressures facing the Council over the current and next six years it is essential that financial plans are updated regularly for consideration by the Council. This is in line with the Council's agreed financial policy of basing decisions on an assessment of medium to long term needs and consequences.

RECOMMENDATIONS

126. It is recommended that the Council: -

- (i) notes the continuing budget pressures anticipated in the next 6 years and the mitigating actions proposed; and
- (ii) approves the draft Outline Revenue Financial Plan 2022 – 2028

Further information is available from M. McCrossan, Head of Accountancy, telephone 0141 577 3035.

KEY WORDS Revenue Estimates, Council Tax, Reserves and Balances, Financial Planning

BLANK PAGE

EAST RENFREWSHIRE COUNCIL3 March 2022Report by Head of Accountancy (Chief Financial Officer)REVENUE ESTIMATES 2022/23**PURPOSE OF REPORT**

1. To submit for approval outline revenue estimates of income and expenditure as the basis for the Council Tax declaration for 2022/23.

RECOMMENDATIONS

2. It is recommended that the Council: -

- (i) approves the revenue estimates for 2022/23 (Annex A);
- (ii) approves the recommended level and utilisation of reserves;
- (iii) determines the Council Tax Band D level for 2022/23 at £1,335.11; and
- (iv) notes that management of the Council's finances and service plans will continue to be undertaken on a longer term basis.

REVENUE BUDGET PROCESS

3. In approving the revenue estimates in recent years the Council has recognised that the future financial position was likely to remain very difficult in terms of spending pressures, demand for services and level of government grant. Accordingly, the Council has adopted a long term financial planning policy which assumes a real terms reduction in available budgets. This position remains appropriate with the Scottish Government's Medium Term Financial Strategy, updated in December 2021, and recent economic forecasts anticipating ongoing financial challenges in the coming years.

4. Recognising these ongoing financial pressures, the Council has reviewed and updated its long term Financial Plan for 2022-26, also on today's agenda. As agreed at the Cabinet meeting on 18 November 2021, revenue budgets to be considered today will cover 2022/23 only but it is expected that detailed multi-year budget setting will resume from 2023/24 after the Scottish Spending Review in May 2022 when multi-year settlement information should be provided by the Scottish Government. In keeping with our longer term financial approach, however, departmental modelling of the Council's financial position will also continue internally for the three years 2022/23 to 2024/25 in support of our Outcome Delivery Plan.

5. In summer 2017 savings proposals to address forecast funding shortfalls for the next three financial years were identified. These proposals were subject to extensive consultation and active engagement with the Council's communities, service users, employees and partners in autumn 2017, with consultees being invited to provide their views on the budget savings proposals set out. Feedback from that engagement exercise informed the

development of the savings measures proposed by the Council covering the financial years 2018/19 to 2020/21. In view of COVID-19 impacts delaying the confirmation of UK and Scottish budgets for 2021/22 and 2022/23, a new Council three year budget and associated savings proposals could not be compiled and the Council will again produce only a single year budget for 2022/23. A Citizens' Space one year budget consultation was undertaken for 2022/23 with public feedback also obtained from the Council's 2021 Citizen's Panel and Humanitarian Surveys. The Vision for the Future paper considered earlier on today's agenda contains a summary of key points from all three consultations. It is hoped that multi-year budget setting and multi-year public budget consultations will resume from 2023/24.

6. As a part of the process for constructing the budget proposals for the next financial year, departments compiled detailed budget information on the cost of services to be provided in 2022/23. In practice this represents the cost of maintaining existing service levels and in addition providing for: -

- The impact of inflationary pressures including pay awards
- Scottish and UK Government initiatives
- Cost of Council decisions and legal commitments
- Revenue implications of the Capital Programme
- Increased demand for services from growing population

7. In view of the Scottish Government's announcement of late one-off changes to the budget settlement, the Council budget setting date was moved from 24 February to 3 March 2022 to allow time for the impact to be reflected in budget plans. However, the revised timetable still observes the necessity to set Council Tax and issue bills to residents prior to the start of the new financial year.

8. The budget process has involved consultation with Trades Unions both at departmental and corporate levels and formally through the Joint Consultative Committee and this will continue.

SCOTTISH GOVERNMENT GRANT FUNDING 2022/23

9. Aggregate External Finance (AEF) is the mainstream grant support for the Council. It is determined by the Scottish Government and comprises: -

- General Resource Grant
- Specific Grants
- Income from Non Domestic Rates

10. For comparative purposes budgeted grant levels (excluding 2021/22 non-recurring COVID funding) are as follows:-

	AEF 2021/22	AEF 2022/23
	£000	£000
General Revenue Funding	178,463*	188,172*
Specific Grants	8,506	9,950
Non Domestic Rates	9,107*	9,574*
	<u>196,076</u>	<u>207,696</u>

*The General Revenue Funding in both years above has been adjusted to compensate for the level of NDR income lost due to ongoing COVID rating reliefs.

11. The grant figures above relate to normal Council operations only and do not include Scottish Government funding specifically to address COVID pressures. Such funding, provided separately through government grants or through the power to apply fiscal flexibilities (effectively the ability to extend Council borrowing to cover COVID costs) is accounted for separately by the Council. As such, COVID pressures have not been reflected in the budget figures in this report and have not added directly to the 2022/23 budget shortfall addressed here. Any impact on future years' borrowing costs will be addressed as part of our longer term Treasury Management Strategy to be considered at the next meeting of the Council.

12. The 2022/23 general revenue grant allocation includes additional funding of £10.4m for various Scottish Government policy commitments. Most of this relates to IJB integration commitments of £6.21m, which must be passed directly to the IJB. The Council also received a £3.49m share of new funding for additional teachers and support staff in schools and an additional £0.530m towards the provision of 1140 hours of early learning and childcare, together with several smaller sums. Further new funding for care services pay will also be confirmed in the near future and must also be passed to IJB.

13. The Specific Grant figure incorporates £1.326m ring fenced funding to support educational attainment. This is a similar level to 2021/22 and must be distributed to head teachers for them to determine utilisation. As such the expenditure cannot be directed by the Council.

14. After adjusting for new grant funding for Scottish Government policies as set out in para 12 above, the 2022/23 settlement equates to a cash increase of £1.2m (0.6%) against the original 2021/22 budget. In broad terms this figure consists of:

- An increase of £2.2m as our share of a one-off funding increase to Councils
- An increase of £0.3m to recognise rising Council Tax Reduction pressures
- A net increase of £0.2m from various movements in grant
- A decrease of £1.5m to reflect an increased contribution to the floors arrangement

15. Once one-off funding received during the current year has been taken into account, the like for like position is broadly flat cash between 2021/22 and 2022/23.

16. The figures above include the Council's estimated £2.227m share of the recently announced one-off increase in grant for 2022/23. As this is non-recurring, the Councils' base position for 2023/24 will be reduced by this sum.

17. The Council's 2022/23 grant settlement therefore makes no ongoing provision for any inflationary or local demand pressures faced by the Council, so pay and price increases, service demands and other pressures (such as the introduction of the new National Insurance levy) are not funded through Scottish Government grant but need to be self-funded by the Council. These represent a total annual pressure of almost £7.8m to be absorbed by the Council (excluding IJB).

18. As a part of the grant settlement for 2022/23, the Scottish Government expects that:

- Nationally Councils will maintain teacher numbers in line with pupil numbers and secure places for all probationers who require one under the teacher induction scheme; and
- Council contributions to IJBs will be maintained at least at a flat cash level before the new funding commitments of £6.2m are added.

19. The budget proposals submitted for Council consideration assume delivery against the above points in 2022/23.

“FLOORS” ARRANGEMENT

20. In determining grant distribution the Scottish Government has again put in place a “floors” arrangement to ensure year-on-year stability in grant at individual Council level. The cost of bringing local authorities up to the “floor” is borne by the remaining Councils. Under this arrangement East Renfrewshire will contribute £3.271m by way of deduction from AEF grants in 2022/23. This is £1.472m higher than in the current year and reflects the high level of support distributed to a small number of other Councils. This contribution has been reflected in the above figures.

NON DOMESTIC RATES INCOME

21. Non-domestic rates income is paid into a central pool which is then distributed as part of AEF. The amount paid to Councils from the pool is fixed for each year with any surplus or shortfall in the overall pool being adjusted in the following year’s rate poundage or AEF settlement. The forecast for NDRI draws on Councils’ estimates of the amounts they will contribute to the pool. Included in the calculation are: gross income; expected losses from appeals; in-year cost of transitional relief; mandatory and other reliefs; write-offs and provisions for bad debts. Whilst the 2022/23 amount of NDRI distributed remains lower than the levels up to 2020/21 because of rates reliefs awarded to businesses to address COVID impacts and to stimulate the economy, it does represent an increase on the 2021/22 figure. General Revenue grant has been adjusted upwards in both years to compensate for these rates reliefs.

FINANCIAL OUTLOOK

22. The Council’s agreed financial policy states that *“The Council will make spending decisions based on an assessment of medium to long-term needs and consequences and will seek to avoid taking a short-term outlook in its policy making, service planning and budget setting decisions.”* Over the last number of years the Council has considered and set multi-year budgets. This has assisted in managing extremely difficult financial circumstances and is a demonstration of the value of adopting a longer term approach to financial planning. Given the ongoing challenging financial outlook it is proposed that the Council continues to adopt this longer term approach and this has been set out in the Council’s Financial Plan for 2022-28.

23. As multi-year Scottish Government settlements are not available, it is proposed to agree budget plans only for 2022/23 at today’s meeting. Council officers will continue to model departmental figures for 2022/23 to 2024/25 and continue to update longer term figures (as set out in the Financial Planning 2022 – 2028 paper on today’s agenda) for longer term financial planning purposes. The Council anticipates approving a further multi-year budget in February 2023 once multi-year figures have been announced by the Scottish Government.

24. Taking account of the 2022/23 settlement announcement, updated expenditure forecasts, including Scottish Public Sector Pay Policy, a flat cash base contribution to IJB and an expectation of some Council Tax buoyancy from new housebuilding, a total budget shortfall of £9.533m has been confirmed for the coming year. After applying the assumed 3% increase in Council Tax income used in budget planning, this leaves a budget gap of

£7.729m. This is around £0.4m higher than initial budget planning figures and is the result of the higher than forecast grant support being more than offset by new unfunded pressures, in particular the new National Insurance levy. The position is, however, still subject to change as further inflation and interest rate pressures may arise during the year with consequential detrimental impacts on the Council's finances and service provision.

25. As explained in the Financial Planning 2022-28 report, in view of the autumn 2021 UK Spending Review figures, further cash reductions in grant are forecast for the years following 2022/23, producing ongoing shortfalls for the next five years. For 2023/24 a mid-range budget shortfall of £16.478m is forecast, after applying an assumed 3% Council Tax increase for that year. It is important that the Council continues to manage this scenario in line with its longer term financial management strategy.

COUNCIL TAX

26. The 2022/23 settlement does not include restrictions on Council Tax levels. The Council's published forecasts had been based on a 3% assumed Council Tax increase, however with inflation currently running at 5.4% and the settlement close to flat cash, this would require very difficult reductions in services to be imposed. It is therefore recommended that a Council Tax increase of 3.5% is set. This will increase income by £2.104m per year and reduce the budget gap to £7.429m.

RESERVES AND SAVINGS PROPOSALS

27. Budgets are closely monitored throughout the year and the latest 2021/22 monitoring forecasts a non COVID related underspend of £1.507m by the year end. It is expected that the year-end position will confirm a further increase in underspend as Cabinet on 27 January 2022 instructed Directors to avoid all non-essential expenditure for the remainder of the financial year. This has been taken into account when considering the scope for a draw on reserves. As set out in paragraph 34 of this report, the general reserve is forecast to be at least £9.427m at 31 March 2022. It is therefore considered that a further £5.253m of the outstanding 2022/23 savings requirement can be deferred on a short term basis by a drawdown from unallocated general reserve funds, whilst still observing the Council's minimum Reserves Policy of around 2%. As a result, the budget shortfall for 2022/23 can be reduced to £2.176m.

28. The Integrated Joint Board and the East Renfrewshire Culture & Leisure Trust have their own separate scheduled budget setting plans and will determine their own detailed savings on the basis of the Council's contributions to these bodies as set out in Annex A. As such, the budget shortfall figures above relate only to Council departments.

29. Annex B sets out details of Council departmental savings proposed to close the remaining £2.176m gap.

30. Whilst the Council continues to make every effort to minimise impact on front line services, the cumulative impact of successive real terms cuts in grant settlements means that the scope for further efficiencies to be identified is significantly reducing. Nevertheless, £0.376m (16%) of the Council's savings proposals for 2022/23 relate to efficiencies or to the Council's Modern Ambitious Programme and the focus on the Council's 5 capabilities.

NET EXPENDITURE

31. The resulting revenue estimates for 2022/23 provide for net expenditure of £275.181 million, made up as follows:-

	BUDGET 2022/23 £m
Education	155.362
Contribution to Leisure Trust	5.366
Contribution to IJB	60.755
Environment	26.770
Business Operations & Partnerships – Non Support	11.608
Chief Executive's Non Support	0.764
Joint Boards	2.352
Contingency - Welfare	0.200
Capital Financing Costs	8.966
Other	3.038
	275.181

32. Welfare reform continues to impact on council services. As these changes, particularly Universal Credit, are still being rolled out the budget for 2022/23 includes contingency provision to help the Council make the necessary investment to support the changes and to progress measures to mitigate their impact on the public. As the financial impact of the changes is clarified in coming years, the contingency provision will continue to be allocated to appropriate service areas.

COUNCIL TAX COLLECTION

33. On the basis of past performance the Council Tax collection rate for 2022/23 has been assumed at 98%. It is proposed that any COVID related impact on collection trends will be addressed by Scottish Government general COVID support funding or via fiscal flexibilities.

RESERVES AND BALANCES***General Fund***

34. Setting aside earmarked reserves, the balance on the unallocated General Fund as at 31 March 2021 stood at £11.670 million with £3.75m of that allocated to balance the 2021/22 budget. Recognising the latest reported projections of in year underspends and interest earned it is projected that the closing balance on the General Fund at 31 March 2022 will be £9.427 million (3.63%), £1.507m higher than originally estimated. Factoring in the planned drawdown of £5.253 million in 2022/23 would reduce the reserve to £4.174 million (1.53%) at 31 March 2023. This is close to the minimum level (around 2%) set out in the Council's Reserves Policy and is at the limit of what is considered prudent by the Chief Financial Officer, however early indications are that instructions to avoid non-essential spend for the remainder of the current year are already taking effect and that an increased underspend will be reported in the current year, producing a higher balance at 31 March 2023.

35. The Council's identified aim has been to hold a General Reserve of 4% of net revenue expenditure so as to provide against unforeseen expenditure which may arise and to accommodate the short and medium term financial plans of the Council. A 4% reserve is at the most prudent end of accepted reserve levels and, given Audit Scotland comments in recent years on the levels of reserves held by Councils and the unprecedented challenges at present, it is considered that the proposed drawdown in 2022/23 can be justified. It should be noted that the General Reserve cannot be used to permanently finance recurrent expenditure and can only delay savings.

36. The current and forecast positions of the General Fund and other key Council reserves are set out in graphical form in Annex C.

Modernisation Fund

37. This earmarked funding has been identified to enable the upfront investment required for the Council's transformation activities. The balance as at 31 March 2021 was £5.771m and it is anticipated that £1.318m will be utilised during 2021/22. Due to the impact of COVID-19 progress on projects during 2021/22 was restricted, resulting in an increased anticipated spend during 2022/23 of £2.002m on these activities, this being supported by robust business cases. This proposed expenditure includes £0.200m to permit the Council to progress its Get To Zero carbon reduction plans. A further report will be submitted to members should there be a need to increase the draw on this reserve during the year. Movements in the reserve are currently estimated as:

		£000
Estimated Balance	1/04/22	4,453
Interest Receivable	2022/23	11
Expenditure	2022/23	(2,002)
Closing Balance	31/3/23	<u>2,462</u>

Insurance Fund

38. The Fund has been established to provide for insurance voluntary excess costs and there are no plans to use this fund during 2022/23. Movements in the fund are estimated as follows:

		£000
Estimated Balance	1/4/22	1,827
Interest Receivable	2022/23	8
Expenditure	2022/23	-
Closing Balance	31/3/23	<u>1,835</u>

Equalisation Fund

39. The Fund has been established to equalise future PFI/PPP payments. It is anticipated that in closing this year's accounts no contribution will be made to the reserve. It is not proposed to utilise this Fund during 2022/23. Movements in the fund are estimated to be as follows:

		£000
Estimated Balance	1/4/22	2,887
Interest Receivable	2022/23	13
Expenditure	2022/23	-
Closing Balance	31/3/23	<u>2,900</u>

Repairs and Renewals Fund

40. The Fund is established to enable a continuing programme of repairs and renewals to roads, properties and other infrastructure. Expenditure proposals for 2022/23 from the Fund include £600,000 for targeted property repairs to education premises; £500,000 for road repairs and £300,000 as a contingency that will be drawn down if next year's winter is more adverse than "average".

		£000
Estimated Balance	1/4/22	3,817
Interest Receivable	2022/23	10
Dept Contributions	2022/23	1,670
Expenditure	2022/23	(2,220)
		<hr/>
Closing Balance	31/3/23	<u>3,277</u>

Capital Reserve

41. It is anticipated that in closing this year's financial accounts no contribution will be made to the reserve. In the budget for 2022/23 it is not proposed to contribute further to the reserve. This reserve will assist in maintaining capital investment during the current economic challenges and it will be utilised in accordance with the Council's Capital Plan. The closing balance at 31/3/23 is estimated to be £2.692m.

Devolved School Management Reserve

42. In recent years Head Teachers have been permitted to set aside funding to assist schools in meeting future financial challenges and in managing budgets which span more than one financial year. Utilisation of this fund is at the discretion of Head Teachers and the balance on this fund at 31/3/23 is estimated to be £3.436m.

Other Reserves

43. The Council has various other earmarked reserves including Unspent Grants, Whitelee Wind Farm, Feasibility Fund and Commuted Sums, together with the Capital Grants & Receipts Unapplied Reserve. These funds will continue to be operated by senior management in response to service needs.

EFFICIENT GOVERNMENT

44. In recent years the Council has placed high reliance on its Modern Ambitious Programme to drive change and savings across all services. Key themes included designing services from the customer's perspective, improving the efficiency of our business systems and processes, enhancing productivity through Office 365, improving access to information and reducing numbers of buildings and staff. Due to the impact of COVID-19, however, progress on these items was restricted during 2021/22. Revised structures will be put in place in 2022/23 to better deliver change and digital transformation.

45. As a part of the annual estimates process, savings measures are identified to assist towards the delivery of a balanced budget. Savings measures are progressed in a managed way with early action being taken where possible to prepare for future financial difficulties. Budget proposals endeavour to maximise efficiencies and protect frontline service, with a significant element of the Council's planned savings in recent years arising from efficiencies or relating to activities associated with the MAP programme or the Council's 5 capabilities focus, however after many years the scope for efficiencies is reducing.

EQUALITY IMPACT ASSESSMENT

46. Section 149 of the Equality Act 2010 (the public sector general equality duty), requires the Council, in the exercise of its functions, to have due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct that is prohibited by the Equality Act 2010;
- advance equality of opportunity between people who share a relevant protected characteristic and those who do not; and
- foster good relations between people who share a protected characteristic and those who do not.

47. The Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012 requires the Council, when proposing a new policy or practice, or revising an existing one, to:

- assess the impact of applying its proposals or changes against the three needs of the general equality duty, listed above;
- consider relevant evidence relating to different equality groups (including any evidence received from individuals from those groups);
- take account of the results of any assessment in respect of that policy or practice;
- publish, within a reasonable period, the results of any assessment where the Council decides to apply the policy or practice in question; and
- make arrangements to review and where necessary revise any policy or practice that the Council applies in the exercise of its functions.

48. The Fairer Scotland Duty places a legal responsibility on the Council to actively consider (“pay due regard” to) how they can reduce inequalities of outcome caused by socio-economic disadvantage when making strategic decisions. Socio-economic disadvantage can be described as:

- Low/no wealth
- Low income
- Area deprivation
- Socio-economic background
- Material deprivation

The inequalities that people can face as a result of socio-economic disadvantage include:

- Poorer skills and attainment
- Lower healthy life expectancy
- Lower quality, less secure and lower paid work
- Greater chance of being a victim of crime
- Less chance of being treated with dignity and respect

49. Recognising this statutory duty, the Council has undertaken an equality impact assessment on each of the budget savings measures. Where appropriate, consultation and engagement is undertaken with relevant groups prior to implementing any savings measures assessed as possibly having an impact in equality terms with a view to minimising this impact.

COUNCIL TAX 2022/23

50. The outline revenue estimates in Annex A are based on a Band D Council Tax level of £1,335.11 being set for 2022/23. This proposed Council Tax level represents a 3.5% increase in Council Tax when compared to the current year's level.

RECOMMENDATIONS

51. It is recommended that the Council: -

- (i) approves the revenue estimates for 2022/23 (Annex A);
- (ii) approves the recommended level and utilisation of reserves;
- (iii) determines the Council Tax Band D level for 2022/23 at £1,335.11; and
- (iv) notes that management of the Council's finances and service plans will continue to be undertaken on a longer term basis.

Further information is available from M. McCrossan, Head of Accountancy, telephone 0141 577 3035.

KEY WORDS Revenue Estimates, Council Tax, Reserves and Balances, Financial Planning

FINANCIAL ESTIMATES 2022/23**CONTENTS**

REVENUE ESTIMATES	Page No.
Summary	1 - 18
Education	19 - 34
Environment	35 - 60
Business Operations & Partnerships	61 - 82
Chief Executive - Non Support Services	83 - 88
Central Support Summary	89
Chief Executive - Support Services	91 - 98
Business Operations & Partnerships - Support Services	99 - 110
Environment - Support Services	111 - 114
Health & Social Care Partnership	115 - 124

CALCULATION OF COUNCIL TAX BAND 'D'

2021/22		2022/23
£'000		£'000
259,594	Net Expenditure	275,181
-	Contribution to Balances / Special Funds	-
259,594		275,181
(196,862)	Aggregate External Finance	(207,696)
(3,465)	Contribution from Reserves	(5,253)
59,267	Amount to be met from Council Tax	62,232
46,883	Number of Band 'D' Equivalentents	47,563
938	Less Provision for Non Payment	951
45,945	Effective Tax Base	46,612
£1,289.96	Council Tax Band D	£1,335.11

COUNCIL TAX CHARGES 2022/23

<u>Valuation</u> <u>Band</u>	<u>Fraction of</u> <u>Band D</u>	<u>Upper</u> <u>Value</u> £	<u>Council</u> <u>Tax</u> £
A	240/360	27,000	890.07
B	280/360	35,000	1,038.42
C	320/360	45,000	1,186.76
D	1.00	58,000	1,335.11
E	473/360	80,000	1,754.19
F	585/360	106,000	2,169.55
G	705/360	212,000	2,614.59
H	882/360	over 212,000	3,271.02

REVENUE ESTIMATES SUMMARY 2022/23 (excluding Covid-19 impact)

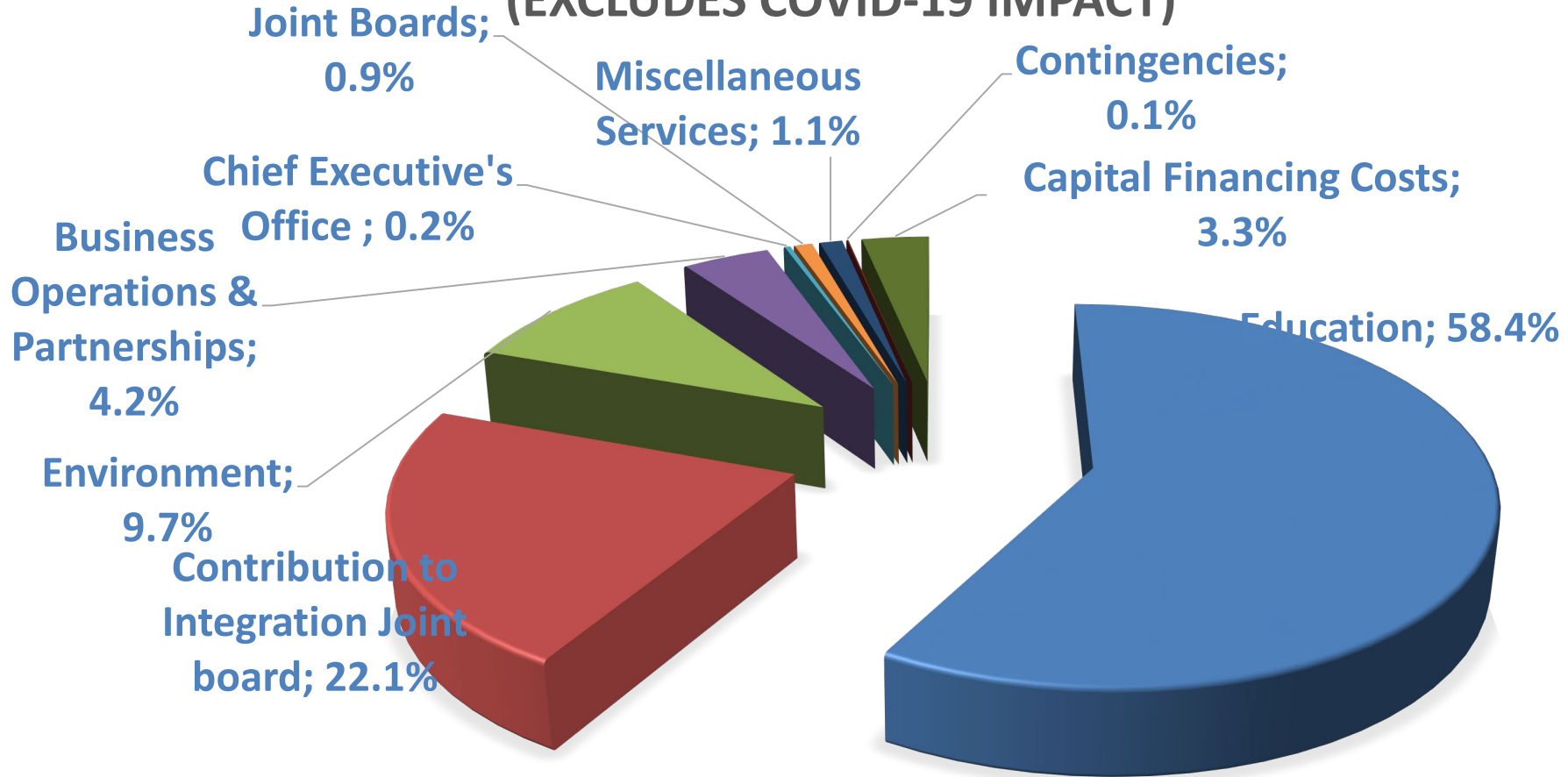
	2021/22 Approved Budget	2022/23 Approved Budget
	£'000	£'000
NET EXPENDITURE		
Education	152,519	160,728
Contribution to Integration Joint Board (including Ring Fenced Grant)	54,319	60,755
Environment	26,258	26,770
Business Operations & Partnerships	12,436	11,608
Chief Executive's Office - Non Support	65	764
Joint Boards	2,359	2,352
Miscellaneous Services	2,575	3,038
Contingency - Welfare	200	200
Capital Financing Costs	8,863	8,966
Additional Expenditure / (Savings) to be identified	0	
	259,594	275,181
Contribution to Assist in Maintaining Reserves.		
	259,594	275,181
FINANCED BY:-		
Revenue Support Grant and Non Domestic Rates	188,357	197,746
Ring Fenced Grants	8,505	9,950
Contribution from Reserves	3,465	5,253
Council Tax	59,267	62,232
	259,594	275,181

REVENUE ESTIMATES SUMMARY 2022/23 (including Covid-19 assumptions)

NET EXPENDITURE	2021/22	2022/23
	Approved Budget	Approved Budget
	£'000	£'000
Education	157,882	163,907
Contribution to Integration Joint Board (including Ring Fenced Grant)	54,319	60,755
Environment	26,258	27,684
Business Operations & Partnerships	12,463	12,291
Chief Executive's Office - Non Support	65	764
Joint Boards	2,359	2,352
Miscellaneous Services	2,575	3,038
Contingency - Welfare	200	200
Capital Financing Costs	8,863	8,966
Additional Expenditure / (Savings) to be identified	0	
	264,984	279,957
Contribution to Assist in Maintaining Reserves.		
	264,984	279,957
FINANCED BY:-		
Revenue Support Grant and Non Domestic Rates	188,357	197,746
Ring Fenced Grants	8,505	9,950
COVID-19 Funding	2,069	4,776
Fiscal Flexibilities	3,321	0
Contribution from Reserves	3,465	5,253
Council Tax	59,267	62,232
	264,984	279,957

2022/23 GENERAL FUND REVENUE BUDGET BY SERVICE

(EXCLUDES COVID-19 IMPACT)



E D U C A T I O N

DEPARTMENTAL SUMMARY

	Budget 2021/22 £'000	Budget 2022/23 £'000
Pre Five Education	15,701	16,762
Schools:- Primary	46,446	49,709
Secondary	59,608	62,204
Other	4,003	3,651
Special Education	7,471	8,009
Psychological Services	907	925
Transport (Excl Special)	1,109	1,250
Clothing	228	290
Administration & Support Services	7,853	8,526
Cleaning and Janitorial Services	1,845	1,986
Catering Services	-	-
School Crossing Patrollers	-	-
Culture and Leisure Services	7,348	7,416
	<u>152,519</u>	<u>160,728</u>

CONTRIBUTION TO INTEGRATION JOINT BOARD**DEPARTMENTAL SUMMARY**

	Budget 2021/22 £'000	Budget 2022/23 £'000
Ring Fenced Government Grant	614	614
Council Contribution to Integration Joint Board	53,705	60,141
	<u>54,319</u>	<u>60,755</u>

ENVIRONMENT

DEPARTMENTAL SUMMARY

	Budget 2021/22 £'000	Budget 2022/23 £'000
Directorate	1,910	1,900
Environment Accommodation	0	0
Energy Management	90	161
Environment - Non Operational Properties	165	167
Planning & Building Control	1,295	1,440
Economic Development	890	836
Roads	9,753	9,470
Roads Contracting Unit	0	0
Neighbourhood Services	5,133	5,370
Parks Services	(288)	241
Prevention Services	1,205	1,139
Waste Management	3,868	3,883
Cleansing	219	53
Vehicles Services	0	0
Other Housing	2,018	2,110
Office Accommodation	0	0
	<u>26,258</u>	<u>26,770</u>

BUSINESS OPERATIONS & PARTNERSHIPS

DEPARTMENTAL SUMMARY

	Budget 2021/22 £'000	Budget 2022/23 £'000	*
Directorate	73	0	
Community Safety	1,434	1,209	
Democratic Representation & Management, Elections and Members Expenses	2,135	1,202	
Grants	165	145	
Democratic Services	0	521	
Money Advice and Rights	1,006	960	
Registrars	217	162	
Customer First - Non Support	0	242	
Strategy Operational	379	366	
Communities	959	1,009	
Council Tax & Non Domestic Rates	4,350	4,688	
Revenues - Benefits & Discretionary Payments	839	794	
Housing Benefits	590	310	
Business Support Team	236	0	
Revenues - Admin	0	0	
Communities, Revenues and Change	53	0	
	<u>12,436</u>	<u>11,608</u>	

* Certain budgets previously included within support costs will be transferred for 2022/2023 to Business Operations & Partnerships Non Support. These costs have been directly recharged to other Departments within the Council and therefore do not impact on the total cost shown above.

CHIEF EXECUTIVE'S - NON SUPPORT SERVICES**DEPARTMENTAL SUMMARY**

	Budget 2021/22 £'000	Budget 2022/23 £'000
Accountancy	59	224
Civic Licensing	6	(17)
Licensing Board	0	3
Corporate Management	-	554
	<u>65</u>	<u>764</u>

JOINT BOARDS

	Budget 2021/22 £'000	Budget 2022/23 £'000
Passenger Transport	1,771	1,766
Valuation	588	586
	<u>2,359</u>	<u>2,352</u>

MISCELLANEOUS SERVICES

	Budget 2021/22 £'000	Budget 2022/23 £'000
Restructuring etc. costs	412	412
Miscellaneous	72	87
Superannuation Additional Allowances	1,036	1,036
Other Operational Costs	1,055	1,503
	<u>2,575</u>	<u>3,038</u>

B U D G E T E D P E R S O N N E L 2022/23
A L L S E R V I C E S

	Full Time Equivalent
Education	2,520
Environment	390
Business Operations & Partnerships	148
Chief Executive's - Support Services	51
Chief Executive's - Non Support Services	1
Business Operations & Partnerships - Support Services	136
Environment - Support	39
Health & Social Care Partnership	640
Total	<u><u>3,925</u></u>

EDUCATION

DEPARTMENTAL SUMMARY

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	113,416	119,694
Property Costs	12,004	12,775
Transport Costs	1,964	2,161
Supplies & Services	26,543	27,382
Third Party Payments	9,605	10,465
Transfer Payments	849	911
Support Services	5,756	6,070
Total Expenditure	170,137	179,458
<u>Income</u>		
Ring Fenced Government Grant	7,891	9,336
Other Government Grant	4,996	5,226
Recharge Income (Internal)	9,829	10,359
Fees Charges etc	2,543	2,952
Other Income	250	193
Total Income	25,509	28,066
NET EXPENDITURE FOR COUNCIL TAX	144,628	151,392
<u>Adjustments</u>		
Ring Fenced Government Grant	7,891	9,336
NET EXPENDITURE	152,519	160,728

<u>Budgeted Personnel 2022/23</u>	
	<u>Full-time Equivalent</u>
Chief Officers	4.0
Teachers	1,379.5
APT & C	865.4
Manual	271.1
TOTAL	2,520.0

EDUCATION

PRE FIVE EDUCATION

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	13,930	14,338
Property Costs	746	709
Transport Costs	-	-
Supplies & Services	992	1,235
Third Party Payments	2,402	3,153
Transfer Payments	-	-
Support Services	8	8
Total Expenditure	18,078	19,443
<u>Income</u>		
Ring Fenced Government Grant	6,551	7,998
Other Government Grant	1,970	1,909
Recharge Income (Internal)	31	31
Fees Charges etc	376	741
Other Income	-	-
Total Income	8,928	10,679
Net Expenditure for Council Tax	9,150	8,764
<u>Adjustments</u>		
Ring Fenced Government Grant	6,551	7,998
NET EXPENDITURE	15,701	16,762

Budgeted Personnel 2022/23

	Full-time Equivalent
Chief Officers	-
Teachers	38.0
APT & C	364.7
Manual	-
Total	402.7

EDUCATION

PRIMARY EDUCATION

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	36,497	39,159
Property Costs	4,569	4,827
Transport Costs	-	-
Supplies & Services	6,997	7,184
Third Party Payments	-	-
Transfer Payments	-	-
Support Services	59	62
Total Expenditure	48,122	51,232
<u>Income</u>		
Ring Fenced Government Grant	851	850
Other Government Grant	587	457
Recharge Income (Internal)	312	312
Fees Charges etc	712	726
Other Income	65	28
Total Income	2,527	2,373
Net Expenditure for Council Tax	45,595	48,859
<u>Adjustments</u>		
Ring Fenced Government Grant	851	850
NET EXPENDITURE	46,446	49,709

Budgeted Personnel 2022/23

	<u>Full-time Equivalent</u>
Chief Officers	-
Teachers	578.4
APT & C	146.8
Manual	-
Total	725.2

E D U C A T I O N
S E C O N D A R Y E D U C A T I O N

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	44,123	46,590
Property Costs	4,982	5,248
Transport Costs	17	17
Supplies & Services	13,204	13,460
Third Party Payments	835	835
Transfer Payments	-	-
Support Services	53	56
Total Expenditure	63,214	66,206
<u>Income</u>		
Ring Fenced Government Grant	352	352
Other Government Grant	2,277	2,663
Recharge Income (Internal)	235	235
Fees Charges etc	1,009	1,039
Other Income	85	65
Total Income	3,958	4,354
Net Expenditure for Council Tax	59,256	61,852
<u>Adjustments</u>		
Ring Fenced Government Grant	352	352
NET EXPENDITURE	59,608	62,204

Budgeted Personnel 2022/23

	<u>Full-time Equivalent</u>
Chief Officers	-
Teachers	662.3
APT & C	158.3
Manual	-
Total	820.6

EDUCATION

SCHOOLS - OTHER

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	1,673	1,419
Property Costs	200	200
Transport Costs	-	-
Supplies & Services	2,082	1,980
Third Party Payments	18	18
Transfer Payments	606	606
Support Services	1	1
Total Expenditure	4,580	4,224
<u>Income</u>		
Ring Fenced Government Grant	-	-
Other Government Grant	137	133
Recharge Income (Internal)	-	-
Fees Charges etc	340	340
Other Income	100	100
Total Income	577	573
Net Expenditure for Council Tax	4,003	3,651
<u>Adjustments</u>		
Ring Fenced Government Grant	-	-
NET EXPENDITURE	4,003	3,651

Budgeted Personnel 2022/23

	<u>Full-time Equivalent</u>
Chief Officers	-
Teachers	18.7
APT & C	13.0
Manual	-
Total	31.7

EDUCATION

SPECIAL EDUCATION

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	5,041	5,471
Property Costs	203	228
Transport Costs	776	831
Supplies & Services	471	525
Third Party Payments	1,039	1,039
Transfer Payments	-	-
Support Services	1	1
Total Expenditure	7,531	8,095
<u>Income</u>		
Ring Fenced Government Grant	124	124
Other Government Grant	-	26
Recharge Income (Internal)	18	18
Fees Charges etc	42	42
Other Income	-	-
Total Income	184	210
Net Expenditure for Council Tax	7,347	7,885
<u>Adjustments</u>		
Ring Fenced Government Grant	124	124
NET EXPENDITURE	7,471	8,009

Budgeted Personnel 2022/23

	<u>Full-time Equivalent</u>
Chief Officers	-
Teachers	60.9
APT & C	68.5
Manual	-
Total	129.4

E D U C A T I O N
P S Y C H O L O G I C A L S E R V I C E S

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	903	927
Property Costs	-	-
Transport Costs	-	-
Supplies & Services	4	4
Third Party Payments	-	-
Transfer Payments	-	-
Support Services	-	-
Total Expenditure	907	931
<u>Income</u>		
Ring Fenced Government Grant	-	-
Other Government Grant	-	6
Recharge Income (Internal)	-	-
Fees Charges etc	-	-
Other Income	-	-
Total Income	-	6
Net Expenditure for Council Tax	907	925
<u>Adjustments</u>		
Ring Fenced Government Grant	-	-
NET EXPENDITURE	907	925

Budgeted Personnel 2022/23

	<u>Full-time Equivalent</u>
Chief Officers	-
Teachers	10.3
APT & C	1.0
Manual	-
Total	11.3

EDUCATION

TRANSPORT (EXCLUDING SPECIAL EDUCATION)

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	-	-
Property Costs	-	-
Transport Costs	1,147	1,288
Supplies & Services	-	-
Third Party Payments	-	-
Transfer Payments	-	-
Support Services	-	-
Total Expenditure	<u>1,147</u>	<u>1,288</u>
<u>Income</u>		
Ring Fenced Government Grant	13	12
Other Government Grant	-	-
Recharge Income (Internal)	-	-
Fees Charges etc	38	38
Other Income	-	-
Total Income	<u>51</u>	<u>50</u>
Net Expenditure for Council Tax	<u>1,096</u>	<u>1,238</u>
<u>Adjustments</u>		
Ring Fenced Government Grant	13	12
NET EXPENDITURE	<u><u>1,109</u></u>	<u><u>1,250</u></u>

Budgeted Personnel 2022/23

	<u>Full-time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	-
Manual	-
Total	<u><u>-</u></u>

E D U C A T I O N
P R O V I S I O N F O R C L O T H I N G

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	-	-
Property Costs	-	-
Transport Costs	-	-
Supplies & Services	-	-
Third Party Payments	-	-
Transfer Payments	228	290
Support Services	-	-
Total Expenditure	228	290
<u>Income</u>		
Ring Fenced Government Grant	-	-
Other Government Grant	-	-
Recharge Income (Internal)	-	-
Fees Charges etc	-	-
Other Income	-	-
Total Income	-	-
Net Expenditure for Council Tax	228	290
<u>Adjustments</u>		
Ring Fenced Government Grant	-	-
NET EXPENDITURE	228	290

Budgeted Personnel 2022/23

	<u>Full-time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	-
Manual	-
Total	-

EDUCATION

ADMINISTRATION & SUPPORT SERVICES

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	3,345	3,381
Property Costs	80	200
Transport Costs	-	-
Supplies & Services	374	436
Third Party Payments	16	16
Transfer Payments	-	-
Support Services	4,489	4,980
Total Expenditure	8,304	9,013
<u>Income</u>		
Ring Fenced Government Grant	-	-
Other Government Grant	25	32
Recharge Income (Internal)	426	455
Fees Charges etc	-	-
Other Income	-	-
Total Income	451	487
Net Expenditure for Council Tax	7,853	8,526
<u>Adjustments</u>		
Ring Fenced Government Grant	-	-
NET EXPENDITURE	7,853	8,526

<u>Budgeted Personnel 2022/23</u>	
	<u>Full-time Equivalent</u>
Chief Officers	4.0
Teachers	10.9
APT & C	40.0
Manual	-
Total	54.9

E D U C A T I O N
C L E A N I N G A N D J A N I T O R I A L S E R V I C E S

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	4,454	4,777
Property Costs	130	130
Transport Costs	2	2
Supplies & Services	258	278
Third Party Payments	-	-
Transfer Payments	4	4
Support Services	138	138
Total Expenditure	4,986	5,329
<u>Income</u>		
Ring Fenced Government Grant	-	-
Other Government Grant	-	-
Recharge Income (Internal)	3,141	3,343
Fees Charges etc	-	-
Other Income	-	-
Total Income	3,141	3,343
Net Expenditure for Council Tax	1,845	1,986
<u>Adjustments</u>		
Ring Fenced Government Grant	-	-
Net Expenditure	1,845	1,986

Budgeted Personnel 2022/23

	<u>Full-time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	60.6
Manual	124.9
Total	185.5

E D U C A T I O N

CATERING SERVICES

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	3,122	3,287
Property Costs	26	26
Transport Costs	18	19
Supplies & Services	2,063	2,178
Third Party Payments	-	-
Transfer Payments	11	11
Support Services	96	96
Total Expenditure	5,336	5,617
<u>Income</u>		
Ring Fenced Government Grant	-	-
Other Government Grant	-	-
Recharge Income (Internal)	5,310	5,591
Fees Charges etc	26	26
Other Income	-	-
Total Income	5,336	5,617
Net Expenditure for Council Tax	-	-
<u>Adjustments</u>		
Ring Fenced Government Grant	-	-
Net Expenditure	-	-

<u>Budgeted Personnel 2022/23</u>	
	<u>Full-time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	12.5
Manual	128.0
Total	140.5

EDUCATION

SCHOOL CROSSING PATROLLERS

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	328	345
Property Costs	-	-
Transport Costs	4	4
Supplies & Services	22	23
Third Party Payments	-	-
Transfer Payments	-	-
Support Services	2	2
Total Expenditure	356	374
<u>Income</u>		
Ring Fenced Government Grant	-	-
Other Government Grant	-	-
Recharge Income (Internal)	356	374
Fees Charges etc	-	-
Other Income	-	-
Total Income	356	374
Net Expenditure for Council Tax	-	-
<u>Adjustments</u>		
Ring Fenced Government Grant	-	-
NET EXPENDITURE	-	-

<u>Budgeted Personnel 2022/23</u>	<u>Full-time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	-
Manual	18.2
Total	18.2

E D U C A T I O N
C U L T U R E A N D L E I S U R E S E R V I C E S

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	-	-
Property Costs	1,068	1,207
Transport Costs	-	-
Supplies & Services	76	79
Third Party Payments	5,295	5,404
Transfer Payments	-	-
Support Services	909	726
Total Expenditure	<u>7,348</u>	<u>7,416</u>
<u>Income</u>		
Ring Fenced Government Grant	-	-
Other Government Grant	-	-
Recharge Income (Internal)	-	-
Fees Charges etc.	-	-
Other Income	-	-
Total Income	<u>-</u>	<u>-</u>
Net Expenditure	<u><u>7,348</u></u>	<u><u>7,416</u></u>

Budgeted Personnel 2022/23

	<u>Full Time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	-
Manual	-
Total	<u><u>-</u></u>

ENVIRONMENT

DEPARTMENTAL SUMMARY

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	15,429	16,712
Property Costs	2,573	3,837
Transport Costs	3,290	3,329
Supplies & Services	15,029	14,830
Third Party Payments	744	882
Transfer Payments	706	717
Support Services	2,956	2,591
Total Expenditure	40,727	42,898
<u>Income</u>		
Ring-Fenced Grant	-	-
Other Government Grant	737	711
Recharge Income (Internal)	7,181	8,754
Fees Charges etc.	5,069	5,158
Other Income	1,482	1,505
Total Income	14,469	16,128
Net Expenditure	26,258	26,770

Budgeted Personnel 2022/23

	<u>Full-time Equivalent</u>
Chief Officers	3.0
Teachers	-
APT & C	203.8
Manual	183.3
Total	390.1

ENVIRONMENT

DIRECTORATE

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	1,228	1,211
Property Costs	83	83
Transport Costs	-	-
Supplies & Services	121	186
Third Party Payments	-	-
Transfer Payments	-	-
Support Services	751	693
Total Expenditure	2,183	2,173
<u>Income</u>		
Ring-Fenced Grant	-	-
Other Government Grant	-	-
Recharge Income (Internal)	205	273
Fees Charges etc.	-	-
Other Income	68	-
Total Income	273	273
Net Expenditure	1,910	1,900

<u>Budgeted Personnel 2022/23</u>	
	<u>Full-time Equivalent</u>
Chief Officers	1.0
Teachers	-
APT & C	20.1
Manual	-
Total	21.1

ENVIRONMENT

ENVIRONMENT ACCOMMODATION

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	-	-
Property Costs	768	772
Transport Costs	-	-
Supplies & Services	3	3
Third Party Payments	-	-
Transfer Payments	-	-
Support Services	-	-
Total Expenditure	771	775
<u>Income</u>		
Ring-Fenced Grant	-	-
Other Government Grant	-	-
Recharge Income (Internal)	771	775
Fees Charges etc.	-	-
Other Income	-	-
Total Income	771	775
Net Expenditure	-	-

<u>Budgeted Personnel 2022/23</u>	<u>Full-time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	-
Manual	-
Total	-

ENVIRONMENT

NON-OPERATIONAL PROPERTIES

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	-	-
Property Costs	159	161
Transport Costs	-	-
Supplies & Services	20	20
Third Party Payments	-	-
Transfer Payments	-	-
Support Services	3	3
Total Expenditure	182	184
<u>Income</u>		
Ring-Fenced Grant	-	-
Other Government Grant	-	-
Recharge Income (Internal)	-	-
Fees Charges etc.	17	17
Other Income	-	-
Total Income	17	17
Net Expenditure	165	167

<u>Budgeted Personnel 2022/23</u>	<u>Full-time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	-
Manual	-
Total	-

ENVIRONMENT

ENERGY MANAGEMENT

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	55	56
Property Costs	22	52
Transport Costs	-	-
Supplies & Services	1	1
Third Party Payments	-	-
Transfer Payments	-	-
Support Services	12	52
Total Expenditure	90	161
<u>Income</u>		
Ring-Fenced Grant	-	-
Other Government Grant	-	-
Recharge Income (Internal)	-	-
Fees Charges etc.	-	-
Other Income	-	-
Total Income	-	-
Net Expenditure	90	161

<u>Budgeted Personnel 2022/23</u>	<u>Full-time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	1.0
Manual	-
Total	1.0

ENVIRONMENT

PLANNING & BUILDING CONTROL
(INCORPORATING OUTDOOR ACCESS, COUNTRY PARK & WHITELEE)

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	2,074	2,144
Property Costs	115	115
Transport Costs	12	12
Supplies & Services	87	185
Third Party Payments	94	94
Transfer Payments	102	102
Support Services	214	196
Total Expenditure	2,698	2,848
<u>Income</u>		
Ring-Fenced Grant	-	
Other Government Grant	-	
Recharge Income (Internal)	228	233
Fees Charges etc.	1,036	1,036
Other Income	139	139
Total Income	1,403	1,408
Net Expenditure	1,295	1,440

Budgeted Personnel 2022/23

	<u>Full-time Equivalent</u>
Chief Officers	1.0
Teachers	-
APT & C	40.8
Manual	-
Total	41.8

ENVIRONMENT

PLANNING & BUILDING CONTROL (INCORPORATING OUTDOOR ACCESS, COUNTRY PARK & WHITELEE)

This service comprises:-

	Budget 2021/22 £'000	Budget 2022/23 £'000
Development Planning	564	641
Outdoor Access	45	46
Country Park	48	50
Whiteless	-	- 1
Development Management	167	251
Building Control	107	81
Business Intelligence	364	372
	1,295	1,440

ENVIRONMENT

ECONOMIC DEVELOPMENT
(INCORPORATING CITY DEAL)

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	926	1,040
Property Costs	196	196
Transport Costs	-	-
Supplies & Services	466	350
Third Party Payments	8	91
Transfer Payments	149	149
Support Services	202	147
Total Expenditure	1,947	1,973
<u>Income</u>		
Ring-Fenced Grant	-	-
Other Government Grant	265	239
Recharge Income (Internal)	-	106
Fees Charges etc.	259	259
Other Income	533	533
Total Income	1,057	1,137
Net Expenditure	890	836

Budgeted Personnel 2022/23

	<u>Full-time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	19.4
Manual	-
Total	19.4

ENVIRONMENT

ROADS

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	1,577	2,063
Property Costs	235	238
Transport Costs	105	107
Supplies & Services	8,801	8,426
Third Party Payments	57	57
Transfer Payments	-	-
Support Services	373	257
Total Expenditure	11,148	11,148
<u>Income</u>		
Ring-Fenced Grant	-	
Other Government Grant	129	129
Recharge Income (Internal)	862	1,009
Fees Charges etc.	343	479
Other Income	61	61
Total Income	1,395	1,678
Net Expenditure	9,753	9,470

<u>Budgeted Personnel 2022/23</u>	
	<u>Full-time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	40.2
Manual	-
Total	40.2

ENVIRONMENT

ROADS

This service comprises:-

	Budget 2021/22 £'000	Budget 2022/23 £'000
Routine Maintenance Roads	1,145	1,434
Routine Maintenance Street Lighting	504	356
Winter Maintenance	900	875
Footway Resurfacing & Patching	360	200
Carriageway Resurfacing & Patching	700	392
School Crossing Patrols	356	356
Street Lighting Electricity	692	761
Flood Prevention	70	70
Administration & Support (Including PFI Costs)	5,026	5,026
	<u>9,753</u>	<u>9,470</u>

ENVIRONMENT

ROADS CONTRACTING UNIT

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	1,000	1,022
Property Costs	50	46
Transport Costs	566	582
Supplies & Services	126	111
Third Party Payments	-	-
Transfer Payments	18	18
Support Services	26	91
Total Expenditure	1,786	1,870
<u>Income</u>		
Ring-Fenced Grant	-	-
Other Government Grant	-	-
Recharge Income (Internal)	1,786	1,870
Fees Charges etc.	-	-
Other Income	-	-
Total Income	1,786	1,870
Net Expenditure	-	-

<u>Budgeted Personnel 2022/23</u>	
	<u>Full-time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	1.0
Manual	24.0
Total	25.0

ENVIRONMENT

NEIGHBOURHOOD SERVICES

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	5,156	5,401
Property Costs	-	-
Transport Costs	-	-
Supplies & Services	34	34
Third Party Payments	-	-
Transfer Payments	-	-
Support Services	-	-
Total Expenditure	5,190	5,435
<u>Income</u>		
Ring-Fenced Grant	-	-
Other Government Grant	-	-
Recharge Income (Internal)	57	65
Fees Charges etc.	-	-
Other Income	-	-
Total Income	57	65
Net Expenditure	5,133	5,370

<u>Budgeted Personnel 2022/23</u>	
	<u>Full Time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	20.0
Manual	134.4
Total	154.4

ENVIRONMENT

PARKS SERVICES

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	-	-
Property Costs	264	347
Transport Costs	212	226
Supplies & Services	375	486
Third Party Payments		
Transfer Payments		
Support Services	172	280
Total Expenditure	<u>1,023</u>	<u>1,339</u>
<u>Income</u>		
Ring-Fenced Grant		
Other Government Grant	19	19
Recharge Income (Internal)	312	347
Fees Charges etc.	980	732
Other Income	-	-
Total Income	<u>1,311</u>	<u>1,098</u>
Net Expenditure	<u><u>(288)</u></u>	<u><u>241</u></u>

Budgeted Personnel 2022/23

	<u>Full Time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	-
Manual	-
Total	<u><u>0.0</u></u>

ENVIRONMENT

PARKS SERVICES

This service comprises:-

	Budget 2021/22 £'000	Budget 2022/23 £'000
Administration	213	259
Parks Operations	(325)	(38)
Arboriculture	80	100
Cemeteries	(258)	(70)
Park Rangers	24	0
Parks Upkeep	(22)	(10)
	<u>(288)</u>	<u>241</u>

ENVIRONMENT

PREVENTION SERVICES

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	837	870
Property Costs	19	19
Transport Costs	-	-
Supplies & Services	175	199
Third Party Payments	74	74
Transfer Payments	2	2
Support Services	226	103
Total Expenditure	1,333	1,267
<u>Income</u>		
Ring-Fenced Grant	-	-
Other Government Grant	6	6
Recharge Income (Internal)	7	7
Fees Charges etc.	75	75
Other Income	40	40
Total Income	128	128
Net Expenditure	1,205	1,139

Budgeted Personnel 2022/23

	<u>Full Time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	17.0
Manual	-
Total	17.0

**ENVIRONMENT
PREVENTION SERVICES**

This service comprises:-

	Budget 2021/22 £'000	Budget 2022/23 £'000
Environmental Health	749	714
Trading Standards	436	403
Licensing	20	22
	<u>1,205</u>	<u>1,139</u>

ENVIRONMENT

WASTE MANAGEMENT

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	-	-
Property Costs	77	90
Transport Costs	5	5
Supplies & Services	3,579	3,578
Third Party Payments	22	22
Transfer Payments	-	-
Support Services	220	409
Total Expenditure	3,903	4,104
<u>Income</u>		
Ring-Fenced Grant	-	-
Other Government Grant	-	-
Recharge Income (Internal)	-	-
Fees Charges etc.	35	221
Other Income	-	-
Total Income	35	221
Net Expenditure	3,868	3,883

Budgeted Personnel 2022/23

	<u>Full Time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	-
Manual	-
Total	0.0

ENVIRONMENT

WASTE MANAGEMENT

This service comprises:-

	Budget 2021/22 £'000	Budget 2022/23 £'000
Refuse Disposal	3,274	3,475
Strategic Waste Fund	594	408
	<u>3,868</u>	<u>3,883</u>

ENVIRONMENT

CLEANSING

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	350	361
Property Costs	142	142
Transport Costs	858	791
Supplies & Services	338	349
Third Party Payments	1	1
Transfer Payments	-	-
Support Services	224	103
Total Expenditure	1,913	1,747
<u>Income</u>		
Ring-Fenced Grant	-	-
Other Government Grant	-	-
Recharge Income (Internal)	92	92
Fees Charges etc.	1,602	1,602
Other Income	-	-
Total Income	1,694	1,694
Net Expenditure	219	53

Budgeted Personnel 2022/23

	<u>Full Time Equivalent</u>
Chief Officers	1.0
Teachers	-
APT & C	-
Manual	6.0
Total	7.0

ENVIRONMENT
CLEANSING

This service comprises:-

	Budget 2021/22 £'000	Budget 2022/23 £'000
Refuse Collection	624	573
Street Cleaning	122	96
Cleansing Management	-747	-847
Civic Amenity Sites	166	168
Thornliebank Depot	54	63
	<u>219</u>	<u>53</u>

ENVIRONMENT

VEHICLES SERVICES

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	727	737
Property Costs	36	36
Transport Costs	1,532	1,587
Supplies & Services	183	191
Third Party Payments	-	
Transfer Payments	-	
Support Services	92	-
Total Expenditure	2,570	2,551
<u>Income</u>		
Ring-Fenced Grant	-	-
Other Government Grant	-	-
Recharge Income (Internal)	2,540	2,521
Fees Charges etc.	30	30
Other Income	-	-
Total Income	2,570	2,551
Net Expenditure	-	-

<u>Budgeted Personnel 2022/23</u>	<u>Full Time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	1.0
Manual	18.9
Total	19.9

ENVIRONMENT
OTHER HOUSING

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	1,499	1,807
Property Costs	407	456
Transport Costs	-	19
Supplies & Services	720	660
Third Party Payments	488	543
Transfer Payments	435	446
Support Services	441	257
Total Expenditure	3,990	4,188
<u>Income</u>		
Ring-Fenced Grant	-	-
Other Government Grant	318	318
Recharge Income (Internal)	321	321
Fees Charges etc.	692	707
Other Income	641	732
Total Income	1,972	2,078
Net Expenditure	2,018	2,110

<u>Budgeted Personnel 2022/23</u>	<u>Full Time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	43.3
Manual	-
Total	43.3

ENVIRONMENT

ACCOMMODATION

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	-	-
Property Costs	-	1,084
Transport Costs	-	-
Supplies & Services	-	51
Third Party Payments	-	-
Transfer Payments	-	-
Support Services	-	-
Total Expenditure	-	1,135
<u>Income</u>		
Ring Fenced Government Grant	-	-
Other Govt Grant	-	-
Recharge Income (Internal)	-	1,135
Fees Charges etc	-	-
Other Income	-	-
Total Income	-	1,135
Net Expenditure	-	-

<u>Budgeted Personnel 2022/23</u>	
	<u>Full Time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	-
Manual	-
Total	-

* This budget formed part of the Environment - Support costs in 2021/2022.

BUSINESS OPERATIONS & PARTNERSHIPS

DEPARTMENTAL SUMMARY

	Budget 2021/22 £'000	Budget 2022/23 £'000	*
<u>Expenditure</u>			
Staff Costs	4,557	6,272	
Property Costs	64	64	
Transport Costs	61	72	
Supplies & Services	1,152	2,650	
Third Party Payments	310	311	
Transfer Payments	17,729	17,640	
Support Services	3,472	1,402	
Total Expenditure	27,345	28,411	
<u>Income</u>			
Ring Fenced Government Grant	-	-	
Other Government Grant	-	-	
Recharge Income (Internal)	13,230	13,230	
Fees Charges etc.	877	2,759	
Other Income	435	437	
	367	377	
Total Income	14,909	16,803	
Net Expenditure	12,436	11,608	
<u>Adjustments</u>			
Ring Fenced Government Grant	-	-	
Net Expenditure	12,436	11,608	

<u>Budgeted Personnel 2022/23</u>	
	<u>Full Time Equivalent</u>
Chief Officers	2.0
Teachers	-
APT & C	146.1
Manual	-
Total	148.1

* Certain budgets previously included within support costs will be transferred for 2022/2023 to Business Operations & Partnerships Non Support. These costs have been directly recharged to other Departments within the Council and therefore do not impact on the total cost shown above.

BUSINESS OPERATIONS & PARTNERSHIPS

DIRECTORATE

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	178	184
Property Costs	-	-
Transport Costs	-	-
Supplies & Services	5	6
Third Party Payments	-	-
Transfer Payments	-	-
Support Services	33	-
Total Expenditure	<u>216</u>	<u>190</u>
<u>Income</u>		
Ring Fenced Government Grant	-	-
Other Government Grant	-	-
Recharge Income (Internal)	143	190
Fees Charges etc.	-	-
Other Income	-	-
Total Income	<u>143</u>	<u>190</u>
Net Expenditure	<u><u>73</u></u>	<u><u>-</u></u>

Budgeted Personnel 2022/23

	<u>Full Time Equivalent</u>
Chief Officers	1.0
Teachers	-
APT & C	0.8
Manual	-
Total	<u><u>1.8</u></u>

BUSINESS OPERATIONS & PARTNERSHIPS

COMMUNITY SAFETY

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	1,238	1,115
Property Costs	21	21
Transport Costs	29	30
Supplies & Services	61	115
Third Party Payments	64	64
Transfer Payments	-	-
Support Services	355	198
Total Expenditure	1,768	1,543
<u>Income</u>		
Ring Fenced Government Grant	-	-
Other Government Grant	-	-
Recharge Income (Internal)	258	258
Fees Charges etc.	57	57
Other Income	19	19
Total Income	334	334
Net Expenditure	1,434	1,209

<u>Budgeted Personnel 2022/23</u>	
	<u>Full Time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	28.2
Manual	-
Total	28.2

BUSINESS OPERATIONS & PARTNERSHIPS**COMMUNITY SAFETY**

This service comprises:-

	Budget 2021/22 £'000	Budget 2022/23 £'000
Management	279	336
CCTV	800	534
Community Wardens	355	339
	<u>1,434</u>	<u>1,209</u>

BUSINESS OPERATIONS & PARTNERSHIPS

DEMOCRATIC REPRESENTATION & MANAGEMENT, ELECTIONS AND MEMBERS EXPENSES

	Budget 2021/22 £'000	Budget 2022/23 £'000	*
<u>Expenditure</u>			
Staff Costs	2	2	
Property Costs	6	6	
Transport Costs	-	-	
Supplies & Services	722	1,008	
Third Party Payments	3	3	
Transfer Payments	-	-	
Support Services	1,402	183	
Total Expenditure	2,135	1,202	
<u>Income</u>			
Ring Fenced Government Grant	-	-	
Other Government Grant	-	-	
Recharge Income (Internal)	-	-	
Fees Charges etc.	-	-	
Other Income	-	-	
Total Income	-	-	
Net Expenditure	2,135	1,202	

<u>Budgeted Personnel 2022/23</u>	
	<u>Full Time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	-
Manual	-
Total	-

* Some of these costs will be transferred for 2022/2023 to the Chief Executive's Department -
- Corporate Management Budget.

BUSINESS OPERATIONS & PARTNERSHIPS

GRANTS

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	-	-
Property Costs	-	-
Transport Costs	-	-
Supplies & Services	1	4
Third Party Payments	134	134
Transfer Payments	18	4
Support Services	12	3
Total Expenditure	165	145
<u>Income</u>		
Ring Fenced Government Grant	-	-
Other Government Grant	-	-
Recharge Income (Internal)	-	-
Fees Charges etc.	-	-
Other Income	-	-
Total Income	-	-
Net Expenditure	165	145

Budgeted Personnel 2022/23

	<u>Full Time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	-
Manual	-
Total	-

BUSINESS OPERATIONS & PARTNERSHIPS

DEMOCRATIC SERVICES

	Budget 2021/22 £'000	Budget 2022/23 £'000	*
<u>Expenditure</u>			
Staff Costs	-	387	
Property Costs	-	-	
Transport Costs	-	9	
Supplies & Services	-	58	
Third Party Payments	-	-	
Transfer Payments	-	-	
Support Services	-	67	
Total Expenditure	-	521	
<u>Income</u>			
Ring Fenced Government Grant	-	-	
Other Government Grant	-	-	
Recharge Income (Internal)	-	-	
Fees Charges etc.	-	-	
Other Income	-	-	
Total Income	-	-	
Net Expenditure	-	521	

<u>Budgeted Personnel 2022/23</u>	
	<u>Full Time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	7.5
Manual	-
Total	7.5

* This budget formed part of the Business Operations & Partnerships - Support costs in 2021/2022.

BUSINESS OPERATIONS & PARTNERSHIPS

MONEY ADVICE AND RIGHTS TEAM

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	737	778
Property Costs	-	-
Transport Costs	-	-
Supplies & Services	26	78
Third Party Payments	-	-
Transfer Payments	-	-
Support Services	269	131
Total Expenditure	1,032	987
<u>Income</u>		
Ring Fenced Government Grant	-	-
Other Government Grant	-	-
Recharge Income (Internal)	26	27
Fees Charges etc.	-	-
Other Income	-	-
Total Income	26	27
Net Expenditure	1,006	960

<u>Budgeted Personnel 2022/23</u>	
	<u>Full Time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	18.2
Manual	-
Total	18.2

BUSINESS OPERATIONS & PARTNERSHIPS

REGISTRARS

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	178	176
Property Costs	3	3
Transport Costs	-	-
Supplies & Services	9	77
Third Party Payments	-	-
Transfer Payments	-	-
Support Services	161	42
Total Expenditure	351	298
<u>Income</u>		
Ring Fenced Government Grant	-	-
Other Government Grant	-	-
Recharge Income (Internal)	-	-
Fees Charges etc.	129	131
Other Income	5	5
Total Income	134	136
Net Expenditure	217	162

Budgeted Personnel 2022/23

	<u>Full Time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	3.8
Manual	-
Total	3.8

BUSINESS OPERATIONS & PARTNERSHIPS

CUSTOMER FIRST - NON SUPPORT

	Budget 2021/22 £'000	Budget 2022/23 £'000	*
<u>Expenditure</u>			
Staff Costs		1,061	
Property Costs		-	
Transport Costs		-	
Supplies & Services		145	
Third Party Payments		1	
Transfer Payments		-	
Support Services		242	
Total Expenditure	-	1,449	
<u>Income</u>			
Ring Fenced Government Grant	-	-	
Other Government Grant		-	
Recharge Income (Internal)		1,207	
Fees Charges etc.			
Other Income	-	-	
Total Income	-	1,207	
Net Expenditure	-	242	

<u>Budgeted Personnel 2022/23</u>	
	<u>Full Time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	28.8
Manual	-
Total	<u>28.8</u>

* This budget formed part of the Business Operations & Partnerships Support costs in 2021/2022.

BUSINESS OPERATIONS & PARTNERSHIPS

STRATEGY (OPERATIONAL)

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	308	315
Property Costs	-	-
Transport Costs	-	-
Supplies & Services	73	100
Third Party Payments	8	8
Transfer Payments	-	-
Support Services	76	39
Total Expenditure	465	462
<u>Income</u>		
Ring Fenced Government Grant	-	-
Other Government Grant	-	-
Recharge Income (Internal)	86	96
Fees Charges etc.	-	-
Other Income	-	-
Total Income	86	96
Net Expenditure	379	366

<u>Budgeted Personnel 2022/23</u>	
	<u>Full Time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	4.9
Manual	-
Total	4.9

BUSINESS OPERATIONS & PARTNERSHIPS

COMMUNITIES

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	664	681
Property Costs	34	34
Transport Costs	13	13
Supplies & Services	113	153
Third Party Payments	40	40
Transfer Payments	-	-
Support Services	105	108
Total Expenditure	<u>969</u>	<u>1,029</u>
<u>Income</u>		
Ring Fenced Government Grant	-	-
Other Government Grant	-	-
Recharge Income (Internal)	-	-
Fees Charges etc.	-	-
Other Income	10	20
Total Income	<u>10</u>	<u>20</u>
Net Expenditure	<u><u>959</u></u>	<u><u>1,009</u></u>

<u>Budgeted Personnel 2022/23</u>	
	<u>Full Time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	11.9
Manual	-
Total	<u>11.9</u>

**BUSINESS OPERATIONS & PARTNERSHIPS
COMMUNITIES**

This service comprises:-	Budget 2021/22 £'000	Budget 2022/23 £'000
Communities	894	943
Mearns Youth Facility	10	10
Barrhead Youth Facility	24	25
Auchenback Resource Centre	31	31
	<u>959</u>	<u>1,009</u>

BUSINESS OPERATIONS & PARTNERSHIPS

COUNCIL TAX & NON DOMESTIC RATES

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	444	449
Property Costs	-	-
Transport Costs	-	-
Supplies & Services	58	476
Third Party Payments	61	61
Transfer Payments	3,773	4,074
Support Services	533	147
Total Expenditure	4,869	5,207
<u>Income</u>		
Ring Fenced Government Grant	-	-
Other Government Grant	-	-
Recharge Income (Internal)	12	12
Fees Charges etc.	249	249
Other Income	258	258
Total Income	519	519
Net Expenditure	4,350	4,688

Budgeted Personnel 2022/23

	<u>Full Time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	13.5
Manual	-
Total	13.5

BUSINESS OPERATIONS & PARTNERSHIPS

REVENUES - BENEFITS & DISCRETIONARY PAYMENTS TEAM

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	334	300
Property Costs	-	-
Transport Costs	-	-
Supplies & Services	41	185
Third Party Payments	-	-
Transfer Payments	331	331
Support Services	281	126
Total Expenditure	987	942
<u>Income</u>		
Ring Fenced Government Grant	-	-
Other Government Grant	-	-
Recharge Income (Internal)	73	73
Fees Charges etc.	-	-
Other Income	75	75
Total Income	148	148
Net Expenditure	839	794

Budgeted Personnel 2022/23

	Full Time Equivalent
Chief Officers	-
Teachers	-
APT & C	11.6
Manual	-
Total	11.6

BUSINESS OPERATIONS & PARTNERSHIPS

REVENUES - HOUSING BENEFIT

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	173	179
Property Costs	-	-
Transport Costs	-	-
Supplies & Services	10	89
Third Party Payments	-	-
Transfer Payments	13,607	13,231
Support Services	105	116
Total Expenditure	13,895	13,615
<u>Income</u>		
Ring Fenced Government Grant	-	-
Other Government Grant	13,230	13,230
Recharge Income (Internal)	75	75
Fees Charges etc.	-	-
Other Income	-	-
Total Income	13,305	13,305
Net Expenditure	590	310

<u>Budgeted Personnel 2022/23</u>	
	<u>Full Time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	5.6
Manual	-
Total	5.6

BUSINESS OPERATIONS & PARTNERSHIPS

BUSINESS SUPPORT TEAM

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	185	192
Property Costs	-	-
Transport Costs	19	20
Supplies & Services	16	62
Third Party Payments	-	-
Transfer Payments	-	-
Support Services	110	-
Total Expenditure	330	274
<u>Income</u>		
Ring Fenced Government Grant	-	-
Other Government Grant	-	-
Recharge Income (Internal)	94	274
Fees Charges etc.	-	-
Other Income	-	-
Total Income	94	274
Net Expenditure	236	-

<u>Budgeted Personnel 2022/23</u>	
	<u>Full Time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	5.9
Manual	-
Total	5.9

BUSINESS OPERATIONS & PARTNERSHIPS

REVENUES - ADMIN

	Budget 2021/22 £'000	Budget 2022/23 * £'000
<u>Expenditure</u>		
Staff Costs	-	335
Property Costs	-	-
Transport Costs	-	-
Supplies & Services	-	70
Third Party Payments	-	-
Transfer Payments	-	-
Support Services	-	-
Total Expenditure	<u>-</u>	<u>405</u>
<u>Income</u>		
Ring Fenced Government Grant	-	-
Other Govt Grant	-	-
Recharge Income (Internal)	-	405
Fees Charges etc	-	-
Other Income	-	-
Total Income	<u>-</u>	<u>405</u>
Net Expenditure	<u><u>-</u></u>	<u><u>-</u></u>

<u>Budgeted Personnel 2022/23</u>	
	<u>Full Time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	5.4
Manual	-
Total	<u>5.4</u>

* This budget formed part of the Business Operations & Partnerships Support costs in 2021/2022.

BUSINESS OPERATIONS & PARTNERSHIPS

COMMUNITIES, REVENUES AND CHANGE

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	116	118
Property Costs	-	-
Transport Costs	-	-
Supplies & Services	17	24
Third Party Payments	-	-
Transfer Payments	-	-
Support Services	30	-
Total Expenditure	163	142
<u>Income</u>		
Ring Fenced Government Grant	-	-
Other Government Grant	-	-
Recharge Income (Internal)	110	142
Fees Charges etc.	-	-
Other Income	-	-
Total Income	110	142
Net Expenditure	53	-

<u>Budgeted Personnel 2022/23</u>	
	<u>Full Time Equivalent</u>
Chief Officers	1.0
Teachers	-
APT & C	-
Manual	-
Total	1.0

CHIEF EXECUTIVE'S - NONSUPPORT SERVICES

DEPARTMENTAL SUMMARY

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	23	24
Property Costs	-	-
Transport Costs	3	3
Supplies & Services	412	448
Third Party Payments	-	-
Transfer Payments	-	-
Support Services	55	569
Total Expenditure	493	1,044
<u>Income</u>		
Ring Fenced Government Grant	-	-
Other Govt Grant	-	-
Recharge Income (Internal)	180	20
Fees Charges etc	248	260
Other Income	-	-
Total Income	428	280
Net Expenditure	65	764

<u>Budgeted Personnel 2022/23</u>	
	<u>Full Time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	0.7
Manual	-
Total	0.7

CHIEF EXECUTIVE'S - NONSUPPORT SERVICES
ACCOUNTANCY

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	-	-
Property Costs	-	-
Transport Costs	-	-
Supplies & Services	239	244
Third Party Payments	-	-
Transfer Payments	-	-
Support Services	-	-
Total Expenditure	239	244
<u>Income</u>		
Ring Fenced Government Grant	-	-
Other Govt Grant	-	-
Recharge Income (Internal)	180	20
Fees Charges etc	-	-
Other Income	-	-
Total Income	180	20
Net Expenditure	59	224

<u>Budgeted Personnel 2022/23</u>	
	<u>Full Time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	-
Manual	-
Total	-

CHIEF EXECUTIVE'S - NONSUPPORT SERVICES
CIVIC LICENSING

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	23	24
Property Costs	-	-
Transport Costs	3	3
Supplies & Services	97	127
Third Party Payments	-	-
Transfer Payments	-	-
Support Services	52	9
Total Expenditure	175	163
<u>Income</u>		
Ring Fenced Government Grant	-	-
Other Govt Grant	-	-
Recharge Income (Internal)	-	-
Fees Charges etc	169	180
Other Income	-	-
Total Income	169	180
Net Expenditure	6	(17)

<u>Budgeted Personnel 2022/23</u>	
	<u>Full Time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	0.7
Manual	-
Total	0.7

CHIEF EXECUTIVE'S - NONSUPPORT SERVICES

LICENSING BOARD

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	-	-
Property Costs	-	-
Transport Costs	-	-
Supplies & Services	76	77
Third Party Payments	-	-
Transfer Payments	-	-
Support Services	3	6
Total Expenditure	<u>79</u>	<u>83</u>
<u>Income</u>		
Ring Fenced Government Grant	-	-
Other Govt Grant	-	-
Recharge Income (Internal)	-	-
Fees Charges etc	79	80
Other Income	-	-
Total Income	<u>79</u>	<u>80</u>
Net Expenditure	<u><u>-</u></u>	<u><u>3</u></u>

<u>Budgeted Personnel 2022/23</u>	
	<u>Full Time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	-
Manual	-
Total	<u><u>-</u></u>

CHIEF EXECUTIVE'S - NONSUPPORT SERVICES

CORPORATE MANAGEMENT

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	-	-
Property Costs	-	-
Transport Costs	-	-
Supplies & Services	-	-
Third Party Payments	-	-
Transfer Payments	-	-
Support Services	-	554
Total Expenditure	-	554
<u>Income</u>		
Ring Fenced Government Grant	-	-
Other Government Grant	-	-
Recharge Income (Internal)	-	-
Fees Charges etc.	-	-
Other Income	-	-
Total Income	-	-
Net Expenditure	-	554

<u>Budgeted Personnel 2022/23</u>	
	Full Time <u>Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	-
Manual	-
Total	-

*These costs were transferred from Business Operations and Partnerships- Non Support for 2022/23

SUPPORT SERVICES

SUMMARY

	Budget 2021/22 £'000	Budget 2022/23 £'000
Chief Executive's Office	432	444
Accountancy	1,399	1,463
Legal	431	477
Procurement	310	311
Internal Audit	272	285
Strategy Support and Insight	511	580
Project Management Office and Core Systems	345	433
Communications and Printing	554	608
Human Resources and Payroll	1,723	1,942
Democratic Services	412	0
Customer First	975	60
Revenues - Admin	335	0
Revenues - Account Receivable & Payable and Insurance	424	592
Digital Services	5,264	5,556
Property and Technical	1,260	1,359
Accommodation	1,093	0
	<u>15,740</u>	<u>14,110</u>

ALLOCATION:-

Education (including ERCLT)	5,756	6,070
Health & Social Care Partnership	2,420	2,475
Business Operations & Partnerships	3,472	1,402
Chief Executives - Non Support	55	569
Environment	2,956	2,591
Joint Boards	7	
Miscellaneous	72	87
Housing Revenue Account	1,002	916
	<u>15,740</u>	<u>14,110</u>

CHIEF EXECUTIVE'S - SUPPORT SERVICES

DEPARTMENTAL SUMMARY

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	3,106	3,150
Property Costs	-	86
Transport Costs	-	-
Supplies & Services	86	134
Third Party Payments	75	78
Transfer Payments	-	-
Support Services	-	-
Total Expenditure	<u>3,267</u>	<u>3,448</u>
<u>Income</u>		
Ring Fenced Government Grant	-	-
Other Govt Grant	-	-
Recharge Income (Internal)	352	377
Fees Charges etc	45	45
Other Income	26	46
Total Income	<u>423</u>	<u>468</u>
Net Expenditure	<u><u>2,844</u></u>	<u><u>2,980</u></u>

<u>Budgeted Personnel 2022/23</u>	
	<u>Full Time Equivalent</u>
Chief Officers	2.0
Teachers	0.0
APT & C	48.9
Manual	0.0
Total	<u><u>50.9</u></u>

CHIEF EXECUTIVE'S - SUPPORT SERVICES

CHIEF EXECUTIVE'S OFFICE

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	430	423
Property Costs	-	15
Transport Costs	-	-
Supplies & Services	2	6
Third Party Payments	-	-
Transfer Payments	-	-
Support Services	-	-
Total Expenditure	432	444
<u>Income</u>		
Ring Fenced Government Grant	-	-
Other Govt Grant	-	-
Recharge Income (Internal)	-	-
Fees Charges etc	-	-
Other Income	-	-
Total Income	-	-
Net Expenditure	432	444

<u>Budgeted Personnel 2022/23</u>	
	<u>Full Time Equivalent</u>
Chief Officers	1.0
Teachers	-
APT & C	5.5
Manual	-
Total	6.5

CHIEF EXECUTIVE'S - SUPPORT SERVICES
ACCOUNTANCY

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	1,515	1,537
Property Costs	-	33
Transport Costs	-	-
Supplies & Services	39	51
Third Party Payments	-	-
Transfer Payments	-	-
Support Services	-	-
Total Expenditure	1,554	1,621
<u>Income</u>		
Ring Fenced Government Grant	-	-
Other Govt Grant	-	-
Recharge Income (Internal)	155	158
Fees Charges etc	-	-
Other Income	-	-
Total Income	155	158
Net Expenditure	1,399	1,463

<u>Budgeted Personnel 2022/23</u>	
	<u>Full Time Equivalent</u>
Chief Officers	1.0
Teachers	-
APT & C	24.5
Manual	-
Total	25.5

CHIEF EXECUTIVE'S - SUPPORT SERVICES

LEGAL SERVICES

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	506	505
Property Costs	-	17
Transport Costs	-	-
Supplies & Services	33	64
Third Party Payments	-	-
Transfer Payments	-	-
Support Services	-	-
Total Expenditure	539	586
<u>Income</u>		
Ring Fenced Government Grant	-	-
Other Government Grant	-	-
Recharge Income (Internal)	63	64
Fees Charges etc.	45	45
Other Income	-	-
Total Income	108	109
Net Expenditure	431	477

<u>Budgeted Personnel 2022/23</u>	
	<u>Full Time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	7.6
Manual	-
Total	7.6

CHIEF EXECUTIVE'S - SUPPORT SERVICES

PROCUREMENT

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	386	411
Property Costs	-	13
Transport Costs	-	-
Supplies & Services	9	10
Third Party Payments	75	78
Transfer Payments	-	-
Support Services	-	-
Total Expenditure	470	512
<u>Income</u>		
Ring Fenced Government Grant	-	-
Other Govt Grant	-	-
Recharge Income (Internal)	134	155
Fees Charges etc	-	-
Other Income	26	46
Total Income	160	201
Net Expenditure	310	311

<u>Budgeted Personnel 2022/23</u>	
	<u>Full Time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	6.6
Manual	-
TOTAL	6.6

CHIEF EXECUTIVE'S - SUPPORT SERVICES

INTERNAL AUDIT

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	269	274
Property Costs	-	8
Transport Costs	-	-
Supplies & Services	3	3
Third Party Payments	-	-
Transfer Payments	-	-
Support Services	-	-
Total Expenditure	272	285
<u>Income</u>		
Ring Fenced Government Grant	-	-
Other Govt Grant	-	-
Recharge Income (Internal)	-	-
Fees Charges etc	-	-
Other Income	-	-
Total Income	-	-
Net Expenditure	272	285

<u>Budgeted Personnel 2022/23</u>	
	<u>Full Time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	4.7
Manual	-
Total	4.7

BUSINESS OPERATIONS & PARTNERSHIPS - SUPPORT SERVICES

DEPARTMENTAL SUMMARY

	Budget 2021/22 £'000	Budget 2022/23 £'000	*
<u>Expenditure</u>			
Staff Costs	8,086	6,466	
Property Costs	4	4	
Transport Costs	26	17	
Supplies & Services	4,137	4,942	
Third Party Payments	20	26	
Transfer Payments	-	-	
Support Services	-	-	
Total Expenditure	12,273	11,455	
<u>Income</u>			
Ring Fenced Government Grant	-	-	
Other Government Grant	-	-	
Recharge Income (Internal)	1,703	1,673	
Fees Charges etc.	23	7	
Other Income	4	4	
Total Income	1,730	1,684	
Net Expenditure	10,543	9,771	

<u>Budgeted Personnel 2022/23</u>	
	<u>Full Time Equivalent</u>
Chief Officers	2.0
Teachers	-
APT & C	133.6
Manual	-
Total	135.6

* Certain budgets previously included within support costs will be transferred for 2022/2023 to Business Operations & Partnerships Non Support. This explains the movement between years.

BUSINESS OPERATIONS & PARTNERSHIPS - SUPPORT SERVICES

STRATEGY (SUPPORT) AND INSIGHT

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	398	406
Property Costs	-	-
Transport Costs	-	-
Supplies & Services	95	148
Third Party Payments	18	26
Transfer Payments	-	-
Support Services	-	-
Total Expenditure	511	580
<u>Income</u>		
Ring Fenced Government Grant	-	-
Other Government Grant	-	-
Recharge Income (Internal)	-	-
Fees Charges etc.	-	-
Other Income	-	-
Total Income	-	-
Net Expenditure	511	580

<u>Budgeted Personnel 2022/23</u>	
	<u>Full Time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	8.4
Manual	-
Total	8.4

BUSINESS OPERATIONS & PARTNERSHIPS - SUPPORT SERVICES

PROJECT MANAGEMENT OFFICE AND CORE SYSTEMS

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	856	855
Property Costs	-	-
Transport Costs	-	-
Supplies & Services	22	105
Third Party Payments	-	-
Transfer Payments	-	-
Support Services	-	-
Total Expenditure	878	960
<u>Income</u>		
Ring Fenced Government Grant	-	-
Other Government Grant	-	-
Recharge Income (Internal)	533	527
Fees Charges etc.	-	-
Other Income	-	-
Total Income	533	527
Net Expenditure	345	433

<u>Budgeted Personnel 2022/23</u>	
	<u>Full Time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	14
Manual	-
Total	14.0

BUSINESS OPERATIONS & PARTNERSHIPS - SUPPORT SERVICES

COMMUNICATIONS AND PRINTING

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	489	504
Property Costs	4	4
Transport Costs	13	13
Supplies & Services	129	168
Third Party Payments	-	-
Transfer Payments	-	-
Support Services	-	-
Total Expenditure	635	689
<u>Income</u>		
Ring Fenced Government Grant	-	-
Other Government Grant	-	-
Recharge Income (Internal)	81	81
Fees Charges etc.	-	-
Other Income	-	-
Total Income	81	81
Net Expenditure	554	608

Budgeted Personnel 2022/23

	<u>Full Time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	10.8
Manual	-
Total	10.8

BUSINESS OPERATIONS & PARTNERSHIPS - SUPPORT SERVICES

HR AND PAYROLL

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	1,672	1,723
Property Costs	-	-
Transport Costs	-	-
Supplies & Services	266	441
Third Party Payments	-	-
Transfer Payments	-	-
Support Services	-	-
Total Expenditure	1,938	2,164
<u>Income</u>		
Ring Fenced Government Grant	-	-
Other Government Grant	-	-
Recharge Income (Internal)	204	211
Fees Charges etc.	7	7
Other Income	4	4
Total Income	215	222
Net Expenditure	1,723	1,942

Budgeted Personnel 2022/23

	<u>Full Time Equivalent</u>
Chief Officers	1.0
Teachers	-
APT & C	38.0
Manual	-
Total	39.0

BUSINESS OPERATIONS & PARTNERSHIPS - SUPPORT SERVICES

CUSTOMER FIRST

	Budget 2021/22 £'000	Budget 2022/23 £'000	*
<u>Expenditure</u>			
Staff Costs	1,070	54	
Property Costs	-	-	
Transport Costs	-	-	
Supplies & Services	51	6	
Third Party Payments	2	-	
Transfer Payments	-	-	
Support Services	-	-	
Total Expenditure	<u>1,123</u>	<u>60</u>	
<u>Income</u>			
Ring Fenced Government Grant	-	-	
Other Government Grant	-	-	
Recharge Income (Internal)	132	-	
Fees Charges etc.	16	-	
Other Income	-	-	
Total Income	<u>148</u>	<u>-</u>	
Net Expenditure	<u><u>975</u></u>	<u><u>60</u></u>	

<u>Budgeted Personnel 2022/23</u>	
	<u>Full Time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	2.0
Manual	-
Total	<u><u>2.0</u></u>

* Some of these costs will be transferred for 2022/2023 to the Business Operations & Partnerships
- Non-Support Budget

BUSINESS OPERATIONS & PARTNERSHIPS - SUPPORT SERVICES

REVENUES - ACCOUNTS PAYABLE & RECEIVABLE AND INSURANCE

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	393	372
Property Costs	-	-
Transport Costs	-	-
Supplies & Services	31	220
Third Party Payments	-	-
Transfer Payments	-	-
Support Services		
Total Expenditure	424	592
<u>Income</u>		
Ring Fenced Government Grant	-	-
Other Govt Grant	-	-
Recharge Income (Internal)	-	-
Fees Charges etc	-	-
Other Income	-	-
Total Income	-	-
Net Expenditure	424	592

<u>Budgeted Personnel 2022/23</u>	
	<u>Full Time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	9.5
Manual	-
Total	9.5

BUSINESS OPERATIONS & PARTNERSHIPS - SUPPORT SERVICES

DIGITAL SERVICES

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	2,552	2,552
Property Costs	-	-
Transport Costs	4	4
Supplies & Services	3,461	3,854
Third Party Payments	-	-
Transfer Payments	-	-
Support Services	-	-
Total Expenditure	6,017	6,410
<u>Income</u>		
Ring Fenced Government Grant	-	-
Other Govt Grant	-	-
Recharge Income (Internal)	753	854
Fees Charges etc	-	-
Other Income	-	-
Total Income	753	854
Net Expenditure	5,264	5,556

<u>Budgeted Personnel 2022/23</u>	
	<u>Full Time Equivalent</u>
Chief Officers	1.0
Teachers	-
APT & C	50.9
Manual	-
Total	51.9

BUSINESS OPERATIONS & PARTNERSHIPS - SUPPORT SERVICES

DEMOCRATIC SERVICES

	Budget 2021/22 £'000	*	Budget 2022/23 £'000
<u>Expenditure</u>			
Staff Costs	375		
Property Costs	-		-
Transport Costs	9		
Supplies & Services	28		
Third Party Payments	-		-
Transfer Payments	-		-
Support Services	-		-
Total Expenditure	412		-
<u>Income</u>			
Ring Fenced Government Grant	-		-
Other Government Grant	-		-
Recharge Income (Internal)	-		-
Fees Charges etc.	-		-
Other Income	-		-
Total Income	-		-
Net Expenditure	412		-

<u>Budgeted Personnel 2022/23</u>	
	<u>Full Time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	
Manual	-
Total	-

* This budget was transferred to Business Operations & Partnerships Non Support for 2022/23.

BUSINESS OPERATIONS & PARTNERSHIPS - SUPPORT SERVICES

REVENUES - ADMIN

	Budget 2021/22 £'000	*	Budget 2022/23 £'000
<u>Expenditure</u>			
Staff Costs	281		
Property Costs	-		-
Transport Costs	-		-
Supplies & Services	54		
Third Party Payments	-		-
Transfer Payments	-		-
Support Services			
Total Expenditure	335		-
<u>Income</u>			
Ring Fenced Government Grant	-		-
Other Govt Grant	-		-
Recharge Income (Internal)	-		-
Fees Charges etc	-		-
Other Income	-		-
Total Income	-		-
Net Expenditure	335		-

<u>Budgeted Personnel 2022/23</u>	
	<u>Full Time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	
Manual	-
Total	0.0

* This budget was transferred to Business Operations & Partnerships Non Support for 2022/23.

ENVIRONMENT - SUPPORT

DEPARTMENTAL SUMMARY

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	2,123	2,203
Property Costs	1,042	-
Transport Costs	15	15
Supplies & Services	287	255
Third Party Payments	-	-
Transfer Payments	-	-
Support Services	-	-
Total Expenditure	3,467	2,473
<u>Income</u>		
Ring Fenced Government Grant	-	-
Other Govt Grant	-	-
Recharge Income (Internal)	1,114	1,114
Fees Charges etc	-	-
Other Income	-	-
Total Income	1,114	1,114
Net Expenditure	2,353	1,359

<u>Budgeted Personnel 2022/23</u>	
	<u>Full Time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	39.4
Manual	-
Total	39.4

Some of this budget was transferred to Environment - Non-Support for 2022/23

ENVIRONMENT - SUPPORT

PROPERTY & TECHNICAL

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	2,123	2,203
Property Costs	-	-
Transport Costs	15	15
Supplies & Services	236	255
Third Party Payments	-	-
Transfer Payments	-	-
Support Services	-	-
Total Expenditure	2,374	2,473
<u>Income</u>		
Ring Fenced Government Grant	-	-
Other Govt Grant	-	-
Recharge Income (Internal)	1,114	1,114
Fees Charges etc	-	-
Other Income	-	-
Total Income	1,114	1,114
Net Expenditure	1,260	1,359

<u>Budgeted Personnel 2022/23</u>	
	<u>Full Time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	39.4
Manual	-
TOTAL	39.4

ENVIRONMENT - SUPPORT

ACCOMMODATION

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	-	-
Property Costs	1,042	-
Transport Costs	-	-
Supplies & Services	51	-
Third Party Payments	-	-
Transfer Payments	-	-
Support Services	-	-
Total Expenditure	<u>1,093</u>	<u>-</u>
<u>Income</u>		
Ring Fenced Government Grant	-	-
Other Govt Grant	-	-
Recharge Income (Internal)	-	-
Fees Charges etc	-	-
Other Income	-	-
Total Income	<u>-</u>	<u>-</u>
Net Expenditure	<u><u>1,093</u></u>	<u><u>-</u></u>

<u>Budgeted Personnel 2022/23</u>	
	<u>Full Time Equivalent</u>
Chief Officers	-
Teachers	-
APT & C	-
Manual	-
Total	<u><u>-</u></u>

This Budget was transferred to Environment - Non-Support for 2022/23

HEALTH & SOCIAL CARE PARTNERSHIP

DEPARTMENTAL SUMMARY

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	23,869	28,211
Property Costs	938	826
Transport Costs	237	277
Supplies & Services	1,890	2,344
Third Party Payments	40,917	46,707
Transfer Payments	39	40
Support Services	2,420	2,475
Total Expenditure	70,310	80,880
<u>Income</u>		
Additional IJB Grant	5,262	5,859
Ring Fenced Government Grant	614	614
Other Government Grant	88	3,408
Non Recurring Income (offset Central Support Uplift) Note 1	-	138
Recharge Income (Internal)	-	-
Fees,Charges etc.	1,247	1,248
Other Income	9,394	9,472
Total Income	16,605	20,739
Net Expenditure for Council Tax	53,705	60,141
<u>Adjustments</u>		
Ring Fenced Government Grant	614	614
Funding from Integrated Joint Board (Note 2)	54,319	60,755
Net Expenditure	-	-

Budgeted Personnel 2022/23

	<u>Full-time Equivalent</u>
Chief Officers	4.0
Teachers	-
APT&C	414.1
Manual	222.2
TOTAL	640.3

Note 1: Non recurring income to offset Central Support increase - Support costs currently under review.

Note 2: The HSCP's budget is indicative only and will be directed and amended by the Integrated Joint Board on an ongoing basis

HEALTH & SOCIAL CARE PARTNERSHIP

PUBLIC PROTECTION - CHILDREN & FAMILIES

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	4,203	4,384
Property Costs	38	7
Transport Costs	32	46
Supplies & Services	462	463
Third Party Payments	5,353	5,585
Transfer Payments	37	37
Support Services	-	-
Total Expenditure	10,125	10,522
<u>Income</u>		
Additional IJB Grant	-	-
Ring Fenced Government Grant	-	-
Other Government Grant	-	-
Non Recurring Income (offset Central Support Uplift)	-	-
Recharge Income (Internal)	-	-
Fees, Charges etc.	20	20
Other Income	295	312
Total Income	315	332
Net Expenditure for Council Tax	9,810	10,190
<u>Adjustments</u>		
Ring Fenced Government Grant	-	-
Net Expenditure	9,810	10,190

<u>Budgeted Personnel 2022/23</u>	
	<u>Full-time Equivalent</u>
Chief Officers	-
Teachers	-
APT&C	87.1
Manual	-
TOTAL	87.1

HEALTH & SOCIAL CARE PARTNERSHIP

INTENSIVE SERVICES

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	9,498	12,645
Property Costs	91	96
Transport Costs	108	168
Supplies & Services	480	503
Third Party Payments	2,665	4,082
Transfer Payments	-	-
Support Services	-	-
Total Expenditure	12,842	17,494
<u>Income</u>		
Additional IJB Grant	55	161
Ring Fenced Government Grant	-	-
Other Government Grant	-	-
Non Recurring Income (offset Central Support Uplift)	-	-
Recharge Income (Internal)	-	-
Fees, Charges etc.	761	761
Other Income	1,541	1,741
Total Income	2,357	2,663
Net Expenditure for Council Tax	10,485	14,831
<u>Adjustments</u>		
Ring Fenced Government Grant	-	-
Net Expenditure	10,485	14,831

<u>Budgeted Personnel 2022/23</u>	
	<u>Full-time Equivalent</u>
Chief Officers	-
Teachers	-
APT&C	112.5
Manual	206.6
TOTAL	319.1

HEALTH & SOCIAL CARE PARTNERSHIP

ADULT LOCALITIES - OLDER PEOPLE

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	1,802	813
Property Costs	15	15
Transport Costs	24	-
Supplies & Services	153	168
Third Party Payments	16,324	18,906
Transfer Payments	1	1
Support Services	-	-
Total Expenditure	<u>18,319</u>	<u>19,903</u>
<u>Income</u>		
Additional IJB Grant	3,073	3,021
Ring Fenced Government Grant	-	-
Other Government Grant	-	-
Non Recurring Income (offset Central Support Uplift)	-	-
Recharge Income (Internal)	-	-
Fees, Charges etc.	412	412
Other Income	1,385	1,038
Total Income	<u>4,870</u>	<u>4,471</u>
Net Expenditure for Council Tax	<u>13,449</u>	<u>15,432</u>
<u>Adjustments</u>		
Ring Fenced Government Grant	-	-
Net Expenditure	<u><u>13,449</u></u>	<u><u>15,432</u></u>

<u>Budgeted Personnel 2022/23</u>	
	<u>Full-time Equivalent</u>
Chief Officers	-
Teachers	-
APT&C	17.1
Manual	
TOTAL	<u><u>17.1</u></u>

HEALTH & SOCIAL CARE PARTNERSHIP

ADULT LOCALITIES - PHYSICAL/SENSORY DISABILITY

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	1,782	2,604
Property Costs	-	-
Transport Costs	-	-
Supplies & Services	597	592
Third Party Payments	2,951	3,526
Transfer Payments	-	-
Support Services	-	-
Total Expenditure	5,330	6,722
<u>Income</u>		
Additional IJB Grant	370	718
Ring Fenced Government Grant	-	-
Other Government Grant	-	-
Non Recurring Income (offset Central Support Uplift)	-	-
Recharge Income (Internal)	-	-
Fees, Charges etc.	34	34
Other Income	405	411
Total Income	809	1,163
Net Expenditure for Council Tax	4,521	5,559
<u>Adjustments</u>		
Ring Fenced Government Grant	-	-
Net Expenditure	4,521	5,559

<u>Budgeted Personnel 2022/23</u>	
	<u>Full-time Equivalent</u>
Chief Officers	-
Teachers	-
APT&C	49.4
Manual	-
TOTAL	49.4

HEALTH & SOCIAL CARE PARTNERSHIP

ADULT LOCALITIES - LEARNING DISABILITY

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	1,682	1,818
Property Costs	149	148
Transport Costs	55	46
Supplies & Services	62	62
Third Party Payments	11,784	14,844
Transfer Payments	1	2
Support Services	-	-
Total Expenditure	13,733	16,920
<u>Income</u>		
Additional IJB Grant	1,621	1,649
Ring Fenced Government Grant	-	-
Other Government Grant	-	-
Non Recurring Income (offset Central Support Uplift)	-	-
Recharge Income (Internal)	-	-
Fees, Charges etc.	2	3
Other Income	3,893	3,896
Total Income	5,516	5,548
Net Expenditure for Council Tax	8,217	11,372
<u>Adjustments</u>		
Ring Fenced Government Grant	-	-
Net Expenditure	8,217	11,372

<u>Budgeted Personnel 2022/23</u>	
	<u>Full-time Equivalent</u>
Chief Officers	-
Teachers	-
APT&C	33.1
Manual	15.6
TOTAL	48.7

HEALTH & SOCIAL CARE PARTNERSHIP

RECOVERY SERVICES - MENTAL HEALTH & ADDICTIONS

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	1,475	1,464
Property Costs	-	-
Transport Costs	-	-
Supplies & Services	47	29
Third Party Payments	1,668	2,036
Transfer Payments	-	-
Support Services	-	-
Total Expenditure	3,190	3,529
<u>Income</u>		
Additional IJB Grant	113	115
Ring Fenced Government Grant	-	-
Other Government Grant	-	-
Non Recurring Income (offset Central Support Uplift)	-	-
Recharge Income (Internal)	-	-
Fees, Charges etc.	-	-
Other Income	1,272	1,348
Total Income	1,385	1,463
Net Expenditure for Council Tax	1,805	2,066
<u>Adjustments</u>		
Ring Fenced Government Grant	-	-
Net Expenditure	1,805	2,066

<u>Budgeted Personnel 2022/23</u>	
	<u>Full-time Equivalent</u>
Chief Officers	-
Teachers	-
APT&C	22.1
Manual	-
TOTAL	22.1

HEALTH & SOCIAL CARE PARTNERSHIP

CRIMINAL JUSTICE

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	631	538
Property Costs	18	18
Transport Costs	18	17
Supplies & Services	51	51
Third Party Payments	3	107
Transfer Payments	-	-
Support Services	-	-
Total Expenditure	721	731
<u>Income</u>		
Additional IJB Grant	-	-
Ring Fenced Government Grant	614	614
Other Government Grant	88	88
Non Recurring Income (offset Central Support Uplift)	-	-
Recharge Income (Internal)	-	-
Fees, Charges etc.	-	-
Other Income	-	-
Total Income	702	702
Net Expenditure for Council Tax	19	29
<u>Adjustments</u>		
Ring Fenced Government Grant	614	614
Net Expenditure	633	643

<u>Budgeted Personnel 2022/23</u>	
	<u>Full-time Equivalent</u>
Chief Officers	-
Teachers	-
APT&C	13.4
Manual	-
TOTAL	13.4

HEALTH & SOCIAL CARE PARTNERSHIP

FINANCE AND RESOURCES

	Budget 2021/22 £'000	Budget 2022/23 £'000
<u>Expenditure</u>		
Staff Costs	2,796	3,945
Property Costs	627	542
Transport Costs	-	-
Supplies & Services	38	476
Third Party Payments	169	- 2,379
Transfer Payments	-	-
Support Services	2,420	2,475
Total Expenditure	6,050	5,059
<u>Income</u>		
Additional IJB Grant	30	195
Ring Fenced Government Grant	-	-
Other Government Grant	-	3,320
Non Recurring Income (offset Central Support Uplift) (Note 1)	-	138
Recharge Income (Internal)	-	-
Fees,Charges etc.	18	18
Other Income	603	726
Total Income	651	4,397
Net Expenditure for Council Tax	5,399	662
<u>Adjustments</u>		
Ring Fenced Government Grant	-	-
Net Expenditure	5,399	662

<u>Budgeted Personnel 2022/23</u>	
	<u>Full-time Equivalent</u>
Chief Officers	4.0
Teachers	-
APT&C	79.4
Manual	-
TOTAL	83.4

Note 1 Non recurring income to offset Central Support increase - Support costs currently under review.

SAVINGS PROPOSALS 2022/23

	<u>TOTAL</u> <u>£'000</u>
<u>CHANGE & EFFICIENCY*</u>	
Review of licensing/loan charge budgets	41
Further review of admin/clerical support staff	25
School Transport: Cessation of Mearnskirk Bus Services	29
Adult Learning staffing reduction	17
Realignment of staff travel budgets	26
	<hr/> 138 <hr/>
<u>PROCUREMENT *</u>	
Increased Procurement Contract income	20
ICT Contract Savings	32
Increased Waste/Recycling Contract income	186
	<hr/> 238 <hr/>

FINANCIAL

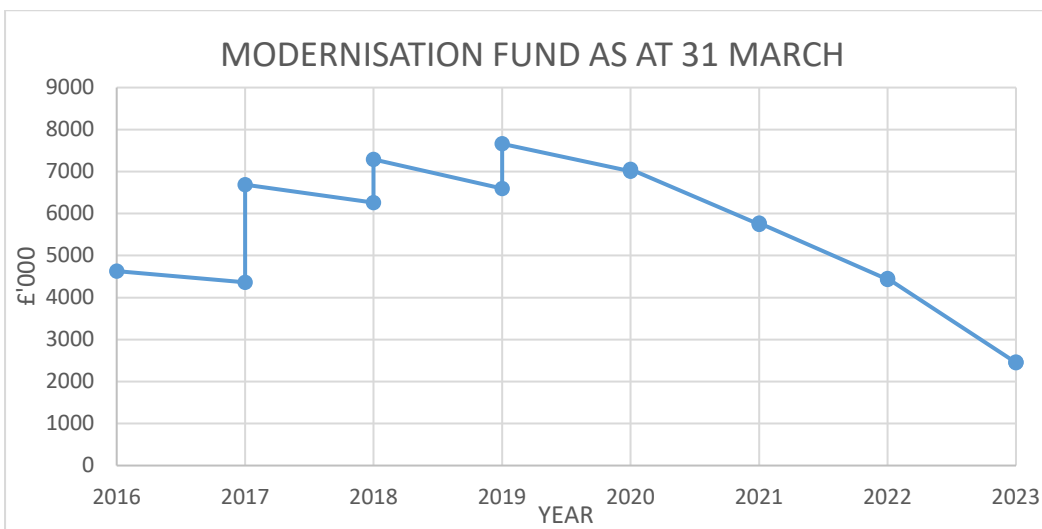
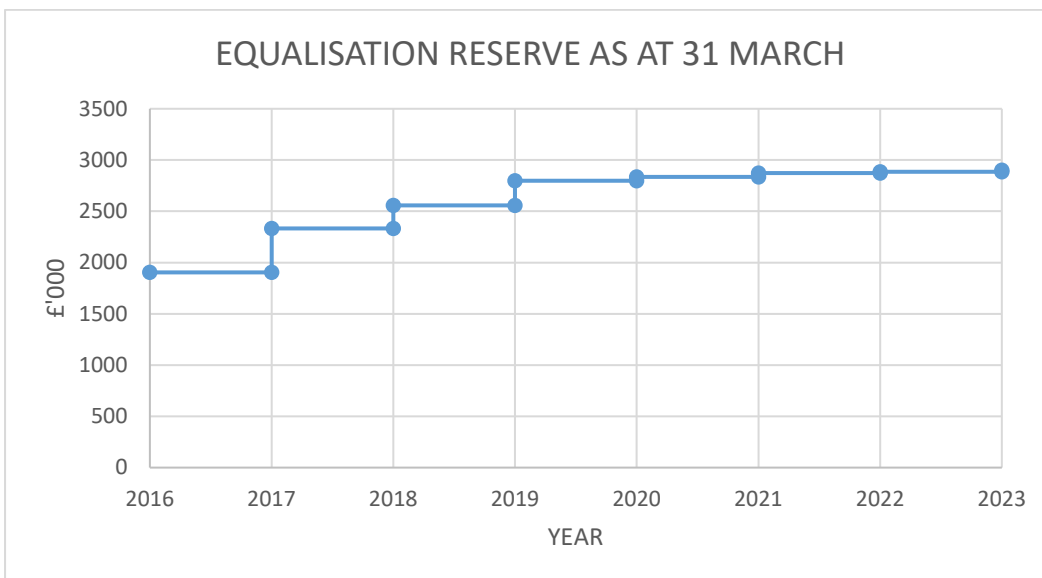
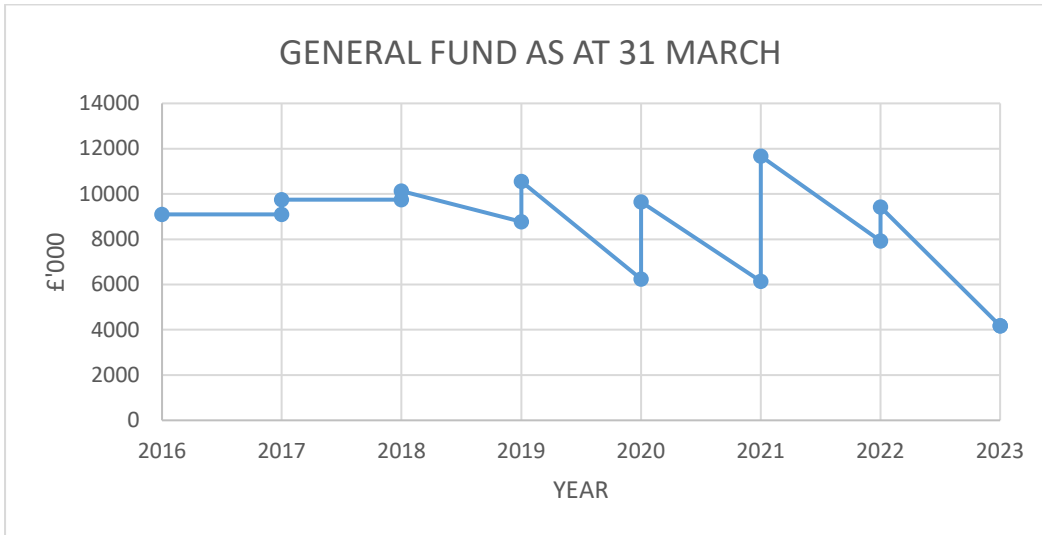
Increase in Duke of Edinburgh Scheme Charges	10
Increased Registration Fees	2
Increase in School Meals Charges	30
	<hr/>
	42
	<hr/>

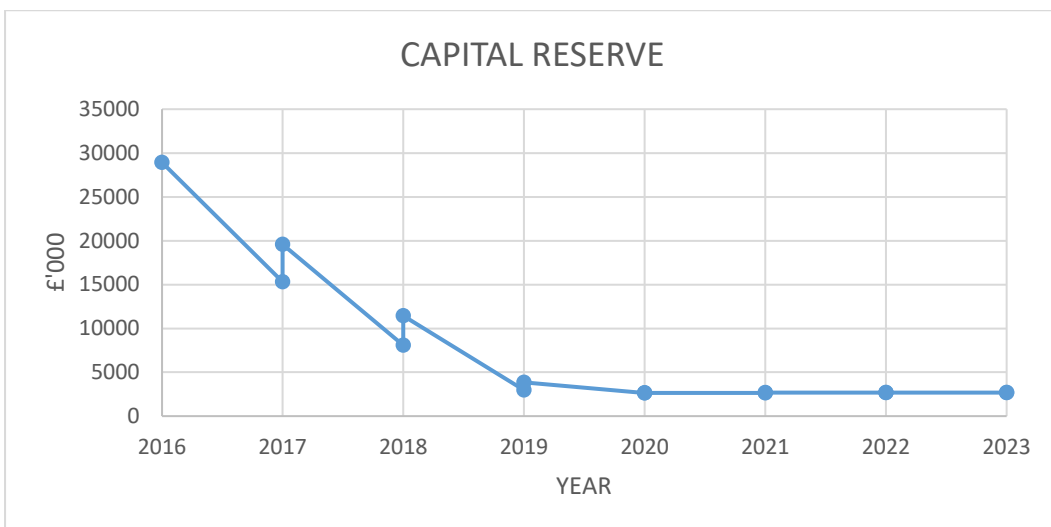
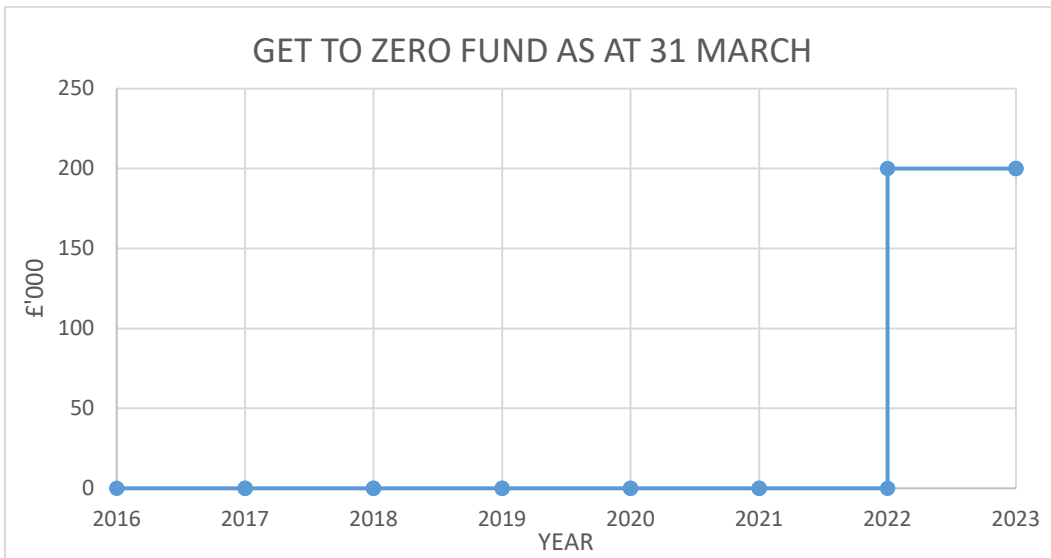
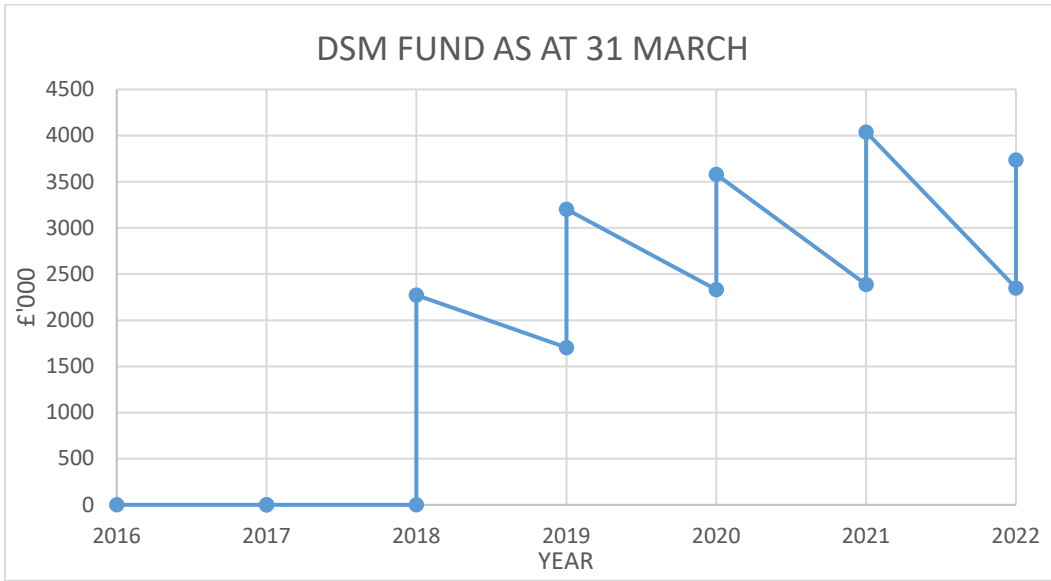
OTHER

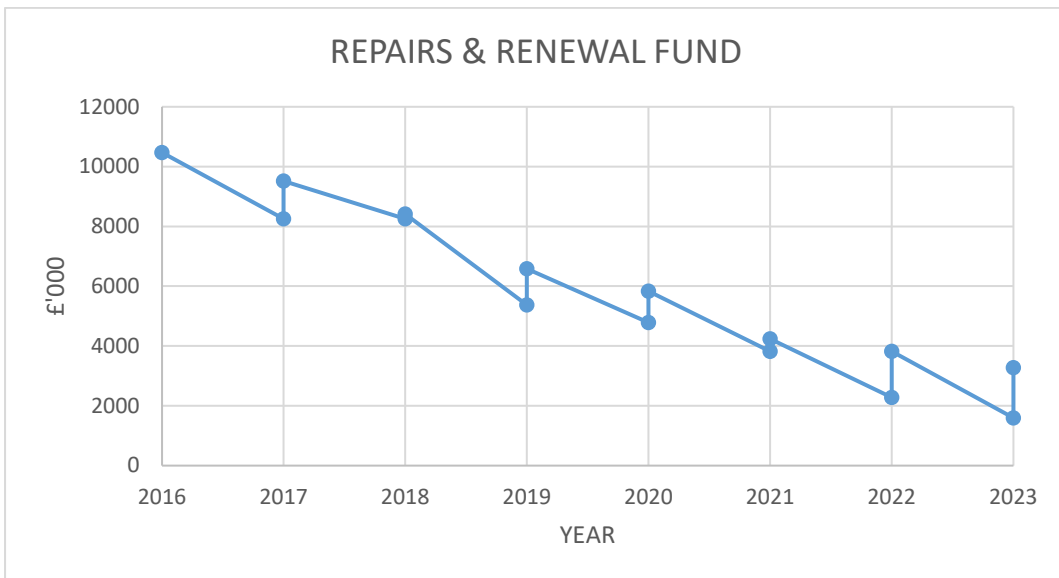
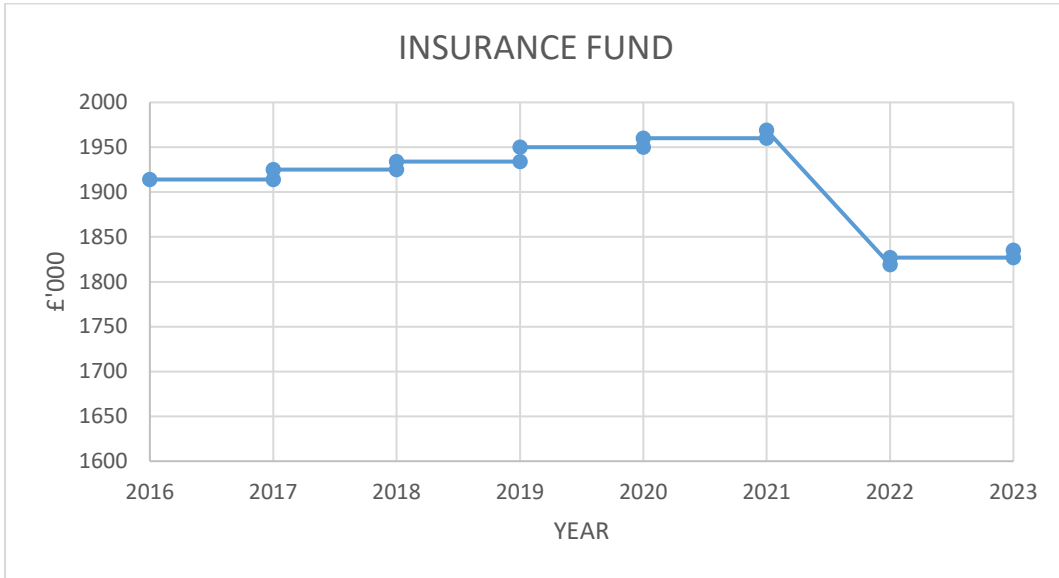
Review/restructure Chief Executive's Office teams	33
ICT Restructure	99
Community Wardens reductions	90
Building Security review	100
Reconfiguration of MART roles	28
Removal of Community Grants budget	14
Review of Revenues, Benefits & Creditors services	74
Realign ELC/School Milk budgets	40
Reduction in Modern Apprenticeships funding	83
School Transport: Removal of FME Transport Additional Eligibility Criteria	15
Reduction in Early Years Change Fund	83
Remove ELC Home Visiting Teacher post	55
Redesign Isobel Mair School Extended School Day Service	5
Redesign Isobel Mair School Extended School Year	62
Reduction in Lowest 20% funding	583
Reduction in Economic Development budget	30
Reduction in Roads/Winter Maintenance budgets	500
	<hr/>
	1,894
	<hr/>
TOTAL PROPOSED SAVINGS	2,312
	<hr/> <hr/>

Additional Investment

New Customer Telecomms system	30
Additional Environmental Health Officer post	36
Local Housing Strategy/Action Plan research & development	30
Additional investment in Legionella/Fire Safety etc.	20
Additional resource to clear Planning backlog	20
	<hr/>
	136
	<hr/>
TOTAL NET SAVINGS TARGET	2,176
	<hr/> <hr/>







BLANK PAGE

EAST RENFREWSHIRE COUNCIL3 March 2022Report by Head of Accountancy (Chief Financial Officer)CAPITAL INVESTMENT STRATEGY**PURPOSE OF REPORT**

1. The purpose of this report is to present for consideration the Capital Investment Strategy covering the long term capital ambitions of the Council. This report, together with the Treasury Management Strategy report, provides background information on the scale, objectives, affordability and risks associated with the Council's capital plans.

RECOMMENDATIONS

2. The Council is invited to approve the Capital Investment Strategy.

REPORT

3. All Councils are required to prepare a Capital Investment Strategy setting out their long term capital ambitions and the associated resource implications and risks. This assists with long term financial and service planning and ensures that capital investment aligns with local, regional and national strategies. The Capital Investment Strategy has been compiled with regards to these requirements.

4. The Capital Investment Strategy has been developed with regard to the Prudential Code 2017 and the Treasury Management Code of Practice 2017.

5. The strategy adopts a corporate approach to long term capital planning, beyond the span of our current capital plans, taking direction from the Council's Outcome Delivery Plan and a range of other key plans and strategies. These objectives, determined by the Council, will be driven forward by the Corporate Management Team, working in conjunction with partner organisations and local communities to ensure that investment is aligned to our strategies and that performance is measured against expected outcomes.

6. Whilst approval of the Capital Plan later on today's agenda will commit to the Council's capital expenditure for 2022/23 only, a long term strategic and financial view is essential for resilience in uncertain times and the Capital Investment Strategy will continue to be updated as new challenges and opportunities arise so that future capital plans can also be adapted.

7. The Council will continue to take a prudent approach to affordability and risk, assessing resource impacts through the prudential indicators and seeking to take a long term view to ensure that funding is in place for the delivery of our capital ambitions. Delivery of projects will also be closely monitored through tailored capital project monitoring at both officer and elected member level.

8. The Council has significant capital investment ambitions across the authority and the Capital Investment Strategy, together with the Treasury Management Strategy, Capital Plan and Revenue Estimates and Financial Planning reports sets out how these will be funded and managed.

CONCLUSION

9. Councils are required to prepare a Capital Investment Strategy, compiled with regard to the relevant guidance, to assist in the long term planning of their capital ambitions.

RECOMMENDATION

10. The Council is invited to approve the Council's Capital Investment Strategy.

Further information is available from:

M McCrossan, Head of Accountancy Tele No. 0141 577 3035

KEY WORDS

Capital Investment Strategy, Capital Plans, Prudential Code, Treasury Management Code.



Capital Investment Strategy

February 2022

BLANK PAGE

Contents

Capital Investment Strategy Intention	3
Focus on the Long-term Approach	4
Summary of Capital Investment Strategy	5
Core Influences on Capital Investment.....	8
Capital Investment Ambition by Strategic Outcome	36
10-year Capital Investment Plan	40
Risk Management and Risk Assessment	51
Governance and Monitoring	60
Appendix A - Summary of Asset Management Plans	62
Appendix B - Capital Project Appraisal Template	66
Appendix C - List of Counterparties for Treasury Investments	80
Appendix D - Risk Management Process	82
Appendix E - Capital Project Appraisal Ratings	84
Appendix F - Action Plan	85

Capital Investment Strategy Intention

We set out a clear and strong direction for the Council in our Vision For the Future in 2020 which sets the scene for our investment ambition. This Capital Investment Strategy will contribute significantly towards addressing the challenges that we are facing in continuing to provide excellent services to our communities, businesses and residents, challenges such as meeting early learning and childcare requirements, achieving housing targets and maintaining school excellence.

Covid will have a long term impact on our communities and our Vision For the Future will be further updated over the next few months to ensure that we focus on the long term recovery for the area. This Capital plan will contribute to that recovery by providing improved schools, leisure facilities and roads, all important for residents and providing a boost to our local economy Our Capital Investment Strategy considers how we can deal with short to medium term financial uncertainty by taking a longer term view of how our capital investment can be put to best effect to meet the needs of the area, as demonstrated in our strategies and plans, such as the Local Development Plan and Housing Strategy.

It is clear that we cannot achieve our investment ambition on our own, we need to work collaboratively with communities and localities to make sure that we have understood local needs properly and that we can deliver what we promise. This means delivering the commitments in our Community Plan, (including the aims in Fairer East Ren) and making sure that this works on the ground through the delivery of locality plans and other community initiatives.

We are realistic about what we can achieve with our known available resources, which is why we are working with partners to deliver regional economic and infrastructure improvements. By working strongly with partners, we are ensuring that our resources can sit alongside external funding opportunities to optimise the benefits for our area. A key example of this partnership working in action is the progress that we are making with City Deal initiatives.

Councillor Tony Buchanan – Leader of the Council

Focus on the Long-term Approach

As we continue to respond to the challenges of the ongoing COVID pandemic, it is all the more important for us to effectively and realistically plan for recovery and the delivery of our intended investment ambition. Our Capital Investment Strategy demonstrates the many influences on our capital plans, particularly external and partner influences, such as Scottish Government policies and the growing collaboration around the Glasgow City Region.

We need to continue to invest for the longer term benefit of our communities but always be mindful that any investment must be undertaken in a prudent, affordable and sustainable manner. Our Capital Investment Strategy takes a whole Council approach, ensuring that all our capital plans are aligned to our long term strategy, Vision For the Future, and measuring performance against our strategic outcomes.

Our Capital Investment Strategy is more than just a financial document. It has been informed by discussions across Directorates and service teams to produce a Strategy which encompasses all investment activities underway and in the pipeline. It explains why we are undertaking these investment activities in delivering our commitments to our communities, businesses and residents.

Our strategic, corporate and financial management processes are essential for achieving financial resilience in uncertain times. We must use our property, land and available resources wisely and ensure that we attract appropriate external funding to our area. Our Capital Plans cover a 10 year time frame and will continue to evolve and be updated as strategic influences change over time, as new challenges and opportunities present themselves and as the delivery of our investment ambition is realised.

Lorraine McMillan – Chief Executive

Summary of Capital Investment Strategy

This Capital Investment Strategy aims to set out our ambitions for capital investment across the full range of services provided by the Council for our communities. Whilst our General Fund and Housing Capital Plans cover the next 10 years, the Capital Investment Strategy considers longer term ambitions and allows them to be reflected in future planning. Not only does this longer term approach ensure that all future resource needs are recognised well in advance, but it also allows any challenges, shortfalls and opportunities for joint development to be identified early and addressed.

The Capital Investment Strategy is closely linked to the Council's medium and long term strategic plans. It is also aligned, however, with a range of national and regional plans and strategies across a number of individual services. This approach is strengthened by working with various partner organisations where appropriate, allowing the Council to benefit from an exchange of best practice and economies of scale.

The Council will now maintain a rolling, detailed 10 year general fund capital plan with new proposals for investment being brought forward annually through a Capital Project Appraisal process to ensure that they align with the Council's strategic objectives and asset management plans, are deliverable, affordable and represent best value. A 10 year rolling capital plan will also be maintained for Council housing stock, taking account of both national and local plans. Any revenue impacts associated with these plans, arising from both funding and / or running / maintenance costs are then reflected in the Council's revenue budget planning.

The Council's proposed 10 year General Fund and 10 year Housing capital plans referred to in this document are derived from the Capital Investment Strategy and aim to deliver on the stated priorities of the Council and its partners. In particular, these focus on the demand for more schools to serve the increasing numbers of houses being built in the area, on the need to replace and upgrade existing leisure facilities nearing the end of their useful life, the requirement to significantly improve the condition of local roads and the commitment to deliver new Council housing across the authority.

Progress against the Council's capital plan is monitored by Cabinet, the Corporate Management Team and full Council, with any major issues examined by the Corporate Asset Management Group to ensure that good practice is followed in all projects. Risks are also identified and managed at both corporate and departmental level.

Whilst the Corporate Management Team will ensure that asset management plans and capital ambitions are continuously updated to take account of developing local and national strategies, the Chief Financial Officer will oversee the formal annual update of the Council's Capital Investment Strategy.

Relationship to other plans and strategies:

The Capital Investment Strategy does not stand in isolation but is closely linked to the strategic and operational plans developed by the Council and its partners. Figure 1 illustrates how our capital planning process aligns with both medium and long term local plans.

Figure 1: Integrating Strategic Plans and Operational Management

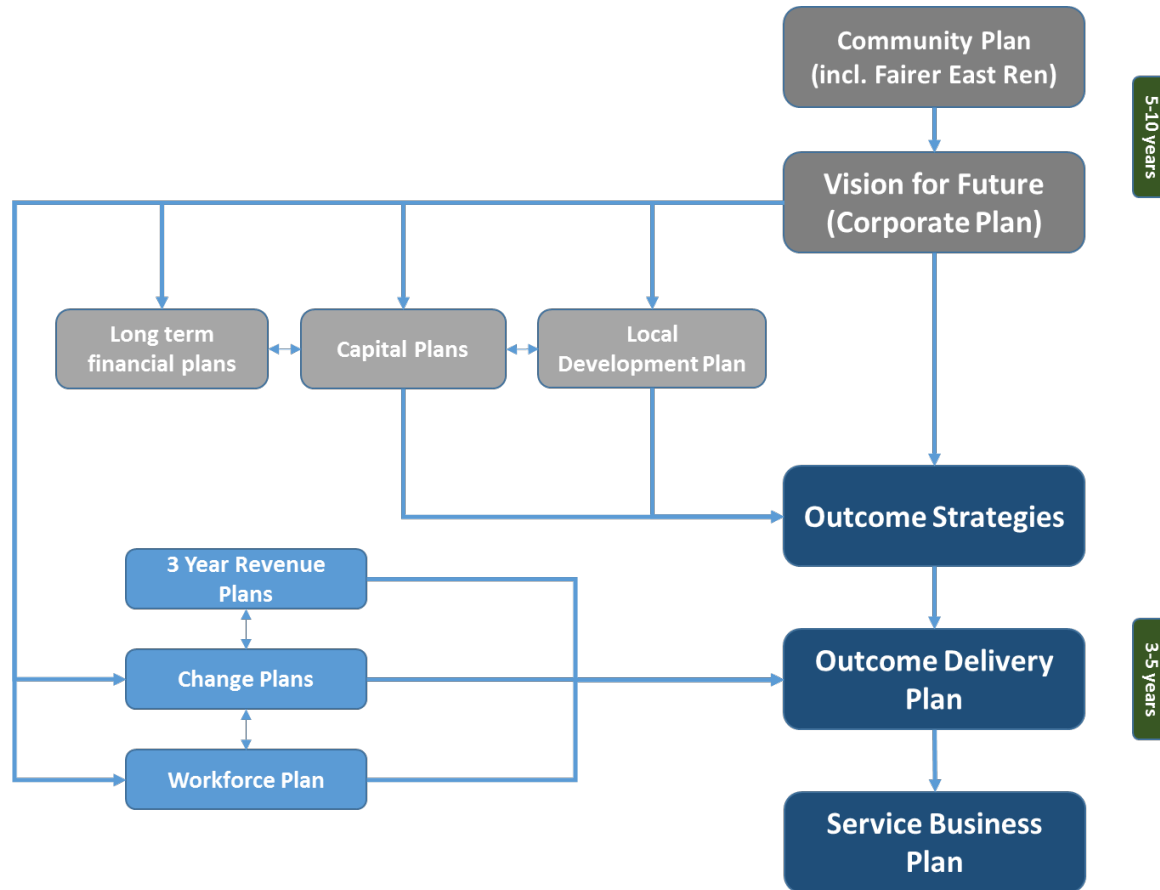
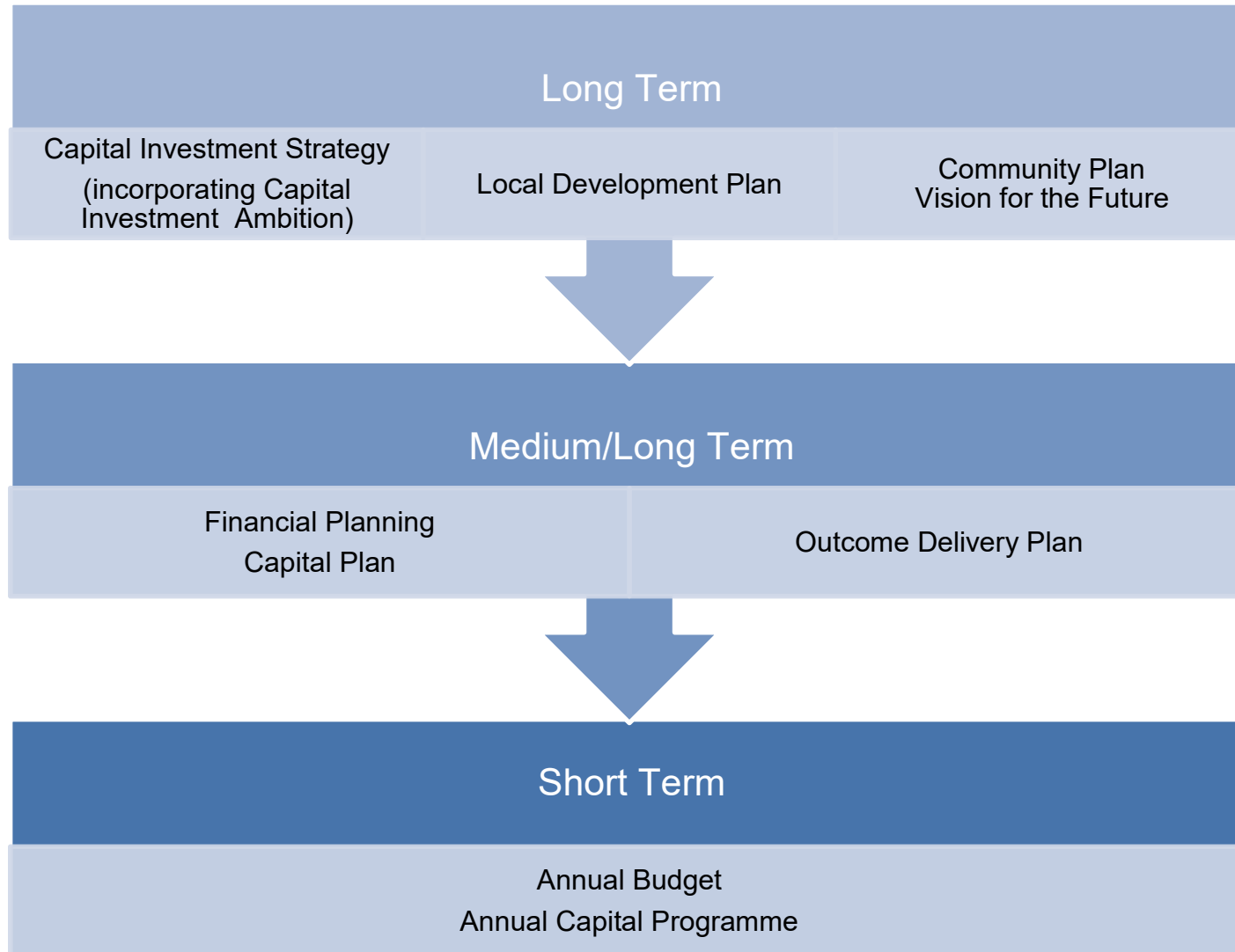


Figure 2: Summary of links to other plans and strategies



The above two diagrams show how the Capital Investment Strategy relates to the Council’s overall aims and flows thorough to our multi-year capital plans and the capital programmes for the coming year.

Core influences on Capital Investment

Our Capital Investment Strategy is influenced by many different factors. We have named them core influences, as these must be taken into account before establishing the appropriate strategy for contributing to the delivery of our Strategic Outcomes. In addition to the Council's own aspirations, these also reflect the ambitions of our local and regional partners as well as national strategies. More broadly, changing demands and demographic factors as set out in the Council's long term Financial Planning paper and our Planning for the Future statistical document also impact on our capital ambitions.

The following chart illustrates our core influences:

Figure 3: Summary of influences on the Capital Investment Strategy

<h2>National</h2>	<ul style="list-style-type: none"> • Scottish Govt: Housing to 2040 • Scotland's Economic Strategy • Scotland's National Transport Strategy • Net Zero Carbon in Public buildings by 2045 • Climate Change (Scotland) Act 2009 and secondary legislation • Climate Change Plan Update • Energy Efficiency Standard for Social Housing • Early Learning & Childcare Policy • Learning Estates Strategy • Scottish Govt: Gaelic Language Plan
<h2>Regional</h2>	<ul style="list-style-type: none"> • Glasgow & Clyde Valley City Deal • Strathclyde Partnership for Transport Regional Transport Strategy • Glasgow City Region Adaptation Strategy

Local

- Community Plan
- Fairer East Ren
- Locality Plans
- Local Development Plan
- Outcome Delivery Plan
- Digital Transformation Strategy
- Local Housing Strategy
- Corporate Asset Management Plans
- SFT Learning Estate Metrics
- Climate Change Strategy & Action Plan (called Get to Zero Strategy & Action Plan – currently under development)

Our Capital Investment Strategy has taken account of the external, partner and internal influences in shaping our approach. The following sections provide a summary of main points and our strategy and intended actions in each case:

National influences

Climate Change Plan Update (December 2020)

Scottish Government has set an ambition to transition to a net-zero carbon Scotland for the benefit of our environment, people and prosperity.

All of the council's capital expenditure will need to be reviewed in light of the requirement to achieve net zero greenhouse gas emissions by 2045. This will be an ongoing process over a number of years and will require investment decisions to be re-appraised on a case by case basis. At the moment the cost of this and the funding that could become available is unknown. A draft climate change strategy or 'get to zero' strategy is being prepared and will then be subject to a Strategic Environment Assessment before full adoption.

The key actions which Scottish Government and therefore East Renfrewshire Council will focus on are:

- Reducing greenhouse gas emissions through a transition to a net-zero economy and society
- Driving Scotland's adaptation to climate change
- Supporting decarbonisation in the public sector
- Engaging with business and industry on decarbonisation
- Encouraging individuals to move towards low carbon living
- Supporting local communities to tackle climate change.

[**Link to Climate Change \(Emissions Reduction Targets\) \(Scotland\) Act 2019**](#)

[**Link to Climate Change Plan Update \(2020\)**](#)

Housing to 2040

The Capital Investment Strategy will make links to the Scottish Government housing strategies and initiatives, and to the Council's Local Housing Strategy and Strategic Housing Investment Plan, in terms of the contribution that the Council's capital investment ambition is expected to make to the wider expectations for addressing the housing need in Scotland.

Supporting information:

[**Scottish Government Housing to 2040**](#)

More Homes Scotland

The existing Government initiative, More Homes Scotland, has put in place a commitment to year-on-year funding for affordable homes to be shared by councils across Scotland, via the Affordable Housing Supply Programme (AHSP) and bringing housing and planning requirements closer together through the Housing and Planning Delivery Framework.

The £3.6 billion investment from 2020-21 to 2025-2026 is intended to give councils and housing associations the certainty they need to help deliver the ambitious affordable homes target – 100k affordable homes by 2032, of which at least 70% will be available for social rent. This will continue to ensure delivery of the right homes in the right places.

Supporting information:

[More homes - gov.scot \(www.gov.scot\)](http://www.gov.scot)

Housing to 2040: a conversation

Housing to 2040, published in March 2021, is Scotland's first long-term national housing strategy with a vision for what housing should look like and how it will be provided to the people of Scotland, no matter where they live and what point in their life they are at. The ambition is that everyone in Scotland should have access to a warm, safe, affordable and energy efficient home that meets their needs.

In light of this there are emerging new housing policies and initiatives driving energy efficiency improvements and to address challenges such as child poverty and an ageing population, which will have to shape our local plans and we will continue to reflect this through the development and implementation of our Local Housing Strategy to be published in late 2022. We continually monitor Scottish Government housing policy activity in order to address any resulting opportunities or challenges and will update the Capital Investment Strategy accordingly.

[Housing to 2040 - gov.scot \(www.gov.scot\)](http://www.gov.scot)

Scotland's Economic Strategy

Scotland's Economic Strategy sets out four priorities for sustainable growth. The Council's Capital Investment Strategy seeks to demonstrate the alignment of the local economic strategy to the national strategy.

The East Renfrewshire area currently has a relatively modest level of business activity. However, given the population growth expectations and the desirability of the area for families, particularly related to school excellence, there is merit in considering the potential knock on effect to business activity, particularly with regard to retail and leisure provision.

The Council and its partners have developed a Regional Economic Strategy which covers the wider City Deal region.

The development of East Renfrewshire Economic Strategy will be informed by the Local Development Plan and link to Scotland's Economic Strategy and the Regional Economic Strategy. Once adopted, the Economic Strategy will inform the Council's capital investment plan, as part of the Capital Investment Strategy,

Supporting information:

[Link to Scotland's Economic Strategy](#)

Scotland's National Transport Strategy

The new National Transport Strategy for Scotland (NTS2) was launched in February 2020 and provides a Vision for Scotland's transport system over the next 20 years. The Strategy contains four key Priorities, each with three associated Outcomes for a sustainable, inclusive, safe and accessible transport system, helping to deliver a healthier, fairer and more prosperous Scotland for communities, businesses and visitors. The key Priorities are:

- Reduce inequalities – “Everyone in Scotland will share the benefits of a modern and accessible transport system”
- Take climate action – “People will be able to make travel choices that minimise the long-term impacts on our climate and the wellbeing of future generations”
- Help deliver inclusive economic growth – “Scotland will have a transport system that will help deliver sustainable and inclusive economic growth enabling the whole country to flourish”
- Improve our health & wellbeing – “Scotland's transport system will be safe and enable a healthy, active and fit nation”

The Strategy also sets the scene for the Regional Transport Partnerships. In the case of East Renfrewshire the national Strategy influences the Strathclyde Partnership for Transport strategies and plans. The publication of a new Regional Transport Strategy was delayed due to COVID and is planned to be completed by the end of 2022.

East Renfrewshire is demonstrating its alignment with national and regional transport strategy via the strategic City Deal projects. This is considered in more detail below.

2019 - 2020 saw the commencement of 2 of the major City Deal roads projects, Balgraystone Rd (completed in 2020) and Aurs Rd realignment (start on site 2022) although there have since been some delays due to Covid-19. Barrhead Rail Station has also been confirmed and will start on site in 2023. As the position becomes clearer on the City Deal transport project details the Council will consider if there is any further need for transport infrastructure in the area, over and above what will be achieved from the current funding package. Any capital investment ambition that is unmet will form the basis of future discussions with Scottish Government and strategic partners.

When seeking to determine the longer-term strategy for the Council, it is not immediately possible to identify investment in any detail beyond the current City Deal timescale. However, development of a refreshed Local Transport Strategy will outline key policies, plans and actions to deliver key transportation, health, environmental and sustainability Outcomes in line with national, regional and local Strategic Objectives, including the East Renfrewshire Community and Fairer East Ren Plan Outcomes. East Renfrewshire Council will work with partners and stakeholders in order to develop key proposals including the development of local active travel networks (to enable more walking, cycling and wheeling for everyday journeys), encourage greater use of public transport, promote low-carbon transport modes, (such as development of electric vehicle infrastructure) as well as actions to reduce car dependency and promote greater inclusivity across the transport network through Community Transport options. On this basis, the Council will consider any risks, financial and non-financial, which will inform decision making at a local level.

Supporting information:

[Link to Scotland's National Transport Strategy](#)

Early Learning and Child Care

Early Learning and Childcare (ELC) in East Renfrewshire is mainly provided by the local authority, with a relatively low proportion of children receiving their ELC in a funded (partnership) provider (i.e. private, voluntary and independent sectors and childminders). The ERC facilities operate at relatively high occupancy levels and are organised into 4 geographical communities.

From August 2014, all local authorities had a duty to increase provision to 600 hours of free ELC for all 3 and 4 year old children and eligible two year olds; and to introduce some flexibility on how entitlement is provided for parents. This placed demands on the capacity (available places) and resulting occupancy levels of East Renfrewshire ELC facilities. The Council has expanded provision to meet these duties for example with the creation of the new Cart Mill Family Centre, increasing the nursery class at Calderwood Lodge Primary School and the extended new build replacement Arthurlie Family Centre. In addition, further early years places for population growth have been created with two new nursery classes which opened in August 2019, at St Cadoc's and Maidenhill primary schools.

The Scottish Government's A Blueprint for 2020: The Expansion of Early Learning and Childcare in Scotland increased the entitlement to 1140 hours per year of free ELC for all 3 and 4 year olds and eligible 2 year olds by 2020. This vision effectively doubled the entitlement to free ELC and was underpinned by the key principles of quality, flexibility, accessibility and affordability. However, in addition to requiring more places, the planning of such changes more difficult and occupancy levels less efficient with greater parental choice and the commitments of increased flexibility and accessibility of provision.

East Renfrewshire planned ELC expansion over a number of years through increasing places provided by the local authority and funded through partnership with the private, voluntary and independent sectors and childminders. Proposals considered ongoing and future new residential development under local development planning. In addition to the new ELC facilities noted above, the Council established 6 new ELC centres/ new build larger replacements (Busby, Crookfur, Cross Arthurlie, Eaglesham, Glenwood and Overlee) and 2 more modest extension/remodelling of existing early year's facilities at Carolside and Hazeldene. This equated to around £24 million of capital investment, of which circa £12 million was provided from the Scottish Government for 1140hours.

The new entitlement was to take effect from August 2020 in line with legislation, however with the impact of the COVID-19 pandemic in 2020, Scottish Ministers relaxed this date.

However recognising the benefits for children and their families of ELC, East Renfrewshire exercised its contingency plans and was able to provide an offer of 1140 hours for August 2020, albeit on a more limited basis than the original intended offering. As new facilities became available the level of flexibility increased and from August 2021 with all provision in place, all families were offered an ELC place as part of our original intended delivery model

It was highlighted to the Scottish Government that there was a shortfall in revenue funding allocated for implementation of 1140 hours to operate East Renfrewshire's original proposed delivery model in full. A national review of the overall funding ELC funding has recently been completed but the revised distribution of funding will only be fully phased in over 3 years. Generally over the years there has been a reasonable level of flexibility and accessibility to full day and holiday provision for families in East Renfrewshire within their own geographical community. This is at risk in the future if there is insufficient revenue to take forward our preferred delivery models.

Beyond establishing expanded early years provision of 1140 hours, the availability of and demand for ELC places throughout the authority will continue to be subject of regular monitoring and review. This will take into account future local planning processes and resultant new housing land supplies, other demographic changes and relevant modifications to the educational estate as a consequence of local/national educational policy. East Renfrewshire will be reviewing its provision in light of new legislation laid in the Scottish Parliament by the Scottish Government in December 2020 regarding funded early learning and childcare places for all children who defer their primary one start. All parents and carers in Scotland have the legal right to defer their child's entry to primary school if they are not yet 5 years old at the beginning of the school year. In the current system, the youngest children (those with a January or February birth date) are automatically entitled to an additional year of funded ELC; and those with an August to December birthday can still defer their school start, but that does not automatically come with funding for an additional year of ELC. The new legislation will mean that, from August 2023, all children who defer will be entitled and able to access funded ELC. The

Scottish Government and COSLA have agreed to the phased implementation of this policy learning from some pilots on the lead up to the 2023 implementation date. With the increase in the number of children in ELC settings this approach is to inform assessment of likely uptake of the entitlement and improve the understanding of the consequent impact on available capacity and financial implications. This national implementation plan will inform local assessment of what this means for East Renfrewshire and feature in future reports.

The Children and Young People (Scotland) Act 2014 requires local authorities to consult on early learning and childcare every 2 years, and East Renfrewshire is again doing so in 2020/21. This will include seeking to address the changing needs of families with regards flexibility and choice and changes in provider status, reflecting available resources.

This evolving requirement will need to be updated in future iterations of the Capital Investment Strategy. It is a relatively high-risk area from a service delivery, asset and financial perspective, which is addressed in the Capital Investment Strategy risk assessment.

Supporting information:

Link to Early Learning and Child Care

We aim to build upon our high-quality Early Learning and Childcare (ELC) system by ensuring children and families have accessible and affordable childcare that is complemented with school and out-of-school care.

ELC will provide families with flexibility and choice which will enable parents to work, train or study, especially those who need help with finding sustainable employment.

Increasing the free entitlement to ELC

We will work in partnership to identify eligible two year olds and optimise uptake of early learning and childcare.

We will provide free Early Learning and Childcare to all 2 year old applicants living in SIMD areas 1 and 2. This will improve outcomes for all children, especially those who are more vulnerable or disadvantaged, and help to close the attainment gap.

Increasing the entitlement and providing flexibility and choice to meet the needs of families will require a substantially larger workforce, significant investment in infrastructure, and new, innovative models of delivery.

Early learning and childcare access in a deferred year: joint implementation plan

Joint Scottish Government and Convention of Scottish Local Authorities (COSLA) plan for funded early learning and childcare places for all children who defer their primary one start.

The Scottish Government have laid legislation in the Scottish Parliament which will mean that, from August 2023, all children who defer their start to school will automatically be able to access funded ELC.

Learning Estate Strategy: Schools

The ambition for East Renfrewshire's learning estate is an inclusive one at the heart of the community with quality environments and experiences to support skills for learning, life and work and a focus on meeting needs of learners and supporting staff, families and communities to thrive. In so doing the estate should contribute effectively to the aspirations, principles and objectives of Scotland's Learning Estate Strategy, the achievement of the Council's corporate and community objectives and the policies of the Education Department, which are exemplified in the department's vision of *Everyone Attaining, Everyone Achieving through Excellent Experiences*. The intent is to seek investment to continually improve East Renfrewshire's learning estate both physically and digitally and ensure sufficiency of education places.

The Council has a well-earned reputation for providing an excellent education for children and young people and such success has contributed to a growth in the number of pupils in schools and children in early years' facilities. The number of East Renfrewshire resident pupils has risen significantly from 2012 to 2020; and based on the National Records of Scotland projections show the children and young people cohort continuing to grow over the next 25 years. Accordingly, many educational establishments already have high occupancy levels and others are increasingly starting to face pressure. New build housing naturally is in part facilitating this increase in demand for early learning and school places, notably in both the east and west of the authority. However pupil numbers are also increasing in established residential areas with families attracted by the education and the local environment at an earlier stage in their children's development than was historically the case; the demand for catchment school places in the denominational sector continues. As well as this growth in demand from a resident population, schools attract a significant number placing requests from families out with the authority which we must accept within the legislative framework, albeit that the number of granted placing request applications has decreased over recent years given the demand for catchment places; this has led to an increase in legal challenge placed upon the Council.

Changes in educational policy can impact on infrastructure requirements of the education estate.

In January 2021 COSLA and the Scottish Government reached agreement on the phased expansion of free school meals to include all P4 pupils from August 2021 and P5 pupils from January 2022, with remaining year groups (P6 & P7) being included from August 2022. Whilst the introduction of free school meals for pupils at P5 was introduced in January 2022, the expansion of free school meals to P6 and P7 has been delayed following an announcement by the Scottish Government in December 2021, and will now take place during the span of the current parliament.

East Renfrewshire Council encourages families and children to access the school meals service in order to ensure that all children have access to at least one healthy and nutritious meal per day given the physical and educational benefits this brings; consequently the level of uptake of free school meals across East Renfrewshire at the P1-P3 year stages following its universal introduction in 2015 is above the national average and one of the highest in Scotland. With such high occupancy and school meal uptake levels, schools currently manage communal areas effectively to ensure that children have access to large indoor areas such as dining areas and gym halls for the purpose of educational experiences such as physical education, drama and assemblies as well as for wider requirements such as school dining and catering. This currently results in schools necessitating multiple dining sessions each day to accommodate all P1-P4 children, means assessed eligible P5-P7 children and those children who wish to pay for a school meal, so as to avoid impact on the delivery of the curriculum. In order to ensure that the Council is able to meet its duty to provide a free school meal each day to every child in the primary sector, additional kitchen/catering facilities will be required to allow food preparation and modifications/extensions to kitchen/food preparation areas and school dining facilities will be required to accommodate the significant increase in the number of children who will be entitled to a daily free school meal. At this time, the Education Department has identified the most critical establishments which require facilities/modifications/extensions to be enacted as soon as possible to cater for the P5 expansion in the short/medium term, and in time for the introduction of free meals at P6 and P7. The Education Department will continue to review its current provision in order to ensure capacity for all primary stages in future. At this point, additional capital funding has been confirmed by the Scottish Government to support the extension of P4 and P5 meals, however the Council's allocation has not yet been announced,

The Capital Plan includes provision for an extension at St Ninian's High School (2021/22) to temporarily increase the school's planning capacity as a consequence of a change in schools admission arrangements. The initial element of the programme is complete with the extension in place and useable slightly later than anticipated (just after the commencement of the school year) as a consequence of the impact from Covid-19 on the building sector. Remodelling of the school's accommodation will be required in the medium term related to the extended provision.

The need to ensure that all educational buildings are 'fit for purpose' is an active driver in developing and maintaining the learning estate and in achieving the policy aims of excellence and equity for all.

In September 2019 East Renfrewshire was informed that it was successful in attracting some funding support from the Scottish Government's new Learning Estate Investment Programme (LEIP). This will help take forward the campus approach in the Capital Plan to improve facilities for Learning and Leisure in the village of Neilston, which includes new build replacements for Neilston and St Thomas' primary schools and Madras Family Centre. In summer 2020 the project team was appointed and consultation was undertaken on realising the first phase of the new Learning Campus on the Neilston/Madras site and the next phase based on the vacated St Thomas's site focussed around further improvements to leisure for the village. The project is progressing.

These school buildings in Neilston were identified as having the highest priority in need of renewal. There will be other projects that the Council will need to reflect in future Capital Investment Strategy and Capital Plan updates to address the ongoing need to renew/refurbish older schools whose condition and suitability deem them in need of investment.

At present, Carolside and Cross Arthurlie primary schools and the older wings of Woodfarm and Mearns Castle high schools have the lowest rated buildings in terms of condition in East Renfrewshire. The newer wings at these secondary schools are in very good condition and provide a modern learning environment. Carolside and Cross Arthurlie are currently the primary school buildings with the highest priority where their suitability and condition are in need of investment. The Council is intent on addressing these priorities as soon as it is able to do so and is currently progressing feasibility and options appraisal studies for the redevelopment of both schools so that the Council is well placed to submit further submissions for the third phase of the Learning Estate Improvement Programme when this funding contribution is announced by the Scottish Government and local financial conditions permit. As noted, the Council will continue to explore funding opportunities to lever in additional investment to improve the condition and suitability of its learning environments.

Whilst new and refurbished schools have very good/excellent physical environments, there is the need to provide all learners with fit for purpose modern education facilities; however it is recognised that this will take some time to realise on a wholesale through major new build/refurb. In the interim to help progress improvements in the Council's older schools, capital provision is included in the Capital Plan providing an annual provision to upgrade learning environments to meet needs of modern learning styles and curriculum.

The impact of the Covid-19 pandemic has further highlighted the need to improve the school estate specifically to mitigate against viruses such as Covid-19, but more generally to improve the conditions in which learners and staff are operating in order to allow our children and young people to be successful. Whilst Covid has highlighted the need for good ventilation and reduced levels of CO² to mitigate against transmission of the virus, as a consequence of these considerations it has also highlighted the general need for good ventilation given the positive impact that this can have on learners' physical ability to learn. Outdoor learning has been a national focus for some time now, however Covid-19 encouraged schools to make greater use of outdoor learning spaces to mitigate against the virus. Consequently this has highlighted the inequity of outdoor learning environments across our school estate and the need for further improvement in this regard.

There are other specific projects to address curricular need such as in response to subject choices/uptake levels/ curricular entitlements that impact on the learning and teaching environment. For example the Capital Plan includes provision for a new synthetic sports pitch and athletics track to provide sufficient modern PE spaces to meet needs at Mearns Castle High School; this project is now progressing with works taking place on site as of January 2022.

With the growth in the number of pupils, providing sufficient school places for residents continues to be a very high priority and is under close monitoring and review; last year capital provision was made for an extension at Crookfur Primary School to open in 2023/24.

Based on information to date, a close watching brief continues to be required in the Busby and Eaglesham areas to ensure there are sufficient primary non-denominational places in the medium term. Should pressure on places at Eaglesham Primary continue there is a need for a new extension and some internal remodelling at the school. This is currently anticipated to be required from around 2026; and with the nursery now relocated to its new build on the school grounds, the area previously used by the nursery in the school building provides some additional space in the interim as we continue to keep under review. Likewise close monitoring of places at Busby Primary will continue where it is currently anticipated there is a need to increase pupil places around the same time. The new build nursery at Busby opened in 2021 and will offer at least an interim solution over the next few years.

With the new approved residential development brought forward and planned in parts of Barrhead, going forward the sufficiency of places in the primary denominational sector requires to be addressed based on information to date. There is scope in St John's Primary building to accommodate additional pupils, but plans highlight that St Mark's Primary could be facing pressure which requires additional provision from around 2025. This will be kept under review but could mean an extension to increase St Mark's from a 2-stream (class intake) to a 2.5 stream school based on anticipated pupils.

There is also a need to increase the very specialist places for our most vulnerable children and young people. East Renfrewshire has only one special school - Isobel Mair - which is experiencing pressure on places as a consequence of additional residential development, but also due to families moving into the area to access this widely recognised and valued specialist provision. Over the past 10 years the number of children who are enrolled at Isobel Mair School has increased by over 50% and so facilities at the school are becoming stretched; additional temporary accommodations are being introduced at the school to accommodate the increasing roll.

The additional support needs of children attending Carlibar Communication Service (CCS) has changed over time with increasingly more complex children presenting with significant social and communication needs that require full time continued support within Carlibar Communication Centre (CCC). Over the past few years the delivery model for children attending the CCC has changed with a greater number of children now attending the centre on a full time basis and a reduction in the number attending on a split placement. In general, the overall number of children accessing the services offered at the CCC has increased over the past few years, with a larger number of children joining the CCC each year, than has been leaving it.

Currently, young people who are not ready for transitioning fully to mainstream secondary education attend the Williamwood Communication and Support Service, with just under 75% of those having transitioned from the Carlibar Communication Centre (CCC). There is an increasing number of young people who have been evaluated as not being able to transition to a mainstream secondary setting (or who are not currently coping within a mainstream secondary) moving to WCSS having not previously received any support from CCC. Similarly to the Carlibar Communication Service, with an increasing number of children joining the WCSS over the past few years, the roll has grown. This places a greater demand on the small finite number of places available at the WCSS.

When analysing the needs of the children who currently attend the CCC, and assuming a similar increase in the number of additional places requested as has been observed in recent years, it is predicted that the roll of pupils in attendance at the CCC will increase significantly in the next 3-5 years, potentially by around 25%. This projected increase in pupils in attendance at the CCC will obviously result in the requirement for a greater number of places at the Williamwood Service; however there is not the physical capacity to increase the number of places at the WCSS to accommodate the projected increase in pupils attending the CCC (and those who transition from mainstream) and who require this specialist provision in the secondary sector.

The authority is taking forward a review of provision as part of a wider assessment of the needs of ASN services across the authority looking at how best to address needs in the short and longer term. Any plans would be taken forward sensitively, within legislation and with the community.

The Gaelic Language (Scotland Act) 2005, and subsequent accompanying Scottish Government Gaelic Language Plans are intended to put in place the necessary structures and initiatives to ensure that Gaelic has a sustainable future in a modern and vibrant Scotland. The Education Scotland Act (2016) establishes a process by which parents can request Gaelic Medium Primary Education (GMPE) from their education authority (if GMPE is not currently being provided) and places a duty on education authorities to promote and support Gaelic education. On receipt of a request for GMPE education authorities must consider the demand for GMPE and where it is considered that at least five children of the same pre-school year group have/will request GMPE, then in accordance with the 2016 act, an obligatory full assessment of demand must be undertaken. The need for a full assessment of need for GMPE does not currently extend to early years or to the secondary sector, albeit statutory guidance is clear that there may be a move towards inclusion of early years in future. At this time children who reside in East Renfrewshire are accessing Gaelic Medium Primary Education but this is currently being provided by other neighbouring local authorities. Over time demand has increased within the authorities who currently accommodate East Renfrewshire residents and so it is likely that such places may not be available in the future. In October 2021, the Education Department received a request from a parent resident in East Renfrewshire seeking an assessment of the demand for GMPE from East Renfrewshire residents, which subsequently resulted in the department progressing to a full assessment of the need for GMPE. In accordance with legislation the department considered mandatory matters and sought the views of statutory consultees, with the responses received from the statutory consultees being in favour of establishing GMPE in East Renfrewshire Council. Furthermore, the department contacted all other parents/carers who had indicated

a desire for their children to be educated in GMPE in the initial request, to determine if this remained the case; the number of positive responses met the legislative threshold for GMPE in any one year group. Consequently, the department will now progress with plans for learning provision for Gaelic Medium Primary Education for the beginning of school session 2023/24 and consequently adaptations to current educational establishment(s), or a new establishment, is required to accommodate such a service.

As part of the Scottish Government's recovery plans from the Covid-19 pandemic there is a commitment to increase the number of teachers within Scottish education and an ambition to reduce the class contact time of teachers so as to provide additional time for preparation for high quality learning and teaching. In addition there have recently been calls nationally for a reduction in the teacher/pupil ratio which determines the maximum number of pupils in a class being taught by one teacher at any time. Should there be a change in the pupil/teacher ratio, this may impact upon the current configuration of the school estate.

The Main Issues Report sites (MIR2) associated with the initial LDP2 reflected increased housebuilding and population growth with a major impact on new school requirements. In June 2019 the Council approved that the Proposed LDP2 would be about adopting a strategy of consolidation and regeneration through to 2029. Additional residential development and the resulting requirement of realignment of, or significantly more education infrastructure, will be addressed when LDP3 is progressed.

The requirements for new build as known to date, are as noted above, and are included in capital planning. The Education Department will continue to monitor, evaluate and respond to the evolving requirements of our resident population for educational places throughout the learning estate including to the specialist requirements of our additional support needs sector to ensure the Council can meet its statutory obligations now and in the future. This will take account of future local planning processes and resultant new housing land supplies, other demographic changes and relevant modifications to the educational estate as a consequence of local/national educational policy. Should this signal the need for investment, this will be considered at that time with any changes to the learning estate the subject of future committee and council reports, take account of any necessary consultation and reflected in future Capital Investment Strategies and Capital Plans.

Supporting information:

Link to Scotland's Learning Estate Strategy

In September 2019, The Scottish Government and COSLA published their coproduced joint vision for the learning estate of the future which supports excellence and equity for all, Scotland's Learning Estates Strategy- Connecting People, Places and Learning.

The joint strategy comprises the following principles to guide investment in the learning estate:

- Learning environments should support and facilitate excellent joined up learning and teaching to meet the needs of all learners;*
- Learning environments should support the wellbeing of all learners, meet varying needs to support inclusion and support transitions for all learners;*
- The learning estate should be well-managed and maintained, making the best of existing resources, maximising occupancy and representing and delivering best value;*
- The condition and suitability of learning environments should support and enhance their function;*
- Learning environments should serve the wider community and where appropriate be integrated with the delivery of other public services in line with the place principle;*
- Learning environments should be greener, more sustainable, allow safe and accessible routes for walking, cycling and wheeling and be digitally enabled; Outdoor learning and the use of outdoor learning environments should be maximised;*

- *Good consultation about learning environments, direct engagement with learners and communities about their needs and experiences, and an involvement in decision making processes should lead to better outcomes for all;*
- *Collaboration across the learning estate, and collaboration with partners in localities, should support maximising its full potential; and finally,*
- *Investment in Scotland's learning estate should contribute towards improving learning outcomes and support sustainable and inclusive economic growth.*

The national digital strategy defines a number of strategic actions which in many ways mirror the strategic digital outcomes within the Council:

- Digital support for businesses
- Digital talent
- Digital transformation
- Using data effectively
- Digital identity
- Technology standards and assurance
- Broadband and mobile
- Digital participation
- Data linkage

Education Scotland has also developed a national digital strategy called the “Digital Learning and Teaching Strategy for Scotland”. This strategy results in direct change within the Education Department and has been used to inform and influence the Council’s Education Digital Strategy.

This strategy has four key objectives:

- Develop the skills and confidence of educators in the appropriate and effective use of digital technology to support learning and teaching
- Improve access to digital technology for all learners
- Ensure that digital technology is a central consideration in all areas of curriculum and assessment delivery
- Empower leaders of change to drive innovation and investment in digital technology for learning and teaching

[Link to Digital Learning and Teaching Strategy for Scotland](#)

NHS Scotland have developed a Digital Health and Care Strategy called Scotland's “Digital Health and Care Strategy: enabling, connecting and empowering”. This strategy which exists to guide the NHS Boards is of real relevance to the Health and Social Care Partnership (HSCP) of the Council.

This strategy focuses on how digital can support the strategic aim for Health and Social Care in Scotland which offers high quality services, with a focus on prevention, early intervention, supported self-management, day surgery as the norm, and – when hospital stays are required – for people to be discharged as swiftly as it is safe to do so.

[Link to Digital Health and Care Strategy](#)

The Scottish Local Government Digital Office doesn't define strategy but does enable transformation through collaboration, building communities of interest and acting as a strong voice nationally, on behalf of the 32 Local Authorities. The programmes within the Digital Office often reflect the coming together of the national strategies identified above and the local strategies of the Local Authorities, which have real local context.

These national strategies influence the Council in terms of procurement and planned capital spend. They inform our own strategic goals around digital and technology. As an interface to the national arena, the Scottish Local Government Digital Office allows the Council to approach transformation with momentum, with collaboration and with maximum re-use of learning and capability. This momentum, re-use and shared learning directly influences ICT contract procurement and capital projects.

The Scottish Government is currently working towards overtaking the objectives of the second iteration of its Gaelic Language Plan 2016-2021. The commitments in the plan build upon the successes in supporting Gaelic since the publication of the first plan in 2010. It set out how the Scottish Government will help deliver the National Gaelic Language Plan by enabling the use of Gaelic in its operations and the delivery of its services, and how it supports other public authorities to fulfil their own commitments to Gaelic.

Link to [Scottish Government Gaelic Language Plan 2016-2021](#)

[Link to Statutory Guidance for Gaelic Education](#)

Regional influences

Glasgow and Clyde Valley City Deal

The Glasgow and Clyde Valley City Deal was formally signed in August 2014. The Council achieved a £44 million investment through the City Deal to deliver the infrastructure to support and enhance the place making strategy adopted through the Council's Local Development Plan.

Our £44m investment is focused on five key projects around the M77 Strategic Corridor, designed to provide economic benefits through employment, recreational, tourism, residential and business opportunities:

1. **Levern works** – Crossmill Business Units were completed in 2016 and all 10 units are now occupied. The former Nestle site is prepared for private investment. A planning application has been approved for a new Neighbourhood Centre on the site and the expectation is that substantive development will commence building work in 2022. This will produce outcomes of approx. 200 new jobs.
2. **Dams to Darnley Country Park enhancements** – Plans are in place to transform the Dams to Darnley Country Park into an important leisure destination including a visitor centre, wake board park and promenade – **Works will commence when Aurs Road works are complete in 2023**
3. **Enhanced road network** - Improving connections between the communities of Barrhead, Newton Mearns and the M77 – **planned completion by 2025**
4. **Greenlaw Business Centre** - meeting a growing demand for flexible business space – **Completed 2019 and due to open February 2020** – Opening was delayed due to Covid-19.

The City Deal is a strong demonstration of the Council's approach to collaboration and partnership working in prioritising projects which will have an impact on the wider region.

The Capital Investment Strategy makes the connection between the ambitions of the City Deal and the delivery of ongoing projects at a local level, as demonstrated in the capital investment plan.

The Council will continue discussions with regional partners to identify delivery and funding opportunities, by engaging effectively as an integral part of the City Deal governance and through its wider partnership networks.

Supporting information:

[Link to Glasgow and Clyde Valley City Deal](#)

Strathclyde Partnership for Transport Strategy: A Catalyst for Change 2008-21

The Regional Transport Strategy (RTS) shared goals and objectives are an important influence on the Council's Capital Investment Strategy. It is important for the Council to demonstrate the alignment of local and regional transport strategy and to recognise the capital investment made by the Council via the Strathclyde Partnership for Transport (SPT) programme.

The publication of the new RTS was delayed due to COVID and this is now planned to be completed by 2022, The current position is covered by the SPT Delivery Plan 2018/19 – 2020/2021.

There are understandably a number of areas to be resolved with regard to the content of the Regional Transport Strategy and more clarity will be needed from the SPT in order to enable the Council to effectively plan for future transport proposals and the impact this will have at a local level.

The Council consider that the RTS (2008-2021) is still relevant but it is recognised that the regional transport situation has changed in the last decade. The Glasgow Region City Deal is a vehicle that will deliver new development and infrastructure and there are trends of increased congestion and car ownership.

There is more emphasis on environmental issues, pollution, with sustainable transport and active travel being more prominent today. The Council acknowledge that whilst the RTS is still relevant, its renewal is a priority. The Council's Local Transport Strategy will commence with community and stakeholder consultation in Spring 2022 and the publication of the draft Local Transport Strategy is due to be published in late 2022.

The Council is content with its involvement and engagement in the renewal of the RTS, being both a City Deal partner, along with SPT, being involved in the meetings with SPT to discuss the renewal of the RTS and as a member of the working group that has been set up. The Council is content that it will be able to appropriately influence the outcomes.

The Council do not envisage that the renewal of the RTS will impact on current or proposed capital projects, but this will continue to be assessed via future updates of the Capital Investment Strategy.

Supporting information:

[Link to Strathclyde Partnership for Transport Regional Transport Strategy – A Catalyst for Change 2008-21](#)

Local influences

Community Plan and Fairer East Ren

The strategic context for the Council starts with the Community Plan. The Community Plan was updated in 2018 and is a key influence on the Council's Capital Investment Strategy. The Community Plan incorporates Fairer East Ren Plan (this is the statutory Local Outcomes Improvement Plan and is a set of outcomes for reducing inequalities across East Renfrewshire) and is important in setting the scene for strategic financial planning. Reference to the Community Plan and Fairer East Ren could form part of the contextual material provided in relation to capital proposals and individual proposals could be aligned to the aims within these Plans.

The Fairer East Ren themes are aimed at reducing inequality and have been mapped to national outcomes. They are delivered by the Community Planning Partnership which is important in setting the scene for a partnership approach to capital investment and an open and frank dialogue with local communities.

The importance of community engagement and consultation in successfully planning for, and delivering, capital investment cannot be underestimated. The Council is very outcome focused, which makes it much easier to get strong messages across to community organisations, communities and residents when it comes to the purpose and expected outcome of capital investment plans.

The capital investment plan will be developed around the Community Plan strategic outcomes.

Supporting

information: [Link to](#)

Community Plan

Five Outcomes:

1. **Early Years and vulnerable young people** – all children in East Renfrewshire experience a stable and secure childhood and succeed
2. **Learning, Life and Work** – East Renfrewshire residents are healthy and active and have the skills for learning, life and work
3. **Economy and Environment** – East Renfrewshire is a thriving, attractive and sustainable place for businesses and residents
4. **Safe, Supportive Communities** – East Renfrewshire residents are safe and live in supportive communities
5. **Older People and people with long term conditions** – Older people and people with long term conditions in East Renfrewshire are valued; their voices are heard and they enjoy full and positive lives

Link to Fairer East Ren

- *Reducing the impact of Child Poverty* – The impact of child poverty is reduced
- *Improved employability* – Residents have the right skills, learning opportunities and confidence to secure and sustain work
- *Moving around* – East Renfrewshire's transport links are accessible, attractive and seamless
- *Improving mental health and wellbeing* – Residents' mental health and wellbeing is improved
- *Reducing social isolation, loneliness and increasing safety* - Residents are safe and more socially connected with their communities

Locality Plans

The Locality Plans highlight specific areas of focus within the community with a specific aim of tackling inequality. Locality Plans are a good example of partnership working and collaboration in East Renfrewshire.

The Council will consider how the relationship with partners and the community, via Locality Plans, can be used to best effect to leverage greater investment capability and to find the best fit for community needs.

The Council will consider the timescale for increasing the number of Locality Plans. The resource implications will be considered and priorities for further roll-out will be examined.

Supporting information:

<https://www.eastrenfrewshire.gov.uk/community-planning-partnership>

ADD2 Barrhead 2017-27

Auchenback 2017-27

Neilston (in development)

Thornliebank (in development)

Vision for the Future

Vision for the Future sets out our long-term ambitions for the work of East Renfrewshire Council based on a horizon of 10 years.

In October 2018 Council approved that the Corporate Statement and Vision for the Future documents would be combined and that an updated Vision for the Future document covering a 10 year time period would be produced to reflect the updated Community Plan and the long-term ambition of the council's change programme. Vision for the Future was approved by Council in February 2020 and, following a report to Council in March 2022, further work will be done to develop Vision for the Future, incorporating research and priorities for recovery and renewal post-pandemic.

In the 'golden thread' of strategic planning our refreshed 'Vision for the Future' sits under the Community Plan (our 10 year partnership strategy for the area) and above the Outcome Delivery Plan (our 3 year delivery plan). Its purpose is to set out the Council's long-term strategy and our plans to deliver our part of the Community Plan.

Significant work has been done to improve the integration of strategic and operational planning to ensure a clear 'golden thread'. The Community Plan, (incorporating Fairer East Ren), long-term financial plan, Capital Investment plan and detailed demographic analysis, have given us a solid foundation on which to further develop our Vision for the Future.

Outcome Delivery Plan

The Council's Outcome Delivery Plan is updated annually and covers a 3 year rolling period. The Outcome Delivery Plan is the Council's contribution to the Community Plan and provides a very current and relevant influence on the Council's Capital Investment Strategy. The Outcome Delivery Plan drives the Council's capital investment ambition.

There are intermediate outcomes for each Strategic Outcome, making it easier to map capital investment decisions to Community and Council priorities.

The Outcome Delivery Plan sets out the Council's contribution and the associated critical activities, which makes the Plan specific and measurable. It also describes the Council's policies, setting the Council's capital investment in context and highlighting service provision and challenges with strong examples.

Strategic Outcomes will be mapped to the capital investment plan where relevant. This helps with the evaluation and prioritisation of future capital schemes, where a business case needs to consider the contribution to the achievement of priorities, as well as non-financial and financial benefits.

Supporting information:

https://www.eastrenfrewshire.gov.uk/media/5827/Outcome-Delivery-Plan-2021-24/pdf/ODP_2021-24_for_web.pdf?m=637620337256900000

East Renfrewshire Council is committed to improving the lives of local people, promoting equality and fairness and enhancing the area in which we live, now and for the future. This is the Council's Outcome Delivery Plan (ODP). It covers the time frame 2021-2024 and sets out how services across the Council are contributing to the delivery of our outcomes, and our vision to be:

"A modern, ambitious council creating a fairer future with all"

The Council works with our Community Planning Partners to deliver on our five strategic outcomes.

Local Development Plan 2015-25

The Council adopted the East Renfrewshire Local Development Plan 2015-2025 (LDP1) in June 2015. This document sets out a vision, development strategy and policy framework to guide and manage development in the area up to 2025 and beyond. The Plan aims to shape the investment plans and allocation of resources of the Council and other public, voluntary and private sector organisations. It is influenced by national, regional and local policy and together with Clydeplan, the Strategic Development Plan, makes up the Development Plan for East Renfrewshire.

The adopted Plan will shortly be replaced by LDP2, which will guide the future sustainable growth of East Renfrewshire up to 2031 and beyond. Following the Scottish Government Reporters conclusion of the examination stage of the LDP2, the Proposed Modified LDP2 was approved by Council in October 2021. Scottish Ministers were then notified of the Council's intention to adopt and on 10th February Ministers directed that, following a further modification to Scottish Government climate change target dates within the Plan, the Council could now proceed to adopt LDP2. It is expected that LDP2 will be adopted in March 2022 at which point it will replace LDP1.

The Council will continue to monitor the need for infrastructure to support new development and will identify requirements through this new plan.

The Strategic Aim and Objectives contained within LDP2 will influence the Council's capital investment ambition. The Council will consider the long-term impact of The Local Development Plan, and it will identify what part the Council's capital investment will play in contributing to meeting the long-term needs of the local population and area.

For both LDP2 (no new sites identified) and the emerging housing requirements for LDP3 (to be determined through the preparation of NPF4) the Council will look to ensure that our Capital Investment Strategy will accommodate the additional spend that comes with house building such as (but not limited to) School provision, new roads, new street lighting, refuse routes, open spaces and other associated community infrastructure.

Supporting information:

<https://www.eastrenfrewshire.gov.uk/community-planning-partnership>

Local Housing Strategy 2017-22

It is important for the Strategic Priorities in the Local Housing Strategy (LHS) to be reflected in the Council's Capital Investment Strategy, both from a direct capital investment perspective and an enabling perspective. The Council plays a vital role in ensuring that the Local Strategic Housing Investment Plan for Affordable Housing is delivered in terms of projects, housing mix and timescale.

The Housing Strategy highlights the importance of working in partnership and internal service collaboration, particularly related to corporate challenges such as carbon reduction/ energy efficiency, and the effective use and maintenance of our assets. The capital investment requirement is put into this context in the Capital Investment Strategy to demonstrate how this investment is contributing to the achievement of important housing targets.

The Council LHS and LDP2 have a target of 45 units per year of affordable housing (on average over the 5-year period), which is a realistic target. The expectation is that by the end of the 5 year period the target will be met. New targets will be set for the emerging Local Housing Strategy – to cover 2022-2027 – reflecting the need and demand identified for the local area.

The draft Housing Needs and Demand Assessment (HNDA3) carried out for Glasgow City Region Is shortly due out to stakeholder consultation. This lays the foundation of housing needs estimates and the basis for targets for housing delivery to be set for the future, but a joint approach to target setting is in place between Housing and Planning reflecting both land and investment plans.

The Council considers previously reported a significant difference between the grant funding available to councils in comparison to RSL's. For example, councils given a maximum £59k per unit, which has to cover all sizes and types. By comparison RSL's on average £78k per unit but in certain circumstances can get more. This was based on the premise that Councils have favourable borrowing rates from prudential borrowing whereas RSL's have to go out to the market. The review of affordable housing investment benchmarks carried out in 2021 resulted in the Cabinet Secretary for Social Justice, Housing and Local Government increasing those benchmark payments to local authorities to deliver affordable housing. The benchmark being £71.5k per unit (3 person equivalent) now for our authority area.

Supporting information:

[Link to Local Housing Strategy 2017-2022](#)

Digital Council Strategy

The Council's Digital Transformation Strategy 2021-24 was approved at Cabinet in June 2021, based on moving forward on 3 fronts:

- Customer Experience – to provide a consistent, efficient customer experience designed with the user at heart
- Business Systems & Processes – efficient and effective business systems and processes enabled by digital technology and optimised across our organisation
- Workforce Productivity – increasing the productivity and effectiveness of our workforce enabled by Office 365 capabilities

It is important that the capabilities, solutions and services that ICT deliver are aligned with the overall outcomes of the Council. This is true across both normal service operation and where ICT help enable or support business transformation. To achieve this alignment the Council's Digital Strategy was created. The purpose of this strategy is to build our capability as a Council in digital technology and then to exploit digital to help us deliver our 5 outcomes for local people.

The strategy informs how ICT develops its services and influences contract and vendor procurement and selection. It's important that this influences the ICT Asset Management plan as it is a key conduit to effect procurement and management of ICT hardware and software assets throughout their lifecycle.

A number of strategic principles also support and influence ICT's procurement and management of ICT hardware and software assets. These include the adoption of Enterprise Architecture principles and those of the Digital Customer Experience principles.

The Council is now developing a dedicated ICT Strategy that will aim to provide more specific ICT Strategic direction that more widely underpins the operational services that ICT provide. This strategy will provide the foundation for the service to meet the change, evolving and increasing demands for stable and performant technology to support business transformation.

Corporate Asset Management Plan

The importance of the link between the Corporate Asset Management Plan, and its constituent Asset Management Plans (AMPs), is stressed in the CIPFA Prudential Code. The AMPs should inform the Capital Investment Strategy but this also works both ways. The vision and ambition that is articulated in the Capital Investment Strategy should set the scene for the direction that the asset management in any particular area of operation should take. The Council's Corporate Asset Management Plan was produced in 2017 and, as such, is subject to review in the near future. This plan should provide the thread and link to the Council's corporate policies and objectives etc. and all actions within the 6 AMP's should align to these objectives and priorities.

A Corporate Landlord Manager (CLM) has been appointed to implement a corporate approach to asset management across Departments.

There are six AMPs maintained by the Council. There is a process in place for maintaining these plans, which are reviewed biennially. The Asset Management Plans have strategic objectives that clearly link with the Council's Strategic Outcomes.

Each AMP is brought to members of Corporate Asset Management Group (CAMG) firstly for peer review and comment and discussed at the CAMG forum. Following this process, the AMP's are reported to cabinet. CAMG will review the process once all AMP's have been reported to Cabinet. Summaries of the AMPs can be found at Appendix A.

The council will ensure that any refresh of the AMPs that results in a significant change will be reflected in an update to the Capital Investment Strategy.

Supporting information:

Corporate Asset Management Plan

There are six asset management plans. These are:

1. Roads*
2. Fleet
3. Open spaces
4. Property
5. ICT
6. HRA Assets

*The Roads Asset Management Plan is completed through participation with the Society of Chief Officers of Transportation in Scotland (SCOTS), which is a Scotland wide project which has prepared a standardised Roads Asset Management Plan format involving Transport Scotland and all Scottish Councils.

All other Asset Plans are prepared in accordance with the CIPFA Guide to Asset Management and Capital Planning and Audit Scotland's Best Value toolkit.

East Renfrewshire Culture and Leisure Business Plans

East Renfrewshire Culture and Leisure Trust delivers a wide range of services on behalf of the Council, as an ALEO and Community Planning Partner, and currently occupies under licence over a third of the 115 properties detailed in the Property Asset Management Plan from which Council services are delivered. In addition it is responsible for managing the letting of ERC schools out of hours.

Whilst these services include statutory services, including a number which are free-at-the-point-of-access, they are almost all customer-facing, with the vast majority commercial. Just as "...Council Property has an influence and impact on the Council's ability to deliver the outcomes of the Delivery Plan, to support the Single Outcome Agreement and to deliver the Council's overall vision," so the design, quality and condition of Trust-operated buildings has a direct impact on the ability of the Trust to deliver services on behalf of residents generally, and compete for commercial income in particular. Property issues particularly associated with the Trust building are detailed in the Property Asset Management Plan, but remain notable factors in the realisation of plans in relation to culture and leisure services across the authority.

The Trust's annual business plan is agreed by Council and identifies the projected resources and/or expenditure of the Trust during each Financial Year in performing the Services to support the Council's Community Plans, but also the capital programme building spend, and property maintenance budget required from the Council in relation to the facilities occupied by the Trust under licence from the Council,

These Business Plans are in turn aligned to wider strategies which the Council approves and which define the vision for Culture and Leisure Services in the authority:

- Public Library Strategy (2019)
- Sports & Physical Activity Strategy (2015);
- Arts & Heritage Strategy (2015)
- Indoor Sports Facility Strategy (2018)
- Sports Pitch and Outdoor Sports Facilities Strategy (2018)

These are closely articulated to property and asset management plans, since on the whole public sports and leisure services are essentially asset-based.

Partnership and collaborative working

The following tables map our Strategic Outcomes against our partnership and collaborative working activity. It is important to demonstrate these links to assist with demonstrating how the capital investment plan will contribute to the medium to long term commitments that result from these activities:

Strategic Oversight of Community Planning	Community Planning Partnership Board Performance and Accountability Review				
Strategic Outcomes	All children in East Renfrewshire experience a stable and secure childhood and succeed.	East Renfrewshire residents are healthy and active and have the skills for learning, life and work	East Renfrewshire is a thriving, attractive and sustainable place for residents and businesses	East Renfrewshire residents are safe and live in supportive communities	Older people and people with long term conditions in East Renfrewshire are valued; their voices are heard and they enjoy full and positive lives.
Regional Level Partnerships		Education Regional Improvement Collaborative	City Deal Board (regional level)		
Strategic Partnerships	Fairer East Ren: child poverty delivery group Children and Young Peoples' Services Plan <ul style="list-style-type: none"> • Early Years Sub-group <ul style="list-style-type: none"> o Parenting Steering Group • ASN sub-group • Corporate Parenting subgroup • Young Persons' Steering Group Early Learning and Childcare Expansion Board	Fairer East Ren: Local Employability Partnership – Strategic Community Learning and Development Partnership	Fairer East Ren: transport delivery group Local Housing Strategy Partnership Group	Fairer East Ren: Improving Outcomes for Adults Group (mental health and wellbeing and safe and socially connected)	
				Community Justice Partnership Alcohol and Drugs Partnership Violence Against Women and Girls Partnership Tobacco Alliance Greater Results in Partnership (GRIP)	HSCP Strategic Planning Group

East Renfrewshire Community Plan: our high-level ambitions for all age groups and communities, and tackling inequality					
Community Plan Strategic Outcomes	All children in East Renfrewshire experience a stable and secure childhood and succeed.	East Renfrewshire residents are healthy and active and have the skills for learning, life and work	East Renfrewshire is a thriving, attractive and sustainable place for residents and businesses	East Renfrewshire residents are safe and live in supportive communities	Older people and people with long term conditions in East Renfrewshire are valued; their voices are heard and they enjoy full and positive lives.
Regional and CP Partner strategies and strategic plans that help us to deliver our vision		Skills Development Scotland: vision for 20152020 Voluntary Action East Renfrewshire Strategic Plan West College Scotland Regional Outcome Agreement West Partnership Improvement Plans	Glasgow City Region Economic Strategy and Action Plan Scottish Enterprise Strategic Plan A Catalyst for Change: The Regional Transport Strategy for the west of Scotland 2008-2021 Strathclyde Partnership for Transport: Transport Outcomes Report Regional Transport Strategy Clydeplan	East Renfrewshire Local Fire and Rescue Plan Police Scotland's Local Policing Plan for East Renfrewshire Adult Mental Health Strategy 2018-2023 (NHS GGC wide) Voluntary Action East Renfrewshire Strategic Plan	Voluntary Action East Renfrewshire Strategic Plan

<u>East Renfrewshire Community Plan</u>: our high-level ambitions for all age groups and communities, and tackling inequality					
Outcome-focused Partnership strategies and strategic plans (*strategies in development are in italics)	<i>Fairer East Ren: child poverty delivery plan</i> Getting it Right with You: East Renfrewshire Children and Young Peoples' Plan 2017-2020 (ICSP)	<i>Fairer East Ren: employability delivery plan / Local Employability Strategy</i> Getting it Right with You: East Renfrewshire Children and Young Peoples' Plan 2017-2020 (ICSP)	<i>Fairer East Ren: transport delivery plan</i> Local Housing Strategy 2017-2022 <i>Adaptations Strategy (planning for climate change)</i>	<i>Fairer East Ren: mental health and wellbeing delivery plan</i> Community Justice Outcome Improvement Plan <i>Violence Against Women and Girls Delivery Plan 2017-2020</i>	<i>Fairer East Ren: safe and socially connected delivery plan</i>
		<i>Community Learning and Development Strategy 2018-21</i>			
Council "family" strategies and strategic plans (includes HSCP and Trust)	Health and Social Care Partnership Strategic Plan Early Years Strategy Corporate Parenting Plan	Health and Social Care Partnership Strategic Plan East Renfrewshire Culture and Leisure Trust Business Plan Sports Facilities Strategy <i>Tobacco Strategy</i> <i>Libraries Strategy</i> <i>Autism Strategy</i>		Health and Social Care Partnership Strategic Plan	Health and Social Care Partnership Strategic Plan <i>Carers Strategy</i>

<u>East Renfrewshire Community Plan</u> : our high-level ambitions for all age groups and communities, and tackling inequality					
Council strategies and strategic plans	East Renfrewshire Council Outcome Delivery Plan Early Learning and Childcare Strategy	East Renfrewshire Council Outcome Delivery Plan Education Local Improvement Plan Advancing Equity and Excellence	East Renfrewshire Council Outcome Delivery Plan Local Development Plan Contaminated Land Strategy <i>Economic Development Strategy</i> <i>Tourism Strategy</i> <i>Environmental Sustainability Strategy</i> <i>Community Benefits Strategy</i>	East Renfrewshire Council Outcome Delivery Plan	East Renfrewshire Council Outcome Delivery Plan
Locality Plans (based on locally determined priorities)	<p>Auchenback Locality Plan</p> <p>ADD2Barrhead Locality Plan</p> <p><i>Neilston Locality Plan</i></p>				

Capital Investment Ambition by Strategic Outcome

The following table illustrates how key elements of our 10-year General Fund and housing investment plans will deliver against the Strategic Outcomes in our Outcome Delivery Plan:

Outcome	Scheme Name	Short Narrative explaining the proposal	Output
All children in East Renfrewshire experience a stable and secure childhood and succeed	Extension of deferral entitlement for entry to P1	From August 2023, families will be entitled to defer a child's entry to P1 and be provided with another year of fully funded ELC, if the child is born between August and December.	Further investment in the ELC estate, with respect to new facilities or extensions/modifications to current facilities.
East Renfrewshire residents are healthy and active and have the skills for learning, life and work	Eastwood Leisure	Existing leisure facilities in the Eastwood area are dated and at the end of their lifespan. Improved facilities are needed to address local demands.	Investment in leisure/community facilities to be provided in the Eastwood area.
	Learning and Leisure in Neilston	Local school and community facilities in Neilston are in poor condition and require replaced/upgraded. The project has attracted some support funding from the Scottish Government funding to help take forward the school condition improvements.	Campus approach to improve facilities for Learning and Leisure in the village of Neilston, which includes new build replacements for Neilston and St Thomas' primary schools and Madras Family Centre in addition to a new library with the village also to benefit from improved leisure facilities.

	Primary School Extensions/Remodelling	To provide sufficient pupil places associated with inward migration including new housing per LDP1/2.	Crookfur Primary School Extension Busby Primary School Extension & Remodel Eaglesham Primary School Extension & Remodel
	Synthetic pitch and athletics track at Mearns Castle High School	To provide adequate number of suitable PE spaces to meet pupils' curricular needs.	New synthetic pitch and athletics track at Mearns Castle High School
	Extension of free school meal provision to all children in the primary sector	To increase catering resources and space and dining areas to accommodate FME to all pupils.	Investment in catering resources, increase in area of food prep areas and storage space, extension to dining area and creation of outdoor MUGA.
East Renfrewshire is a thriving, attractive and sustainable place for businesses and residents	New railway station – Barrhead South	To serve new housing and leisure developments in the Barrhead area rail transport links will be improved via a City Deal initiative.	New railway halt to be delivered for Barrhead South.
	Newton Mearns to Barrhead New Road Connection	As part of the City Deal economic growth proposals road links between the east and west of the authority will be improved.	The Aurs Road Project will provide an improved link between Barrhead and Newton Mearns, allowing a public transport route and active travel corridor.

	Country Park Visitor Centre and Infrastructure	As part of the City Deal initiative a new visitor centre is planned together with improved access to the country park.	New visitor centre, board walk, parking etc to be built for Dams to Darnley country park.
	Roads	Increased capital investment is planned to ensure that roads are maintained in a safe condition.	Improved roads condition.
	Council Owned Public Buildings	Increased capital investment will be required to ensure that the Council can meet the net zero carbon in Public Buildings by 2040	Existing buildings will require to be adapted at a cost to the Council to ensure they are energy efficient in all areas going forward to meet statutory targets. Additionally, any new build properties will require a different approach, likely at a higher cost, to ensure they are sustainable in the first instance and continue to be throughout their lifespan.
	Council House New Build Programme	The Council will deliver up to 370 new homes for rent as part of the commitment to increase affordable housing supply set out in the Local Housing Strategy (and SHIP) and in line with national priorities for investment.	<p>A commitment to 370 new homes for rent from East Renfrewshire Council.</p> <p>Ph 1 sites (Barrhead) – Blackbyres Rd, Robertson St & Fenwick Rd (complete 2019/20); Balgraystone Rd (expected March 2022). Total of 92 units.</p> <p>The council also purchased 14 units from the open market in 2019/20.</p> <p>The remaining units shall be delivered over three main sites, Maidenhill A6(39 units);</p>

			<p>A5(30 units) and A4(13 units). These began construction during summer 2021 and 39 units are now occupied. A remaining 114 units are planned in the next few years including 47 units at Balgraystone Road, Barrhead, 100 units at Maidenhill A1/A2/A3 and 14 units a Malletsheugh, Newton Mearns . In addition further sites at Barrhead Road, Newton Mearns (18 units)) and Commercial Road, Barrhead (49 units) are under consideration.</p> <p>The Council will continue to identify additional sites for development to add to the rolling SHIP programme.</p>
East Renfrewshire residents are safe and live in supportive communities	CCTV Infrastructure Refresh	Ageing infrastructure to be replaced.	Modern, more reliable CCTV coverage of the councils corporate and education property estate.
Older people and people with long term conditions in East Renfrewshire are valued; their voices are heard and they enjoy full and positive lives.	Bonnyton House Improvements	Care home for the elderly undergoing significant modernisation and improvement.	New roof and remodelled facilities to meet changing community needs.

10-year Capital Investment Plan

Our 10-year capital investment plan covers the period 2022-2032, based on our capital investment ambition, similarly we have prepared a 10-year housing capital investment plan. These have been prioritised by applying our evaluation methodology to ensure that the longer term position is affordable and deliverable as planned and this is specifically addressed in our annual Treasury Management report which sets out the Prudential Indicators for the Council's spending plans. Our risk assessment examines the risk against the affordability and deliverability assumptions and this will inform the ongoing review of performance and update of the capital investment plan to ensure that it is effectively managed. Both capital plans are scheduled to be approved by Council on 3 March 2022 and links to these documents will be included in this strategy thereafter.

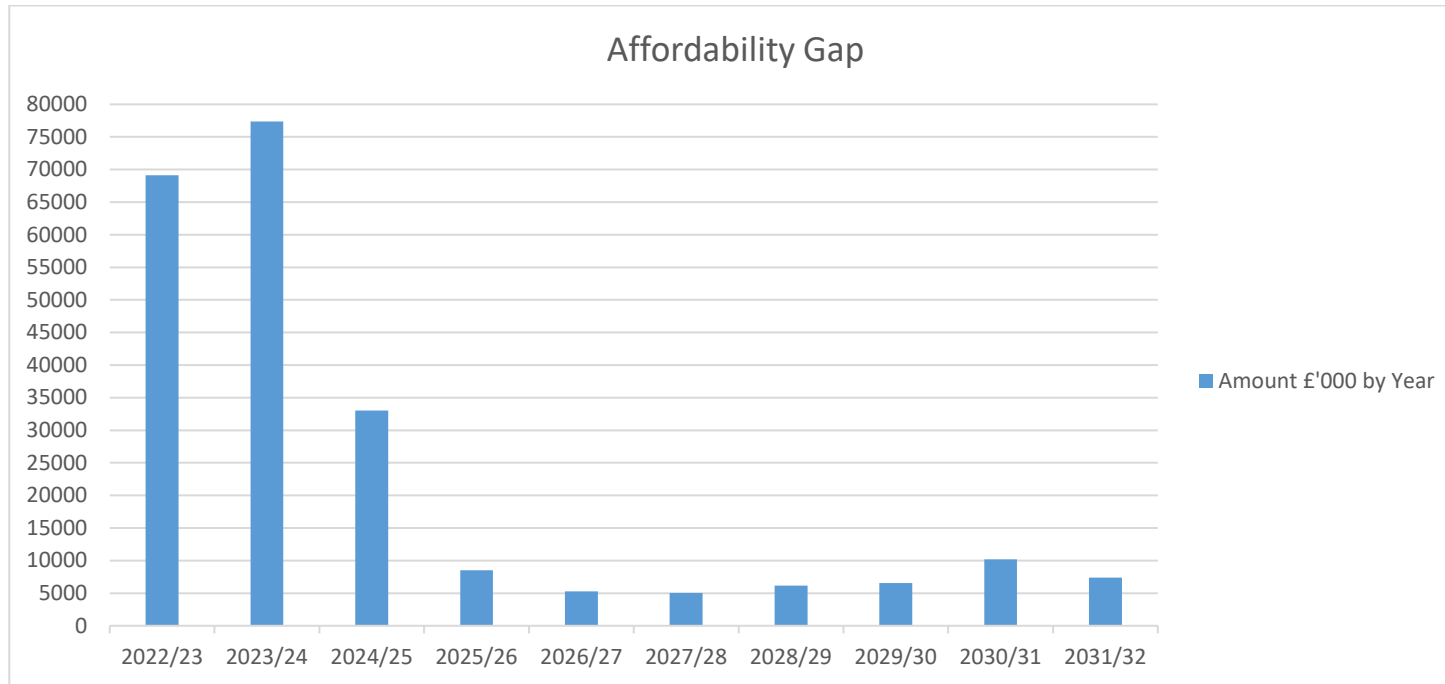
Several tables and charts have also been included within this strategy to provide a view of the 10-year capital investment plan from an investment and financing perspective, an affordability perspective and in terms of the contribution to the achievement of our Strategic Outcomes, our community improvements and our growth targets:

As work continues on development and delivery of our Local Development Plans, further capital investment needs are emerging. Once the timing and quantum of these items as been clarified they will be added to our future Capital Plans.



This graph shows the level of planned capital spend over the Council’s asset categories as set out in the Capital Plans, General Fund 2022-2032 and Housing 2022-2032.

The following sections examine the evaluation and prioritisation of our 10-year capital investment plan, the additional analysis that informs our Capital Investment Strategy principles, our capacity to deliver and the potential options for addressing our capital investment ambition gap.



This graph shows the shortfall in resources in the Council's 2022-32 capital plan which will be required to be covered by internal or external borrowing. This will be kept under review as LDP pressures are incorporated into our future capital ambitions. The loan charge repayments associated with the 2022-32 capital plans have been factored in to the Council's revenue budget planning.

Examination of outcomes from prioritisation

The Council maintains a rolling, detailed 10 year general fund capital plan with new proposals for investment being brought forward annually through a Capital Project Appraisal process to ensure that they align with the Council's key objectives and that asset management plans, are deliverable, affordable and represent best value. Only those proposals which make a significant contribution to the Council's objectives and are considered deliverable are progressed past an initial stage to a full appraisal by the Corporate Asset Management Group before being considered by the Corporate Management Team, Budget Strategy Group and Council. The current CPA template form is attached as Appendix B. For routine investments, such as ICT system renewals, property, parks & cemeteries and roads major maintenance, set sums are included in annual capital investment plans to facilitate forward planning and minimise administration.

The Corporate Asset Management Group also consider annually whether any adjustments are required to projects already listed in the capital plans (e.g. increased costs, reduced cost requirement, amended timing of spend etc.).

A 10 year rolling capital plan is maintained for Council housing stock, taking account of both national and local plans. Any revenue impacts associated with these plans, arising from both funding and or running/maintenance costs are then reflected in the Council's revenue budget planning.

New projects added to the Capital Plan this year are listed in the table below. Only CPA's of significant importance or unavoidable legislative consequences are being accepted for the 2022/23 Capital Programme due to financial constraints.

PROJECT	ASSET CATEGORY	£'000
Isobel Mair – new ASN provision	Property - Schools	500
Scheduled replacement of artificial pitch surfaces	Property - Other	6,561

Any projects which have been identified later in the year may not yet have been fully costed and appraised so are not included in the Council's updated capital plans to be considered in March 2022, however they will be incorporated into future years' updates. This also applies to projects emerging as the Council's new Local Development Plan is developed. Those major projects currently identified are listed below to ensure that they are taken into consideration for future planning purposes; the projects and timings are based on information to date.

PROJECT	TIMING	COMMENT
Busby Primary School Extension & Remodel	from around 2026	Timescale to be kept under review as planning is progressed
Eaglesham Primary School Extension & Remodel	from around 2026	Timescale to be kept under review as planning is progressed
Isobel Mair School/ new ASN provision	Seek as soon as practical and	Timescale for the medium/longer term plan pending options exercise. Short term measures made to meet demand.

	depends on options timescale to realise	
St Mark's Primary School Extension & Remodel	from around 2025	Timescale to be kept under review as planning is progressed
Bonnyton House Phase 2	From late 2023	Timescale to be kept under review as planning is progressed

Capital Project Appraisal Process

Developing proposals

The Council has established a structured Capital Project Appraisal (CPA) process which begins in April of each year and concludes by November. Based on this process, the Corporate Management Team (CMT) consider the validity of recommended projects, before seeking Council approval for the annual update to the 10 Year General Fund Capital Plan.

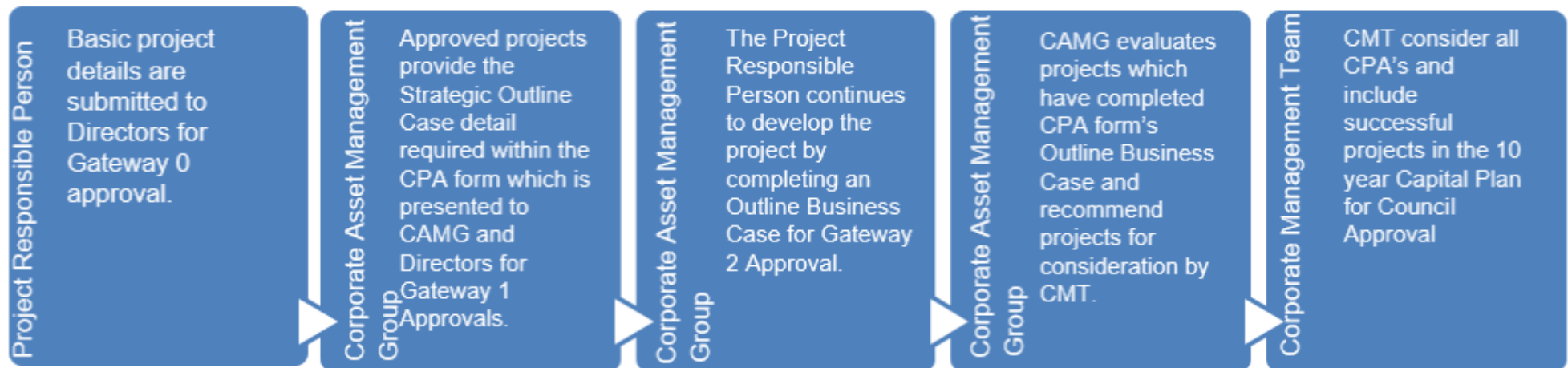
Capital Project Appraisal Form

The Capital Project Appraisal (CPA) Form, as shown in Appendix B, is designed to capture specific project information in order for that project to be assessed by the Corporate Asset Management Group (CAMG).

The form captures project details and objectives, links to strategic documentation and corporate aims and how the project can support these strategies and plans, finance details and delivery schedule. The form and the CPA process have recently been reviewed by the Corporate Asset Management Group, which has improved and refined the form to enhance, but simplify the process, build in gateway approval stages and monitor the outcomes.

The CAMG assesses the individual Capital Project Appraisal forms and evaluates projects against a Rating Matrix (see Appendix E). Following CAMG rating, new projects are passed to CMT for approval.

The chart below summarises the CPA form process up to the approval by Council stage:



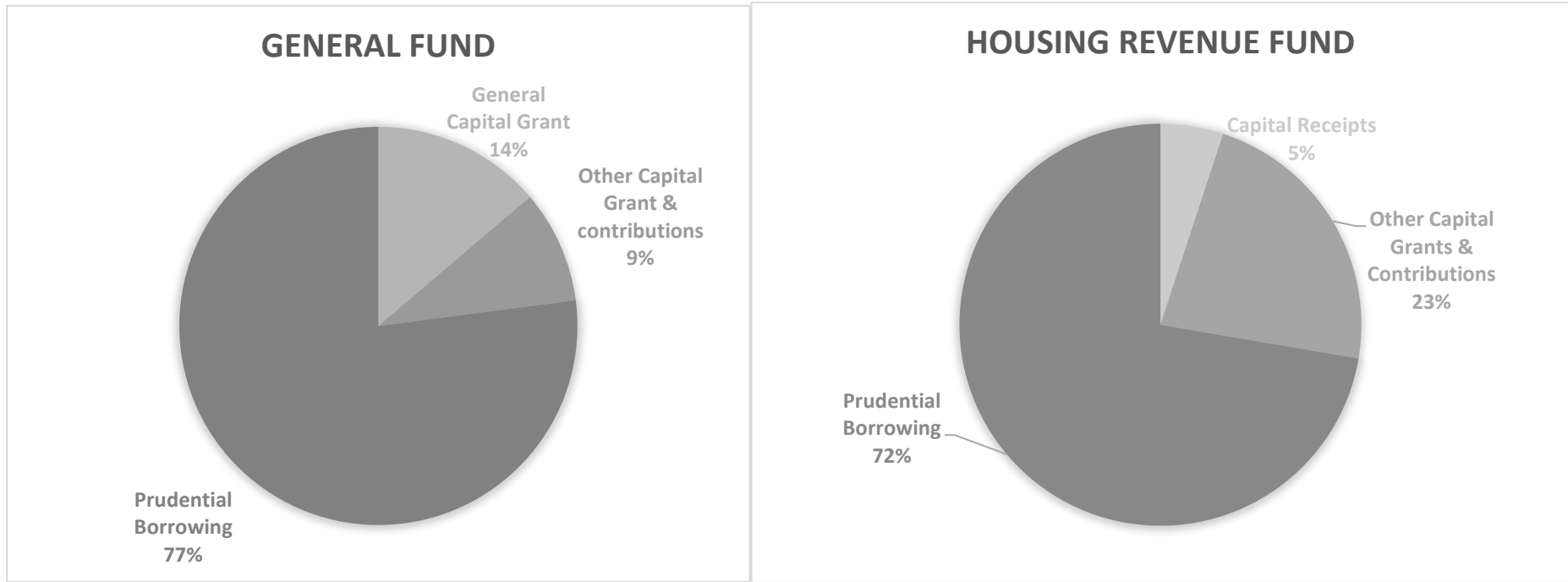
Capital resource allocation and analysis of balance sheet, treasury and reserve implications.

Current levels of capital grant are insufficient to address the Council's capital investment ambitions and so consideration must be given to closing the financial gap by additional borrowing (subject to affordability of future repayments), and by developer contributions, utilisation of capital reserves, capital receipts and grants from other bodies where available.

Decisions on the funding approaches require a joint evaluation of the revenue and capital financial needs and ambitions of the Council. This will take into account the overall availability of reserves, likely future pressures on capital and revenue budgets arising from both local demands and anticipated government grant settlements and the consideration of prudential indicators as set out in the CIPFA code. The impact of capital investment on the revenue budget (through increasing loan repayments arising from additional borrowing) are clearly articulated as this can directly impact on the level of revenue budget savings requirements in later years.

The Council's loans fund profiling supports future years' capital plans by ensuring that the authority's capital expenditure is financed over the expected life of the assets and that each year's repayment amount is reasonably commensurate with the period and pattern of the benefits.

The following pie charts highlight the Net Borrowing Requirements forecast for the following 5 years.



Treasury Management Strategy and Loans Fund Policy

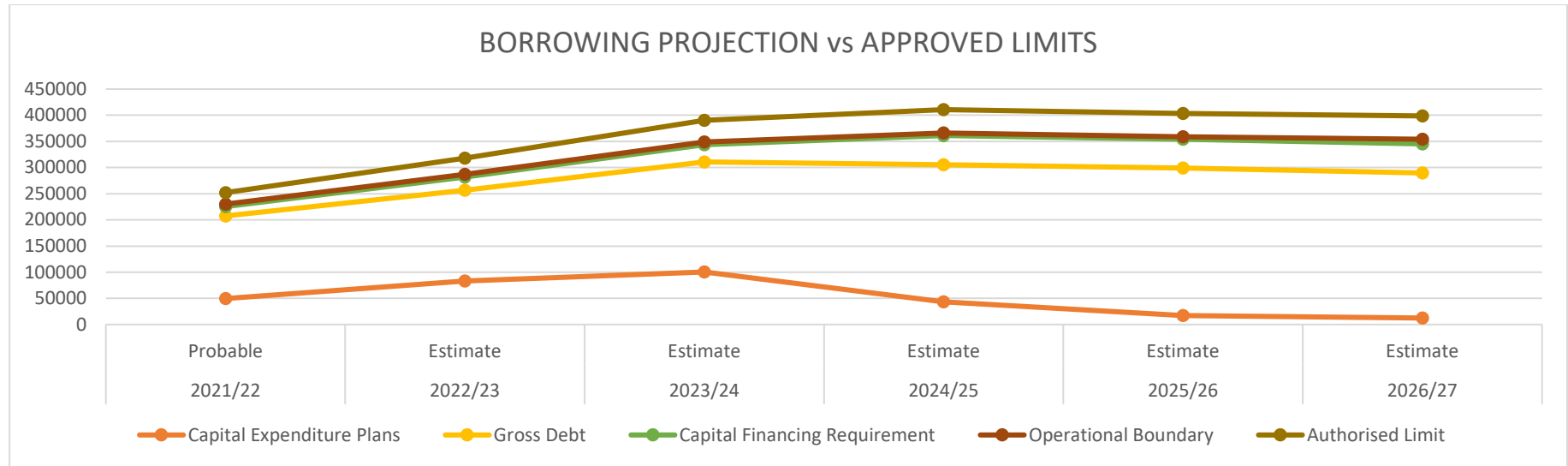
The Prudential Code for Capital Finance in local authorities enables councils to set their own borrowing limits with a requirement to ensure that investment plans are affordable, prudent and sustainable. The Council can borrow over a number of years to supplement its capital income, provided the resultant annual debt repayments can be accommodated within future years' revenue budgets. The Council's Treasury Management Strategy sets out the Prudential Indicators and parameters over the medium to long term, with regular reporting to Council members through:-

- Treasury Management Strategy
- Mid-year Treasury Management Report
- Annual Treasury Management Report, following the financial year end; and
- From 2022/23 – the Capital Budget Monitoring reports

All of the monitoring reports compare the estimated Prudential Indicators with the Probable Outturn position.

The key prudential and treasury indicators include:-

- Capital expenditure plans
- Gross debt
- The Council's overall borrowing need (the Capital Financing Requirement)
- Limits to borrowing activity through the Operational Boundary and Authorised Limit



As reflected in the Treasury Management Strategy for 2022/23, the analysis of the Capital Financing Requirement for East Renfrewshire Council indicates the borrowing needs to support delivery of the capital programme. The analysis also indicates that this borrowing need continues to be well within the parameters of both the Operational Boundary (the expected maximum borrowing position of the Council) and the Authorised Limit (the limit beyond which external debt is prohibited).

Examination of capacity to deliver

In determining capital investment consideration is also given to the following areas:

- **People** – The Council monitors capacity of staff in services such as property, accountancy, ICT, Legal and Procurement so as to ensure adequate resources are available to support capital plans. Where insufficient capacity is in place it may be possible to engage temporary /agency staff (potentially funded from the Council’s Modernisation Fund reserve) or to utilise external consultants (e.g. private firms or public sector organisations such as hub West Scotland).

- **Procurement** – Wherever possible the Council encourages managers to self-serve for routine procurements and smaller procurements (under £50k) are undertaken by managers using the Quick Quote guidance. Projects over £50k are undertaken in conjunction with procurement professionals using a full tender process.
- **Reserves** – The Council maintains a Capital Reserve, Modernisation Fund, Insurance Fund, Feasibility Fund and Repairs and Renewals Fund. These may be accessed in appropriate circumstances and such instances will be identified by the Corporate Asset Management Group.
- **Project support** – The Council's Project Management Office is available to provide project management support for major change projects such as system implementations. A capacity grid system is operated to assess whether any new demands can be accommodated. The Corporate Management Team have also developed a new executive reporting system to monitor progress of key projects.
- **Consultation process** – The Council has well established processes, particularly within the Environment and Education departments, for consultation with the public and other stakeholders on new proposals. It is essential that these are planned well in advance as long timescales are often required to accommodate both the consultation period and any potential objection/appeal processes.
- **Decision making process** – The Council has a clear process for consideration of capital proposals. This runs throughout the year from spring/summer when initial proposals are submitted, to February when formal approval of new schemes is granted by Council after consideration of affordability etc. Cabinet then monitors progress during the year with any changes to the agreed programme requiring approval by Council whose meetings are typically every 6 weeks.

Identification of platform for lobbying / negotiation / further discussion with Scottish Government / partners

The Council compiles a 3 year statement, Influencing the Future of East Renfrewshire, setting out key areas where it seeks additional powers or resources from the Scottish Government in order to support change. The statement for 2019-2022 was approved by Council on 18 December 2019 and includes several issues directly related to the Council's capital ambitions.

- Request for increased investment funding for improvement/replacement of school buildings.
- Request for increased funding for infrastructure (e.g. education, leisure, community facilities) to meet demands from population growth associated with increased local housing targets.
- Request for streamlined process for changes to the school estate.
- Request for additional funding for a second phase of City Deal.
- Request for more funding for active and sustainable travel.

Risk Management and Risk Assessment

Strategic Risk Register and Management Process

Updates to the Strategic Risk Register and Risk Management Process are provided bi-annually to Audit & Scrutiny Committee and are based on a 'live' risk register which is maintained by the Corporate Management Team.

These updates include a register of the corporate risks and draw out those which are evaluated as high or medium level risks. Where a risk has been evaluated as "low" it has been removed from the Strategic Risk Register and will be monitored within Departmental or Operational registers if appropriate'.

The report highlights how risks have been updated / re-evaluated according to the latest position, and illustrates the level of 'risk tolerance', through a matrix to demonstrate how risks have been scored.


The table below contains extracts from the Council's current Risk Management Strategy, demonstrates the processes in place to manage risks and the various levels of responsibility throughout the organisation. Details of the Council's risk management approach can be found here

(<https://www.eastrenfrewshire.gov.uk/article/8087/How-are-council-risks-managed>) and our risk management process is set out in Appendix D.

Area considered	Current Practice
Risk Management Strategy	<p>The Council's recognises the benefits of discussing risk on an open basis which are described as follows:</p> <ul style="list-style-type: none"> • Genuine consensus about the main risks (no hidden risks) • Clear allocation of risks and ownership as to how the risks will be managed • A clear process for managing and updating the view of risks • Greater trust and buy-in • One view and good communication is paramount. <p>Good risk management is about identifying what might go wrong, what the consequences might be of something going wrong and finally, deciding what can be done to reduce the possibility of something going wrong. If it does go wrong, as some things inevitably will, making sure that the impact is kept to a minimum.</p> <p>Risk management should ensure that an organisation makes cost effective use of a risk framework that has a series of well-defined steps. The aim is to support better decision making through a good understanding of risks and their likely impact.</p>

Area considered	Current Practice																																																																																																			
	<p>Risk management should be a continuous and developing process which runs throughout the organisation’s strategy and the implementation of that strategy, methodically addressing all risks surrounding the Council’s activities past, present and future.</p> <p>Risk Appetite:</p> <p>The term risk appetite describes our attitude towards the amount of risk that the Council is prepared to accept in trying to achieve our outcomes. The attitude towards risk can differ across our services, from risk averse to risk taking. Risk appetite is about taking well thought through risks where the long-term rewards are expected to be greater than any short-term losses.</p> <p>East Renfrewshire Council’s approach is to minimise its exposure to reputational, compliance and financial risk, whilst accepting and encouraging an increased degree of risk in pursuit of innovation and improved outcomes. It recognises that its appetite for risk varies according to the activity undertaken, and that its acceptance of risk is subject always to ensuring that potential benefits and risks are fully understood before developments are authorised, and that sensible measures to mitigate risk are established.</p> <p>The following diagram illustrates the Council’s risk tolerance levels across different areas of activity:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th colspan="4">Unacceptable to take risks</th> <th colspan="6">Higher willingness to take risks</th> </tr> <tr> <th></th> <th>1</th> <th>2</th> <th>3</th> <th>4</th> <th>5</th> <th>6</th> <th>7</th> <th>8</th> <th>9</th> <th>10</th> </tr> </thead> <tbody> <tr> <td>Reputation</td> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;"></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Compliance</td> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;"></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Financial</td> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;"></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>People and culture</td> <td></td> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;"></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Operational services</td> <td></td> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;"></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Major change activities</td> <td></td> <td></td> <td></td> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;"></td> <td></td> </tr> <tr> <td>Environmental and social responsibility</td> <td></td> <td></td> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;"></td> <td></td> <td></td> </tr> </tbody> </table>		Unacceptable to take risks				Higher willingness to take risks							1	2	3	4	5	6	7	8	9	10	Reputation											Compliance											Financial											People and culture											Operational services											Major change activities											Environmental and social responsibility										
	Unacceptable to take risks				Higher willingness to take risks																																																																																															
	1	2	3	4	5	6	7	8	9	10																																																																																										
Reputation																																																																																																				
Compliance																																																																																																				
Financial																																																																																																				
People and culture																																																																																																				
Operational services																																																																																																				
Major change activities																																																																																																				
Environmental and social responsibility																																																																																																				

Area considered	Current Practice
Risk Assessment and Recording	<p>The Risk Management Strategy enables the Council to deliver advanced risk practice by incorporating risk within service plans and encouraging the use of joint risk registers where possible for projects and partnerships.</p> <p>Currently, each service has an operational risk register to record day to day and service specific risks. Meanwhile at council level, the strategic risk register sets out the key strategic risks to be considered by East Renfrewshire Council and details the actions that management has put in place to manage these risks. The strategic risk register is reviewed weekly by the CMT.</p> <p>The risk assessment technique used to determining the severity of the risk is consistent across the Council.</p>

<p>Risk Ownership:</p> <p>Roles and responsibilities</p>	<p>Roles and responsibilities in risk management are described in the Council’s Risk Management Strategy, from Cabinet to individual employees, as illustrated in the following diagram:</p>  <p>The Risk Management Strategy (https://www.eastrenfrewshire.gov.uk/CHttpHandler.ashx?id=17458&p=0) contains a table summarising the roles and responsibilities in managing risk across the authority.</p>
<p>Monitoring and reporting:</p>	<p>The Risk Management Strategy includes risk reporting guidance and references tools available for the further information. One of these tools is the ALARM toolkit on how to complete a risk register. The Council continually monitors risk and reports are submitted to Audit & Scrutiny Committee twice yearly and annually to the Cabinet.</p>

Using the corporate Risk Management Strategy and Risk Assessment Technique, the following capital specific risk register summarises some of the risks relevant to the Capital Investment Strategy.

Risk ID#	Risk Category	Description of Risk / Uncertainty	Mitigating Factors	Timescale (for review)	Risk Owner	Residual Risk Score
	Compliance	Insufficient catchment places available for children and young people across all sectors in light of inward migration, including the impact of new residential developments - in particular the Local Development Plan	<p>Regular review of places and demand including; and implementation of admission arrangements policy.</p> <p>Council's Capital Investment Strategy and associated 10-year Capital Plan updated to reflect education estate requirements for all school sectors taking account of operational requirements/timescales.</p> <p>On an ongoing basis, Education/Environment continue to review the release of housing and infrastructure requirements to also take cognisance of inward migration to existing housing along with ongoing residential developments under the adopted LDP1 and any windfall sites (similarly for Proposed LDP2) as reflected in the Housing Land Supply register.</p> <p>Education and Environment to collaborate closely about any potential further residential development as LDP3 progresses to ensure sufficiency of places across the education estate and that any new provision is included in future Capital Investment Strategies.</p>	<p>Annually</p> <p>Annually</p> <p>In line with relevant timescales</p>	Education Team	8

			<p>Continue to lobby Scottish Government and discuss implications of future requirements.</p> <p>As appropriate, education statutory consultation to be undertaken in advance of new provision and within required timeframes.</p> <p>Pupil Product Ratios refreshed to reflect up to date build costs</p>			
	Financial	Poor capital scheme forecasting leading to capital scheme overspends and higher revenue impact	<p>Collaboration across all relevant support services with intelligence and data sharing</p> <p>Application of scenario and sensitivity approach to test forecasts and assumptions</p> <p>Review of process for assessment of appropriate contingency levels</p> <p>Performance and exception reporting linked to main reporting cycle</p>	Quarterly	CMT/CAMG	8
	Financial	Poor capital programme management leading to slippage	<p>Strong management structure, robust governance and programme management in place</p> <p>Performance and exception reporting linked to main reporting cycle</p> <p>Revised reporting via new systems</p>	Quarterly	CMT/CAMG	9
	Financial / Operational	Adverse impact of COVID on capital projects' timing and costs	<p>Robust governance/programme management in place</p> <p>Reprioritisation of key projects</p>	Quarterly	CFO	6

	Financial	Challenge of achieving new energy efficiency & building performance targets set by Scottish Government, particularly for Schools for the Future Programme could result in higher capital costs and negative impact on revenue funding streams.	ERC continue to liaise with Scottish Futures Trust to negotiate on scheme metrics and learn from best practice.	Quarterly	Education Team	8
	Financial	Glasgow and Clyde Valley City Deal infrastructure projects (including those projects outwith East Renfrewshire) do not proceed on schedule and/or do not produce the anticipated economic benefits owing to 3rd party issues, resulting in a gap in funding provided by UK and Scottish Government	Continue to engage with partners to monitor and contribute to delivery as required. Explore opportunities for partnership delivery mechanisms where appropriate. Participate in City Deal Gateway Reviews	Ongoing	Corporate Management Team	4
	People and Culture	Failure to recruit / retain staffing resource to deliver the volume of ICT work / projects both underway and planned constrains delivery of ICT projects and specific pieces of work, impacting on delivery of services and morale of existing staff.	Continue to promote skills sharing. Continue to manage absence in line with corporate policy. Continue use of alternative resources e.g. external employment agencies are used and/or contracts. Maintain use of Capacity Grid internally, highlighting areas of concern which require corrective action.	Ongoing	ICT Management Team	4

			<p>Skills Framework for the Information Age being introduced which will facilitate skills capture and planning.</p> <p>Renew framework contract to allow ICT to draw down additional ICT resources as required.</p> <p>Ensure scope within budgets to ensure that financial resources are available to obtain additional resource as required.</p>			
	Operational services	Reliance on the Council's single shared internet pipe across the Council results in lack of internet resilience for Council connectivity, potentially affecting delivery of operational services.	<p>Use of JaNET connectivity managed by SWAN and part of national infrastructure.</p> <p>Proactive monitoring for alert & detection of problems to facilitate more proactive approach.</p> <p>Second internet pipe implemented at second data centre with traffic actively flowing resiliently.</p>	Mitigated	ICT Management Team	0

Governance and Monitoring

Roles and responsibilities

The Chief Financial Officer will co-ordinate the annual updating of the Council's Capital Investment Strategy for approval in February/March each year, together with the Treasury Management Strategy and Prudential Indicators, prior to agreement of the revenue budget and capital plans.

The Corporate Management Team will review and update relevant strategies and influences as required by December each year.

The Corporate Asset Management Group will assess new capital proposals and any required changes to the current capital plan by October each year.

Cabinet will monitor progress against capital plans four times per year, with any changes being approved by Council.

Skills and training

Relevant professional staff will maintain up to date knowledge of capital issues by attendance at appropriate technical seminars (e.g. CIPFA training).

The Council's corporate procurement strategy sets out the process for all levels of projects and all projects over £50k are progressed in conjunction with procurement professionals through a full tender process.

All elected members will be offered capital, revenue and treasury management training as part of their induction, with refresher training normally offered every 2 years.

Capital Strategy Date for Review

The Capital Investment Strategy is intended as a 'living' document which is updated and refreshed in accordance with any changes in strategic influences and direction. The Strategy will therefore be updated on an annual basis, or as required.

Consultation and stakeholder engagement

All departments will be invited annually to submit proposals for inclusion in the Council's Capital Investment Plans. These will then be reviewed by the Corporate Asset Management Group, Corporate Management Team and elected members.

Where appropriate (e.g. for major property developments or proposals to build on open space), stakeholder consultation will be carried out in addition to any statutory consultation requirements.

A handwritten signature in blue ink, appearing to be 'M. McCon', written in a cursive style.

Signed: S95 Officer

Asset Management Plan Summaries

Executive Summary

Asset management ensures that assets are administered in the best way to meet the needs of the organisation and ensure the delivery of its corporate goals and objectives. This Corporate Asset Management Plan is about the long term broad plan for our assets to support corporate goals and objectives, derived from consideration of possible management options.

The Corporate Asset Management Plan serves to encapsulate that strategy and the key actions we will take to achieve our targeted outcomes.

Forward planning for assets is vital to secure best value for money:

- Time is needed to thoroughly formulate the Council's needs for assets and to translate those into sound proposals;
- It takes times to procure and deliver change in assets;
- Upkeep of assets can involve highly variable levels of expenditure that need to be forward planned; and
- Assets are expensive to provide and need to be used for the maximum time appropriate.

There are six services that are integral to the development of this Corporate Asset Management Plan and the ongoing maturity of East Renfrewshire Council's asset management approach.

Following the appointment of a Corporate Landlord Manager and the requirement to update the Corporate Asset Management Plan (CAMP), CAMG have taken the decision to suspend reviews of current AMP's until an overreaching new CAMP is completed which will be the hierarchical lead document for all other AMP's and will remove much of the duplication and wordiness of the current AMP's.

NB the 2020 response to the Covid 19 Pandemic has significantly affected progress with the CAMP revision.

Property

Property is an extremely important asset to the Council, as it can have a significant impact on all the services that East Renfrewshire Council provides to local residents. The long term objective for property is to ensure that the Council has the right properties in the right place to ensure they are fully utilised and provide best value to East Renfrewshire. The property portfolio should be suitable for its current use and support efficient and effective service delivery both now and in the future and meet the needs and expectations of building users. All properties must be safe and secure ensuring compliance with relevant property legislation. Properties need to be in an appropriate condition and maintained effectively. Adequate budget consideration is required to meet the demands of existing repairs and maintenance as well as future higher costs for the maintenance and servicing of advanced building management systems within newly constructed properties. Properties should be accessible for people with disabilities. Although current performance of property assets is good, it is not where the Council wants to be, and the actions within the document and the individual Property Asset Management Plan will drive forward an approach to asset management that allows the Council

to identify improvements, and increase the performance of the service in the long term. The latest Property AMP is for 2019/21 and was approved by Cabinet in 2019.

Roads

East Renfrewshire Council's roads service is dealing with a significant backlog of maintenance requirements and as roads is one of, if not the most valuable assets that the Council has, it is clear that a step change in the way it is managed is required to combat this issue. Future roads asset management will be focussed on creating an innovative approach to repairing backlog maintenance, and the order in which repairs are prioritised. The Council will ensure that it is a systematic approach that takes a long term view of areas such as lifecycle, maximising benefits, balancing demands and allocation of resources. The Roads AMP, unlike the other AMP's in the Council's suite, is undertaken through a national reporting system.

Housing

There is a high pressure on housing stock across East Renfrewshire, this presents the Council with a key area for focus. Asset management techniques and processes will be embedded into Housing service delivery to maintain and improve current core stock, as well as enabling decision making for new homes across the area. Furthermore, East Renfrewshire Council will continue to make strong developments in ensuring all housing stock is at optimal levels of energy efficiency. The objectives of the Housing Asset Management plan are as follows:

- Ensure reliable stock condition information and thereby permit accurate level of EESSH compliance;
- Establish the level of investment required to achieve and maintain EESSH;
- Assess the make-up of the best portfolio required to deliver the Housing Service and meet housing need;
- Maximise efficiency of service delivery, ensuring that assets used for service delivery are fit for purpose;
- Improve stakeholder involvement and satisfaction with the provision of service;
- Ensure compliance with all statutory, legislative and regulatory requirements;
- Develop and implement programmes for energy efficiency initiatives that will deliver long term and sustainable energy use; and
- Develop and implement a planned maintenance and improvement programme that will maintain the assets to a good standard.

The current Housing Services AMP was reported to Cabinet in February 2019, for the years between 2019-23 and will be reviewed during 2022.

ICT

Investment in ICT assets is prioritised to enable the delivery of all ODP Outcomes and to ensure that the Council is modern and ambitious. The Council's focus will now be on how digital technology can improve outcomes for customers, particularly in big spend areas such as Education and Social Care. The Council will need to embrace and utilise new technologies to gather data that will enable decision making for quicker responses and the support of those who cannot access digital technology easily.

The ICT Asset Management Plan was approved in 2018 and its goals are:

- To acquire appropriate ICT assets for the Council with minimum costs and maximum benefits
- To optimise the use of each ICT asset during its life
- To dispose of ICT assets when they no longer provide a benefit compared to the cost to maintain them
- To support ICT asset compliance with relevant standards
- To provide the information needed for internal and external requirements

Fleet

East Renfrewshire Council has an extremely high performing fleet management service, continually performing outstandingly well against other UK authorities at APSE benchmarking data level. In the long term the Transport Service wishes to focus on building a wider role for fleet management, to ensure the continued success of the department, particularly concentrating on greater efficiencies, improved digital processes and reduced emissions. The Fleet Asset Management Plan has recently been upgraded to fit in to the new hierarchy of Asset Management Plans, sitting under the new Corporate Asset Management Plan. Both AMP's have been drafted and await Cabinet approval.

There are a number of challenges for fleet managers going forward, particularly in relation to climate change and the steady move away from fossil based fuels, the introduction of Low Emission Zones to improve air quality, increasing number of homes within the area to be serviced and the development of alternative fuels for both light and heavy goods vehicles. Capital planning will be required to assess future fleet requirements, ongoing workplace infrastructure and how these vehicles will be powered in the future. The current reliance on diesel will not be sustainable and will require a step change and capital funding in future years.

The Council has signed up to a long term, 25 year, contract in conjunction with Clyde Valley Local Authority partners, for the treatment of residual waste, and there should be no further requirement for capital investment in residual waste handling facilities at Greenhags, until that contract concludes.

The fleet requires operational centres to work from whether that be garaging, maintenance or collection / disposal points

The Council however, has other waste and recycling handling facilities, including Household Waste Recycling Centres, Bring Sites and recycling reception sheds / bays which will require future investment to enhance assets and be responsive to legislative changes and public demand, and this may impact on the type of fleet required to service these centres.

Open Spaces

Open Spaces is a combination of local outdoor access areas including parks such as Rouken Glen Park, Cowan Park, Dams to Darnley and Whitelee Wind Farm, but also playing fields, play areas, sports pitches and cemeteries. Green and open spaces are an important part of making East Renfrewshire an attractive place to live whilst providing a healthy and active lifestyle.

Rouken Glen Park continues to be developed as one of Scotland's most loved parks, and continues to win awards and accolades, being named Best Park in the UK 2016. Continued investment is required to ensure that parks and open spaces are improved and provide a diverse range of visitor opportunities across the area.

The corporate objectives for Open Spaces are:

- Provide a variety of opportunities for residents and visitors to exercise, learn and enjoy
- Provide a well-managed, accessible, attractive environment
- Focus on the needs of users and the community, and encourage their active involvement in the management of our land asset
- Ensure facilities on our publicly available green spaces, play areas and sports pitches are inclusive and modern and enhance the visitor experience for all users.

The OSAMP also includes information on woodland management, play areas and cemeteries.

Asset management for open spaces will be focused on developing a common and consistent approach to management, maintenance, operation and delivery across the services, and outlines future capital needs in a 6 year plan.

The Outdoor Space AMP has recently been upgraded to fit in to the new hierarchy of Asset Management Plans, sitting under the new Corporate Asset Management Plan. Both AMP's have been drafted and await Cabinet approval.

All Asset Management Plans narratives will eventually be updated to reflect the re-aligned timeframes from Overarching Council Corporate Strategy, Capital Investment Plan through CAMP and into the individual plans, however progress has been impacted by the global pandemic and this provides an opportunity to reconsider objectives and new ways of working post COVID, particularly in relation to property and ICT.

Capital Project Appraisal Brief

Project Title:

Project Objectives

-
-
-

Project Challenges

-
-
-

Total Capital Costs requested:

Revenue Impact (where applicable):

Completion Date:

Link to CIS:

Project Rating:

RATING	PROJECT STATUS	PROJECT	CAMG COMMENTS
A	Must Have	Essential legislative requirement	
B	Service Improvement (High Priority)	Highly desirable project with Community benefits	
C	Service Improvement (Medium Priority)	Worthwhile project with community benefits	
D	Service Improvement (Low Priority)	Service project with limited benefits	

Capital Project Appraisal Form



STRATEGIC OUTLINE PROGRAMME

STEP1: Project Outline – Strategic Fit

1.1 Strategic Objectives

This section is to be used to identify the main strategic objectives which the project will satisfy. Full definitions of the Council's objectives are detailed in the current Community Plan and Outcome Delivery Plan (ODP).

From the lists below please identify the relevant links to the Council's priorities (PLEASE IDENTIFY ONLY THE MOST APPROPRIATE STRATEGIC OUTCOME) :

Link to ODP Themes		Links to Asset Management Plans	
Strategic Outcome No.1		Outdoor Space AMP	
Strategic Outcome No.2		Housing AMP	
Strategic Outcome No.3		ICT AMP	
Strategic Outcome No.4		Fleet AMP	
Strategic Outcome No.5		Property AMP	
Customer, Efficiency and People		Roads AMP	
Health & Safety / Legal Requirement / Contractual Requirement		Council Capital Asset	

1.2 Costs

<p>What is the estimated cost:</p> <p><u>Capital costs</u></p> <p>1.</p> <p><u>Revenue costs</u></p> <p>2.</p> <p><u>Income Potential</u></p> <p>3.</p>
<p>What is the source of your costings:</p> <p><u>Capital costs</u></p> <p>1.</p> <p><u>Revenue costs</u></p> <p>2.</p> <p><u>Income Potential</u></p> <p>3.</p>

1.3 Sponsoring Service

1.4 Service Lead Officer

GATE 0 – APPROVAL OF DIRECTOR REQUIRED

<p>Director:</p> <p>Approval Date:</p>

Signature:

STRATEGIC OUTLINE CASE

STEP 2: Case For Change

2.1 Strategic context - Relationship with Council Strategy:

This section is to be used to identify the main strategic objectives which the project will satisfy. Each project may relate to one or more of the Council's Strategic Objectives. Projects must also align with the Council's Capital Investment Strategy (see link below).

<https://www.eastrenfrewshire.gov.uk/CHttpHandler.ashx?id=23880&p=0>

Please fill out each relevant section.

NB Full definitions of the Council's objectives are detailed in the Community Plan and Outcome Delivery plan.

2.2 Strategic Outcomes

Please specifically identify which single Strategic outcome the project most identifies with.

<http://intranet.erc.insider/CHttpHandler.ashx?id=9410&p=0>

2.3 Asset Management Plan Commitments

This section should be used to demonstrate the link between the relevant Asset Management Planning (AMP) and the proposed capital investment.

2.4 5 Capabilities

This section should outline how the capabilities will be used to improve the delivery of the project outcomes:

5 Capabilities	Comments
Prevention	
Modernisation	
Community Engagement	
Digital	
Data, Evidence and Benchmarking	

2.5 What are the Benefits of the Project?

Please provide details of how the project fits in with the following assessment criteria:	
How does the project improve/enhance assets and what benefits are derived from the project? <i>e.g a new school could meet the demands of new build housing and offer new benefits such as shared community space.</i>	
Does the project meet the definition of Capital spend? <i>i.e. does the expenditure result in the acquisition or creation of a new asset, or the enhancement of a current asset?</i>	
Is the project required to fulfil a statutory obligation, Health and Safety, contractual or legal requirement, and if so, for what reasons?	

<p>Will the project lead to increased efficiency and/or reduced revenue running costs and if so, please provide details? If there are ongoing revenue implications, please identify.</p>	
<p>Are there any other factors not covered by the above which need to be taken into account?</p>	

2.6 Are there any barriers to Project start e.g Planning permission, LDP status, land ownership, contamination etc?

STEP 3: Public Value

3.1 Public Value

Please outline in the box below, how the project is likely to be received by the community, both positives and negatives:

3.2 What are the Critical Success Factors which will define the project?

e.g. timing, best value, efficiency etc

3.3 What is the Service’s strategy for delivering this project?

3.4 What other services can gain benefit from this project? Have you consulted with them?

3.5 Please outline any positive or negative effects for sustainability which the project will have once completed. In terms of carbon reduction for example, impacts could include use of renewable energy sources, reduced energy/fuel consumption, increasing recycling and reduced need for people to travel by private car. In terms of the environment, benefits could include the provision of sustainable drainage, tree-planting, habitat creation and reduced use of plastics.

GATE 1 – STRATEGIC OUTLINE CASE

Approval by Capital Asset Management Group and Directors

CAMG Approval date:

Director:

Approval Date:

Signed:

OUTLINE BUSINESS CASE

STEP 4: Full Options Appraisal

4.1 Options Appraisal:

A Concise Summary of the Options Considered should be Detailed below. At least 4 options should be considered i.e. Do nothing plus 3 viable options.

Number	Options considered	Comments
1		
2		
3		
4		
5		

STEP 5: Commercial Viability

5.1 Procurement Strategy - What is the Procurement Strategy (please highlight one option):

Value of £20,000 or less for capital works	Value of capital works between £20,000 and £150,000	Value of capital works £150,000 and above
Determined by the Director of the procuring Department	Advertised following Quick Quote procedure. Will be purchased through Framework Agreement.	Invitation to Tender advertised by Chief procurement Officer

Which Service will be expected to procure this project?

Service:

5.2 Outline any Risk Apportionment issues between the Council and Contractor:

5.3 Outline Payment Mechanism (where relevant e.g. Hub):

5.4 Identify any Potential Contractual Issues e.g is there a certain time of year the project must be undertaken:

Step 6 : Affordability Project Financial Details and Delivery Schedule

6.1 Project Delivery Schedule:

Milestones	Timescales
Project Development Phase:	
Construction / Commencement Phase:	

6.4 Impact on the Council Revenue Budgets – Following Completion of Project

Financial Year	Additional Staff Resource	Consultancy Fees	Landscaping	Hire Costs	Equipment / Furniture	IT costs	Maintenance Costs	Other costs	Total
2022/23									0
2023/24									0
2024/25									0
2025/26									0
Total	0	0	0	0	0	0	0	0	0

6.5 Impact on the Council Revenue Budgets – Service Departments

On completion of the Project which Council Services will be expected to apply for ongoing additional funding?

e.g. Neighbourhood Services new Landscaping - £25,000 annually

6.6 Does this project require the addition of an Optimism Bias?

--

6.7 What scope does the project have to contribute towards the Council’s Participatory Budget requirements?

For example – what elements of choice/decision making, with an estimated monetary value, can be delegated to community stakeholders e.g. decisions on prioritisation, design, configuration, materials or finishes?

If so, describe the scope/element, target community stakeholders and estimated monetary value:

--

STEP 7: Planning for Successful Delivery

7.1 Who will the project be managed by?

7.2. Which internal services / contractors are you reliant on for delivery? Have they built this into their forward work programme?

7.3 What is the latest lead in time for completion by scheduled project completion date?

7.4 Risk Management - how will you manage the project risk?

7.5 Post Project Evaluation Strategy – how will you identify lessons learned on completion of project?

GATEWAY 2 - OUTLINE BUSINESS CASE

CAMG to undertake scoring assessment to accompany CPA.

Recommendation for Approval by CAMG including prioritisation

Final scrutiny of prioritisation by CMT

Approval by Council of Capital Plan:

FINAL BUSINESS CASE

STEP 8: Procurement

8.1 What method of Procurement is being used and when?

STEP 9: Contracting for the Deal

9.1 Setup Deal and Contractual Arrangements:

9.2 review financial implications of the deal and get further approvals as required for any changes

STEP 10: Ensuring Successful Delivery

10 .1 Finalise Project Management:

10.2 Finalise Contractors / Services:

10.3 Finalise Costs:

10.4 Finalise Risk Management Arrangements:

10.5 Finalise Contract Monitoring Arrangements:

10.6 Finalise Project Evaluation Arrangements

GATE 3: DIRECTOR OR SENIOR RESPONSIBLE PERSON

Date:

Date:

Date:

EAST RENFREWSHIRE COUNCIL

ORGANISATIONS APPROVED FOR THE INVESTMENT OF SURPLUS FUNDS

Banking Group	Individual Counterparty	Limits				
		Deposit	Transaction			
Bank of England	Debt Management Office	£30m	£30m			
	UK Treasury Bills	£5m	£5m			
Barclays Banking Group	Barclays Bank	£5m	£5m			
Goldman Sachs International Bank		£10m	£10m			
HSBC		£5m	£5m			
Lloyds Banking Group:	Bank of Scotland	£12.5m	£10m			
Royal Bank of Scotland Group:	Royal Bank of Scotland					
	National Westminster Bank	£5m	£5m			
Santander Group	Santander UK PLC	£10m	£10m			
Standard Chartered Bank		£10m	£10m			
Clydesdale Bank		£0	£0			
Building Societies						
Nationwide		£10m	£10m			
Local Authorities						
All Local Authorities including Police & Fire (per fund)		£5m	£5m			
Money Market Funds and Ultra-Short Dated Bond Funds						
Maximum limit of £10m per fund,		£60m	£10m			
Credit Ratings						
	Fitch		Moody's		S&P	
	LT	ST	LT	ST	LT	ST
Minimum Criteria	A-	F1	A3	P-1/P-2	A	A-1/A-2

(Unless Government backed)

(Please note credit ratings are not the sole method of selecting counterparty)

Limit

Investment of surplus funds is permitted in each of the above organisations, with the limits set on an individual basis by the Head of Accountancy (Chief Financial Officer).

The limit may only be exceeded or another organisation approved with the written permission of the Head of Accountancy (Chief Financial Officer).

Deposit Periods

The maximum period for any deposit is currently set at 6 months, based on the Link Assets Services suggested Duration Matrix, with the exception of the Bank of Scotland which is set at 365 days. These limits can only be exceeded with the written permission of the Head of Accountancy (Chief Financial Officer).

Hub scheme deposit periods are dependent on the lifetime of the associated scheme.

Risk Management Process

Risk Scoring Mechanism

A scoring chart and key is illustrated below:

		Risk Score Overall Rating			
		11-16	High RED		
		5-10	Medium YELLOW		
		1-4	Low GREEN		
Likelihood	4				
	3				
	2				
	1				
		1	2	3	4
		Impact			

Roles and Responsibilities

The responsibility for managing risks lies with all members of the organisation and is summarised in the table below:

Group	Role
Cabinet (Reporting <i>Annually</i>)	Oversee the effective management of risk throughout the council, and gain an understanding of its benefits.
Audit and Scrutiny Committee (Reporting <i>Quarterly</i>)	Provide independent assurance of the risk management process and its benefits. To be informed of the key risks facing the Council and the control measures which have been put in place to mitigate those risks.
Corporate Management Team (Reporting <i>Annually</i>)	Oversee the implementation of the risk management strategy and agree any inputs and resources required supporting the work corporately. Support the development of the risk management process, review the strategic risk register regularly, share experience on risk, and aid/advise in the review of risk management issues.
Corporate Risk Management Group (Reporting <i>Bi-annually</i>)	Champion the risk management process throughout the council with both Members and officers ensuring the process is embedded and effective. The role of the departmental representative on the Corporate Risk Management Group is outlined in Appendix 1 of this strategy.
Service Managers	Raise awareness, manage and implement the risk management process effectively in their services areas, attend risk management training and recommend any necessary training for employees on risk management. To produce and review risks relating to the delivery of targets and activities within their service plans.
Employees	Manage risk effectively in their jobs, liaising with their manager to assess areas of risk in their job. Identify new or changing risks in their job and feed these back to their line manager.

Risk Reporting

The following table summarises the risk reporting and monitoring processes in place, along with associated timescales.

Timeframe	Description	Involvement from	Reported to
Weekly	Review of the strategic risk register	Corporate Management Team	Internally (keep live register of risks)
Biannually (November and May)	Risks related to service delivery (within service plans)	Chief Executive and Directors	Chief Executive (meetings)
Biannually (April and September)	Review of the strategic risk register	Corporate Management Team/ Leadership Group and Corporate Risk Management Group	Cabinet (annually) and Audit and Scrutiny Committee (biannually)
Biannually (February and August)	Progress on risk management	Corporate Management Team/ Leadership Group and Corporate Risk Management Group	Audit and Scrutiny Committee
Every 3 years	Review of the risk management strategy and process document to identify and agree major changes	Corporate Management Team/ Leadership Group and Corporate Risk Management Group	Cabinet and Audit and Scrutiny Committee

Corporate Asset Management Group - Rating Matrix

Project Name:

Is the Project commensurate with the aims of the Capital Investment Strategy?	Yes	No
---	-----	----

Link to CIS:

Project Summary (100 words max)

Project Capital Costs

<u>20/21</u>		<u>21/22</u>		<u>22/23</u>		<u>23/24</u>		<u>24/25</u>	
--------------	--	--------------	--	--------------	--	--------------	--	--------------	--

Project Revenue Costs

<u>20/21</u>		<u>21/22</u>		<u>22/23</u>		<u>23/24</u>		<u>24/25</u>	
--------------	--	--------------	--	--------------	--	--------------	--	--------------	--

Strategic Influences – action plan

Action	Why is this required?	Responsibility	Timescale
Monitor Scottish Government housing policy activity and update the Capital Investment Strategy to address any resulting challenges and opportunities.	It is important for the Council to continually monitor Scottish Government housing policy activity to inform the Local Housing Strategy, the Capital Investment Strategy and future Local Development Plans. This is particularly important for the planning of future school places.	Director of Environment	Annually
Liaise closely with local Health Board partners to identify initiatives requiring new capital investment or facilitating joint development.	Integration of health and social care services is well embedded within East Renfrewshire. As our population increases our community based services, required to meet the demands of our residents also need to expand. Work is ongoing with our Health Board Partners to assess the impact of population growth on our local health and care facilities including our GP practices.	Chief Officer, IJB	Annually
Liaise closely with regional initiatives associated with City Deal so as to reflect any challenges and opportunities in Council capital planning.	Joint development of economic growth and improved service delivery vehicles is becoming more prevalent and can deliver new initiatives in an efficient and economical manner.	Director of Environment	Annually

Strategic Outcomes – action plan:

Action	Why is this required?	Responsibility	Timescale
Keep under review, particularly as LDP is developed.	As the Council's Local Development Plan is currently under review there are likely to be several significant changes required to future capital investment plans.	CMT	Annually

81

Capital investment ambition gap – action plan

Action	Why is this required?	Responsibility	Timescale
Review Developer Contribution policy to accompany new LDP2	To ensure adequate contribution to new schools/community infrastructure as a result of increased housebuilding.	Director of Environment	Policy review completed. New guidance to be submitted to Council following consultation in Spring/Summer 2022
Closely monitor progress on capital projects and identify/rectify delays or overspends. Reprioritise schemes in wake of COVID.	Projects should be kept to planned phasings as far as possible to align with financial and staffing resource plans and to ensure benefits re promptly delivered.	Corporate Management Team /Head of Property/ Head of ICT	Ongoing
Continue to consider allocation of any in year revenue underspends to capital and other reserves	Such allocation would reduce the need for new borrowing and thus ease pressures on future revenue budgets.	Chief Financial Officer	Annually
Continually review opportunities to lobby Scottish Government and/or partners for support with capital schemes	Existing grant funding levels and constrained revenue budgets do not align with the Council's capital investment ambitions.	Corporate Management Team	Ongoing

Risk Management Action Plan

Action	Why is this required	Responsibility	Timescale
Refresh and review specific capital risks as the Capital Investment Strategy is updated	To ensure that the Capital Investment Strategy is consistent with corporate risk management practices and that stakeholders are aware of how capital specific risks are aligned with ambitions as set out in the Capital Investment Strategy	CMT/CEO Business Manager	As and when the Capital Investment Strategy is updated and at least annually

Governance and monitoring – action plan

Action	Why is this required?	Responsibility	Timescale
Review and update the Capital Investment Strategy	To continually refresh the Strategy in line with evolving strategic influences and delivery of the capital investment plan	Leadership team	Annually / as required

This page is left blank intentionally ⁸⁴

EAST RENFREWSHIRE COUNCIL3 March 2022Report by Head of Accountancy (Chief Financial Officer)GENERAL FUND CAPITAL PLAN 2022/23 TO 2031/32**PURPOSE OF REPORT**

1. The purpose of this report is to present for consideration the General Fund Capital Plan covering the 10 years from 2022/23 to 2031/32. This has been prepared in line with the approach set out in the Capital Investment Strategy report earlier on the agenda.

RECOMMENDATIONS

2. The Council is invited to:-
- (i) approve the programme for 2022/23 and authorise officers to progress the projects contained therein; and
 - (ii) agree to earmark any capital receipts secured by 31 March 2022 for use in addressing ongoing COVID pressures, noting that if these are not required for this purpose they will be returned to the capital reserve on 31 March 2023

BACKGROUND

3. Whilst the Council only approves the capital programme for the coming year, the Capital Plan also includes figures for future years so that long term capital investment plans and their associated financial impacts can be recognised. Our rolling Capital Plan aligns with best practice in covering the next 10 years. The Council's Capital Investment Strategy provides an even broader view of the Council's capital ambitions.

RESOURCES

4. Capital resources available to support investment remain constrained for future years. Details of the available resources are provided in Appendix B.

5. Over the next financial year the Council does not currently have any significant confirmed capital receipts from the disposal of assets. This will be kept under review and disposals will only be progressed provided they demonstrate best value. Should any capital receipt be secured prior to 31 March 2022, it is proposed that this would be earmarked to offset ongoing COVID pressures, with any unused element of such funding returned to the Capital Reserve on 31 March 2023.

6. The Council's general capital grant for 2022/23 has been confirmed as £5.351 million. This is almost exactly the same level as in the current year. Indications from the Scottish Government are that grant will remain at this level from 2023/24 onwards. The Scottish Government intend to publish a multi-year Spending Review in May/June 2022 and this will be very helpful in future long term capital planning. A further £0.723m has been provided in 2022/23 for bridge maintenance.

7. The Capital Plan assumes total borrowing of £163.6 million, (£55.4 million in 2022/23, £65.3 million in 2023/24, £23.1 million in 2024/25 and £19.8 million in later years). This represents a decrease of £4.4 million over the previously approved Plan. An increase in borrowing will result in increased loan charges which must be funded from revenue budgets, however, even factoring in the forecast rate rises over the next year or so, interest rates remain relatively low and so the revenue impact will be minimised. The cost of all elements of the planned borrowing has been factored into the Council's revenue budget plans for 2022/23 and beyond.

8. The City Deal project is funded by £38m of Government funding, around £6m from Sustrans and £6m of Council funding. However the projects will be completed over a 10 year period with grant income over a 20 year period. In the coming years the Council will require to fund further new borrowing of up to £25.5 million until full payment is received reducing the long term impact on the revenue budget.

9. Accountancy staff will continue to smooth repayment profiles between years to minimise any large variations in repayments between years.

10. In response to financial pressures arising from the COVID pandemic, the Scottish Government has permitted Councils "fiscal flexibilities" in 2020/21, 2021/22 and 2022/23, effectively allowing certain capital funding approaches to be applied to cover COVID related revenue pressures. These include the flexibility to utilise capital receipts generated between 2020/21 and 2022/23 to help address unfunded COVID-19 pressures until 31 March 2023.

11. As the Council's current level of confirmed grant funding is close to the level of our forecast COVID pressures for these years, and our general reserve is expected to reduce to close to the minimum prudent level, capital receipts of around £2m generated in 2020/21 have already been earmarked to meet unfunded COVID pressures. Should the final unfunded gap not require the full utilisation of these receipts, any unused portion would be made available to support the capital plan from 1 April 2023.

12. Should any further capital receipts be secured prior to 31 March 2022, it is proposed that these should also be earmarked to meet unfunded COVID pressures. As above, any unused portion as at 31 March 2023 would then be returned to the Capital Reserve.

13. The Council continues to have active discussions with developers over contributions receivable in relation to housing developments. The timescale and amount of such receipts are often difficult to evaluate fully until each scheme progresses, however estimates of contributions totalling £2.4 million have been reflected within the proposed Plan. These will be firmed up as developments progress.

14. In recent years the Council has built up and utilised a significant Capital reserve to assist in supporting major projects. The projected balance on this reserve at 31 March 2022 is £2.680 million. This provides an element of cover should unforeseen costs arise. There are no plans to draw further on this reserve in 2022/23.

EXPENDITURE PLAN

15. The detailed programme for 2022/23 and the outline plan for the subsequent 9 years are set out in Appendix A. These plans are developed to support the delivery of the Council's overall strategy, have been compiled in line with the approach set out in the Council's Capital Investment Strategy (considered earlier on today's agenda) and align with the Asset Management Plans summarised in that document.

16. Significant capital investment of £235.435m is planned for the 10 year period and includes the following (with total project costs quoted below including the current or previous financial years' spend where appropriate to assist in clarifying the total investment on a particular project):

Outcome 1 – Early Years & Vulnerable Young People

- £0.5m is being invested to extend facilities for our most vulnerable young people at Isobel Mair School.
- Investment of more than £0.4m is underway to upgrade Capelrig House, allowing the facility to be brought back into use and leased by a national charity to benefit vulnerable children.

Outcome 2 – Learning, Life and Work

- The Council will participate in the first phase of the Scottish Government's Learning Estate Strategy, an initiative to improve the condition of schools by replacing old facilities. Recognising this, the Plan makes provision totalling £40m for Learning and Leisure in Neilston.
 - The first stage of this project will be the provision of a new education campus comprising new build replacements for Neilston Primary, St Thomas' Primary and Madras Family Centre, together with replacement library provision. An estimated allocation of £30m has been earmarked for these elements. The new facilities will be maintained to a high standard and will deliver improvements in digital learning and energy efficiency as well as providing additional employment opportunities during the construction phase. As a result the Council expects to attract significant new revenue grant funding in future. The new facilities are scheduled to open in late 2023.
 - Future stages of the project will address leisure and regeneration within the village.
- Completion of the £2.5 million investment to provide extended facilities to temporarily increase the planning capacity at St Ninian's High School and honour the commitment made at the time related to changing schools admission arrangements.
- Investment of £2.3 million to further extend Crookfur Primary School in view of increasing demand within the catchment area.
- Over £1.7 million to be invested to provide a new all-weather pitch and running track for Mearns Castle High School.
- A further £1.6 million to be invested over the next 10 years to improve learning environments to better meet modern learning styles and curricular experiences across the school estate.
- Investment of up to £55m for the provision of top quality new leisure facilities in Eastwood Park.
- A further £1.7 million to be invested over the next 10 years to improve cultural, leisure and community facilities.
- More than £6.5 million to be invested over the next 10 years to upgrade the Council's artificial sports pitches.

- Additional resource is also expected to be announced during the year to permit upgrade/extension of school kitchen/dining areas in support of the Scottish Government's extension of free school meals to all pupils up to Primary 5.

Outcome 3 – Environment & Economy

- Investment of £50.9 million in City Deal infrastructure projects including improved road links between Barrhead and Newton Mearns, a new railway halt for Barrhead south and country park developments. This is part of an overall regional investment of £1.13 billion across the Glasgow City region which will bring a wide range of benefits to residents such as increased access to jobs. In addition to City Deal funding, this project has attracted over £6m of grant funding from Sustrans and several other sources.
- Major capital investment in Roads projects which will total £19.5 million over the 10 year period, aimed at achieving a significant improvement in the condition and safety of roads. This is in addition to the investment in roads through City Deal funding.
- Investment of £2.7 million to extend full fibre digital infrastructure across the area.

Outcome 4 – Safer, Supportive Communities

- Increased investment £0.626 million to extend and improve our CCTV service which protects local residents, schools and local facilities.
- £0.630 million investment in Overlee House to increase provision for the homeless.

Outcome 5 – Older People & People with Long Term Conditions

- Investment of £1.15 million to upgrade our telecare systems which allow older and vulnerable people to remain in their own homes.

Corporate

- A provision of £24.6 million for further ICT technology projects over the 10 year period to support necessary corporate improvements, enhance technology available in schools and other Council premises and provide a more modern, digital service to residents.
- A provision of £14.6 million over the period of the Plan for improvements necessary to Council property including energy efficiency measures.

CONCLUSIONS

17. Substantial borrowing has been planned over the next three years to support the capital plan and the revenue consequences have been factored into the Council's revenue budget. Planned 2022/23 expenditure is in line with available resources.

18. The expenditure plan for subsequent years will continue to be subject to review in light of progress on capital receipts and the levels of funding provided by the Scottish Government.

RECOMMENDATIONS

19. The Council is invited to:-

- (i) approve the programme for 2022/23 and authorise officers to progress the projects contained therein; and
- (ii) agree to earmark any capital receipts secured by 31 March 2022 for use in addressing ongoing COVID pressures, noting that if these are not required for this purpose they will be returned to the capital reserve on 31 March 2023

Further information is available from:

M McCrossan, Head of Accountancy Tele No. 0141 577 3035

KEY WORDS

General Fund Capital Plan 2022/23 to 2031/32, capital receipts, Capital Reserve.

BLANK PAGE

10 YEAR GENERAL FUND CAPITAL PLAN 2021/2022 - 2020/2031

A. PROPERTY - SCHOOLS

Project	£'000											
	Total	Est Spent to 31.03.22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
MAJOR MAINTENANCE (SEE ANNEX 1)	9,541	534	907	900	900	900	900	900	900	900	900	900
MAIDENHILL PS	15,050	15,029	21	0	0	0	0	0	0	0	0	0
KIRKHILL PS REWIRE	491	369	122	0	0	0	0	0	0	0	0	0
ST NINIAN'S HS ADDITIONAL TEMP ACCOMMODATION	2,492	1,900	592	0	0	0	0	0	0	0	0	0
LEARNING & LEISURE IN NEILSTON	30,000	1,723	11,000	16,937	340	0	0	0	0	0	0	0
ST MARK'S CAR PARK	350	64	286	0	0	0	0	0	0	0	0	0
UPLAWMOOR PS UPGRADE	100	0	100	0	0	0	0	0	0	0	0	0
CROOKFUR PS EXTENSION	2,329	25	1,609	625	70	0	0	0	0	0	0	0
MCHS SPORTS FACILITY	1,726	175	1,531	20	0	0	0	0	0	0	0	0
IMPROVING LEARNING	1,600	0	200	200	200	200	200	200	200	200	0	0
SECURITY (CCTV) EXPANSION	200	168	32	0	0	0	0	0	0	0	0	0
ISOBEL MAIR EXTERNAL CLASSROOMS	500	30	470	0	0	0	0	0	0	0	0	0
TOTAL	64,379	20,017	16,870	18,682	1,510	1,100	1,100	1,100	1,100	1,100	900	900

10 YEAR GENERAL FUND CAPITAL PLAN 2021/2022 - 2020/2031

D. OPEN SPACES

Project	£'000											
	Total	Est Spent to 31.03.22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
1. REGENERATION												
COUNTRY PARK - TOURISM INFRASTRUCTURE AND ECONOMIC ACTIVITY PROJECTS	235	52	183	0	0	0	0	0	0	0	0	0
WHITE CART / LEVERN WATER RESTORATION	2,948	348	2,600	0	0	0	0	0	0	0	0	0
REGENERATION PROJECTS (TO BE IDENTIFIED)	2,559	81	228	250	250	250	250	250	250	250	250	250
NEILSTON REGENERATION	2,609	100	213	522	887	887	0	0	0	0	0	0
2. ENVIRONMENT - OTHER PROJECTS												
ENVIRONMENTAL TASK FORCE	280	80	20	20	20	20	20	20	20	20	20	20
TOWN CENTRE ACTION	318	118	20	20	20	20	20	20	20	20	20	20
PARKS, CEMETERIES & PITCH INVESTMENT	1,743	843	300	300	300	0	0	0	0	0	0	0
COWAN PARK	915	715	200	0	0	0	0	0	0	0	0	0
BRAIDBAR QUARRIES	20	0	0	20	0	0	0	0	0	0	0	0
ARTIFICIAL PITCH REPLACEMENTS	6,561	0	650	650	650	650	650	650	650	711	650	650
TOTAL	18,188	2,337	4,414	1,782	2,127	1,827	940	940	940	1,001	940	940

10 YEAR GENERAL FUND CAPITAL PLAN 2021/2022 - 2020/2031

F. ICT

Project	£'000											
	Total	Est Spent to 31.03.22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
ICT INFRASTRUCTURE	6,543	1,543	500	500	500	500	500	500	500	500	500	500
IT GENERAL PROVISION	16,446	3,075	1,341	1,302	1,341	1,341	1,341	1,341	1,341	1,341	1,341	1,341
GDPR REQUIREMENTS	250	80	170	0	0	0	0	0	0	0	0	0
EDUCATION NETWORK	1,503	503	100	100	100	100	100	100	100	100	100	100
EDUCATION COMPUTER EQUIPMENT (4 YEARS REPLACEMENT PROGRAMME)	6,636	1,815	226	386	490	839	221	370	469	804	212	804
CORPORATE & COMMUNITY DEBT RECOVERY SYSTEM (5 YEAR REPLACEMENT PROGRAMME)	78	39	0	0	0	0	39	0	0	0	0	0
ERCLT PEOPLE'S NETWORK	269	69	20	20	20	20	20	20	20	20	20	20
EDUCATION CCTV	626	447	179	0	0	0	0	0	0	0	0	0
TELECARE SERVICE AND PERIPHERALS	1,150	625	525	0	0	0	0	0	0	0	0	0
FULL FIBRE DIGITAL TRANSFORMATION	2,700	1,350	1,350	0	0	0	0	0	0	0	0	0
TOTAL	36,201	9,546	4,411	2,308	2,451	2,800	2,221	2,331	2,430	2,765	2,173	2,765

10 YEAR GENERAL FUND CAPITAL PLAN 2021/2022 - 2020/2031

G. FLEET

Project	£'000											
	Total	Est Spent to 31.03.22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
HSCP	1,187	288	160	301	0	0	0	150	288	0	0	0
EDUCATION	828	54	0	293	102	0	0	0	281	98	0	0
ENVIRONMENT	16,084	4,414	823	1,392	1,400	909	1,445	772	1,333	1,341	871	1,384
ENVIRONMENT GPRS SYSTEM	315	105	0	0	35	70	0	0	35	70	0	0
TOTAL	18,414	4,861	983	1,986	1,537	979	1,445	922	1,937	1,509	871	1,384

10 YEAR GENERAL FUND CAPITAL PLAN 2021/2022 - 2020/2031

H. MISCELLANEOUS

£'000												
Project	Total	Est Spent to 31.03.22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
1. PURCHASE OF ASSETS												
EQUIPMENT - GYMS - 5 YEARS REPLACEMENT PROGRAMME	831	277	0	0	277	0	0	0	0	277	0	0
EQUIPMENT - THEATRE - 5 YEARS REPLACEMENT PROGRAMME	216	108	0	0	0	0	54	0	0	0	0	54
TOTAL	1,047	385	0	0	277	0	54	0	0	277	0	54

10 YEAR GENERAL FUND CAPITAL PLAN 2022/2023 - 2031/2032

	TOTAL £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000	2030/31 £'000	2031/32 £'000
GRANTS											
GENERAL CAPITAL GRANT	53,510	5,351.00	5,351.00	5,351.00	5,351.00	5,351.00	5,351.00	5,351.00	5,351.00	5,351.00	5,351.00
CITY DEAL	5,564	907.00	1,942.00	1,942.00	773.00	-	-	-	-	-	-
EARLY LEARNING & CHILDCARE - EXPANS TO 1140HRS	0	-	-	-	-	-	-	-	-	-	-
SALIX/CENTRAL ENERGY EFFICIENCY FUND	750	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00
SCOTTISH ENVIRONMENTAL PROTECTION AGENCY	1,516	1,516.00	-	-	-	-	-	-	-	-	-
TOWN CENTRE FUND	0	-	-	-	-	-	-	-	-	-	-
REGENERATION CAPITAL GRANT FUND	0	-	-	-	-	-	-	-	-	-	-
RENEWAL OF PLAYPARKS	0	-	-	-	-	-	-	-	-	-	-
COVID EDUCATION GRANT	0	-	-	-	-	-	-	-	-	-	-
FLEET INFRASTRUCTURE	0	-	-	-	-	-	-	-	-	-	-
CO2 MONITORS	0	-	-	-	-	-	-	-	-	-	-
LOW CARBON FUND - LEVERN WATER	1,084	1,084.00	-	-	-	-	-	-	-	-	-
NATURE RESTORATION FUND	0	-	-	-	-	-	-	-	-	-	-
BRIDGE MAINTENANCE FUND (AURS)	812	812.00	-	-	-	-	-	-	-	-	-
FLOODING PREVENTION	0	-	-	-	-	-	-	-	-	-	-
SUSTRANS	5,608	2,277.00	3,331.00	-	-	-	-	-	-	-	-
CYCLING WALKING SAFER STREETS	420	420.00	-	-	-	-	-	-	-	-	-
TOTAL GRANTS	69,264	12,442.00	10,699.00	7,368.00	6,199.00	5,426.00	5,426.00	5,426.00	5,426.00	5,426.00	5,426.00
DEVELOPERS CONTRIBUTIONS	2,410	708.00	426.00	426.00	426.00	424.00	-	-	-	-	-
CAPITAL RECEIPTS	140	140.00	-	-	-	-	-	-	-	-	-
UTILISATION OF CAPITAL RESERVE	0	-	-	-	-	-	-	-	-	-	-
BORROWING - ASSETS	19,037	1,209.00	2,372.00	2,304.00	1,819.00	1,720.00	1,292.00	2,406.00	2,590.00	1,083.00	2,242.00
BORROWING - INVESTMENT IN ENERGY EFFICIENCY	0	-	-	-	-	-	-	-	-	-	-
BORROWING - CITY DEAL	25,465	-	16,336.00	8,862.00	267.00	-	-	-	-	-	-
BORROWING - GENERAL	119,119	54,212.00	46,601.00	11,926.00	1,494.00	550.00	935.00	935.00	996.00	735.00	735.00
	235,435	68,711	76,434	30,886	10,205	8,120	7,653	8,767	9,012	7,244	8,403

BLANK PAGE

EAST RENFREWSHIRE COUNCIL3 March 2022Report by Director of EnvironmentHOUSING REVENUE ACCOUNT BUDGET 2022/23**PURPOSE OF REPORT**

1. To seek approval for the proposed Housing Revenue Account (HRA) budget for 2022/23.

RECOMMENDATION

2. It is recommended that the Council approve the proposed Housing Revenue Account budget for 2022/23.

BACKGROUND

3. Ordinarily the presentation of the HRA budget is accompanied by a proposal to approve a rent increase. However, Members will recall that in February 2021 the Council approved a rent increase of 1% for 2021/22 and 2022/23. For this reason it is not necessary to seek approval for a rent increase. However, approval is still required for the proposed HRA budget for the forthcoming financial year.

4. Members will also recall that in 2020/21 COVID 19 had increased both void rent loss and increased rent arrears resulting in a forecast overspend for 2020/21. Whilst void rent loss is reducing, the pandemic is presenting many financial challenges for many council tenants and rent arrears continue to be a challenge. Whilst a 1% rent increase is not sufficient to meet the needs of the service, Housing Services have identified financial reserves to address any shortfall in income.

5. When determining the needs of the Housing Revenue Account, the service must first ensure that all statutory standards are met. All social landlords in Scotland must ensure they meet the standards set out in the Scottish Social Housing Charter which sets out what services should be delivered to tenants in the following areas:

- The customer/landlord relationship
- Housing quality and maintenance
- Neighbourhood and community
- Access to housing and support
- Getting good value from rents and service charges

6. When assessing Housing quality & maintenance there are two key legislation requirements that drive investments and spend:

- Scottish Housing Quality Standard (SHQS): Significant investment was required to meet this standard, which was met in April 2015. However, the Council has a duty to maintain this standard thereafter and this has a significant impact and continues to have a significant impact in determining investment decisions.

- The Energy Efficiency Standard for Social Housing (EESH) introduced in March 2014 by the Scottish Government required all Scottish social landlords to substantially improve the energy efficiency rating of their houses over and above that required by the SHQS by 2020. In addition, this standard has now been increased and a new standard known as EESH2 sets increased energy efficiency targets to be met in 2025 & 2032. Whilst these targets have a major financial burden for the service, it is hoped that they will make homes more energy efficient and thereby reduce fuel poverty.

7. Both of the above challenges are in addition to the “routine” requirements of the service such as continuing to meet Right to Repair legislative requirements, planned maintenance requirements, managing the housing waiting list and enforcing tenancy conditions in relation to estate management and anti-social behaviour.

REPORT

8. The proposed budget for 2022/23 is attached and will provide an additional rental income of £384,000 in 2022/23.

9. The Council's attention is drawn towards the following main issues:

Staffing

10. Direct payroll costs have been amended in line with the agreed pay award. However following a review of all roles and service delivery, overall staffing costs remain similar to previous years.

11. Due to the specialism of some works, the size of the Housing Maintenance Team was reduced but they remain our key contractor. Whilst some works are better completed by specialist contractors, the COVID 19 pandemic has shown the benefit of having a hardworking and responsive in-house labour team.

Property Costs

12. Over the past two years COVID 19 has changed the way in which services have been delivered. This has required increased costs and investment in cleaning, PPE and utilities. Cleaning costs have increased by £6k per year and utility costs for communal areas have increased by £20k.

13. The Housing Revenue Account contributes 50% towards the mixed tenure scheme. This service undertakes estate improvement in areas that include council homes, private tenancies and owner occupiers.

Supplies & Services

14. Housing Services require to increase the budget in relation to sub-contractors. This is due to the increasing and fluctuating costs within the wider construction industry in particular works outwith the scope of the in-house labour team. In the last 12 months, tender returns for construction work has increased by 5%. In addition, some contractors are now reporting cost increases of between 15-18%. Housing Services work closely with Procurement colleagues to ensure best value is achieved.

15. In recent years void rent loss was an issue for Housing Services. However ongoing improvement works are estimated to reduce void rent loss in 2021/22 and the 2022/23 budget has been set to anticipate a further reduction.

Loan charges

16. The Council operates under prudential borrowing guidelines. Due to previous debt inherited at the time of reorganisation, the debt owed by the service remains around 30% increasing to almost 35% around 2025/26. Thereafter debt levels are expected to reduce to approximately 20%.

Modernisation

17. Over the last 2 years the Housing Service has invested significantly in new technology. This new technology is a significant undertaking both in terms of financial and staffing resources. The new IT system is expected to launch in 2022/23 and will provide officers with the tools to support and advise tenants, reduce unnecessary paperwork and will allow tenants to access many services online. For example, Housing Officers have to spend up to 50% of their day in the office undertaking paperwork. The new technology will reduce this significantly allowing Housing Officers to spend only 10-20% of their week at the office and the remaining time in the community assisting tenants. In addition tenants will have access to tools that allow them to access their rent account, report and track repairs and access information on improvements to their homes.

Income

18. Throughout the last two financial years, rent arrears have continued to increase as a result of a large migration of tenants from direct Housing Benefit payments to Universal Credit, and significant restrictions on legal powers of recovery. Both issues are underpinned by COVID 19 and the significant financial difficulties placed on tenants. Housing Services are supporting tenants to address this but the issue places a limit on income recovery.

FINANCE AND EFFICIENCY

19. The key driver of expenditure within Housing Services relates to repairs. In recent years Housing Services have undertaken a significant review and upgrade of in-house IT systems to increase productivity and efficiency. However, the work to improve efficiency in service delivery and improve digital services is ongoing.

20. Almost one third of the stock is more than 75 years old, with a further third aged between 50 and 75 years. East Renfrewshire Council also has a higher percentage of tenemental stock in comparison to other councils and Housing Associations. The cost to maintain these homes to the required current and future standards will be challenging.

21. Due to the increasing costs within the construction industry both with suppliers and sub-contractors, Housing Services are working closely with colleagues from the Council's procurement team to ensure that value for money is achieved at all times.

22. Housing Services will also ensure any additional funding streams are utilised. This has been particularly useful to achieving the investment required for EESSH.

CONSULTATION AND PARTNERSHIP WORKING

23. The Housing (Scotland) Act 2001 requires social landlords to consult tenants and take account of their views when making decisions about proposed rent increases.

24. As a rent rise has already been agreed, there is no requirement to consult with tenants on this matter. However there is a duty to consult on the HRA budget and how priorities are identified.

25. Housing Services facilitate a Customer Engagement Working Group consisting of representatives of tenant groups and individual tenants. Throughout the pandemic and fluctuating restrictions, Housing Services have sought to consult in various online methods and in person, when restrictions permitted. However some representatives are not able to participate online. As restrictions on indoor meetings have been lifted, the group will review the HRA budget in advance of Council approval.

IMPLICATIONS OF THE PROPOSALS

26. This report does not have any implications in terms of property, staffing, legal, equalities, IT and sustainability at this point in time.

CONCLUSIONS

27. The financial environment in which Housing Services operates continues to be very challenging. The introduction of Universal Credit and COVID 19 continues to present a significant risk to rent collection and the ability to deliver services. In addition the cost of materials procured directly by Housing Services or indirectly through contractors, continues to increase steadily and places a significant pressure on this area of expenditure.

28. However by utilising reserves, the proposed HRA budget ensures that the income from rents is at a level which is sufficient to meet the statutory requirements of the service, such as continuing to meet the SHQS and improving energy efficiency required by EESSH.

RECOMMENDATION

29. It is recommended that the Council approve the proposed Housing Revenue Account budget for 2022/23.

Director of Environment

Further details can be obtained from Phil Daws, Head of Environment (Strategic Services), phil.daws@eastrenfrewshire.gov.uk

February 2022

EAST RENFREWSHIRE COUNCIL
ESTIMATED EXPENDITURE FOR THE YEAR FROM 1.4.2022 TO 31.3.2023
HOUSING REVENUE ACCOUNT

HRA - Overall Summary	2021/22	2022/23
	Estimate £	Estimate £

Payroll Costs			
(a)	APTC Basic	2,692,200	2,823,700
(b)	Overtime T1.5	19,000	19,000
(c)	Overtime - Contractual	5,100	5,100
(d)	National Insurance	253,000	283,100
(e)	Superannuation	484,900	534,000
(f)	Craft Basic	1,128,600	843,800
(g)	Craft Overtime - T1.5	31,500	31,500
(h)	Craft National Insurance	109,500	89,700
(i)	Craft Superannuation	213,500	162,800
(j)	Other Expenses	18,400	8,400
(k)	Apprentice Levy	19,500	18,200
(l)	Agency Staff	100,000	100,000
		5,075,200	4,919,300

Property Costs			
(a)	Rates	6,600	6,700
(b)	Council Tax	24,000	24,000
(c)	Rents	9,400	9,400
(d)	Insurance Premium	215,200	225,900
(e)	Insurance - Provision for Excess	40,600	42,600
(f)	Fixtures & Fittings	4,800	4,800
(g)	Security General	0	1,000
(h)	Upkeep of Ground	50,000	50,000
(i)	Mixed Tenure Contribution	250,000	250,000
(j)	Fire Protection	15,000	15,000
(k)	Laundry Equipment Maintenance	22,900	22,900
(l)	Lift Maintenance	20,700	20,700
(m)	Decants	5,000	5,000
(n)	Private Contractors HRA Miscellaneous	10,300	15,000
(o)	Gas Maintenance Contract	400,000	400,000
(p)	Asbestos	70,000	70,000
(q)	Legionella	35,000	35,000
(r)	Community Alarms	19,000	19,000
(s)	Cleaning	34,700	40,000
(t)	Electricity	96,000	105,500

(u)	Gas	82,300	90,500
(v)	Property Recharge	53,300	53,300
(w)	External improvements	171,400	0
(x)	Metered Water Charges	600	600
(y)	Council House Deed Plans	500	500
(z)	Balgraystone costs	203,000	0
		1,840,300	1,507,400

Transport Costs			
(a)	Fixed Maintenance	10,700	11,000
(b)	Additional Work	12,200	12,500
(c)	Overage Vehicles	29,300	30,100
(d)	Tyres	3,000	3,100
(e)	Hires	43,200	44,400
(f)	Fuel Charges	40,400	41,500
(g)	Garaging Charges	5,100	5,200
(h)	Other Transport Costs	3,700	3,800
		147,600	151,600

Supplies & Services			
(a)	Purchase Office Equip	5,800	15,000
(b)	Purchase Small Tools	25,000	15,000
(c)	Materials - Non-Stock	260,000	150,000
(d)	Hoist Hire	7,000	2,000
(e)	Skip Hire	17,000	10,000
(f)	Shredding Charges	500	500
(g)	Equipment & Computer Development	116,400	100,000
(h)	Materials - Stock	360,000	250,000
(i)	Uniforms & Protective Clothing	8,600	8,600
(j)	Winter Maintenance Council Buildings	500	500
(k)	Hire of Scaffolding	12,000	12,000
(l)	Sub Contractors	837,900	1,055,800
(n)	Water Supplied	1,400	1,400
(o)	Printing, Stationery, Telephones, Postages	15,100	5,000
(p)	Training	29,000	14,000
(q)	Departmental Directorate & Support Costs	187,400	187,400
(r)	Customer First	85,000	85,000
(s)	Insurance - Public Liability Claims	30,800	30,800
(t)	Publications & Subscriptions	24,200	24,200
(u)	Court Expenses	13,200	13,200
(v)	Other Accounts of the Authority	186,100	390,000
(w)	Voids Rent Loss Provision	300,000	240,000
(x)	Rent Remissions	10,000	10,000
(y)	Irrecoverables	160,000	160,000

(z)	Replacement Furniture	5,000	10,000
(aa)	Covid 19 Costs	10,000	10,000
(ab)	Girobank Charges	2,000	2,000
		2,709,900	2,802,400

Transfer Payments			
(a)	Superannuation Additional Allowances	20,900	20,900
(b)	'One-Off' HRA Pre-disposal costs	10,000	10,000
(c)	Assistance to Tenants Associations	23,800	23,800
(d)	Specific Debts Written Off	10,000	10,000
(e)	Bad Debt Provision	265,900	265,900
		330,600	330,600

Support Services			
(a)	Central Administration - Central Support	1,002,300	916,000
		1,002,300	916,000

Depreciation & Impairment Losses			
(a)	Principal	2,854,000	2,854,000
(b)	Interest	1,383,700	1,383,700
(c)	Expenses	51,300	51,300
		4,289,000	4,289,000

GROSS EXPENDITURE

15,394,900	14,916,400
-------------------	-------------------

Income - Sales, Fees and Charges			
(a)	Repairs Recharged to Tenants	(13,800)	(5,000)
(b)	Repairs Recharged to Owner/Occupier	(50,000)	(50,000)
(c)	Sheltered Housing Charges (Wardens)	(46,000)	(54,000)
		(109,800)	(109,000)

Income - Rental Income			
(a)	Rents - Houses (incl. Homeless Persons)	(12,706,800)	(13,084,500)
(b)	Service Charges - Heating Charges	(130,000)	(132,000)
(c)	Rents - Lock Ups	(23,000)	(23,000)
(d)	Rents - Garage Sites	(6,000)	(6,000)
(e)	Rents - Shops	(190,000)	(195,000)
		(13,055,800)	(13,440,500)

Income - Comm Ops Contract Income			
(a)	Non-HRA Income	(50,000)	(50,000)
(b)	Housing Capital	(990,000)	(500,000)
		(1,040,000)	(550,000)

Income - Other			
(a)	Recharge to Other Accounts of the Authority	(302,200)	(303,200)
(b)	Recharge To Capital	(86,800)	(86,800)
(c)	Recharge To Other Housing	(6,600)	(6,600)
(d)	Recharge to Council House Sales	0	0
(e)	Interest on Revenue deposits	(17,300)	(17,300)
(f)	Contribution from Bad Debt provision	(170,000)	(170,000)
		(582,900)	(582,900)

TOTAL INCOME

(14,788,500)	(14,683,400)
---------------------	---------------------

NET EXPENDITURE (INCOME)

606,400	233,000
----------------	----------------

EAST RENFREWSHIRE COUNCIL3 March 2022Report by Director of EnvironmentHOUSING CAPITAL PROGRAMME 2022/23 TO 2031/32**PURPOSE OF REPORT**

1. To seek the approval of the Council for the proposed ten year Housing Capital Programme from 2022/23 to 2031/32.

RECOMMENDATION

2. It is recommended that the Council approves the proposed Housing Capital Programme for the years from 2022/23 to 2031/32 and authorises the Director of Environment to progress the projects listed within 2022/23.

BACKGROUND

3. This report advises on details of anticipated capital expenditure requirements for Housing Services for the next ten years.

4. In recent years the capital programme has focused on the need to meet the Scottish Housing Quality Standard (SHQS) 2015 and Energy Efficiency Standard for Social Housing (ESSH). The majority of expenditure on the housing capital programme during 2022/23 and beyond relates to the need for our housing to continue to meet the SHQS and the new target for ESSH2.

5. The first milestone of the ESSH was December 2020. About 95% of the Council housing stock have been brought up to meet this standard through various investment programmes. The target is to achieve 99% compliance by March 2022. The remaining one percent will be temporarily exempt. These are temporarily exempt because of the building types and excessive costs required to achieve the standard. These will be continually reviewed as changes in technology, funding streams and legal parameters could impact on compliance standard.

6. The Government set a new milestone – ESSH2, which is in continuity of the shared commitment to tackle fuel poverty and mitigate climate change emissions. The next milestone for ESSH2 is 2025 when it is expected that no social housing should be below Energy Performance Certificate (EPC) D. By the end of December 2032, all social housing should meet, or can be treated as meeting, EPC B or alternatively the property should be as energy efficient as practically possible; within the limits of cost, technology and necessary consent.

7. Although only EPC D is required to be met by 2025, our target is to improve all our housing stock to EPC band C by this date. It should be noted that these targets (2025 and 2032) will be very challenging to achieve, especially as much of the more affordable energy efficiency work has been carried out to date. It may not be possible to justify the investment required to bring all Council dwellings up to meet the target. The actual cost of meeting these targets will also be dependent on further research and feasibility studies on potential renewable and low heat energy technologies. There may be a requirement for additional funding to achieve these challenging targets.

8. In November 2021 the Cabinet noted a £0.16 million reduction in the 2021/22 HRA capital programme expenditure due the impact of COVID-19. COVID-19 and other market uncertainties will continue to have an impact on the timing and cost of housing capital projects. These have resulted in later starts and much of the planned works will now fall into 2022/23. The resource will now be carried forward to fund these projects in 2022/23. These carry forwards are included in this 2022/23 programme. In the last 12 months, tender returns for construction work has increased by 5%. In addition, some contractors are now reporting cost increases of between 15-18%. Housing Services work closely with Procurement colleagues to ensure best value is achieved.

9. Members are asked to note that there may be further slippage in 2021/22 resulting in further carry forward of resources. The amount will be dependent on the progress made on contracts, and government restrictions before the end of financial year. The slippage will be reported as part of the June 2022 Housing Capital Programme update report.

REPORT

10. The remainder of this report sets out the Housing Capital Programme for 2022/23. The appendix to this report provides detail of the spending priorities and values contained within the capital programme from 2022/23 to 2031/32.

11. Each year, when compiling the capital programme, it is necessary to achieve a difficult balance between the aspirations of tenants for improvements to their homes and the affordability of any investment.

12. A key factor for the Council to consider is the age of its stock. Almost one third of the stock is more than 75 years old, with a further third aged between 50 and 75 years. This creates a substantial need for investment, especially in relation to achieving SHQS standard; EESSH2 targets and renewing the roof and wall render. There have also been some additional pressures placed upon the HRA Capital Programme, some of which the Council approved in the previous ten year plan in February 2021. These include:

- New energy efficiency requirements under EESSH2 as noted above;
- The need to upgrade heating systems and telecare warden call systems in the sheltered housing complexes; and
- Investment required to improve internal elements (kitchens; bathrooms, including showers and windows) in tenants' homes.

13. These form part of the projects that will be delivered through the HRA Capital Programme.

14. Key areas that the capital programme will focus on for the next ten years are:

- Investment of £43.8 million over 2022/23 and 2024/25 to complete the delivery of 241 new council houses. As agreed by the Cabinet on 21 October 2021, the Strategic Housing Investment Plan (SHIP) 2022-27 and is supported by an anticipated £36.4 million of Scottish Government funding.
- A budget of £150k to fund house purchase opportunities which arise through, for example, to purchase off the open market in areas where new build provision is not possible.
- Investment of £6.9 million in central heating. About a tenth of our housing stock has a heating system that is aged 15 years or more as at January 2022, while a substantial number of other systems are reaching the end of their lifecycle and becoming energy inefficient. The proposed budget will renew all these systems

by 2031/32. This investment will enable us to meet the energy efficiency ratings required to meet EESSH2 targets by 2025, and onwards, while also reducing fuel bills, with a focus on supporting tenants in fuel poverty.

- Investment of £2.1 million on house electrical re-wiring and Electrical Installation Condition Report (EICR) testing to comply with the new Electrical Testing requirements.
- Investment of £18.9 million in external structural projects. This is primarily targeted at continuing our programme of Roof and Render Renewal, prioritising buildings with roofs well beyond their originally envisaged 60 year lifespan. This budget will also fund:
 - External Wall Insulation projects – we are changing render renewal specification from ordinary render to Insulated render, where feasible.
 - Private owners are supported with Scottish Government Home Energy Efficiency Scheme: Area Based Scheme (HEEPS:ABS) grant, which allows us to carry out the EWI in mixed tenure properties.
- Investment of £15.3 million in installing new internal elements, such as kitchens, bathrooms, fans, windows and doors, and improving water management in people's homes.
- Investment of £2.1 million in sheltered housing – investment is required over the next five years to renew heating systems in three of the complexes; upgrade the warden call system from analogue to digital system; replace lifts as they are nearing end of their lives; and meet other demanding health and safety investment requirements of fire and water safety regulation, all of which makes this form of accommodation very expensive to operate.
- Investment in a new Housing Management IT System. The new system will allow Housing Services to reduce paper processes, deliver online services and be more efficient and customer focused. The implementation of the system is ongoing and there is a balance of £53K to be paid, from £0.25 million budget allocation in 2019/20. This balance will be carried forward into 2022/23.

15. The capital programme for existing stock is mainly financed through borrowing and recharges to owner occupiers. Recharges to owner occupiers have been estimated to allow the Council's borrowing requirements to be calculated. If these recharges are lower than estimated the overall expenditure will be reduced to maintain borrowing at the approved level. Conversely if recharges to owners are greater than estimated, then the overall expenditure may be increased assuming no change to borrowing requirements. An allowance has been made for receipts from the sale of land in the capital programme.

16. The 30 year housing business plan is updated annually. The most recent independent financial appraisal carried out confirms that Housing Services are in a position to support the required level of annual expenditure required to continue to meet the capital programme detailed in this report, thereby ensuring no dwellings fail the SHQS. This is based upon a number of assumptions in relation to rent increases and the disposal of specific land assets. These assumptions will continue to be monitored on an annual basis.

17. The new build programme has made use of commuted sums and council tax from 2nd homes to assist the programme. This income has been set at £10k per unit for the first 120 units and £5k per unit for the remaining programme. However an element of flexibility is in place to increase this funding to support significant infrastructure costs and excessive abnormal costs.

18. It is essential that the Council ensures that capital expenditure achieves value for money, is appropriately targeted and is customer focused.

19. In conjunction with colleagues in Procurement and Property & Technical Services a robust approach is taken in relation to the procurement and management of external contractors in order to achieve these aims. Regular meetings are held with contractors to ensure that quality is maintained and that any problems are addressed as soon as they occur.

FINANCE AND EFFICIENCY

20. Prudent management and adoption of the recommended rent increase of 1% p.a. for the next year will ensure the proposed expenditure for 2022/23 and future years is affordable.

21. The expenditure levels for years 2022/23 and onwards are provisional and will be reviewed in line with the Housing Asset Management Plan review.

CONSULTATION

22. The majority of the content of the capital programme is determined by the need to continue to meet the SHQS and the plan for achieving EESSH targets. The impact of COVID 19 has restricted the level of consultation available in the last two years. This also impacted on carrying out major internal works.

23. Housing Services monitor resident satisfaction with capital programme projects, and where appropriate (e.g. where satisfaction levels show some areas of concern), will hold focus groups with residents to consider improvements to how the programme is delivered.

PARTNERSHIP WORKING

24. In order to ensure the capital programme is efficient and delivers value for money, a partnership approach is in place with colleagues from Procurement and Property & Technical Services.

IMPLICATIONS OF THE PROPOSALS

25. This report does not have any implications in terms of staffing, legal or equalities.

26. The proposed projects will impact on energy efficiency through EESSH2 target and other elements of the SHQS to make sure that more tenants live in warmer, safer and drier homes.

CONCLUSIONS

27. The levels of investment contained within the programme are essential to allow the Council to continue to meet the SHQS, to meet the future requirements of EESSH2, and to provide homes that meet the needs and aspirations of our tenants and prospective tenants. The continued investment is affordable and will be welcomed by Council tenants who will see the quality of their homes continue to be improved. However resources are tight and prudent financial management is required.

RECOMMENDATION

28. It is recommended that the Council approves the proposed Housing Capital Programme for the years from 2022/23 to 2031/32 and authorises the Director of Environment to progress the projects listed within 2022/23.

Director of Environment

Further details can be obtained from Phil Daws Head of Environment (Strategic Services) on 0141 577 3186.

February 2022

BLANK PAGE

459

HRA 10 Year Capital Programme

HRA Capital Programme - Existing Stock	2022/23 (£000)	2023/24 (£000)	2024/25 (£000)	2025/26 (£000)	2026/27 (£000)	2027/28 (£000)	2028/29 (£000)	2029/30 (£000)	2030/31 (£000)	2031/32 (£000)	Total
Central Heating Systems	601	550	1,228	965	396	529	698	497	846	617	6,927
Re-wiring and Other Electricals (including smoke detectors)	337	250	200	200	200	282	147	261	200	26	2,103
External Structural Works (Roof & Render, Damp Proof Courses, Structural Failures)	2,329	2,019	1,797	1,773	1,856	1,403	1,366	1,288	4,012	1,078	18,921
Estate Works (Paths, Walls, Lighting, Bin Stores, Drying Areas etc	121	160	100							9	390
Energy Efficiency Standard for Social Housing (ESSH)	778	300	300								1,378
Aids and Adaptations	205	200	200	200	200	200	200	200	200	287	2,092
Internal Element Renewals	1,392	940	1,094	2,662	1,084	1,144	1,119	1,463	3,283	1,078	15,259
Door Entry Systems	99	20	20	15			5	17	82	200	458
Sheltered Housing	2,130	25									2,155
Retentions	10	10									20
IT Systems	53	0									53
Sub-Total - HRA Capital Programme for Existing Stock	8,055	4,474	4,939	5,815	3,736	3,558	3,535	3,726	8,623	3,295	49,756
HRA Capital Programme for New Stock											
Compulsory Purchase Orders/Mortgage to Rent	100	50									150
New Build - Development Cost	8,635		35,041								43,676
Sub-Total - HRA Capital Programme for New Stock	8,735	50	35,041								43,826
Total HRA Capital Programme	16,790	4,524	39,980	5,815	3,736	3,558	3,535	3,726	8,623	3,295	93,582

460

Resources:-

Borrowing	7,646	4,259	10,657	4,075	1,996	1,818	1,795	3,486	8,383	3,055	47,170
Receipts From Sale of Land - Barrhead South			1,500	1,500	1,500	1,500	1,500				7,500
ROTS Grant	50	25									75
Capital New Build - Government Grant	8,143		23,872								32,015
Capital New Build - Commuted Sums/Council Tax Discount	711		3,711								4,422
HEEPS Funds	140	140	140	140	140	140	140	140	140	140	1,400
Recharges to Owner Occupier	100	100	100	100	100	100	100	100	100	100	1,000
Total Resources	9,144	265	29,323	1,740	1,740	1,740	1,740	240	240	240	46,412

EAST RENFREWSHIRE COUNCIL3 March 2022Report by Director of EnvironmentDRAFT NATIONAL PLANNING FRAMEWORK 4 (NPF4)**PURPOSE OF REPORT**

1. The purpose of this report is for Members to note the publication, for consultation, by the Scottish Government of the Draft National Planning Framework 4 (NPF4) and the Council's formal response.

RECOMMENDATIONS

2. It is recommended that the Council:
- a) Notes the publication of the Draft NPF4 and its consultation timeline; and
 - b) Approves the formal response to the Draft NPF4 as set out in Appendix A and its submission to Scottish Government.

BACKGROUND

3. The Planning System in Scotland is undergoing a substantial transformation and the context for preparing our next Local Development Plan (LDP3) has changed significantly. LDP3 will now be prepared under the Planning (Scotland) Act 2019 which has introduced a new statutory process for Local Authorities in preparing local development plans together with enhanced status for the National Planning Framework. Future LDPs will now be required to be reviewed every 10 years rather than 5 under the current system. LDP3 will establish a new long-term vision and strategy for East Renfrewshire alongside the delivery of new infrastructure.

4. The Fourth National Planning Framework (NPF) is a long-term plan (up to 2045) for Scotland that sets out where development and infrastructure is needed. It will guide spatial development, set out national planning policies, designate national developments and highlight regional spatial priorities. The Draft NPF4 has been published for public consultation until 31st March 2022.

5. NPF4 will be one of the key documents that will inform the next LDP, in particular setting our future housing requirements, and with an increased focus upon climate change, improving health and well-being, and securing positive effects for biodiversity and nature recovery. Draft Development Plan Guidance and Open Space and Play Sufficiency guidance has also been published for public consultation until 31st March 2022 which will also inform LDP3 preparation and requirements.

6. NPF4 is central to the implementation of the Scottish Government's vision for the future of planning in Scotland. NPF4 will hold an enhanced status and be a formal part of the development plan and incorporates the update to Scottish Planning Policy (2014), resulting in spatial, thematic and national policies being addressed in one core document. This means that NPF4 will influence planning decisions at all levels.

7. In addition, once the draft NPF4 is approved the current Clydeplan Strategic Development Plan (July 2017) will no longer form part of the Development Plan.

8. NPF4 will guide the preparation of Regional Spatial Strategies, Local Development Plans and Local Place Plans. NPF4 will also be relevant to wider policies and strategies relating to land use. Regional Spatial Strategies will be prepared and will provide clear place-based spatial strategy that guides future development across different areas of Scotland, but they will not have a statutory status.

9. The Draft NPF4 and associated information can be found via the following link <https://www.transformingplanning.scot/national-planning-framework/>

10. It is anticipated that Scottish Parliament will approve the finalised NPF4 in summer 2022.

REPORT

11. The Draft NPF4 consists of 4 parts, namely:

12. **Part 1** sets out the national spatial strategy which guides decisions on future development across Scotland, and aims to deliver net zero sustainable, liveable, productive and distinctive places, central to spatial objectives. These four key themes run throughout NPF4, guiding much of the framework's priorities and policies. The Draft NPF4 provides a spatial strategy and core planning policies to guide where development and infrastructure should go.

13. The National Spatial Strategy is underpinned by six spatial principles: compact growth; local living; balanced development; conserving and recycling assets; urban and rural synergy; and a just transition.

14. It also recognises the different challenges and opportunities across Scotland's regions, which are outlined in five geographic 'action areas'. In the context of the Glasgow City Region this is included as part of what is described as 'Central urban transformation' aimed at transforming and pioneering a new era of low carbon urban living.

15. **Part 2** sets out 18 national developments, which support the delivery of the National Spatial Strategy. Of relevance to East Renfrewshire are the Central Scotland Green Network; National Walking, Cycling and Wheeling Network; Urban Mass/Rapid Transport networks; Urban Sustainable, Blue and Green Drainage Solutions; Circular Economy Material Management Facilities; Strategic Renewable Electricity Generation and Transmission Infrastructure; and the Digital Fibre Network.

16. **Part 3** sets out 35 national planning policies. These policies will replace those currently found in the Scottish Planning Policy (2014). This section sets the policy framework for all decision making and relate to the following 4 themes.

1. **Sustainable Places** - There are six policies proposed within this section of Draft NPF4. These policies are intended to be applied to all planning decisions, as 'universal policies', namely: Policy 1: Plan-led approach to sustainable development; Policy 2: Climate emergency; Policy 3: Nature crisis; Policy 4: Human rights and equality; Policy 5: Community Wealth; and Policy 6: Design, quality and place.

2. Liveable Places - Policies 7 – 15 relate to the 20min neighbourhood, infrastructure first approach, housing, sustainable transport, blue and green infrastructure, sustainable flood risk and health and well-being.
3. Productive Places -Policies 16 – 23 relate to the creation of a productive place for Scotland, where there is a focus on supporting good, green jobs, businesses and industries for the future.
4. Distinctive Places - Policies 24-35 cover the topics of town centres, historic environment, green belt, vacant and derelict land/buildings, rural areas, natural environment, peatland, trees, forestry and woodland and coasts.

17. Policy 9 concerns 'Quality Homes'. The Draft NPF4 notes that *'the planning system should support the delivery of more and better homes, in the right locations, providing choice across tenures that meet the diverse housing needs of people and communities across Scotland'*. This policy refers to Annex B which sets out the 10 year Minimum All Tenure Housing Land Requirement (MATHLR) for each local authority area. For East Renfrewshire the MATHLR is shown as **2800** additional homes over a 10 year period which averages at **280** per annum. The concept of 20-minute neighbourhoods is further referenced. Development proposals of more than 50 residential units will be accompanied by a Statement of Community Benefit. The need for a minimum of 25% affordable housing on a site is included.

18. **Part 4** sets out an outline of how the Scottish Government will deliver the strategy. This will be developed into a standalone, live delivery programme once NPF4 has been approved.

Summary of proposed ERC Response

19. The proposed Council response to the draft NPF4 consultation is as set out in Appendix A. The process has been led by the Planning Service with comments provided by a range of other internal Council services.

20. In summary, the response provides support for the overall aim and ambitions of the Draft NPF4, in particular the recognition of current and emerging themes concerning the climate and biodiversity crisis, placemaking and sustainable and inclusive growth and preference for brownfield land over Greenfield. It is recognised that these must be the primary guiding principles for all our plans and planning decisions if we are to make lasting and real change. However, delivery and implementation of this approach will require a radical rethink as to how we plan places and the approach from the key agencies, private sector and the development industry.

21. The thematic approach provides a clear and logical structure to the document. There is support for the ambition of NPF4 to transform the way land and buildings are used so that every decision made makes a contribution to ensuring that Scotland is a more sustainable place.

22. However, due to the significant climate and nature crisis facing Scotland it is questionable whether the Draft NPF4 is strong enough in its language and wording. The response outlines that overall it was felt that Scottish Planning Policy (SPP 2014) provided a clearer distinction between Local Development Plan (LDP) and Development Management functions and requirements. There is also a general lack of linkages and consistency between policies. It is viewed that many of the policies are not sufficiently robust and clear and may not stand up to legal challenges.

23. The response queries the role and status of Regional Spatial Strategies (RSSs) in delivering the aims and ambitions of the Draft NPF4. The response emphasises the importance of regional spatial planning to the Glasgow City region and to the constituent local authorities, which includes East Renfrewshire.

24. The response welcomes the concept of Quality Homes and supports the move to a more flexible and locally based approach to the new Minimum All Tenure Housing Land Requirement (MATHLR). Successful place-making is about more than housing numbers and it is hoped that this approach will reduce the time and resources spent on debating housing numbers and allow a greater focus upon the delivery of high quality homes across all tenures and the creation of well-designed sustainable places and environments that support healthy lifestyles and contribute to well-being. However, the level of resources required to deliver the East Renfrewshire MATHLR and required new infrastructure will be significant and in particular the impact this will have upon our existing education estate.

25. The response welcomes the importance being attached to place-based approaches, especially by embedding the 20-minute neighbourhood approach and that infrastructure considerations should be at the heart of planning and place making. Emphasis on a greener, fairer and more inclusive wellbeing economy is also welcomed.

26. Critical to the success of NPF4 will be its delivery and implementation. It is disappointing that the delivery programme outlined in part 4 was not prepared alongside the Draft NPF4. The Draft NPF4 places additional requirements on Planning Authorities, and complexity in particular through assessing and determining planning applications and reviewing Local Development Plans. This will require upskilling of planning staff. There is a need to ensure that there is both a capital investment programme working alongside the NPF and an investment in planning services to ensure delivery of Scottish Government aims.

FINANCE AND EFFICIENCY

27. There are no new financial implications at this point in time. However, as indicated in the response additional resources will be required to deliver the objectives of the 2019 Planning Act and the requirements of NPF4.

CONSULTATION

28. Preparation of the response has been led by the Planning Service with comments also provided by a range of other internal Council services.

29. The proposed response has been discussed with the established LDP Member/Officer working group.

PARTNERSHIP WORKING

30. Preparation of the response has been led by the Planning Service with comments also provided by a range of other internal Council services.

IMPLICATIONS OF THE PROPOSALS

31. There are no new staffing, property, policy, IT, equalities or other implications at this point in time. However, as indicated in the response additional resources will be required to deliver the objectives of the 2019 Planning Act and the requirements of NPF4.

CONCLUSIONS

32. This report seeks Council approval to submit a formal response on the draft NPF4 to Scottish Government.

33. The response sets out support for the publication of the Draft NPF4 and the overall aim and ambitions of the document. NPF4 is a critical document in shaping the spatial strategy for Scotland for the next 20+years and East Renfrewshire's proposed LDP3. There is support for the commitment to tackling the climate crisis, to minimise emissions and to enhance biodiversity. The response also welcomes the importance being attached to place-based approaches, especially by embedding the 20-minute neighbourhood approach. However, it is unclear whether the Draft NPF4 is strong enough to provide the necessary tools for planning staff to help deliver the NPF4 ambitions within future developments.

RECOMMENDATIONS

34. It is recommended that the Council:

- a) Notes the publication of the Draft NPF4 and its consultation timeline; and
- b) Approves the formal response to the Draft NPF4 as set out in Appendix A and its submission to Scottish Government.

Director of Environment

February 2022

APPENDICES:

Appendix A: Draft Fourth National Planning Framework (Draft NPF4) - East Renfrewshire Council Response

BLANK PAGE

Draft Fourth National Planning Framework (Draft NPF4)

East Renfrewshire Council Response

Part 1 – A National Spatial Strategy for Scotland 2045

General

East Renfrewshire Council welcomes the publication of the 'Draft Fourth National Planning Framework (Draft NPF4)'. The overall aim and ambitions of the Draft NPF4 are welcomed and supported, in particular the recognition of current and emerging themes concerning the climate and biodiversity crisis, placemaking and sustainable and inclusive growth, health and well-being and preference for brownfield land over Greenfield. We also support matters set out in the joint Clydeplan response.

We welcome the ambition of NPF4 to transform the way land and buildings are used so that every decision made makes a contribution to ensuring that Scotland is a more sustainable place. It is vital that NPF4 is a key Scottish Government corporate document that influences decision making and funding priorities across all strategies. We are of the opinion that the NPF4 should be retitled 'National Development Plan' to reflect the enhanced status of the document over the previous versions of NPFs.

We strongly support the continued support for a plan-led planning system in Scotland. Development plans have a key role in addressing climate change, creating quality functional places, providing necessary infrastructure and sustaining and supporting communities in addressing the impacts of COVID 19. The climate emergency and COVID pandemic have highlighted that we all need to think and act differently. The planning process has a key role to play in effecting the changes required. NPF4 must provide a robust framework to ensure we meet net zero objectives. However, delivery and implementation of this approach will require a radical rethink as to how we plan places and the approach from the key agencies, private sector and the development industry.

Significant elements of the Draft NPF4 have the potential to support and help deliver the spatial objectives of the East Renfrewshire LDP2, namely to: Create Sustainable Places and Communities; Promote Sustainable and Inclusive Economic Growth; and Promote a Net Zero Carbon Place. These objectives will be refreshed through preparation of LDP3 to accord with the thematic structure of NPF4.

We are of the opinion that the current Scottish Planning Policy (SPP 2014) provided a clearer distinction between Local Development Plan (LDP) and Development Management (DM) functions and requirements. There is a general lack of linkages and consistency between policies – better cross referencing to show policy linkages would improve the document. Additionally, there is a disjointed feel to the terminology and language used for some of the policies for e.g., policies refer to requirements for LDPs, Development Plans, decision makers and also set out criteria for assessing proposals.

It is viewed that many of the policies are not sufficiently robust and clear and may not stand up to legal challenges. The policies in NPF4 require to be clearly understandable and deliverable. There are too many 'coulds' and 'shoulds' rather than directing change. The policies need to be further developed and shaped so that they truly give a clear and firm direction, without being widely open to interpretation. If this can be done then the ambition for a step change and streamlining of the development plan could be achieved. However, as they currently stand, it is likely that many of these national policies will have to be repeated and clarified in individual LDPs in order that the local authorities can firm up and set out their

interpretation of these policies reflecting local context. This may inevitably lead to a varied approach across the country (as well as increased opportunities for challenge).

We are also of the opinion that some of the policies are clearly aims or objectives of the planning system and which are already set out in the Development Plan Regulations. There is no need to repeat them as policies in NPF4, however they could usefully be set out in the introductory text to the document.

The use of **BOLD** type throughout the document is confusing and should be removed.

The document is long and detailed and this may reduce public and community input. A simple summary document would have been helpful.

As the Scottish Government moves towards approval of the NPF4 transitional arrangements will be crucial for Local Authorities to cover the transition between the previous legal framework of the 2006 Act and the current 2019 Act. In addition, the Scottish Government needs to provide clear guidance on the status of NPF4, once approved, in relation to S13 of the 2019 Act in the event of '*any incompatibility between a provision of the National Planning Framework and a provision of a local development plan*'. This is critical for both Development Planning and Development Management functions.

National Spatial Strategy

The National Spatial Strategy guides decisions on future development across Scotland, which aims to deliver net zero sustainable, liveable, productive and distinctive places, central to spatial objectives.

The National Spatial Strategy is underpinned by six spatial principles– compact growth, local living, balanced development, conserving and recycling assets, urban and rural synergy and a just transition. It also recognises the different challenges and opportunities across Scotland's regions, which are outlined in five geographic "action areas".

The overall approach and ambition of the document is welcomed, however, due to the significant climate and nature crisis facing Scotland it is questionable whether the Draft NPF4 is strong enough in its language and wording and how useable the National Spatial Strategy will be for Development Management purposes.

It is disappointing that the previous reference in SPP (2014) to '*the right development in the right place*' has not been carried forward to the Draft NPF4. This is a fundamental objective of planning and is particularly relevant to NPF4 as it provides the spatial context and direction for each Local Authority. NPF4 needs to be clear that it has to be the right development in the right place. The terminology is mentioned within Policy 9 'Quality Homes' but needs to be upfront and prominent in NPF4.

Page 1 states that part 1 of the NPF4 should be used to guide the preparation of Regional Spatial Strategies (RSSs), Local Development Plans and Local Place Plans. The introductory section of part 1 should also clearly state that LDPs and RSSs will be key to the delivery of the 4 spatial themes and 6 spatial principles. We are unclear what the role and status of RSSs are in delivering the aims and ambitions of the Draft NPF4. The role of cross boundary issues needs to be more strongly considered. We wish to continue to emphasise the importance of regional spatial planning to the Glasgow City region and to the constituent local authorities such as East Renfrewshire.

The thematic approach provides a clear and logical structure to the document but there is also a lack of connection and cross referencing between some policy sections. For example, *Policy 3: Nature Crisis* does not make links to *Policy 6 Design Quality and Place*; *Policy 29 Urban Edges and Greenbelt*; *Policy 32 Natural Places*; or *Policy 34 Woodland trees and Forestry*. This is despite there being clear over-laps between each policy area. One way of demonstrating over laps maybe to make better use of infographic and diagrammatic representations.

It is noted that the Draft Development Plans guidance section 11 states that the spatial strategy should be reflected in maps, site briefs and masterplans in a way that is relevant and accessible to people with an interest. The East Renfrewshire LDP2 uses story mapping technology to better connect with our residents. This type of approach has also been used recently at a national level for the Strategic Transport Projects Review 2. With NPF4 polices becoming part of the Development Plan, the NPF4 will have a new and wider audience than its previous iterations and should be correspondingly accessible to that audience.

There is a lack of a coherent organisational chart within the documents which sets out the context, roles and interactive relationships between the key supporting documents and strategies. The mapping throughout is poor and unclear. There is a general lack of diagrams throughout the Draft. Policy and proposals detail will therefore need to be clearly set out in LDPs and, where appropriate, Regional Spatial Strategies (RSS).

Draft NPF4 does not reference some important external national and regional policies and strategies that will influence planning decisions. Cross reference with these documents and the inclusion of a list of references to national/regional I policies within the Annex would acknowledge the complex policy environment and strengthen the policies actual NPF4 polices. Examples of Key documents that should be referenced include: *The Glasgow City Region Economic Strategy 2017 -2035* and while the concept of circular economy is mentioned throughout Draft NPF4 but the national circular strategy *'Making Things Last' (2016)* is not referenced. These are examples and there are other national strategies that could be referenced.

It is surprising that there is no reference to the impacts of COVID-19 or the key issue of an ageing population of Scotland within the national spatial strategy section. The Draft NPF4 fails to adequately consider the housing needs of older people.

It is not clear if the Draft NPF4 takes account of the Scottish Government's Population Strategy (May 2021) which referenced a need for a more balanced distribution of population across Scotland. The housing calculations utilise the 2018 NRS household projections but there is less emphasis on population forecasts.

Critical to the success of NPF4 will be its delivery and implementation. It is disappointing that the delivery programme outlined in part 4 has not been prepared alongside the Draft NPF4. There is a need to ensure that there is both a capital investment programme working alongside the NPF and an investment in planning services. Further commentary on this matter is set out under our response to Part 4 of the Draft NPF4.

The Draft NPF4 places additional requirements on Planning Authorities, and complexity in particular through assessing and determining planning applications and reviewing Local Development Plans. This will require additional resources and the upskilling of planning staff and elected members. Consideration needs to be given to the timescales and expectations on Planning Authorities to determine applications. Should greater emphasis be placed on producing the outcomes society needs rather than focusing upon the speed of determination of planning applications? Increased pressure will also be placed on the development industry

regarding the submission of additional supporting information to support applications and to develop schemes which meet the requirements and aspirations of NPF4

Sustainable Places

Q1: Do you agree that this approach will deliver our future net zero places which will be more resilient to the impacts of climate change and support recovery of our natural environment?

The overall approach and ambition are welcomed and supported, in particular the recognition of the overarching climate and biodiversity crisis. As well as a climate emergency, we are also in the middle of an ecological emergency. Both are connected and should be tackled together. Climate change has exacerbated the impact of habitat loss and the fragmentation of existing biodiversity. However, encouraging sustainable design and use of resources does not go far enough. NPF4 is a national spatial development plan and needs to be more ambitious and firmer on requirements.

Delivery and implementation of this approach will require a radical rethink as to how we plan places and the approach from the key agencies, private sector and the development industry. Securing and delivering a high-quality development is the responsibility of everyone in the planning and development process. However, it will be difficult to reconcile the climate change objectives with aims to pursue growth for many Local Authorities. This should be acknowledged in the Draft NPF4.

'Encouraging' low and zero carbon design and energy efficiency is not sufficient to ensure delivery. This approach has been encouraged for years with limited success. What is needed is a requirement in national policy followed through to building standards legislation. Continuing only to 'encourage' in this climate emergency will not deliver our future net zero places.

Page6 refers to *'securing positive effects for biodiversity'*. This section would be strengthened through references to biodiversity net gain. In addition, detailed information is required on how positive effects for biodiversity and creating and strengthening nature networks will be achieved, resourced and maintained going forward (not just in terms of capital investment, but also in terms of revenue investment for ongoing maintenance and management of these networks). Land ownership issues also need to be considered.

References to brownfield development and utilising existing areas and infrastructure should be included. It is critical that NPF4 focuses not only on the 'new' but also recognises what we currently have and building upon this to make them more resilient to climate change etc.

Liveable Places

Q2: Do you agree that this approach will deliver our future places, homes and neighbourhoods which will be better, healthier and more vibrant places to live?

The approach is welcomed and supported; however, delivery and implementation of this approach will require a radical rethink as to how we plan places and the approach from the key agencies, private sector and the development industry.

There is very little detail within the Draft NPF4 on how this transformative social and economic change is going to be delivered. Planning will not achieve this on its own. References to other supporting strategies would have been helpful.

It is agreed that urgent action is needed in order to deal with the challenges created by the COVID-19 pandemic and the need to significantly improve our places, however there needs to be more detail on the actual steps that will be taken to address longstanding inequality and eliminate discrimination.

We welcome the importance being attached to place-based approaches, especially by embedding the 20-minute neighbourhood approach. However, implementation of this concept will require very different approaches in the urban and rural areas and also raises questions as to how successfully it can be retrofitted into existing established residential or urban areas where available space is at a premium.

In areas with very few brownfield infill sites, it is going to be difficult to marry up the delivery of significant housing targets with sustainability, climate change and 20-minute neighbourhood aims, as there is likely to be a reliance on greenbelt release. Consideration needs to be given to how a true infrastructure first approach can be properly delivered and funded to ensure 20-minute neighbourhoods with all of the services and facilities needed can actually be delivered. This detail should be included in NPF4.

Consideration should be given to local office hubs to enable people to work from near their homes where home-working is not possible, supported by digital connectivity.

We fully agree with empowering more people to shape their places and input to the planning process. Planning can also give local communities opportunities to take action on climate change by encouraging active participation in future local place plans.

Delivering liveable places requires a deep understanding of local context and this should be better reflected in the Draft.

How do we actually define '*high quality*' and '*great places*'? Clarification is required.

Productive Places

Q3: Do you agree that this approach will deliver our future places which will attract new investment, build business confidence, stimulate entrepreneurship and facilitate future ways of working – improving economic, social and environmental wellbeing?

There appears to be a dichotomy here between economic growth and both zero carbon and green recovery objectives. The approaches required to tackle climate change can offer major economic opportunities, with the potential for significant job creation in the renewables sector. This will require linkages between the plans and strategies at all levels and across public and private organisations in recognising the vital role that the planning system plays in delivering new renewable technologies and, ultimately, a new green economy. It will also be essential to understand and recognise skills gaps and provide relevant training and upskilling for 'green jobs'.

We note the reference to a future National Strategy for Economic Transformation, however NPF4 needs to set out not just an overall aim, but also exactly what ministers are committing to in terms of green investment and what their requirements are in terms of community wealth building.

The terms '*Community Wealth Building*' and the '*Wellbeing Economy*' need added to the glossary. It would be helpful to provide local authorities with specific guidance on what a wellbeing economy will mean in local terms and the performance metrics that should be used to assess this

There is no acknowledgment of the rise and increased opportunities for home working since COVID-19 and other changes to travel, retail social patterns arising from the pandemic. This has the potential to both support as well as hinder aspirations for a green recovery and development of a wellbeing economy.

The requirement for development proposals to incorporate appropriate, universal and futureproofed digital infrastructure is discussed within Policy 23. For consistency the important role of Digital Infrastructure to stimulate innovation and investment should be referenced within this section.

It would be useful to set out a specific ambition to support a circular economy through planning and economic policy under this heading. A circular economy could be making use of Scotland's low-carbon energy system to manufacture goods that lower carbon footprints to their customers. A circular economy can also provide local employment through increased opportunities to repair, reuse, refurbish and refill – all requiring a local footprint to serve communities.

Distinctive Places

Q4: Do you agree that this approach will deliver our future places which will be distinctive, safe and pleasant, easy to move around, welcoming, nature-positive and resource efficient?

A stronger commitment to place-making, through a design led approach and a focus on quality, is welcomed, however this needs to be followed through in decision making, including decisions made by Reporters at appeal. Where a proposal falls short, Council's need to be supported to refuse applications and insist on high quality proposals.

The commitment to restoring the richness of Scotland's natural environment, to protect and enhance our historic environment, and to safeguard our shared heritage for future generations is welcomed. Again, funding and detail on how this is intended to be delivered and maintained will be key.

Encouraging developers to incorporate green infrastructure and nature-based solutions into new developments is a key challenge, particularly if there is a perception that it may be more time consuming and/or costly to do so and land intensive. Sadly, all too often green infrastructure is an afterthought in the design process. NPF4 must robustly promote a green infrastructure first approach.

We would welcome consideration of an approach that considered 'Natural Capital' as promoted by the Scottish Forum on Natural Capital.

Q5: Do you agree that the spatial strategy will deliver future places that overall are sustainable, liveable, productive and distinctive?

As above, the overall aims and ambition is welcomed, however in general it is felt that this spatial strategy could go further, given that urgent action is needed to address the climate and nature emergencies. If this is to truly be a national development plan, it needs to set out detail and requirements on how these aims are going to be achieved and successfully delivered.

Q6: Do you agree that these spatial principles will enable the right choices to be made about where development should be located?

The spatial principles are considered to be appropriate, but more clarity and definitions are required and they should be an integral part of policy. There needs a strong policy framework to be in place to deliver the spatial principles. How much weight should be given to these principles in the decision-making process? They are not mentioned in Part 3 'National Planning Policy Handbook'.

The introductory text would be strengthened by replacing the phrase '*No single policy*' in the 2nd sentence with '*Every policy, proposal, development and principle will make a contribution to the delivery of sustainable, liveable, productive and distinctive places*'.

It would have been helpful if the introductory text clearly stated the wider linkages to the 6 spatial principles and that they will support the delivery of the national spatial strategy and are further supported by a number of strategic and development management policies which provide direction.

We support the principles of Principle (A) '*Compact Growth*' which reflects the approach taken for Clydeplan Strategic Development Plan (2017). The principles will help deliver sustainable growth; however, it will be harder to achieve with a switch away from regional planning and the move to individual local authority targets. In some areas the only way in which to achieve significant housing minimum requirements will be to release greenbelt land or create new communities in rural areas, which would be contrary to the compact growth principle when you consider a city region. It will also come with significant infrastructure challenges. The wording should be stronger to prioritise a brownfield first approach before consideration is given to Greenfield and Greenbelt sites and then only in accordance with other relevant policies of the NPF4. We support the principle of increasing density but this can be difficult to achieve in already developed urban areas.

The principles should clearly refer to the protection and enhancement of the Greenbelt and making efficient use of existing infrastructure and ensuring the coordinated delivery of new infrastructure and investment.

We welcome acknowledgement of the requirement to address health and well-being within the spatial strategy section. However, there should have been greater emphasis on this matter within the spatial principles. Health is only mentioned within the 'local living' principle.

Principle B final sentence should be amended as follows. Virtual connectivity and active travel links will also be ~~important~~ essential.

Principle C '*Balanced Development*' refers to managing development more sustainably in areas of high demand but lacks any clarity as to how this will be achieved. High demand areas such as East Renfrewshire will continue to face pressure for housing development. It will continue to be a challenge to reconcile this growth with climate change objectives. This was a function of Clydeplan and the RSS is ideally placed to take this agenda forward through a regional strategic approach and collaborative HNDAs process. The housing market area approach allowed for adjustment of figures to reflect the operation of the wider housing market areas and operation of private sector moves.

Principle E should be amended as follows – '~~As part of this, we will improve green infrastructure~~ protect, create and enhance an integrated multi-functional green network and connected green spaces to bring...' Principle also needs to mention long term maintenance and whole life cycle approach.

Landscape matters should be reflected in Principle E.

Town Centres, natural heritage housing and historic environment should be specifically referenced.

Explanation is required as to what 'Urban and Rural Synergy' and 'Just Transition' means.

Q7: Do you agree that these spatial strategy action areas provide a strong basis to take forward regional priority actions?

Q14: Do you agree with this summary of challenges and opportunities for this action area?

Q15: What are your views on these strategic actions for this action area?

We are supportive of the principle of designating 'Action Areas' and the setting of key regional priorities and place-based opportunities to take the spatial strategy forward. However, the lack of any reference to the role of Regional Spatial Strategies (RSSs) is a significant omission. It is unclear what the role and status of RSSs are and how they would tie in with these much wider 'regional' priority action areas. This section doesn't seem coherent or link action areas to each other. Given the potential cross boundary nature of these proposals new partnership working arrangements will need to be created to ensure implementation of the concept. Local Authorities must work with adjoining Local Authorities and other relevant stakeholders on these matters. The Draft NPF4 must recognise the importance of this partnership working but also the resources required to achieve this.

This section aims to provide a regional focus but lacks sufficient local detail and is too simplistic to be of value to Development Management. RSSs are suitably placed to provide the spatial detail at a regional level to deliver the objectives set out in NPF4. We wish to continue to emphasise the importance of regional spatial planning to the Glasgow City region and to the constituent local authorities.

Part 4 Page 113 Discusses the role of RSSs in delivering the national strategy at a regional and local level. It states that '*New regional spatial strategies can identify areas for future population growth, align with regional economic strategies and identify key sectors and clusters for future development and investment. We expect them to set out a clear place-based spatial strategy that guides future development across different areas of Scotland*'. It is unclear how these statements relate to the Action Areas. Are RSSs able to identify additional areas for development? There needs to be more clarity on the role of RSSs, cross boundary issues and also how LDPs are to reflect these ambitions in their strategies and policies. The use of additional diagrams would have been helpful.

The spatial strategy action areas are very broad and wide ranging and cover large geographical areas that contain places with significant differences. Actions like transforming and pioneering a new era of low carbon urban living should be an aim for the whole of Scotland not just the central urban area. Suburban opportunities to live low-carbon lifestyles will mean supporting less travel requirements, linked to 20-minute neighbourhoods and local circular economy (service and sharing economy) principles. The same would apply to the aim of sustainability and creating connected, liveable places which benefit from further investment and innovation – why would this only be a focus for the southern action area? Furthermore, nearly all aspects of addressing climate change will require work that must be carried out across local authority boundaries. Supporting cross boundary cooperation and setting long term strategic direction for LDPs and linking with RSSs and NPF4 will be critical to our long-term approaches.

East Renfrewshire Council falls within the 'Central Urban transformation Action Area', which covers central Scotland. We are supportive of the aims of this action area as set out on page

30 and continued support for the Central Scotland Green Network, focus on reinventing and reimagining city centres to contribute to economic recovery and accelerating urban greening through green and blue networks. There is also a clear focus on reusing empty buildings and vacant and derelict land. However, the designation of the whole Central Belt, particularly bringing Glasgow and Edinburgh together appears too large an area to be considered appropriate. There is scope to split this regional area into separate 'action areas'. There are many distinctive and diverse urban and rural areas within this action area and identifying the central Scotland as a single action area might fail to properly capture the significant differences that exist within and across the area and the vastly different challenges that these areas face. Some areas may become marginalised due to a focus on the 2 main city areas.

The text refers to '*pressure on infrastructure in some hot spots*' and references Edinburgh city region, Stirling, Falkirk and Perth. However, it could be argued that this statement is applicable to the majority of areas within this 'action area'. Infrastructure pressure is a significant challenge for all Local Authorities. In addition, it is stated that '*it can be more challenging to encourage the market to deliver new homes towards the west of the central belt*'. Again, this is a very sweeping statement and fails to recognise the buoyant high demand housing markets such as within East Renfrewshire. The Draft NPF4 does not fully acknowledge or seek to adequately address the factors which affect future housing/economic growth/demand in the Glasgow city region.

Para 20 (page 40) discusses reimagining development on the urban fringe. Clarification on what this means would be helpful. The supporting text outlines the important functions and benefits of the urban fringe areas and the importance of making sustainable use of the countryside around our cities and towns. We are supportive of these aims; however, it will be difficult to reconcile these objectives and wider climate change and sustainability objectives of the Draft NPF4 with meeting future housing requirements. Meeting our housing requirements may result in edge of settlement green belt release sites, contrary to NPF4 climate change, biodiversity, brownfield objectives and 20-minute neighbourhoods.

Q8-13 and 16-17

No specific comment.

Q18: What are your overall views on this proposed national spatial strategy?

No further comments.

Part 2 – National Developments

There are 18 national developments, which support the delivery of the National Spatial Strategy. We are supportive of the principle of identifying national developments in the Draft NPF4.

We welcome the continued support for the Central Scotland Green Network; National Walking, Cycling and Wheeling Network; Urban Mass/Rapid Transport networks; Urban Sustainable, Blue and Green Drainage Solutions; Circular Economy Material Management Facilities; Strategic Renewable Electricity Generation and Transmission Infrastructure; and the Digital Fibre Network.

The alignment of resources, plans, strategies and funding over the short, medium and long term is critical.

Since these national developments represent significant upgrading of existing and new infrastructure assets, development of NPF4 represents an opportunity to outline or instigate potential governance structures to facilitate coordination, delivery and operational management of national developments over the lifetime of the plan and beyond.

Part 3 – National Planning Policy

This section sets out 35 national planning policies, which will replace those currently found in the Scottish Planning Policy. This section sets the policy framework for all decision making.

We are of the view that Scottish Planning Policy (SPP 2014) provided a clearer distinction between Local Development Plan (LDP) and Development Management (DM) functions and requirements.

Sustainable Places (Universal Policies)

Q22: Do you agree that addressing climate change and nature recovery should be the primary guiding principles for all our plans and planning decisions?

As well as a climate emergency, we are also in the middle of an ecological emergency. Both are connected and should be tackled together. We therefore agree that addressing climate change and nature recovery should be the primary guiding principles for all our plans and planning decisions. These must be the foundation if we are to make lasting and real change. We are supportive of a place focussed green recovery. It is also important that the nature and biodiversity crisis is given similar weight in decision making to the climate change emergency. Policies 2 and 3 set out the criteria for delivering on these principles. However, this can only be achieved through close partnership working with all stakeholders across the public and private sectors. The challenge will be to reconcile these principles with growth aspirations.

We agree that the universal policies should apply to all applications. However, as outlined in our general comments we feel that some of the policies are clearly aims or objectives of the planning system which do not need to be repeated in the Draft NPF4 as policies.

Policy 1: Plan-led approach to sustainable development

Q23: Do you agree with this policy approach?

We strongly support the plan-led approach to sustainable development as reflected in Scotland's National Outcomes and the UN Sustainable Development Goals. A plan led system provides certainty for communities as well as the development industry, key agencies and infrastructure providers. However, as NPF4 is to be the new national development plan, it is suggested that rather than being focused on what LDPs should do, this first policy should make a clear statement on what the national development plan is going to do.

The requirement for a plan led system is clearly set out in the Draft Development Plan regulations (Part C para 6). The 1st sentence of Part 1 (page3) of the Draft NPF4 states that *'The purpose of planning is to manage the development and use of land in the long-term public interest'*. This statement is also set out in the Draft Development Plan regulations (Part C para 5 and 9). This matter is adequately covered in the Draft NPF4 and Development Plan regulations and there is no requirement to repeat this under Policy 1.

However, if this policy is to be retained the language should accord exactly with the Development Plan regulations, which currently it does not. Change 'should' to 'must' and include linkages to the 4 spatial themes and 6 spatial principles. With the climate and nature emergencies that are the guiding principles of the Draft NPF4, this first policy needs to be ambitious with definite national aims and requirements for planning. It needs to set out ambitious targets and the detailed steps and requirements that are needed if we are to fully address these emergencies.

Policy 1 states that it is the role of LDPs to fulfil this function. However, as explained above this is the core purpose of planning and it is clearly more than just the role of LDPs. This is also a requirement of NPF4.

The phrase *'long term public interest'* should be clarified. Scotland's national outcomes should be listed.

It is difficult to see how Development Management would use this policy in assessing planning applications.

There is room for confusion between the terms plan-led approach, place-based approach and design-led approach; the term design-led approach also appears in the universal policy section under *'Policy 6: Design, Quality and Place'*. Neither term is referenced in the glossary, a review of the document to capture all terms suitable for the glossary would improve NPF4.

Policy 2: Climate Emergency

Q24: Do you agree that this policy will ensure the planning system takes account of the need to address the climate emergency?

We welcome the emphasis on the climate emergency and the important role planning plays in tackling the issue. This is an ever increasingly complex area of partnership working across a wide range of stakeholders and this needs to be set out in a clearer way. There is a need for stronger integration of key plans, policies and strategies to ensure that actions and investment in relation to housing, planning, economy, transport, natural resources and energy, are aligned towards promoting decarbonisation if carbon emissions are to reach net zero. Policy 2 needs to set out ambitious national targets and requirements for reaching net zero.

2a – this is a principle and should be removed from the policy and referred to in the supporting text. How would an applicant outline how their proposal does this? If retained Change 2a to read ‘...significant weight ~~should~~must be given to the Global Climate Emergency.’ Language needs to be stronger.

2b - Change to read ‘All development ~~should~~must be designed to minimise emissions...’. Language needs to be stronger.

The use of the word ‘*Significant*’ weight in 2a and 2c needs to be clarified. There needs to be detailed guidance on this as to at what level they are considered significant. Lack of detail here will lead to varying interpretations and wide differences in approach across the country.

2b, c and d of this policy requires technical knowledge of the process of assessments for calculating both the whole life of green-house gas emissions and any subsequent carbon off-setting. This is a complex area that has resource implications for planning services which may not have the in-house expertise to make these calculations. What information/evidence is required to be submitted by an applicant for e.g. in a whole life assessment or a viability assessment? More detail on requirements should to be included and considered here, as well how and by whom this should be assessed. This adds greater complexity to assessing planning applications in particular which will impact on key performance timescales, resourcing and require upskilling of Planners and the Development Industry.

2c states ‘...*evidence that this level of emissions is the minimum that can be achieved for the development to be viable...*’. What are the minimum levels of acceptance? These could be very different depending on the use. This could be viewed as a developer ‘get out clause’ and could undermine part 2a and the significant weight to the Global Climate Emergency.

2c ‘*Development proposals for national, major or EIA development should be accompanied by a whole-life assessment of greenhouse gas emissions..*’. Should all proposals not be subject to these requirements as introductory text states that ‘*universal policies should apply to all planning decisions*’? Proportional supporting evidence should be submitted as outlined in supporting NPF4 guidance.

Emissions off set measures – it is suggested that sufficient measures should always be provided on site as an integral point of the development, with the assurance that this will be maintained long-term by the developer, otherwise the development should be considered unacceptable.

How does the planning service monitor the impact of proposals post development? This will require ongoing monitoring, inspection and enforcement regimes to ensure compliance with policies.

Links to the role of Building Standards and legislation would have been helpful as there is overlap between the roles of the planning service and building standards.

2d ‘*Proposals to sensitively incorporate climate adaptation and mitigation measures for existing buildings, infrastructure and spaces, should generally be supported*’ – this is a wide and bold statement to include here... design for climate adaptability is only one aspect of a proposal that needs to be assessed. A proposal that is designed to be adaptable to future impacts of climate change could be completely contrary to many other aspects of the plan. Suggest rewording or linking to other sections and policies which would also need to be considered.

Lack of inclusion of biodiversity is a significant omission.

Policy 3: Nature Crisis**Q25: Do you agree that this policy will ensure that the planning system takes account of the need to address the nature crisis?**

We welcome the emphasis given to biodiversity. The policy encourages a shift from protection to enhancement and biodiversity gain. However, there is no mention of biodiversity net gain. Consideration also needs to be given to funding and delivery. Reference should be made to the need for ongoing future management of these enhanced or created networks. This is likely to have significant ongoing resource implications for authorities whose budgets in these areas are already overstretched. NFP4 will require a change in thinking and collaborative working, to maximise the benefits of biodiversity enhancements for all. This will include additional training and upskilling; and better databases of new and existing habitats and projects to facilitate a joined-up approach.

The policies appear robust in terms of ensuring biodiversity gain where development occurs but their impact could be increased further by stating the connection between nature-based solutions and other policy. In particular policies 12, 13, 14, 32, and 33 overlap with universal Policy 3. Better cross referencing would make these links implicit. There also needs to be stronger link with blue and green infrastructure.

Nature Scot are currently consulting on the '*Draft Developing with Nature Guidance*' which will support Draft NPF4 policy 3(e) on securing positive effects for biodiversity, in particular from local development. It has been prepared and published to inform understanding of the intended approach set out in the Draft NPF4, and it is suggested that the approved NPF4 includes a reference and link to the finalised guidance document.

Climate change has exacerbated the impact of habitat loss and the fragmentation of existing biodiversity. Green networks are important for wildlife, recreation and travel; and woodland creation can help absorb carbon dioxide and slow down the rate of water movement into burns and rivers, helping to reduce flooding in built-up areas. Using trees and other forms of green infrastructure to reduce urban temperatures can also bring multiple benefits for health and wellbeing. However, encouraging developers to incorporate green infrastructure and nature-based solutions into new developments is a key challenge, particularly if there is a perception that it may be more time consuming and/or costly to do so and land intensive. Sadly, all too often green infrastructure is an afterthought in the design process. Again, reference should be made to the need to maintain these enhancements in the long term.

Definition of biodiversity enhancement and how this can be measured would be helpful. The creation or enhancement of biodiversity networks should be considered as part of the infrastructure first approach.

The Policy does not suggest or require the use of a biodiversity net gain (BNG) metric to establish and measure the biodiversity condition of a site before and after development. A metric has the advantage of being both transparent and measurable, it would provide developers with a degree of certainty during the production of material for a planning application. There are already some major house builders using a BNG metric to inform their development proposals. A suggested metric would provide consistency of approach across Scotland as it is likely that planning authorities will need some sort of credible methodology to successfully deliver the policy. This BNG metric does need not to be set in stone, and could sit in either guidance or possibly within the Regional Spatial Strategy but a suggested methodology would support effective delivery of a cornerstone policy. Furthermore, a metric might be of use during the identification of sites during the LDP process.

A lot of use of 'should' throughout the policy. Language requires to be stronger. Does an application have to meet all the criteria – this is not clear.

3a – Policy should seek to '*protect and enhance*' biodiversity enhancement not 'facilitate' it. Should this refer to LDPs rather than development plans?

3d - Should all proposals not be subject to these requirements as introductory text states that 'universal policies should apply to all planning decisions'? Differential approach to major and local applications (parts d & e) isn't practical. All development should conserve and enhance biodiversity.

3e – proposals should '*protect and enhance*' not just enhance biodiversity.

Landscape impact and landscape assessments should be mentioned.

How do we demonstrate that biodiversity will be in a better state than without intervention?

Assessing these requirements will require additional resources for Planning Authorities.

Policy 4: Human rights and equality

Q26: Do you agree that this policy effectively addresses the need for planning to respect, protect and fulfil human rights, seek to eliminate discrimination and promote equality?

The Equality Act 2010 places a duty on local authorities to advance and address issues concerning human rights, equality, and discrimination. The Fairer Scotland Duty also requires local authorities to consider how they can reduce inequalities. These assessments must be undertaken to support the preparation of the LDP.

We recognise the importance of human rights and equality; however, these areas do not translate into a workable policy tool against which to assess a planning application. Human rights and equality are a broad objective of the planning system and should remain a focus of LDP preparation rather than for planning applications. They are addressed in other legislation and the Draft Development Plan regulations. Policy 4 should be removed with this issue outlined under the introductory text to Part 1 of NPF4. A simpler solution would be to provide clearer guidance on preparing a LDP equalities assessment and how development management should apply guidance for planning applications.

The inclusion of this policy may lead to increased levels of objections to development on breaching human rights rather than the planning merits of the proposal.

Policy 5: Community wealth building

Q27: Do you agree that planning policy should support community wealth building, and does this policy deliver this?

The inclusion of Community Wealth building is welcomed and is a concept which is considered in East Renfrewshire Council's LDP2 which requires major developments to contribute to employment, training and training opportunities.

The Draft NPF4 does not define community wealth building. A definition of the concept and how it is to be measured would be helpful.

The wording here is very vague. How would you assess a proposal against this policy? What criteria should be included when assessing whether a proposal for a national or major development contributes to community wealth building objectives? And to what extent /level does it need to contribute? Without more detail this would be very widely interpreted.

5a – should this refer to LDPs rather than development plans?

Should all proposals not be subject to these requirements as introductory text states that ‘universal policies should apply to all planning decisions’?

Policy 6: Design, quality and place

Q28: Do you agree that this policy will enable the planning system to promote design, quality and place?

We support the general thrust of this policy approach and particularly the inclusion of the 6 qualities of Successful Places. The refresh of the six qualities of successful places is welcomed, the revised criteria reflect the widening scope of planning to include the public health agenda. The six qualities effectively cross- reference the many areas of policy overlap; health, sustainability, design, biodiversity etc.

Design concepts and theories have moved on considerably in the last decade and this progress and thinking needs to be reflected in the Draft NPF4. Policies referred to in older documents need to be urgently updated. e.g., Creating Places 2013 and also Designing Streets 2010. While there is still merit in these older documents, they do not incorporate newer concepts such as net zero, nature positive or the circular economy.

6a – should specifically reference addressing climate change and nature recovery – this would link strongly with the primary guiding principles of the Draft NPF4.

NPF4 needs to focus first on how places function, rather than simply how they look.

It is disappointing that green infrastructure has not been highlighted as an integral part of the design process from the outset. This would have provided stronger links to the other universal policies.

Recognition of local standards should be acknowledged in the Draft NPF4.

How can a ‘*sense of joy*’ be measured or assessed?

20-minute neighbourhoods should have been included under this policy. Policy 7 ‘Local Living’ should be merged into this wider design and place policy approach.

Liveable Places

Policy 7: Local living

Q29: Do you agree that this policy sufficiently addresses the need to support local living?

We support and welcome the 20-minute neighbourhood concept. The importance given to 20-minute neighbourhood in the development of new LDP’s is noted and supported. We are supportive of the flexibility to adapt the principle to local circumstances and characteristics.

The approach may be easier to apply in new development but to retrofit the concept in existing places requires much work outside of the planning system.

We feel that Policy 7 should be merged with Policy 6 as stated above and does not require a policy in its own right.

There also needs to be more emphasis on rural situations where place making contexts are different to larger urban areas.

This principle can only be delivered through collaborative working across Council services and external stakeholders. We are supportive of the co alignment of departmental strategic plans and funding sources to deliver on this principle.

We are supportive of co-locating uses and planning development near public transport links to reduce car travel - 20-minute neighbourhoods. COVID-19 has accentuated the benefits of having everything within walking distance of home.

Final sentence of Para 3 *states 'Retrofitting facilities in areas which are predominantly residential should also help to reduce the need to travel'*. This will be challenging where urban areas are densely built up and lack available land/space to provide new facilities.

The 1st sentence is unclear and should be deleted. If retained the reference to 'decision makers' should be changed to the Planning Authority.

7a suggests that LDPs should bring together relevant policies in this NPF to promote development. This is unclear.

7b – what is a relevant development proposal? This should be clarified. Part b also lists 9 criteria which consideration should be given to. How many criteria does a proposal have to satisfy and at what point would a development comply or not? This is particularly relevant for rural areas. Consideration also needs to be given to the quality of facilities and to the frequency of public transport not just quantity and accessibility to them. In addition to 'local shopping areas' we would add the importance in having places for businesses to provide circular economy services (repair, reuse, refurbish, refill) and sharing economy to tackle unsustainable consumption.

Although the focus is on local living, there should also be acknowledgement that for many there will be regular occasions where travel beyond immediate neighbourhoods is required. For example, you are not necessarily going to have a hospital within your immediate neighbourhood. Unfortunately, in many areas, access to adequate sustainable transport options for such travel is still extremely limited. It would be beneficial for NPF4 to provide a commitment to increasing sustainable, and importantly affordable, public transport options across Scotland. Until these options are in place and available to people, it is going to be very difficult to encourage a move away from the heavy reliance on the car for these essential journeys out with immediate neighbourhoods.

Policy 8: Infrastructure First

Q30: Do you agree that this policy ensures that we make best use of existing infrastructure and take an infrastructure-first approach to planning?

We would agree that infrastructure considerations should be at the heart of planning and place making. We also support the desire to move to a more sustainable use of infrastructure, making better use of existing assets and prioritising low carbon infrastructure. The onus is now on LDPs to take an Infrastructure First approach with delivery programmes and responsibilities clearly set out. The provision of functional, serviceable, safe and maintainable infrastructure to support existing and future development is a key element in delivering successful sustainable communities.

An infrastructure first approach will require a different way of thinking and working with stakeholders. Multi-agency partnership and collaborative working with Key Agencies, infrastructure and utility companies, education providers, the development industry, community organisations and other technical bodies and stakeholders will be critical.

Development plans should continue to be recognised as a mechanism for the development industry to gain clarity and certainty to inform decisions regarding land acquisition and development. They should be supported by the development industry and seen as a tool to facilitate the delivery of infrastructure and the creation of new places.

We agree that there is a need for a robust evidence base on infrastructure capacity, condition, needs and deliverability to inform the LDP and its spatial strategy. There is however some concern as to whether the detailed information required will be available from landowners, developers and infrastructure providers at an early stage. To what level of detail LDPs can set out early the full infrastructure requirements, delivery responsibilities, mechanisms and related developer contributions, will depend on the availability of this information.

Clarity is required as to whether the 2nd bullet in the 1st Para refers to an evidence base of existing infrastructure including capacity, condition, quality etc across the Local Authority area.

It will be critical for the development industry to work with Local Authorities and service providers in delivering an infrastructure first approach and factoring this into their future investment decisions and negotiations on land purchases/option agreements. This should reduce debate on the level of contributions at planning application stage and the perceived viability of proposals.

We supports the linkages to other national infrastructure strategies; however it would be useful to have further detail within the NPF itself

It would have been helpful for the Draft NPF4 to set out and define what is meant by infrastructure. Additionally, acknowledgment of a green infrastructure approach at the outset of the design process would ensure stronger links to the universal policies and help deliver on the climate change and nature recovery aspirations of the Draft NPF4. One of the biggest barriers to low carbon development is the funding of new infrastructure. If homes are to be affordable as well as attractive, it will be vital to find ways of cutting both the long-term running costs and the up-front infrastructure costs.

It should be recognised that infrastructure delivery will rely on an elements of public sector front funding some infrastructure such as schools with this regrouped through S75 agreements / other legal mechanisms.

Fundamentally, there is still a serious mismatch between funding streams for this to be an effective approach unless the Scottish Government can commit to more certainty and intervention when funding is beyond the scope of Councils and developers.

The cumulative impacts of proposals on infrastructure should have been mentioned.

8c - This is a wide statement without linkages to other sections and policies that need to be considered in association with this.

8d – Text should be changed to read 'the relevant tests ~~should~~ must be met'. The relevant tests should be set out in the Draft NPF4 or cross references to the relevant circulars should be included.

Policy 9: Quality homes

Q31: Do you agree that this policy meets the aims of supporting the delivery of high quality, sustainable homes that meet the needs of people throughout their lives?

We welcome the concept of Quality Homes and support the move to a more flexible and locally based approach to the new Minimum All Tenure Housing Land Requirement (MATHLR). Successful place-making is about more than numbers and we hope this approach will reduce the time and resources spent on debating housing numbers and allow a greater focus upon the delivery of high-quality homes across all tenures and the creation of well-designed sustainable places and environments that support healthy lifestyles and contribute to well-being.

9d – We welcome the link here to the six qualities of successful places. However, this issue should be the first bullet point to emphasise the importance of design and in particular a green infrastructure first approach. This would link better with the wider ambitions of the Draft document.

This is a long and detailed policy that may be better suited to be separated into multiple smaller policies.

The policy is not sufficiently clear to the requirements for allocated sites and windfall sites that may come forward. This is a significant issue with how this policy is currently worded.

We welcome the ongoing consultation exercise with the Scottish Government in setting the MATHLR. Annex B sets out the 10 year Minimum All Tenure Housing Land Requirement (MATHLR) for each local authority area. For East Renfrewshire the MATHLR is shown as 2800 additional homes over a 10-year period which averages at 280 per annum.

However, the MATHLR process does not recognise the role of regional and local housing markets sufficiently and how markets operate cross boundary. This process was more appropriately achieved through regional partnership working through SDPs and should remain a function of the RSSs. Reservations also remain about the use of flexibility as well as the setting of minimum land requirements. This is inappropriate especially in areas of pressured market demand and where there are environmental and other constraints, such as East Renfrewshire. The policy context should not constrain the ability of authorities to set a housing land requirement appropriate to local circumstances. It is suggested therefore that the term '*Minimum*' should be removed from the national policy context. There is already considerable contingency and generosity built into the figures to meet need and demand. With the removal of flexibility, the appropriate housing requirement for the East Renfrewshire Council area would be 2300 over the 10-year period.

The level of resources required to deliver the East Renfrewshire MATHLR and required new infrastructure will be significant. Particularly would be the impact that this level of delivery would have on our existing education estate (much of which is already at capacity) and the number of new schools, early years and Additional Support Need facilities that would be required. When added together, the number and level of different infrastructure needs associated with this size of release could create viability issues. Health and care facilities are also under pressure. Lead in times for larger sites with phased affordable housing delivery from LDP adoption to delivery on the ground can be substantial - this can be circa. 4-5 years or longer for larger, more complex sites which require significant upfront infrastructure and capital investment.

Brownfield first and reusing vacant and derelict land should be emphasised within the Policy.

There needs to be more consistency of wording - Reference should remain throughout to high quality homes, rather than switching between good, better and high.

9a - We welcome the emphasis that the *'delivery of more and better homes, in the right locations, providing choice across tenures that meet the diverse housing needs of people and communities....'*. As outlined previously in this response reference to the right development in the right place should have been clearly stated in the National Spatial Strategy Section.

9a – It is confusing to refer to a housing target and housing requirement in the same sentence. The Local Housing Strategy (LHS) is required to provide a housing supply target but LDPs no longer do.

9a - *'..longer term deliverable sites can be brought forward'*. This should include the word 'allocated' to ensure non allocated sites do not prejudice the delivery of allocated housing sites.

9b - We support the principle of a housing land pipeline that identifies programming of sites over the short, medium and longer term periods. References to *'Locations that may be suitable for new homes beyond the plan period can also be identified'* should be clarified. Only sites that have been fully considered by the Council and identified as suitable deliverable future residential opportunities (yet are not required to meet current needs) should be identified beyond the plan period. The words *'may be suitable'* should be removed. Otherwise, what status would such sites have and what level of scrutiny or assessment would have been undertaken?

9b- We support the removal of sites where they are no longer deliverable.

9b - The Delivery Programme and Housing Land Audit should be used to *'monitor'* not *'manage'* the development pipeline. Replace 'manage' with 'monitor'.

9c - We welcome that land should be allocated to meet the HLR in sustainable locations.

9c - We support the principle of 20-minute neighbourhoods but this may not be practical for all sites or to retrofit facilities and services into existing established residential or urban areas where available space is at a premium.

9c - *'Diverse needs and delivery models should be taken into account across all areas, as well as allocating land to ensure provision of accommodation for Gypsy/Travellers and Travelling Showpeople'* add in text at the end of the sentence ... 'where the need has been identified'.

9e – There is potential for this to be mixed up with existing requirements for community benefits linked to public sector procurement. Consideration should be given to a different name for the statement – e.g. Meeting housing and community needs?

9e - Would the need for evidencing housing requirements or infrastructure upgrades be needed for an allocated LDP site where these considerations may have already been discussed or identified through a development brief for e.g. Clarification on this matter is required.

9f - It would have been helpful if the Scottish Government acknowledged that research would be undertaken on future provision of percentage requirements for wheelchair homes. Policy does not go far enough to meet the housing needs for older people and disabled people.

9h – This is a significant change to previous policy requirements in that it refers to support for affordable housing proposals where there is an identified requirement but also states that *‘Proposals for market homes should generally only be supported where a contribution to the provision of affordable homes on a site is at least 25% of the total number of homes.’*, indicating the introduction of a blanket minimum 25% affordable housing policy. We are generally supportive of this approach. Clarification on the term ‘areas’ is required. Does this refer to the Local Authority or smaller housing market areas?

9h - Although we generally agree that the contribution should generally be for serviced land within a site to be made available for affordable housing, there should either be more detail here, or reference made to PAN 2/2010. If there is to be no reference to PAN 2/2010 it is important to reference that land can be transferred either at a value relating to its end use for affordable housing or by agreement between the developer and the RSL or local authority, at a lower value. In any event it should be transferred at less than the value for mainstream housing for sale. In addition, it is important to reference the contributions that other contributions can make to the delivery of affordable housing, e.g. commuted payments, off site provision or provision of completed units on site.

9i- We support emphasis on the primacy of the development plan and on not supporting proposals on land not identified for housebuilding in the LDP. However, the 1st exception effectively states that although the housing requirements of the MATHLR are being met (which includes 25% flexibility) additional land should still be approved. This runs contrary to a plan led infrastructure approach to development and the overarching principles of climate change and nature recovery. NPF4 should acknowledge that Planning Authorities have limited control over when and how quickly that sites are built out. We can allocate land but not control delivery.

9j – Further guidance is required for the last bullet, in what would be accepted as being an adaptation in response to risks from a changing climate, as otherwise this could be open to wide interpretation by householders? Generally, all new houses should be built to lifetime home standards – suitable for adaptation for a range of needs that may emerge over the lifetime of the occupants. Suggest further enhancement of existing building standards.

9j – householder applications should be dealt with through LDP design policies and are not needed in a national planning document.

Further linkages between policies should be included throughout.

Policy 10: Sustainable transport

Q32: Do you agree that this policy will reduce the need to travel unsustainably, decarbonise our transport system and promote active travel choices?

We are supportive of the emphasis of this policy on promoting sustainable transport and active travel. This is relevant to East Renfrewshire where car ownership rates and usage is high. However, this is a detailed and complicated policy which may have been better suited as separate policies.

We are supportive of the continued emphasis on the concept of 20-minute neighbourhoods.

The role of Regional Spatial Strategies in coordinating travel at a City Region level is absent. This is especially important in the Glasgow City region where much travel is cross boundary and public transport is coordinated by the Strathclyde Partnership for Transport (SPT).

Guidance referred to in this policy is also outdated (Development Planning Transport Appraisal Guidance 2011) and in need of much revision due to the research data now available on decarbonisation, travel choices, personal mobility etc.

Policy refers to transport infrastructure capacity throughout. It would have been helpful to link this back to *Policy 8 'Infrastructure First'* approach and that upgrades to infrastructure resulting from development are provided in accordance with this policy. Linkages to the climate change and nature/green infrastructure policies etc. would have been useful. There is general feel of disconnect here. There is also no indication provided that existing road transport infrastructure would require substantial redesign to address current policy priorities in terms of promoting sustainable and active travel, enhancing vitality, liveability and well-being, and supporting carbon reduction policies.

The sustainable transport hierarchy should be set out in a diagram within NPF4.

10a *'Local development plans should aim to reduce the need to travel unsustainably by prioritising locations for future development that can be accessed by sustainable modes'*.. We agree with the principle behind this, however, this is an aim for the LDP and is not required in the policy. This would be done through a LDP site selection exercise. The 2nd sentence of 10a regarding the requirement for a transport appraisal is repeated in 10b. 10a should be removed.

The Draft NPF4 also needs to acknowledge that is likely to be challenging for some suburban areas with limited brownfield land. In these areas, with significant housing requirements, in many cases there will be no choice but to look to green field releases on edge of existing settlements. These locations are unlikely to be close to existing rail lines / stations and bus services in many areas are already greatly reduced / extremely limited. Planning cannot reduce the need to travel on its own. Although we can liaise with partners to try and encourage enhanced multi-modal transport provision, ultimately the local authority has no control over public transport provision in our area. Making public transport more attractive through investment and reduced pricing would assist in reducing the need to travel by car. Public transport services are privately run and require a continued level of use to continue. Consideration also needs to be given to the quality the frequency of public transport not just quantity and accessibility to them. Likewise, there is limited emphasis on high quality, coherent and attractive active travel infrastructure to facilitate a modal shift away from private car for shorter journeys. In this respect, greater emphasis on the role of walking, cycling and wheeling networks, urban mass transit network and improved regional coordination would help support realistic delivery within a local context.

10b – reference should be made to cross boundary movement and partnership working through the RSSs.

10d - Clarification on '*significant travel generating uses*' would be helpful.

10c and d - Clarification on '*significant*' would be helpful.

10g – we welcome emphasis on people and place before unsustainable travel and inclusion of blue/green infrastructure. However, the wording should be stronger to require design and green infrastructure as an integral part of the design process from the outset. Policy 6 'Design, Quality and Place' should have been cross referenced to.

10h - 2nd bullet refers to access to local facilities walking or wheeling more than 400m, however, policy 7 'Local Living' and the 20-minute neighbourhood principle refers to 800m. Consistency of wording is needed.

10i – Support for electric charging infrastructure is welcomed. However, there is a need for a coordinated approach for delivery of charging infrastructure for all types of development. More detail and national requirements/standards should have been provided on this critical and very topical area.

10k - does the reference to equalities legislation mean that Local Authorities must assess every planning applications against this legislation?

10L – all cycle parking should be sheltered, secure and accessible. 10L also refers to '*existing nearby provision*'. How is this measured, how far is nearby etc. This statement should be clarified.

10m - we are supportive of the concept of reducing car parking standards in accessible urban locations.

Limited mention of parking requirements generally.

There are a number of elements missing from the policy including: Mobility hubs; core path networks; and the role of Local Authority Local Transport Strategies and Active Travel Plans.

Policy 11: Heat and cooling

Q33: Do you agree that this policy will help us achieve zero emissions from heating and cooling our buildings and adapt to changing temperatures?

We support the role envisaged for Heat Networks Partnerships and sees this as a critical cross-cutting role but Draft NPF4 should go further and be more ambitious in looking towards a whole systems approach to energy.

It should be recognised that these partnerships may require cross boundary working and a spatial framework would be useful to identify suitable locations.

Little detail on how this will actually be achieved and funded.

Linkages to building standards legislation would provide a more robust policy.

Policy should require applicants to consider district heating at the outset of the design process and consider if sites can be linked to make heat networks viable.

We support the alignment of the LDP with LHEES provisions. More guidance on this matter would be helpful.

Policy 12: Blue and green infrastructure, play and sport

Q34: Do you agree that this policy will help to make our places greener, healthier, and more resilient to climate change by supporting and enhancing blue and green infrastructure and providing good quality local opportunities for play and sport?

We support the emphasis placed on blue and green infrastructure and particularly the elements related to children's play and its integrated design. These are seen as key strands in the protection of natural resources and investment in new facilities which will provide opportunities for improving health and wellbeing.

The policies are detailed and comprehensive, however, and could be separated into 'Blue and Green Infrastructure' and 'Play and Sport'. This would provide a more useable policy framework for both themes.

There is considerable ongoing work across the Glasgow City Region (GCR) to create high quality blue/green infrastructure at regional scale. Initiatives such as the GCR blueprint for a new green/blue network could be referenced to reflect the regional nature of much of the work, and the important role for the new RSSs to play in directing and coordinating new blue/green infrastructure.

It is disappointing that green infrastructure has not been highlighted as an integral part of the design process from the outset. This would have provided stronger links to the universal policies.

Enhancing habitats and biodiversity, ecology and biodiversity net gain should have been included in the policy.

12a – Clarification on the phrase '*strategic and local scales*' – does 'strategic' mean regional or national? '*Development allocations should be chosen taking account of the areas that can best contribute to enhancing and delivering key green networks and priorities*'. The policy needs to quantify those areas also need to be in sustainable accessible locations and in accordance with the Plans spatial strategy.

12h – remove '*wherever possible*' from the 1st sentence.

12i – all developments should provide provision for play, recreation etc, appropriate to scale of the development, and not be restricted to major developments only.

12j – cross reference is required to Policy 6 and the 6 qualities of Successful Places.

12k – trees and greenery - New planting must promote and enhance the biodiversity of the area and incorporate native trees where appropriate.

12l – 2nd sentence - Remove '*wherever this is necessary*'. Maintenance requirements and arrangements must be set out, including who is responsible for these requirements. Consideration needs to be given to funding, delivery and long terms management of this infrastructure.

Policy should reflect the requirements for flood protection/mitigation.

Lack of mention of role of Open space and Play Sufficiency Strategies.

Policy should mention the role of Sustainable Urban Drainage Systems (SUDs) as part of a multifunctional approach to landscape design.

Policy 13: Sustainable flood risk and water management

Q35: Do you agree that this policy will help to ensure places are resilient to future flood risk and make efficient and sustainable use of water resources?

The policy on flooding and water management and the principle of flood avoidance is supported.

There is an opportunity to expand on 13 (h) and develop a policy that recognises that natural flood prevention can deliver wider benefits in terms of the nature crisis, habitat creation, high quality places and better greenspaces.

The management and control measures for mitigating future flooding episodes is a critical element in the climate emergency and it needs to be given greater priority and resources.

The policy fails to mention the impacts of land raising; requirements for Flood Risk Assessments (FRA).

13a - reword to refer to a precautionary approach rather than a cautious one. *'New development proposals in flood risk areas, or which can impact on flood risk areas, should be avoided and informed by a Flood Risk Assessment'.*

13f - Development proposals, should be required to integrate well-designed and naturalised Sustainable Urban Drainage Systems (SUDs) features, to manage drainage and water quality. Integration of SUDs with green infrastructure should be acknowledged.

Policies 14 and 15: Health, wellbeing and safety

Q36: Do you agree that this policy will ensure places support health, wellbeing and safety, and strengthen the resilience of communities?

The statement that the provision of health and social care facilities and infrastructure to meet the needs of the community should be a key consideration is welcomed. We recognise the strong linkages between mental and physical ill health, well-being and land use planning. Health and wellbeing should though be recognised as a core component of the Draft NPF4, and included within the universal policy section.

The inclusion of the health agenda into planning policy is welcomed, reflecting as it does recent research into the Glasgow effect and the important role place plays in determining health and life outcomes. The links and over-laps with policies 3, 6 and 7 which support 20-minute neighbourhoods and nature recovery could be made more implicit.

The role of Planning Authorities in assessing Health Impact Assessments (HIA) needs further clarity as it may well require further upskilling of staff and new areas of expertise to be developed. Clarity on what should be included within a HIA would be helpful.

14a – securing health facilities and forecasting future demand for healthcare infrastructure is challenging and should be acknowledged in NPF4.

14c – reference to air quality assessments is missing and should be included.

14d – no mention of ‘*agent of change*’ principle. Where areas already have an unacceptable noise level it may not be possible to mitigate the adverse effects of noise. In such circumstances noise sensitive development, such as new residential development, may not be appropriate.

14 c) and d) inconsistency in wording - in both cases the wording should state ‘*should not be supported*’?

14e – We support the inclusion of food growing and allotments. Linkages to the Food Growing Strategy would be helpful. This would sit better within the green infrastructure policy areas.

We generally welcome Policy 15 on Safety. Safety is not just a consideration for major accident hazard sites. Policy could be widened.

Productive Places

Policy 16: Land and premises for business and employment

Q37: Do you agree that this policy ensures places support new and expanded businesses and investment, stimulate entrepreneurship and promote alternative ways of working in order to achieve a green recovery and build a wellbeing economy?

We welcome the emphasis on allocating employment land, infrastructure and investment which supports a greener, fairer and more inclusive wellbeing economy.

A definition and method for calculating ‘*net economic benefit*’ would be helpful. What information/evidence is required to be submitted by an applicant to demonstrate this? This would assist Local Authorities in determining applications and help applicants submit required information. It is questionable whether net economic benefit is required on an allocated economic site?

A definition of a ‘*wellbeing economy*’ should be added to the glossary.

16c – policy should acknowledge the importance of high quality digital and full fibre broadband infrastructure as this can help transform our working, learning and leisure environments, and provide opportunities for homeworking, which in turn has the benefit of helping reduce the need to travel and a reduction in emissions.

There is a risk that 16f could undermine economic allocations in the LDP and direct development to unsustainable locations. Additionally, the policy should refer to proposals demonstrating that they will not negatively impact upon existing allocated economic LDP sites.

16g – do these criteria relate to both LDP allocated sites and windfall sites? Impact upon amenity and character covered in parts d and f. Cross reference to Policy 6 would be helpful.

Policy lacks protection for allocated sites from alternative uses.

Policy focuses on new proposals but fails to acknowledge existing business areas and uses and the challenges they face in modernising and adapting to meet climate change objectives.

No mention of creation of local jobs, community benefits or community wealth building within the policy. These are referenced within Policy 17 and should also be included under Policy 16.

Insufficient mention of addressing economic inequalities.

It would be useful to add the importance in having places for businesses to provide circular economy services (repair, reuse, refurbish, refill) and sharing economy.

Lack of acknowledgment of cross boundary impact and how this will be measured.

Policy 17: Sustainable tourism

Q38: Do you agree that this policy will help to inspire people to visit Scotland, and support sustainable tourism which benefits local people and is consistent with our netzero and nature commitments?

We support the policy emphasis on sustainable tourism whilst recognising the conflicts and tensions between the environment and the economy. Net zero ambitions are not addressed strongly enough within the policy.

No mention of facilities being accessible by a range of sustainable transport options and connections to active travel routes.

We support reference to local employment and community wealth building.

No mention of impact upon landscape or natural environment.

17g should be amended as follows – ‘*Development proposals for tourist facilities ~~should take into account~~ will be required to demonstrate:*’....

Definition of a ‘tourist facility’ would be helpful.

Policy 18: Culture and creativity

Q39: Do you agree that this policy supports our places to reflect and facilitate enjoyment of, and investment in, our collective culture and creativity?

The introduction of culture and creativity into planning policy is welcomed, however, we recognise the practical issues faced with making provision for public art and encouraging creative and cultural issues.

No mechanism is provided for delivery of public art in public places, it is envisaged that within East Renfrewshire the requirement for any art work would be identified in planning briefs, town centre action plans and local place plans.

Agent of change principle should cross refer to Policy 14 on noise issues.

Policy 19: Green energy

Q40: Do you agree that this policy will ensure our places support continued expansion of low-carbon and net zero energy technologies as a key contributor to net zero emissions by 2045?

The opening statement should clarify that onshore wind will be the predominant form of green energy within the parameters of NPF4 and the Scottish planning system. Off-shore wind energy, regulated by the separate statutory marine planning process will be the predominant form of green energy across Scotland as a whole.

19a – how do we define or measure that an ‘*area’s full potential for electricity and heat from renewable sources is achieved*’.? Does ‘area’ refer to local authority boundary or particular landscape areas or regional areas? Clarification is required. Also, what is meant by full potential?

19a should acknowledge that consideration also needs to be given to environmental, community and cumulative impacts of proposals. There is no mention of the requirement for Local Authorities to prepare a spatial framework for wind development or capacity assessment as required by the current SPP or a spatial framework for any type of green energy. If local authorities are not to prepare a spatial framework search areas or an alternative mechanism should have been set out in the Draft NPF4 or clarification provided as to how requirements are to be met. As it stands it is difficult to see how the policy will address strategic cross boundary considerations.

19b - should cross refer to the criteria in 19k

19d should acknowledge the sensitivity of local heritage designations. ‘*Unacceptable impacts*’ requires further clarity.

19e – we agree with the principle to ‘*repower, extend and expand existing wind farms*’, however, policy should clearly cross refer to the capacity of the landscape and its potential to accommodate additional capacity.

19h - Definition and method of preparing a ‘*decarbonisation strategy*’ would be helpful. What information/evidence is required to be submitted by an applicant to demonstrate this? This would assist Local Authorities in determining applications and help applicants submit required information.

19f –‘*small scale renewable energy generation technology*’ – term requires further clarity.

Greater emphasis should be given to the future role of hydrogen.

Policy 20: Zero waste

Q41: Do you agree that this policy will help our places to be more resource efficient, and to be supported by services and facilities that help to achieve a circular economy?

The requirement for LDPs to identify new locations for new infrastructure and support development in line with the national hierarchy is supported.

Further clarity on how LDP policies are to consider the following statement would be welcome in the policy detail: ‘*All developments should aim to use materials with the lowest forms of embodied emissions. Materials should be suitable for reuse with minimal reprocessing. The use of previously used, sustainable, local, recycled and natural construction materials that also store carbon, such as timber, is encouraged. Construction and demolition methods should minimise emissions as far as possible.*’ How are assessments to be made on this basis?

This is a cross boundary issue and this also needs to be acknowledged.

Policy 21: Aquaculture

Q42: Do you agree that this policy will support investment in aquaculture and minimise its potential impacts on the environment?

No specific comment

Policy 22: Minerals

Q43: Do you agree that this policy will support the sustainable management of resources and minimise the impacts of extraction of minerals on communities and the environment?

This is specialist area of planning requiring specific skill sets and expertise.

22a – ‘10 year land bank’ – this is a strategic issue best identified through the RSS. Clarity required on what is the ‘*relevant market area*’. There will be a continued required for partnership working through the RSS.

22b – we welcome that that the extraction of fossil fuels is not supported except in exceptional circumstances. This needs further clarity and better definition to assist the development management decision making processes.

22c- ‘*unconventional oil and gas*’ – clarity required.

There is no consideration in the policy for supporting the processing of secondary aggregates, which would support policy 20 (Zero Waste).

Policy 23: Digital infrastructure

Q44: Do you agree that this policy ensures all of our places will be digitally connected?

The requirement for development proposals to incorporate appropriate, universal and futureproofed digital infrastructure is welcomed. However, the policy does not provide sufficient detail and information on requirements to ensure consistent assessment of proposals and to ensure the provision of high-speed quality digital infrastructure in new development.

23b should be clear that digital infrastructure must be provided at as an integral part of the development and at the outset. Replace ‘should’ with ‘must’. ‘*Universal and futureproofed digital infrastructure*’ – clarity on this phrase is required.

Policy should cross refer to home working and local living aspirations.

Delivery will require partnership working with service providers and understanding of any expansion and roll out plans. This concept needs to be supported by sufficient investment.

Distinctive Places

Policies 24 to 27: Distinctive places

Q45: Do you agree that these policies will ensure Scotland's places will support low-carbon urban living?

We are generally supportive of the aims of Policies 24 to 27 which promote mixed-use city, town and local centres, which are easily accessible by sustainable transport modes, and allowing communities to have easy access to the goods and services they require. The policies link strongly to the 20-minute neighbourhood concept. Town and local centres are key components of 'liveable places' and key to achieving 20-minute neighbourhood implementation. The 20-minute neighbourhood concept strengthens the role of planning in supporting successful town centres.

It is noted that there have been strong town centre first policies in place for a number of years but these have not arrested the decline of many town centres. The recent relaxation of development management for pandemic measures such as outdoor seating is not mentioned and could have provided a measure of continuing support.

Definition of '*local centres*' and '*neighbourhood shopping*' would have been helpful.

24a – The appropriate method to identify a network of centres is through the RSS to allow for consideration of wider retail markets and trends and cross boundary movement.

25a – While we support movement away from out-of-town locations, consideration also needs to be given to what impact this will have on existing established out of centre locations with the potential creation of increasing numbers of future vacant units. What will happen to such locations without support?

25c – what level of clustering is deemed unacceptable – clarity is required.

26 - The policy appears to contradict Policy 25 (a) Retail '*out of town developments will not be supported*'. Policy 26 still allows out-of-centre development where conditions permit – '*considered acceptable in out-of-centre locations*'. It is recognised that the policy is trying to distinguish retail from other uses, such as commercial leisure facilities, but footfall will be generated for both types of use should a person be shopping or going to a cinema. There could be negative impact on net-zero and 20-minute neighbourhoods and the use of the private car over sustainable transport modes. To protect against this 'out of centre' requires careful definition.

26b – Reference is made to '*network of centres identified in the development plan*' – should this read '*identified in the LDP*' as the development plan is NPF4 and the LDP?

26 b - remove '*where possible*' from the second sentence – this is unnecessary. Clarity on what information should be submitted through the '*town centre first assessment*' and '*economic impact*' would be helpful.

27a – we are supportive of the principle of residential development in the town centres. The policy has links to vacant and derelict land which provides opportunities to build new homes. However, due to the compact nature of town centres in East Renfrewshire contributions towards our housing requirements will be low.

There is no mention of Retail Impact Assessments or cross boundary impact and how this will be measured.

Policy 28: Historic assets and places**Q46: Do you agree that this policy will protect and enhance our historic environment, and support the reuse of redundant or neglected historic buildings?**

Yes. The policy is detailed and comprehensive and is consistent with existing guidance. NPF4 needs to encourage a proactive approach to the conservation of the historic environment, recognising the environmental benefits this brings.

Impact of climate change in maintaining historic buildings should be included.

Policy 29: Urban edges and the green belt**Q47: Do you agree that this policy will increase the density of our settlements, restore nature and promote local living by limiting urban expansion and using the land around our towns and cities wisely?**

The introductory text should state the functions and purpose of the green belt, namely: to direct planned growth to the most appropriate locations and support regeneration; protect and enhance the quality, character, landscape setting and identity of urban areas; and to protect and give access to open space within and around urban areas. The strategic consideration of Green Belts and partnership working is missing. The use of Green Belt policies has been successful in supporting the implementation of the Clydeplan 'compact city' approach.

There is a tension between the housing requirements and the NPF4 desire to use Policy 29 to limit urban expansion. The environmental quality and sensitivity of the green belt in East Renfrewshire poses a significant constraint to the capacity of the area to accommodate significant levels of development and will impact on what future requirements are achievable. Meeting the housing requirements will likely come from large edge of settlement green belt release sites, which are generally away from local services and existing infrastructure, contrary to climate change, biodiversity, brownfield objectives and 20-minute neighbourhoods.

29a LDPs should 'identify green belt boundaries' not 'consider using green belts'.

29b – retired workers accommodation – what happens to the property if the retired worker moves away?

29b – '*development meeting a national requirement or established need, if no other suitable site is available*'. The wording here is very wide ranging – established need should be removed and replaced with site specific or operational need.

29b – '*one-for-one replacements of existing permanent houses currently in occupation*' – text should also clearly state that replacement should be of a similar scale, footprint, character, height and massing to the dwelling being replaced.

29b – policy should state that proposals should make use of existing or replacement buildings whenever possible

Where development does occur in an area on the urban edge the policy could be improved by including a clause with a requirement to provide some measure of greenbelt enhancement.

There is no mention of biodiversity or linkages with the 20-minute neighbourhood concept.

Policy 30: Vacant and derelict land**Q48: Do you agree that this policy will help to proactively enable the reuse of vacant and derelict land and buildings?**

We welcome and supports this updated and pro-active policy. The re-use of vacant and derelict sites is critical if the aims and aspirations of the Draft NP4 are to be achieved and will enable more Greenfield land to be protected. It may also act to protect land on the urban fringe through Policy 29.

Due to the importance of prioritising brownfield and vacant sites this policy deserves to have a higher recognition within the Draft NPF4 and elevated earlier in the document.

Policy would benefit from the inclusion of links to other relevant considerations in the plan for e.g., the link between the promotion of re-use of derelict buildings and the Infrastructure Hierarchy referenced in '*Policy 8 Infrastructure First*'.

The policy may act to incentivise development of brownfield land while policy 30 (d) safe guards against unviable applications. Where brownfield land is contaminated, there are often substantial financial and technical challenges to overcome which require a degree of flexibility and ingenuity to overcome these. There are a number of other NPF4's polices which combine to contribute to the productive re-use of brownfield land.

Policy could go further and require vacant and derelict land without live current planning consent to be temporarily greened? This would help with the aim to accelerate urban greening and assist with short–medium term biodiversity and green network aims.

30a - LDP will not seek to 'reuse' vacant and derelict land - it will allocate or identify such sites.

30b – not all vacant and derelict sites are in sustainable locations so the support in principle should be caveated.

30c – while we support the principle that green field sites should not be supported this concept is addressed elsewhere and is not required to be repeated for this policy.

30e - policy should also recognise suitability based upon local character etc. Justification for demolition should be supported by a structural survey that identifies that refurbishment of an existing building to tolerable standards is not achievable.

The policy needs to have a strong focus on delivery and financial mechanisms to be successful.

Policy 31: Rural places**Q49: Do you agree that this policy will ensure that rural places can be vibrant and sustainable?**

We support the aim that rural places should be vibrant and sustainable locations.

There is no mention of digital connectivity which is a significant omission.

31c- clarity on what '*a small site that would not normally be used for housing*' means. 20-minute neighbourhood concept may not translate to rural areas successfully as referenced in earlier comments.

The same issue remains with retirement homes as for 'Policy 29 Urban Edges and the Greenbelt'.

Policy 32: Natural places

Q50: Do you agree that this policy will protect and restore natural places?

We are generally supportive of the aims of this policy. However, the policy should link to the nature crisis key principle. LDPs should 'identify, protect and enhance locally, regionally.....'.

There is no mention of biodiversity net gain or targets which is a significant omission.

32a – new terms introduced such as '*nature rich areas*' and '*nature networks*' – would have been better to use green networks as this is terminology is used throughout the Draft NPF4.

32b – This is a key policy that supports nature crisis key principle but is hidden near the end of the document. It should have been given greater prominence.

32c – include reference to relevant tests and legislation. Text needs to be clearer.

32e – 1st sentence add the word significant before '*adverse effect*'. Provide link to 'relevant statutory tests'.

32g – '*ecological appraisal*' will be required. This appraisal should identify measures adequate to mitigate any impacts that are identified.

32f – provide link to legislation on non-native species. Text needs to be clearer.

Policy 33: Peat and carbon rich soils

Q51: Do you agree that this policy protects carbon rich soils and supports the preservation and restoration of peatlands?

The expansion of the policy detail on soils is welcomed. Peatland and carbon rich soils can play a key role in the achievement of net zero by 2045 through carbon sequestration and storage. This topic has been relatively low key in planning decisions not associated with wind energy development. This is an area of specialised expertise and may require planning authority staff to acquire new skills and knowledge.

The policy does not mention the damaging impact tree planting can have on peat. Is the expectation that this is identified in Planning Authorities woodland strategies? Clarification is required.

Policy 34: Trees, woodland and forestry

Q52: Do you agree that this policy will expand woodland cover and protect existing woodland?

The expanded policy on trees and woodlands is welcomed. The shift from '*should be protected from adverse impact*' in SPP to the NPF4 policy: '*Development proposals should not be supported where they would result in... adverse impacts*' makes the policy stronger.

The expansion of the Policy to include Policy 34 e which recognises the wider benefits of woodlands is welcomed. In addition to the Woodland Strategies to be prepared by each

planning authority, there is an existing Clyde Plan woodland strategy. The RSS can continue to play an important role identifying opportunities and region wide networks across the Glasgow City region. The policy could also benefit reference the Scottish Government's woodland planting targets.

Policy 35: Coasts

Q53: Do you agree that this policy will help our coastal areas adapt to climate change and support the sustainable development of coastal communities?

No specific comment

Part 4 – Delivering our Spatial Strategy

Q54: Do you agree with our proposed priorities for the delivery of the spatial strategy?

Q55: Do you have any other comments on the delivery of the spatial strategy?

Critical to the success of NPF4 will be its delivery and implementation. It is disappointing that the delivery programme outlined in part 4 has not been prepared alongside the Draft NPF4. Whilst we appreciate that a lot of detail will come with LDP guidance and regulations, at least headline information on how an infrastructure approach will be achieved should be contained in the NPF document itself.

It is crucial to the success of Scotland's planning system and NPF4 that Planning Authorities are properly resourced. Delivery of the strategy will require collaborative partnership working with a range of organisations and stakeholders who will assist with professional knowledge on needs, future provision etc, finance and provision of infrastructure. The alignment of resources, plans, strategies and funding over the short, medium and long term is critical. The Draft NPF4 introduces many areas requiring particular specialist skills and areas of expertise which will require additional resourcing and funding for reskilling and upskilling of Local Authority Planners, elected members and external consultancy assistance.

Annex A – NPF4 Outcomes statement

Q56: Do you agree that the development measures identified will contribute to each of the outcomes identified in Section 3A(3)(c) of the Town and Country Planning (Scotland) Act 1997?

Yes. No further response required.

Annex B – Housing numbers

Q57: Do you agree with the Minimum All-Tenure Housing Land Requirement (MATHLR) numbers identified above?

Response set out under Policy 9.

Annex C – Glossary of definitions

Q58: Do you agree with the definitions set out above? Are there any other terms it would be useful to include in the glossary?

Affordable home/affordable housing – we support the definition and reference to ‘high quality’ affordable homes. It’s not acceptable for there to be a disparity, when referring to quality, between those homes referred to in Policy 9 and the requirements for affordable homes. Both should be required to be of a high quality. Also, we note the change from modest to low incomes in this new definition. Does this mean affordable housing is then only to be aimed at those on lower quartile incomes? We would suggest changing this back to modest incomes so that we have the flexibility to address a range of affordable housing needs, for those on varying levels of income (lower to median), across different tenures.

Enabling development – suggest there should be reference in the definition to this needing to be the minimum necessary to secure its restoration, adaptation and long-term future.

As aforementioned the glossary should include a definition for:

- Community Wealth Building
- Design Led Approach
- Green Economy
- Just Transition
- Land assembly
- Lifecycle greenhouse gas emissions
- Local centres
- Local Place Plan
- MATHLR
- Nature based solutions
- Neighbourhood shopping
- Planning obligation
- Place Based Approach
- Regional Spatial Strategy
- Urban and Rural Synergy
- Wellbeing Economy

EAST RENFREWSHIRE COUNCIL3 March 2022Report by Chief ExecutiveSTRATEGIC PLANNING**PURPOSE OF REPORT**

1. This paper gives an update on strategic planning within East Renfrewshire Council, specifically with a focus on the impact of the pandemic and the outlook for a refresh of 'Vision for the Future' later this year.

RECOMMENDATIONS

2. Council is asked to:
- (a) Note the background to the development of 'Vision for the Future'; its purpose and ambitions; that the Pandemic will have cross-cutting short, medium and long term impacts; and to recommit to refreshing 'Vision for the Future' to take account of these challenges as well as the opportunities that lie ahead as we work alongside partners and communities to shape and progress East Renfrewshire's post-pandemic recovery and renewal; and
 - (b) Agree to use the outputs of the budget engagement, Citizens' Panel and Humanitarian research to inform future strategic planning, including 'Vision for the Future'.

BACKGROUND

3. The first 'Vision for the Future' document was published in September 2015 and gave a forward direction for the Council over a timeline of 10 years. The document has evolved over time and is underpinned by:

- an analysis of current socio-economic demographics and expected future trends and patterns for the local area through 'Planning for the Future';
- a broad assessment of the political, economic, social and technological trends affecting East Renfrewshire;
- a self-evaluation assessment of the Council's strengths, weaknesses, opportunities and threats (challenges);
- an overview of what residents tell us is important to them through the Citizens' Panel and various engagement activities; and
- scenarios around future financial planning, although it was acknowledged that finance remained one of the biggest areas of uncertainty.

4. Council approved an updated 'Vision for the Future' in February 2020. This set out the long-term ambitions for the work of East Renfrewshire Council and provided a platform and context to deliver our Community Plan, Local Outcome Improvement Plan (LOIP: Fairer) and the wider inter-connected family of strategies that guide the work of Council and partner services. A key theme of the update was to continue to strengthen physical and social 'connections' within East Renfrewshire – for example linking greenspaces; improving public

transport and active travel routes such as pathways and cycleways; connections within and between our communities and local town centres; and also social connections between the council, residents, communities and our services and their users.

5. Rather than act as a timebound strategy, 'Vision for the Future' was viewed as the beginning of an evolving conversation on what the future might look like and how the Council, residents, communities of interest, community groups and third sector partners, local businesses and wider partner agencies could work together to achieve our shared ambitions for the area. As such it does not have its own action plans. Instead it set the direction which would be followed through in various other plans and strategies and be reflected in Local Development Plan 3, wider City Region work and through the refreshed Capital Investment Strategy and the Council's Outcome Delivery Plans.

PANDEMIC RESPONSE & RECOVERY PLANNING

6. In February 2020, no-one could have envisaged the disruption that that lay ahead with the onset of a global pandemic and its resulting impact on our services, our communities and our ways of life. Through the last 2 years the public sector has sought to balance its key statutory duties and priorities, alongside a pandemic response, often straddling the boundaries of response, recovery and renewal simultaneously.

7. Partnership working has been a key strength throughout the last 2 years and the community response has also been positive with innovation in community organisations and neighbours supporting one another. While most normal community group activity has been disrupted or stopped over the pandemic the depth of partnership working between the Council, HSCP and the third sector has never been closer, more collaborative in nature or more deeply integrated.

8. From July to December 2020 a Member Officer Working Group, comprised of a cross-party group of elected members and relevant senior officers from across the Council, HSCP and ERCLT met to review and discuss the issues and opportunities around East Renfrewshire's post-pandemic recovery. The group looked at: the extent to which the Council was engaged in response, recovery and business-as-usual simultaneously; the shift to home working by residents; the increased use and reliance on digital technology to connect with people and access services; the economic impact on the wider economy and local businesses; potential entrenchment of existing poverty and disadvantage; positive increases in active travel (e.g. use of cycleways) and challenges with public transport and the shift to more environmentally sustainable travel options; community connections and well-being; impact on mental and physical health; and increasing the overall sustainability of East Renfrewshire as a place.

9. It was noted that the pandemic had actually had positive impacts on the 2 main themes of 'Vision for the Future'. With people largely confined to working at home and spending more time in their local areas, there were positive impacts for communities and for sustainability/'green' themes.

10. The Council has been able to make good progress on its climate change agenda over the last year with a 'Get to Zero' strategy underway. As part of the COP26 legacy, the planting of 10,400 trees through creation of 26 small wooded areas has also begun, providing areas of beauty for the local community to visit, but also playing a key part in delivering our climate change commitment. Initiatives like this will be key foundations of 'Vision for the Future'.

11. The rise of the Delta and Omicron variants of the pandemic once again pushed the Council back towards a heavier focus on response in 2021. As we are now hopefully moving

out of the most recent Omicron wave and as we prepare for the outcome of the local government elections, 2022 is an opportune time to revisit, refresh and rearticulate East Renfrewshire's 'Vision for the Future'.

UNDERSTANDING THE IMPACT OF PANDEMIC

12. Over 2021 and into 2022, three key pieces of broad-based research and community engagement have been undertaken and concluded:

- Citizens Panel Survey 2021
- Humanitarian Research into the Impact of COVID-19 in East Renfrewshire
- One-year 2022-23 Budget Consultation

13. These provide us insight into the ways the pandemic has affected local people and communities. This research can help inform our priorities as we move forward into recovery and renewal and seek to refresh our 'Vision for the Future'.

14. There has been a wide reach across the various aspects of the research, including a 62% response rate (581 respondents) to the Citizens' Panel; 150 in-depth interviews with local residents, community groups, businesses and key stakeholders (including elected members) as part of Humanitarian research and 251 responses to the Council's budget engagement survey.

15. It is useful to consider the findings from the 3 pieces of research using the 'Four Harms' approach: direct health impacts; indirect health and social care impacts; wider impact on wellbeing and quality of life and economic impacts.

Direct Health Impacts

16. By early February 2022 over 24,000 East Renfrewshire residents has received a positive PCR tests over the course of the pandemic. Separately since early January 2022, East Renfrewshire residents have reported 2300 Lateral Flow Device positive tests. Accounting for asymptomatic infections and other factors Public Health Officials have estimated that positive test results account for approximately 40% of all COVID infections with the level of community infection being around 2 to 3 times that reported by test results at any given time.

17. As of 8 February 2022: 96.3% of East Renfrewshire residents 12 yrs+ had received one dose of the vaccine; 91.3% two doses; and 75.5% had received a third or booster dose (82.9% of 18yrs+ and 90.6% of 40yrs+).

18. Tragically there have been 207 COVID-related deaths, and we have seen an overall death-rate around 10% higher than normal. Nationally we know that the death rate has been higher among older and Black and Minority Ethnic (BAME) populations.

19. The impact of Long-COVID remains uncertain with suggestions 5-15% of positive cases (i.e. 1200 to 3600 locally) could result in Long-COVID, with prevalence higher in those aged 35-64, women and those with disabilities/long-term illness and living in more deprived areas.

Indirect Health & Social Care Impacts

20. There are a range of wider health and social care impacts across loneliness, mental health, increased alcohol consumption, reduction in physical fitness and activity level and delayed diagnosis.

21. Mental health was significantly negatively impacted as a result of the pandemic. 23% of residents reported a fall in their happiness and 11% an increase in anxiety. One in 3 adults reported an increased alcohol consumption. At the same time, lockdowns and home working led to a decline in physical activity.

22. While public services rapidly adapted to providing remote services, some vulnerable key groups such as older people and people with additional support needs were more likely to struggle with accessing digital services, as well as using digital tools to stay connected with friends and family. As result feelings of isolation were exacerbated for some people and this also contributed to delayed diagnosis of conditions - already a serious factor as people put off contacting health or social care services believing they were helping to relieve the overall burden at a difficult time.

23. The research findings, alongside insights from the NHS, have suggested that the key groups most likely to be impacted by indirect health and social care impacts include:

- Older residents, especially those with dementia
- People with long-term conditions, including addictions relapse
- Children and adults with mental health needs
- Pregnant women, women reaching menopause
- Those living alone, including single parents
- Those without local family/friends or informal support.

24. These wider health and social care impacts will continue to generate significant challenges for services. Services are dealing with increasing complexity of cases and needs. This is adding pressure to already limited homecare/daycare provision. These challenges are compounded by higher levels of staff absence (as they themselves have been impacted by the pandemic and wider health issues); recruitment challenges, especially in the private sector; and come as issues of staff burn-out and resilience become factors.

25. While community services and groups can play a key role in helping to mitigate and address some elements of health and social care support, concerns about the potential impact of funding coming to an end for community services and groups remain.

Impacts on Society, Wellbeing & Quality of Life

26. The Citizens' Panel reported ongoing strong satisfaction with East Renfrewshire as a place to live (89%). However, 90% of Citizen Panel respondents indicated that their quality of life had been negatively impacted by the pandemic. This was particularly around education, mental health and wellbeing and access to health and social care services. Satisfaction with Council services (67%) remained fairly strong given the disruption created by the pandemic both in absence rates within our own staff groups and the need to respond to new requirements and undertake new areas of service delivery and response.

27. Some people reported positive outcomes of the pandemic, including more time with family; better work/life balance; a greater sense of community and more time to volunteer;

improved digital literacy; quieter/better quality environment and more use of outdoor space; feeling safer using active travel (e.g. cycleways) and more use of remote service contact (e.g. online rather than face to face).

28. Overall the factors that most impacted people's quality of life were driven by extended periods without personal and/or social contact; relationship breakdowns, financial uncertainty and debt; health impacts and the psychological uncertainty and fatigue generated by the pandemic itself, particularly a loss of confidence among older people. While these factors could impact anyone; older people, people with disabilities or long-term limiting illnesses; parents of young children; families supporting and people with additional support needs; women; and lower income households were particularly affected. Over the course of the pandemic there have been increases in domestic violence and children and young people requiring to be taken into care.

29. Children and young people's education has also been disrupted over the course of the pandemic. This has been well documented nationally and locally and it remains a high priority for the Council. The Education Department recognised the risks that the pandemic presented to reversing some of the progress that had been made in closing the attainment gap. It has taken a targeted approach to mitigating as many of the negative impacts as possible. Early indicators suggest that this approach has benefitted children and young people. However, this approach will be ongoing with continued support to fully address the negative impacts of the pandemic.

Economic Impacts

30. Around 1 in 5 indicated that the employment status or income of the main household earner had been affected by the pandemic and almost 40% had to make changes due to the impact on employment and/or income at some point. The number of out of work benefit claimants remains substantially above pre-COVID levels with the Benefit claimant count 42% higher than January 2020. The most significant impacts are among the under 35's.

31. The Council has seen a significant increase in demand for financial support. Demand for foodbank/larder support increased around 50%. Scottish Welfare Fund claims rose 37% and demand for support from the Monet Advice and Rights Team (MART) rose 81%.

32. The need for these types of supports was greatest among the under 35s, people on lower incomes, renters the self-employed and those living in the most deprived areas. However overall, the profile of people seeking support shifted during the pandemic to people who were in-work and previously "getting by" where reduced work hours and increased-costs built up to a crisis point for them. Services were seeing an increase in individuals and families that had not previously required support and were seeking help for the first time. It should be noted that people on lower incomes who had to go out to work during the pandemic did not see the reduced travelling and living cost benefits that many people working from home experienced. As a result of these types of factors there remains an ongoing risk that the pandemic will lead to a growing inequality gap.

33. In the one-year budget consultation, there was a mixed picture of understanding of the challenges facing the Council. While there is some understanding of the fiscal challenges facing the Council respondents had competing high priorities across pandemic response and recovery (Education and Health & Social Care), tackling the climate change, operating services under business as usual and continuing to progress digital transformation and improve key Council services such as roads. The top priorities that local people cited were: Education; Health & Social Care; Health, Leisure & Wellbeing; Economy; and Roads. These were followed by the Environment, Communities, Transport, Reducing Poverty, Improving Council operations and reducing costs.

34. At the same time there were mixed views on the extent to which the Council should consider implementing higher charges for services (12.6% Definitely, 43.3% Maybe, 40.5% Definitely Not).

RECOVERY PRIORITIES

35. Overall people want to see the Council take action to recover from the pandemic, while also providing business as usual services in modern ways, as efficiently as possible. Across the three pieces of engagement work the public see a broad range of activities as important:

- Supporting young people and the most vulnerable to repair or minimise the damage done by the pandemic to their life, education and wider well-being.
- Tackling mental health and isolation issues
- Supporting the local economy and continuing to improve roads.
- Tackling climate change and protecting green spaces

36. The 3 pieces of research suggest that there are several priority groups that should be priorities for recovery support. These include:

- Children and young people – especially those with additional support needs
- Older people
- Those with disabilities and long-term conditions
- Carers, especially carers of people with dementia
- Single households, especially older people and single parents
- Young families, especially those in social housing
- Those with language barriers
- Women experiencing domestic violence.

37. Common with the national picture, key themes for response and recovery locally include:

- The role of communities and the third sector in response and recovery
- Wellbeing and mental health
- Continued support to fully address the negative impacts of the pandemic on children and young people's learning and achievement
- Ongoing need for financial and practical support, which may pose financial challenges ahead
- Re-building resilience
- Focusing on existing inequalities and reaching new areas of need.

38. These priorities will be mainstreamed throughout the Council's strategic planning, including 'Vision for the Future'.

NEXT STEPS

39. In one respect the foundations of 'Vision for the Future' remain largely unchanged by the pandemic. Our key outcomes remain as relevant as ever and arguably the pandemic has moved us forward in the theme of 'connections' – between communities; driving a more local lifestyle and with greater focus on green issues, climate change and use of greenspaces. There is an opportunity to build on this as we move forward into a new phase of recovery and renewal.

40. The pandemic has also brought other areas into sharp focus including impacts on the economy, poverty, health, educational outcomes and new funding commitments and responsibilities for local government to deliver, with wider sectoral change also on the horizon through for example the National Care Service.

41. As the scope and reach of recovery and renewal themes were so widespread across all our services, the Member Officer Working Group agreed that the Council would mainstream these themes into key plans and strategies rather than develop a separate recovery plan. In addition, there have been regular updates to Council and IJB on the pandemic response and key recovery issues. Various services have already mainstreamed recovery and renewal into their planning frameworks, including the HSCP Strategic Plan, Education's 'Building Back Better & Fairer' approach, the Local Child Poverty Action Plan and building commitments of 'The Promise' into the Children's Services Plan.

42. There are also several key themes being led by the Environment Department as we move towards adoption of LDP2 and planning for LDP3, these include attracting back people to town centres (e.g. HERE campaign and shop local scheme), community wealth building, 20 minute neighbourhoods, active travel, Get to Zero action plan and the final phases of City Deal delivery. In October 2021 the Council voted to formally declare a Climate Emergency and work is now underway to set up a Climate Change Partnership Group involving local groups and businesses.

43. The shift to digital-first provision for service delivery and working at home will also bring significant changes to the way we work, with a presumption on a 'hybrid working' approach which will see appropriate staff develop a balance between office and home working. This will have implications for how we interact with customers, how we use our buildings and how we build in effective time for sharing, development and collaboration face-to-face.

44. It is suggested that we take some time to consider the research as we build recovery and renewal into our strategic planning. There is potential for a review of 'Vision for the Future' later this year, working closely with the new Administration and elected members to shape and develop this vision for the next 10 years.

FINANCE & EFFICIENCY

45. There are no specific finance or efficiency implications as 'Vision for the Future' does not set out firm proposals or make decisions. This broad vision will however influence spending proposals in the years ahead as the themes within develop. There will be close links with the Council's long-term financial plan, which is set out in a separate paper on today's agenda.

CONSULTATION AND PARTNERSHIP WORKING

46. 'Vision for the Future' is not a traditional consultation process with a set of proposals and a beginning and an end. This is the beginning of a broader, long-term culture shift towards a series of ongoing conversations led from across the Council which will help us develop and shape views and proposals for the future. There are many services now keen to have more strategic, longer-term conversations with communities, rather than one-off engagements – this will build knowledge and understanding, put the customer at the heart of service design and develop themes of co-production and community empowerment.

47. Our success in setting out and working together towards a broad vision for East Renfrewshire over the next 10 years will be about continuing the insightful and valuable conversations and in broadening the range of stakeholders who can participate in these ongoing dialogues, including building the capacity of communities to participate as an equal partner.

48. There are also opportunities now to think collectively and creatively about we drive forward our ambitions for the area as part of our renewal and recovery. Both the Council and its partners have access to short-term funding opportunities including for humanitarian support and to address mental health and wellbeing – a collaborative approach will help ensure the most sustainable approaches, which will empower local communities and give them a stake in delivery. It may be that, as we consider the next iterations of ‘Vision for the Future’, we may want to be more explicit in our ask of local people with opportunities for them to play their part by recycling, using online services, helping us design services, engaging actively and constructively, paying their Council Tax, and changing their behaviours to contribute to Net Zero for climate change.

49. It is impossible to separate a vision for the work of East Renfrewshire Council from a vision for East Renfrewshire itself. We cannot deliver this vision alone; partnership working will be critical to this journey. Amongst others, it is key that we continue our successful relationships with our Community Planning partners; the Culture and Leisure Trust; the Health and Social Care Partnership; our City Region colleagues; local businesses; and the West Partnership Regional Improvement Collaborative. Together we have huge ambitions for East Renfrewshire and our strength will be in working together to achieve and deliver over the next 10 years and beyond.

IMPLICATIONS

50. ‘Vision for the Future’ seeks to begin an ongoing dialogue on the Council’s broad, long-term direction of travel for making lives better within East Renfrewshire and delivering on the agreed outcomes in our Community Plan.

51. Given its overarching nature, ‘Vision for the Future’ does not make a strategic decision in its own right therefore it is considered out of scope for specific assessments under the Fairer Scotland Duty and equality impact.

52. We will continue to ensure East Renfrewshire Council is well placed for putting equalities and economic and social rights at the heart of strategic decision making and, as strategic decisions are made during the life of ‘Vision for the Future’, we will assess and consider any current inequalities of outcome and potential socioeconomic impact at that time.

CONCLUSION

53. When ‘Vision for the Future’ was last considered in 2020 we could not have envisaged what lay ahead. The pandemic has had an unprecedented and indelible impact on all our lives and our services; the ways we work, travel and live; and our mental health and wellbeing. We are only now beginning to understand the longer-term lasting impact that the pandemic will have and it is important we take time to reflect, to consider research, to build on those conversations and to ensure that recovery and renewal become key themes mainstreamed across our strategic planning.

54. ‘Vision for the Future’ was described as a direction of travel rather than a detailed strategy. The Council doesn’t claim to have all the answers and we genuinely want to hear

ideas about how we can best work together to improve the lives of people across East Renfrewshire over the next 10 years. Our goal is to continue that dialogue with a broad range of stakeholders as we continue to build and shape our vision as a modern, ambitious council creating a fairer future with all.

RECOMMENDATIONS

55. Council is asked to:

- (a) Note the background to the development of 'Vision for the Future'; its purpose and ambitions; that the Pandemic will have cross-cutting short, medium and long term impacts; and to recommit to refreshing 'Vision for the Future' to take account of these challenges as well as the opportunities that lie ahead as we work alongside partners and communities to shape and progress East Renfrewshire's post-pandemic recovery and renewal; and
- (b) Agree to use the outputs of the budget engagement, Citizens Panel and Humanitarian research to inform future strategic planning, including 'Vision for the Future'.

Lorraine McMillan, Chief Executive
February 2022

Report authors:

Louise Pringle, Director of Business Operations & Partnerships,
louise.pringle@eastrenfrewshire.gov.uk &
Jamie Reid, Strategic Insight & Communities Senior Manager,
jamie.reid@eastrenfrewshire.gov.uk

BACKGROUND PAPERS

- Financial Planning 2021-2027, Council 25 February 2021
- Vision for the Future, Council 27 February 2020
- Vision for the Future, Council 1 May 2019
- Strategic Planning, Council 31 October 2018
- Vision for the Future: Update Report, Cabinet 23 March 2017

BLANK PAGE

EAST RENFREWSHIRE COUNCIL**3 MARCH 2022****Report by Director of Business Operations and Partnerships****SCHEME OF DELEGATED FUNCTIONS****PURPOSE OF REPORT**

1. To present to the Council an amended Scheme of Delegated Functions that has been prepared in the light of the creation of the Business Operations and Partnerships Department. The amended Scheme also contains a number of proposed additional delegated powers across Council departments to increase resilience within services for which approval is sought.

RECOMMENDATION

2. That the Council:-
- (a) note the alterations that have been made to the Scheme of Delegated Functions to reflect the changes to departmental structures and designations and which have been approved under existing delegated powers; and
 - (b) agree that delegated powers be granted in respect of those new matters as outlined at Paragraph 9.

REPORT

3. In terms of Section 56(1) of the Local Government (Scotland) Act 1973, a local authority may arrange for the discharge of any of their functions by an officer of the authority. The Council has agreed that certain powers be delegated to officers, and for that purpose, a Scheme of Delegated Functions has been drawn up and approved.

4. Following the retirement of the former Deputy Chief Executive and the appointment of her successor along with the change in the name of the department from the Corporate and Community Services Department to the Business Operations and Partnerships Department, the current Scheme of Delegated Functions has been reviewed.

5. The Scheme of Delegated Functions contains provision that empowers the Deputy Chief Executive and Democratic Services Manager to vary the Scheme in 3 particular cases, these being:-

- To reflect changes to job titles and any reorganisations that take place;
- To change references to any pieces of legislation where the legislation is repealed and to insert references to new pieces of legislation where the new legislation largely re-enacts the provisions of the repealed legislation; and
- To remove a delegated power previously granted that is no longer required.

6. The majority of changes to the Scheme relate to the departmental changes referred to in Paragraph 4 above and have been made in accordance with existing delegated powers.

8. However, there are a number of changes, primarily relating to the extension of a previously approved delegated power, where approval is sought in order to increase resilience within services where the delegated power is currently exercised by either a single officer or a relatively small number of officers. A number of other wording changes have also been made to a number of paragraphs for clarification.

9. The table below provides a commentary of the remaining changes that have been made and whether or not approval is required, whilst the revised Scheme is attached as Appendix 1.

Paragraph	Change made	Approval required for change
4(e)	The paragraph has been reworded to remove the contract amounts as contained in Contract Standing Orders. This means that in the event the amounts in Contract Standing Orders change, there will be no need to amend the Scheme.	No
5(c)	The paragraph has been reworded to clarify the period between elections when the Chief Executive is authorised to take actions not otherwise delegated.	No
6(k)	The paragraph has been reworded to more accurately reflect the statutory language but does not alter the current delegated powers exercised by the Chief Officer – Legal & Procurement	No
8	The delegated power is extended to include the Chief Procurement Officer to increase resilience.	YES
10(b)	This delegation was approved by Cabinet on 25 November 2021.	No
12(k)(l) & (m)	The delegated power is extended to include the Strategic Insight and Communities Senior Manager to increase resilience.	YES
13	The delegated power is extended to include the Strategic Insight and Communities Senior Manager to increase resilience.	YES
21	The delegated power is extended to include the Head of Environment (Chief Planning Officer) and Planning and Building Standards Manager to increase resilience.	YES
22 - 25	The delegated power is extended to include the Planning and Building Standards Manager to increase resilience.	YES
29	The delegated power is extended to include the Planning and Building Standards Manager to increase resilience.	YES
35	The delegated power is extended to include the Roads Senior Manager for all functions in the sub-paragraphs relating to Statutory, Contracts, and CDM Regulations 2015 to increase resilience.	YES

38	<p>This paragraph has been reconfigured to make it clearer which officers have delegated powers in relation to each of the legislation groups listed. Various pieces of legislation have been added or removed as appropriate in accordance with existing delegated powers</p> <p>In relation to Legislative Group 12 in respect of the Health and Safety at Work etc Act 1974, the Indemnity Clause as recommended by the Health and Safety Executive has been added to make it clear that the Council indemnifies officers in the circumstances as outlined in the clause.</p>	No
44(2)(a) to (f)	The delegated power is extended to include the Head of HR & Corporate Services to increase resilience.	YES
44(3)	The delegated power is extended to include the Head of HR & Corporate Services to increase resilience.	YES

10. It should be noted that Paragraph 1 in the Scheme of Delegated Functions duplicates Paragraph 5 in the Scheme of Administration and so corresponding changes will be made to the Scheme of Administration.

IMPLICATIONS OF THE REPORT

Legal

11. The Scheme addresses the requirement for any delegations to officers to be identified.

Other

12. There are no financial, human resources, property, IT, equalities or sustainability implications arising from this report.

CONSULTATION AND PARTNERSHIP WORKING

13. The Corporate Management Team was consulted on proposed amendments to the Scheme.

CONCLUSIONS

14. The Scheme of Delegated Functions needed to be reviewed in the light of various changes to departmental structures resulting in the transfer of delegated responsibilities and changes in designations. Whilst the Scheme already contains provision that enables it to be amended in certain circumstances without the need for formal approval the revised Scheme contains a number of amendments to existing delegations and new delegations for which approval is sought.

RECOMMENDATION/...

RECOMMENDATION

15. That the Council:-

- (a) note the alterations that have been made to the Scheme of Delegated Functions to reflect the changes to departmental structures and designations and which have been approved under existing delegated powers; and
- (b) agree that delegated powers be granted in respect of those new matters as outlined at Paragraph 9.

Report author

Eamonn Daly, Democratic Services Manager 577 3023
eamonn.daly@eastrenfrewshire.gov.uk

BACKGROUND PAPERS

None

***East Renfrewshire Council
Scheme of Delegated Functions***

Approved by Council on INSERT DATE

Version Control

THE COUNCIL

1. The following matters are not subject to delegation and are discharged by the Council itself:-

- (a) approval of the annual estimates of housing and general revenue expenditure which may or may not be the subject of a recommendation by the Cabinet;
- (b) approval of the Housing and General Fund Capital Programmes which may or may not be the subject of a recommendation by the Cabinet;
- (c) determination of the Council Tax;
- (d) determination of rents for Council properties;
- (e) the power to incur capital expenditure which has not been specifically sanctioned or approved or provided for in the approved capital programmes which may or may not have been the subject of a recommendation by the Cabinet;
- (f) the power to incur revenue expenditure which has not been sanctioned or approved or provided for in the annual estimates of the Council, which cannot be contained within the existing overall budgetary position, and for which a supplementary estimate is required, which may or may not have been the subject of a recommendation by the Cabinet;
- (g) determining the objectives of the Council which may or may not have been the subject of a recommendation by the Cabinet;
- (h) determining matters of new policy which may or may not have been the subject of a recommendation by the Cabinet;
- (i) approval and review of the following matters, which may or may not be the subject of a recommendation by the Cabinet:-
 - (i) East Renfrewshire Local Plan
 - (ii) Local Transport Strategy
 - (iii) Outcome Delivery Plan
 - (iv) Community Plan
 - (v) Chief Social Work Officer's Annual Report
 - (vi) Any other plan or strategy which can be dealt with by the Cabinet, but which the Cabinet wish to be considered by the Council.
- (j) nomination of Elected Members to represent the Council on other bodies;
- (k) to determine whether to co-operate or combine with other local authorities in the discharge of major functions excepting day to day service delivery issues;
- (l) matters reserved to the Council by statute, standing orders and any other schemes which are approved by the Council;
- (m) the making, alteration or revocation of standing orders, bye-laws, management rules or any other orders, rules or regulations required by statute other than those in respect of which delegated authority has been granted by the Council;

- (n) appointment to a committee or sub-committee of persons who are not members of the Council or of the committee;
- (o) to consider lodging objections to applications for licences in terms of the Licensing (Scotland) Act 2005 or the Gambling Act 2005;
- (p) the consideration of all matters arising from the activities of (i) the Boundary Commission for Scotland and (ii) the Local Government Boundary Commission for Scotland.

LIMITATIONS ON DELEGATION TO COMMITTEES AND SUB-COMMITTEES

2. Delegation to a committee or sub-committee shall be subject to the following conditions:-

- (a) each committee and sub-committee shall, in discharging the functions, powers and duties referred or delegated to it, observe and comply with the Standing Orders of the Council and with any resolutions, directions or instructions passed by the Council with reference to its business generally;
- (b) Standing Order No.49(b) states that in the case of a committee or sub-committee exercising a delegated function in terms of the Scheme of Administration, where a vote is taken or dissent recorded under Standing Order No.32(e) it shall be competent for at least one quarter of the Members present to require that the delegated powers be not exercised and the matter under discussion be referred for determination to the relevant committee in the case of a sub-committee or to the Council in the case of a committee;
- (c) a committee or sub-committee may in any case direct that the matter be reported to the Council for decision or that its resolution be simply submitted to the Council in the form of a recommendation;

DELEGATION TO OFFICERS

3. Delegation to officers is subject to:-

- (a) compliance with the policies of the Council as determined by it;
- (b) there being adequate budgetary provision in the estimates;
- (c) the right of any officer to consult with the Chief Executive on any matter even though it has been specifically delegated to him/her or to refer the matter to the appropriate committee or sub-committee of the Council;
- (d) an obligation on Directors and Heads of Service to keep the appropriate members of the Cabinet apprised of the use of delegated power in relation to non-recurring or non-routine issues and also to arrange consultation with individual local Members as appropriate on the exercise of such delegated power;
- (e) the need for Directors and Heads of Service to ensure that they observe the principles of corporate management in exercising any delegated function;

- (f) all delegations to be exercised in consultation with elected Members being recorded in a format to be determined by the Democratic Services Manager.
- (g) any Member or officer standing to benefit from the exercise of delegated power, in which case the delegated power will not be exercised and the matter shall be referred to the Cabinet or appropriate committee for consideration.

DELEGATION TO CHIEF EXECUTIVE, ALL DIRECTORS AND HEADS OF SERVICE

4. The Chief Executive, all Directors and Heads of Service are authorised:-
- (a) to deploy resources as they think fit for the best execution of functions under their management, adhering to appropriate policies;
 - (b) to appoint employees up to the level below head of service within their approved establishments except where the Council specifically determines otherwise;
 - (c) to authorise the attendance of employees on courses of study and payment of appropriate fees;
 - (d) to authorise the working of overtime by employees within their departments up to the approved grade ceiling and to approve the payment of overtime in exceptional circumstances to employees above the overtime ceiling;
 - (e) to sign all documents on behalf of the Council relevant to the functions for which the Director is responsible and to authorise other officers so to do, subject to the restrictions on all goods and services contracts for sums between the range as set out in Contract Standing Orders in which case the contracts will be accepted by the Chief Procurement Officer or by the Chief Officer - Legal & Procurement or Principal Solicitor as appropriate, and also subject to the exclusion of documents that require to be formally executed on behalf of the Council;
 - (f) to act in any emergency situation and take such measures as may be required subject to advising the Chief Executive and the Cabinet as soon as possible thereafter;
 - (g) to approve appointments of temporary, sessional and casual employees, where considered necessary and where budgetary provision exists, subject to six monthly review;
 - (h) to approve the establishment of temporary posts funded under departmental Capital budgets;
 - (i) to approve the establishment of temporary posts which are fully funded by an external agency;
 - (j) to approve the secondment of employees to external agencies where the total cost of the secondment is recoverable from the external agency and to approve the appointment where necessary of a temporary replacement for the duration of the secondment;
 - (k) to grant, in accordance with the guidelines previously approved, unpaid leave of absence up to a maximum of two years in accordance with the Career Break Scheme for Local Government Employees;
 - (l) to grant authorisations under sections 6 and 7 of the Regulation of Investigatory Powers (Scotland) Act 2000 and to sign all other forms, as necessary, under the said Act.

CHIEF EXECUTIVE

5. The Chief Executive is authorised:-

- (a) to give a direction in special circumstances that an officer shall not exercise a delegated function;
- (b) to secure the efficient and effective implementation of the Council's programmes and policies and the deployment of resources towards that end;
- (c) to deal with any operational matter not otherwise delegated in the period between the last meeting of the Council prior to local government elections and prior to the setting up of a new Council;
- (d) to approve the settlement of current and future equal pay claims in the most financially efficient manner;
- (e) to make minor changes at meetings of the East Renfrewshire Community Planning Partnership Board to items previously agreed by the Council; and
- (f) to determine the appointment of employees to outside bodies.

CHIEF OFFICER - LEGAL & PROCUREMENT

6. The Chief Officer - Legal & Procurement is authorised:-
- (a) to grant applications for wayleave consents from statutory undertakers and other bodies;
 - (b) in consultation with the Director of Environment to serve Enforcement Notices, Stop Notices, Amenity Notices, Planning Contravention Notices and Breach of Condition Notices (all in terms of the Town & Country Planning (Scotland) Act 1997) and Building Preservation Notices in terms of the Planning (Listed Buildings and Conservation Areas) (Scotland) Act 1997 in cases of urgency and emergency;
 - (c) to make provisional Tree Preservation Orders or other Notices or Orders under the Town and Country Planning (Scotland) Act 1997 where necessary to maintain the Council's interest and to preserve the status quo;
 - (d) to terminate on behalf of the Council any contract which the Council is entitled to terminate where satisfied that it is in the interests of the Council so to do;
 - (e) to issue statutory notices and to institute proceedings on behalf of the Council and to defend all actions raised against it;
 - (f) to promote and sign Management Rules and Bye-Laws on behalf of the Council;
 - (g) to act as proper officer for the purposes of the Local Government (Contracts) Act 1997;
 - (h) to add to or remove from the East Renfrewshire Council Publication Scheme, prepared in accordance with the Freedom of Information (Scotland) Act 2002, references to publications;
 - (i) be responsible for the oversight of the Council's activities relative to the Freedom of Information (Scotland) Act 2002;
 - (j) to consider requests for review of responses provided to Freedom of Information requests;
 - (k) to act as Senior Responsible Officer of the Council in terms of the Regulation of Investigatory Powers (Scotland) Act 2000;
 - (l) to make any necessary Orders, prepare and negotiate contracts and enter into legal agreements necessary to progress the M77/GSO project; and
 - (m) to vary Standing Orders Relating to Contracts to reflect changes in job titles, departmental restructuring, vacancies in posts or any changes in the financial values of the E.U. Thresholds. In all other respects the Standing Orders may be varied or revoked only by decision of the Council.

CHIEF OFFICER – LEGAL & PROCUREMENT AND PRINCIPAL SOLICITOR

7. The Chief Officer - Legal & Procurement or Principal Solicitor is authorised:-
- (a) to engage private legal firms to undertake work on behalf of the Council whenever it is considered necessary to enable the legal work of the Council to be carried out;
 - (b) to engage Counsel whenever this is deemed necessary to protect the Council's interests;
 - (c) to undertake or arrange for the undertaking of prosecutions on behalf of the education authority in relation to the irregular attendance of pupils at school in terms of the Education (Scotland) Act 1980;
 - (d) to carry out the functions of the Council in terms of Section 80 of the Social Work (Scotland) Act 1968, in respect of Contribution Orders relating to any maintainable child being looked after by the Council;
 - (e) to carry out the functions of the Council in terms of Section 82 of the Social Work (Scotland) Act 1968 relating to the recovery of arrears of contributions due to be paid in terms of Sections 80 and 81 of the said Act;
 - (f) after consultation with the relevant Director, to carry out the functions of the Council in terms of Section 47 of the National Assistance Act 1948 relating to the removal to suitable premises of persons who are suffering from grave chronic disease or being aged, infirm or physically incapacitated persons who are living in unsanitary conditions;
 - (g) after consultation with the relevant Director, to carry out the functions of the Council in terms of Section 50 of the National Assistance Act 1948 relating to the burial or cremation of the bodies of any person who has died or been found dead in the East Renfrewshire area in any case, where it appears to the Council that no suitable arrangements for the disposal of the body have been or are being made;
 - (h) in consultation with the Chief Officer – Health and Social Care Partnership to enter into all contractual arrangements relating to community care issues;
 - (i) to place Charging Orders to secure payment of debts to the Council in respect of charges for residential/nursing home care;
 - (j) to execute all deeds and similar documents which require to be executed and act as proper officer in terms of Section 193 of the Local Government (Scotland) Act 1973;
 - (k) to act as the proper officer in terms of Section 190 of the Local Government (Scotland) Act 1973 for the receipt of notices of any legal proceedings served on the Council;
 - (l) to sign Watercourse Notices served under Section 78 of the Roads (Scotland) Act 1984, as proper officer of the Council;

- (m) to grant applications for licences, permits, approvals etc. in terms of the Civic Government (Scotland) Act 1982 (with the exception of licences for houses in multiple occupation and second hand-hand vehicle dealers), The Gambling Act 2005, or other acts falling within the remit of the Licensing Committee;
- (n) to determine the duration of any temporary licences granted up to the maximum permitted.
- (o) after consultation with the Chief Constable and the Director of Environment, to make and execute Orders under Section 63 of the Civic Government (Scotland) Act 1982 with regard to the holding of public processions, including prohibitions and the imposition of conditions on the processions;
- (p) to deal with applications for dispensations to use fireworks outwith the prescribed periods as detailed in the Fireworks (Scotland) Regulations 2004;
- (q) to deal with requests from organisations to be added to the list of organisations exempt from the requirement to pay an application fee in respect of applications for a Public Entertainment Licence, or for the application to be advertised;
- (r) prior to a hearing being held and following receipt of a hearing request by the recipient of a fixed penalty notice issued in terms of the Smoking, Health and Social Care (Scotland) Act 2005, to decide whether or not to withdraw the fixed penalty notice; and
- (s) to arrange and conduct any hearings requested by the recipient of a fixed penalty notice issued in terms of the Smoking, Health and Social Care (Scotland) Act 2005 and following the hearing to decide whether to uphold or overturn the decision to issue the fixed penalty.
- (t) to take all necessary actions to deal with any requests for changes/amendments to the Testing Specification for Licensed Taxi/Private Hire Vehicles and to take decisions arising from such requests.
- (u) to take decisions in respect of Paragraph 12 of Schedule 1 of the Civic Government (Scotland) Act 1982 in respect of the immediate suspension of licences.
- (v) to dispose of applications for licences in terms of the Civic Government (Scotland) Act 1982 where a representation in respect of the application had been received, and to carry out the necessary administrative procedures required.

CHIEF OFFICER – LEGAL & PROCUREMENT AND CHIEF PROCUREMENT OFFICER

8. The Chief Officer – Legal & Procurement or Chief Procurement Officer is authorised:-
- (a) to make the necessary arrangements concerning the services provided by Scotland Excel for all purchases made by the Council.

HEAD OF ACCOUNTANCY (CHIEF FINANCIAL OFFICER)

8. The Head of Accountancy (Chief Financial Officer) is authorised:-
- (a) to enter into hub scheme investments but only where the Council is a major participant, and with the Council's take up of investment offered to public sector participants being restricted to a pro-rata share of the Council's interest in each scheme.
 - (b) to progress the West Territory Hub Initiative on behalf of the Council.
 - (c) to issue a letter to the East Renfrewshire Culture and Leisure Trust each year confirming the Council's ongoing financial support for the Trust's activities, subject to the Trust's accounts showing a surplus for the year in question.

HEAD OF ACCOUNTANCY (CHIEF FINANCIAL OFFICER) AND CHIEF ACCOUNTANT

9. Head of Accountancy (Chief Financial Officer) or Chief Accountant is authorised:-
- (a) in respect of loans and banking:
 - i) to act as the proper officer in the completion of certificates in terms of Section 92 of the Local Government (Scotland) Act 1973 (transfer of securities);
 - ii) to make the necessary arrangements for duly authorised borrowing by all means specified in Schedule 3 of the Local Government (Scotland) Act 1975, subject to any statutory limitations;
 - iii) to make application for the necessary consents for the issue of Stock and foreign borrowing in terms of the Local Government (Scotland) Acts 1973 and 1975 and Regulations made thereunder;
 - iv) to ensure a placing with the Bank of England relative to Negotiable Bonds;
 - v) to act as Registrar of Stocks, Bonds and Mortgages, except for Negotiable Bonds and to appoint, if deemed advisable, any United Kingdom or foreign bank as Registrar of Stocks, Bonds and Mortgages raised either within or outwith the United Kingdom and whether in sterling or in a foreign currency;
 - vi) to authorise the signature on cheques, receipts, loan documents and any other financial documents and discharges on behalf of the Council;
 - vii) to carry out temporary investment of surplus funds by making deposits with organisations previously approved;
 - viii) to manage movements between borrowing and other long-term liabilities;

- ix) to operate and implement the Council's Loans Fund in accordance with the regulations relating thereto and the Council's Financial Regulations, including the taking of all decisions as to the mode of borrowing or lending by the Council, the terms of loan and rates of interest etc., including the negotiations and issue of bonds and local bonds and all necessary ancillary duties as Registrar of Bonds and Mortgages;
- (b) to sell surplus plant, furniture and equipment following consultation with the appropriate Director for the best price obtainable and to write off such plant, furniture and equipment which have become unfit for use and are unsaleable, except where separate arrangements are delegated for the disposal of such items;
- (c) to arrange and sign all operating leases for vehicles, plant, equipment or other capital assets on behalf of the Council;
- (d) in consultation with the relevant Director, to receive and determine applications for disbursements of funds in accordance with the provisions of the Trust Schemes vested in the Council and any endowments administered by these Trusts;
- (e) in consultation with the appropriate Director, is authorised to accept and administer any new Trusts or endowments offered to the Council.

DIRECTOR OF BUSINESS OPERATIONS AND PARTNERSHIPS

10. The Director of Business Operations and Partnerships is authorised:-
- (a) to arrange for the issue of publicity related to the promotion of the Council's interests including the issue of press releases and pamphlets; and
 - (b) In consultation with the Head of Accountancy (Chief Financial Officer) and the CRMT/CMT, to make appropriate arrangements for use of the Winter Support Fund in line with government guidance.
11. The Director of Business Operations and Partnerships is authorised in consultation with the relevant Director:-
- (a) to approve increases in the establishment of posts in departments, where the increase is in line with staffing ratios previously approved, subject to provision being available in departmental Revenue budgets;
 - (b) to approve ex-gratia payments to employees where the circumstances of the payment are not covered by the Council's Conditions of Service;
 - (c) to approve the retrospective application of the terms of a report where the report has previously been approved in principle by the Cabinet subject to consultations with the appropriate Trade Union(s);
 - (d) to instruct the immediate implementation of any Circular from any officially recognised body which allows no discretion to the Council;
 - (e) to approve special leave with or without pay where the period of leave is in excess of the provision in the Local Government Employees' Conditions of Service;
 - (f) to approve unpaid leave of absence for employees to undertake courses of further education where attendance at such courses is not covered by the Council's Policy on Post-Entry Training and Education;
 - (g) to exercise the discretionary powers available in implementation of the conditions of service in respect of all employees in the employment of the Council;

DIRECTOR OF BUSINESS OPERATIONS AND PARTNERSHIPS AND HEAD OF COMMUNITIES, REVENUES & CHANGE

12. The Director of Business Operations and Partnerships or Head of Communities, Revenues & Change or where indicated by an asterisk (*) the Senior Revenues Manager or by a double asterisk (**) the Strategic Insight and Communities Senior Manager is authorised:-

- (a) to act as the proper officer in terms of the Local Government (Scotland) Acts of 1973 and 1975, the Abolition of Domestic Rates Etc. (Scotland) Act 1987, the Local Government Finance Act 1992 and associated delegated legislation for all administrative purposes including arranging the preparation and issue of Non-Domestic Rates Notices, the collection of such rates, the receiving and settling of claims for exemption from such rates, the handling of objections to the amount of such rates levied and the abatement, remission or repayment of such rates under the various rating provisions; (*)
- (b) to act as the proper officer in terms of the Local Government Finance Act 1992 and associated delegated legislation for all administrative purposes including the preparation and issue of Council Tax Notices, the collection of the aforementioned tax, the handling of objections to the assessments and the exemption, abatement or remission of charges; (*)
- (c) to arrange for the recovery of arrears of rates, Council Tax and Community Charge; (*)
- (d) in accordance with Schedule 2 of the Local Government Finance Act 1992 to administer Council Tax rebates and discounts on behalf of the Council; (*)
- (e) to enter into arrangements with Scottish Water for the collection of water and waste water charges and to negotiate a fee for providing this service; (*)
- (f) to enter into arrangements with others concerning the collection of non-domestic rates, or Council Tax on behalf of the Council and to make arrangements with each agent as to suitable collection points;
- (g) to make the necessary arrangements concerning terms and commissions payable for services rendered to the Council by other authorities and by private owners, factors or other agents with regard to the collection of Non-Domestic Rates, and/or Council Tax and the administration of any Council Tax rebate or discount schemes etc. (*)
- (h) in respect of insurance: (*)
 - i) to take out the necessary insurance to protect the interests of the Council;
 - ii) to make arrangements with insurance companies concerning the settlement of claims.
- (i) in respect of housing finance to administer the housing benefit schemes in accordance with the Council's policy guidelines; (*)

- (j) to make the necessary arrangements concerning the collection of debts owed to the Council and the terms and commissions payable for services rendered to the Council by other authorities and agents with regard to the collection of debts.
(*)
- (k) to develop mechanisms to promote partnership working through agreed community planning structures; (**)
- (l) to produce, in association with community planning partners, a Community Plan from which all other Council strategies and action plans are derived; (**)
- (m) to take all necessary action, with a view to fulfilling the Council's legal obligations under the various pieces of equality legislation, to ensure that in carrying out its functions, the Council has due regard to the need to:- (**)
 - i) eliminate unlawful discrimination; and
 - ii) promote equality of opportunity and good relations between all persons regardless of their gender, race, disability, faith, age and sexual orientation
 - iii) meet the Fairer Scotland Duty to reduce inequalities in outcomes caused by socio-economic disadvantage

INFORMATION GOVERNANCE OFFICER AND STRATEGIC INSIGHT AND COMMUNITIES SENIOR MANAGER

13. The Information Governance Officer or Strategic Insight and Communities Senior Manager is authorised to undertake the formal tasks and duties of the Data Protection Officer (DPO) as defined within the Data Protection Act 2018, European General Data Protection Regulation 2016 and any other successor legislation and regulations.

DIRECTOR OF BUSINESS OPERATIONS AND PARTNERSHIPS AND HEAD OF DIGITAL & COMMUNITY SAFETY

14. The Director of Business Operations and Partnerships or Head of Digital & Community Safety is authorised:-
- (a) to determine the Council's approved IT products and suppliers.
 - (b) to authorise appropriate investigations and action to be taken in pursuit of Anti-Social Behaviour Orders, under the terms of the Crime and Disorder Act 1998 and Antisocial Behaviour etc. (Scotland) Act 2004;
 - (c) to operate a system of public space Closed Circuit Television to aid the prevention and detection of crime;
 - (d) to appoint officers concerned with enforcement activity associated with the Environmental Protection Act 1990 and the Smoking, Health and Social Care (Scotland) Act 2005;

- (e) to appoint officers to discharge duties under the Control of Dogs (Scotland) Act 2010.

DIRECTOR OF BUSINESS OPERATIONS AND PARTNERSHIPS AND HEAD OF HR & CORPORATE SERVICES

15. The Director of Business Operations and Partnerships or Head of HR & Corporate Services is authorised:-

- (a) to operate facilities for the registration of birth, deaths and marriages; the conduct of civil marriages, citizenship ceremonies, renewal of vows and other activities promoted by the Registrar General for Scotland;
- (b) to approve redesignations, regradings, redundancies and the establishment of additional posts within existing budgets, up to the level below head of service, for which Council approval shall be required.
- (c) to approve requests for application of discretionary provisions in terms of the Local Government Pension Scheme (Scotland) Regulations 1998 and other associated pensions legislation;
- (d) to approve initial placing within approved salary scales; and
- (e) to review salary placing in appropriate circumstances, within approved salary scales in conformity with accepted practice.
- (f) to approve requests for alterations to community council constitutions similar to those already approved by the Council, subject to Elected Members being kept apprised of any alterations approved.

16. The Director of Business Operations and Partnerships is authorised in consultation with the relevant Director:-

- (a) to approve increases in the establishment of posts in departments, where the increase is in line with staffing ratios previously approved, subject to provision being available in departmental Revenue budgets;
- (b) to approve ex-gratia payments to employees where the circumstances of the payment are not covered by the Council's Conditions of Service;
- (c) to approve the retrospective application of the terms of a report where the report has previously been approved in principle by the Cabinet subject to consultations with the appropriate Trade Union(s);
- (d) to instruct the immediate implementation of any Circular from any officially recognised body which allows no discretion to the Council;
- (e) to approve special leave with or without pay where the period of leave is in excess of the provision in the Local Government Employees' Conditions of Service;

- (f) to approve unpaid leave of absence for employees to undertake courses of further education where attendance at such courses is not covered by the Council's Policy on Post-Entry Training and Education;
- (g) to exercise the discretionary powers available in implementation of the conditions of service in respect of all employees in the employment of the Council;

DIRECTOR OF BUSINESS OPERATIONS AND PARTNERSHIPS AND DEMOCRATIC SERVICES MANAGER

17. The Director of Business Operations and Partnerships or Democratic Services Manager is authorised:-
- (a) to advise on the applicability of the Scheme of Delegated Functions to an officer in any specific case;
 - (b) to vary this Scheme but only in the following circumstances:-
 - i) to reflect changes in job titles and any reorganisations that take place;
 - ii) to change references to any pieces of legislation where the legislation is repealed and to insert references to new pieces of legislation where the new legislation largely re-enacts the provisions of the repealed legislation; and
 - iii) to remove a delegated power previously granted which is no longer required .
 - (c) to submit to the Scottish Public Services Ombudsman the Council's comments on investigations into alleged maladministration after consultation with interested parties;
 - (d) to grant the use of Council accommodation to outside bodies for the purpose of holding meetings and functions etc. falling outwith the letting arrangements managed by other departments;
 - (e) to determine issues relating to expenses in respect of the Children's Hearings system;
 - (f) to renew the Partnership Agreement between the Council and Children's Hearings Scotland, subject to the existing support arrangements continuing to work well.

DIRECTOR OF EDUCATION

18. The Director of Education or each Education Department Head of Service is authorised:-
- (a) to determine applications for the provision of footwear and clothing for pupils at local authority schools, in terms of Section 54 of the Education (Scotland) Act 1980 outwith the guidelines approved by the Council;
 - (b) to grant leave of absence with salary to enable teachers to undertake part-time or full-time courses approved by the Director, provided such leave of absence will not give rise to, nor increase the incidence of, part-time education in schools;
 - (c) to arrange programmes of in-service training for teachers;
 - (d) to arrange in-service courses for Chaplains to schools as and when considered desirable;
 - (e) to carry out the functions of the Council as education authority in relation to the provision of education for children with additional support needs in terms of Sections 1 and 60 of the Education (Scotland) Act 1980 including placement in day and residential schools;
 - (f) to appoint and supervise teaching staff within complements approved by the Council;
 - (g) to transfer teachers within the policy established by the education authority and, where appropriate, to pay transfer expenses;
 - (h) in conjunction with the Director of Business Operations and Partnerships, to exercise the discretionary powers available in implementation of conditions of service in relation to teachers in the employment of the authority;
 - (i) to decide from time to time which courses will be supported by the Council's bursary scheme;
 - (j) to carry out the administration, assessment and award of higher school and further education bursaries for colleges outside of Scotland in accordance with Council policy;
 - (k) where it is within the discretion of the Council, to determine the circumstances when the "elsewhere" rate of maintenance is payable;
 - (l) to exercise the power to disregard parental income in part or in total where the parents of the students are divorced or living apart;
 - (m) to exercise the power to include within the administration of bursary awards, financial assistance towards the running costs of appropriate student associations;
 - (n) to exercise the power, after consultation with the education establishment the student is attending, to include within the assessment of the award an allowance for essential books, instruments, tools and materials and special clothing;

- (o) to amend the levels of tuition fees, examination expenses, dependants' allowances, maintenance allowances and contribution scales;
- (p) to ensure that dance and drama courses are at an establishment accredited by the approved national body and that support for them is reasonable;
- (q) to exercise discretion in deciding whether theology courses may be supported;
- (r) to carry out the administration, assessment and award of Education Maintenance Allowances (EMAs) in accordance with Council policy;
- (s) to approve premature retirement under Section 46 of the Superannuation Regulations without enhancement of salary;
- (t) to make grants to pupils to enable them to attend courses and conferences and to undertake educational visits and excursions at home and abroad within the approved estimates and policies of the Council;
- (u) to make the necessary arrangements for the boarding out of pupils and for the allocation of hostel accommodation;
- (v) to make the necessary arrangements for the phasing of secondary school zoning in accordance with the Council's approved policy;
- (w) to issue licences in terms of the Children (Performances) Regulations 1968;
- (x) to approve or refuse applications received from schools for arrangements to be made for visits during school terms in accordance with approved policy;
- (y) to provide courses in educational training as requested by outside agencies and to negotiate appropriate charges for these services;
- (z) to ensure that requisite provision is made for any pupil entitled in terms of Section 53(3) of the Education (Scotland) Act 1980 to receive refreshment in the middle of the day;
- (aa) to make grants to pupils who are selected to join the National Youth Orchestra of Scotland in respect of fees and attendance at courses related to their membership of the Orchestra in accordance with the Council's policy;
- (bb) to increase, in cases of hardship, the amount of grant awarded to local authority school pupils within the Council area attending part-time courses at the Royal Conservatoire of Scotland and the Scottish Ballet School up to a maximum of the cost of fees and travelling expenses in accordance with the Council's policy;
- (cc) in consultation with the local Members and Parent Council concerned, to permit parent/teacher associations or such other organisations or persons as considered appropriate to execute works of construction or improvement within the curtilage of an educational establishment subject to:-
 - i) being satisfied that the works are relevant to the function of and will not prejudice the operation of the educational establishment;

- ii) the Head of Environment (Strategic Services or Operations) being satisfied that the works are acceptable;
 - iii) the execution of the works being supervised by the Head of Environment (Strategic Services); and
 - iv) the Chief Officer - Legal & Procurement and the Head of Accountancy (Chief Financial Officer) being satisfied with the contractual and financial arrangements relating to the execution of the works.
- (dd) to exercise the powers available to the Council as education authority, in terms of Section 23 of the Education (Scotland) Act 1980, with regard to the provision by the Council of education for pupils belonging to the areas of other education authorities and incur outwith area fees and to pay the negotiated cost-related rate to any other education authority which has provided education for pupils normally resident in the area of the Council but who are, for various reasons, placed in schools outwith the Council area;
- (ee) to consider and determine all placing requests under Section 28 of the Education (Scotland) Act 1980 in accordance with the guidelines formulated by the Council;
- (ff) to accept placing requests in terms of the Education (Scotland) Act 1980 and to make whatever transport arrangements are deemed to be appropriate in individual cases where supporting documentation indicates that the child concerned has serious emotional or psychological problems;
- (gg) to authorise the employment in appropriate circumstances of teachers in receipt of occupational pensions;
- (hh) to exercise, in accordance with Council policy and the relevant statutory provisions, the powers available to the Council as education authority in relation to the exclusion of pupils from schools;
- (ii) to carry out the functions of the Council in terms of Section 58 of the Education (Scotland) Act 1980 relating to the cleanliness of pupils at schools;
- (jj) to carry out the functions of the Council in implementing the Education (Additional Support for Learning)(Scotland) Act 2004 and the associated Code of Practice;
- (kk) to approve the participation of schools, pupils and supervising employees in cultural social and recreational visits within and outwith the United Kingdom and the reception of visiting pupils and supervisors;
- (ll) to approve the taking up of temporary posts by teaching staff of posts outwith the area of the Council and the taking up of temporary positions within the area of the Council by teaching staff from elsewhere;
- (mm) to approve the level of fees payable to establishments outwith the area of the Council in respect of the education of children with additional support needs;

- (nn) to exercise the powers available to the Council as education authority, in terms of the Standards in Scotland's Schools etc. Act 2000, with regard to the right of a child to school education; the duty of the authority to raise standards in schools; the exercising of delegation schemes by head teachers; co-operating fully with any inspection of the authority or any of its schools; the presumption that education be provided in mainstream schools unless in exceptional circumstances; and the number of places to "reserve" in a particular school to accommodate pupils likely to become resident in the school's catchment;
- (oo) within the limits of the Council's Scheme of Delegated Functions, to determine and implement all matters within the terms of reference of the East Renfrewshire Joint Negotiating Committee;
- (pp) to develop and deliver programmes of community learning, in accordance with Sections 1 and 6 of the Education (Scotland) Act 1980, as amended in the Scottish Executive Working and Learning Together Guidance, February 2004.

DIRECTOR OF ENVIRONMENT

HOUSING

19. The Director of Environment or Head of Environment (Strategic Services) is authorised:-

- (a) to operate the system of allocation of houses within the policy determined by the Council;
- (b) to consider and control sub-tenancies in houses belonging to the Council;
- (c) to control and abate overcrowding;
- (d) to control the conduct and standard of tenancies;
- (e) to assess responsibility for repairs and replacements in accordance with the policy determined by the Council;
- (f) to determine applications by tenants for alterations to Council houses and by owner/occupiers for alterations to former Council houses in accordance with the terms of policy guidelines for such alterations laid down by the Council;
- (g) to deal with all applications received in terms of the Housing (Scotland) Act 1987 Part II and to take all necessary action to implement the duties placed upon the Council by the said Act, including the grant of temporary accommodation and the issue of all notices in terms of the Act;
- (h) to award permanent tenancy of decants provided for repairs in appropriate circumstances;
- (i) in cases of emergency, to approve requests for the provision of temporary housing;
- (j) to consider and determine cases where an applicant's circumstances are not taken into account within the approved Allocations Policy or where a combination of factors occurs creating a situation that merits special consideration;
- (k) to exercise the Council's functions in relation to the improvement or removal of unsatisfactory housing conditions in respect of properties not in Council ownership;
- (l) to determine applications within the schemes of financial assistance whether by way of grant or loan or otherwise to assist in improvement in the quality of housing in the area of the Council generally;
- (m) to liaise with other agencies in relation to meeting the needs and priorities of the Council in the provision of resources for housing.
- (n) to determine applications for housing grants in terms of the Housing (Scotland) Act 2006;
- (o) to authorise surveillance activity under the terms of the Regulation of Investigatory Powers (Scotland) Act 2000;

- (p) to grant licences for houses in multiple occupation in terms of the Housing (Scotland) Act 2006, as amended;
- (q) to grant applications for registration as a private landlord in terms of the Antisocial Behaviour etc (Scotland) Act 2004, as amended.
- (r) to negotiate and agree affordable housing packages in terms of the application of the Council's Affordable Housing Policy in relation to individual planning applications, and to secure the packages through planning conditions or legal agreements as appropriate;
- (s) to participate in the Scottish Government's Mortgage to Rent Scheme and to purchase suitable properties in mixed tenure blocks where the Council retains an interest as landlord;
- (t) in consultation with the Head of Accountancy (Chief Financial Officer), to amend the Strategic Housing Investment Plan as appropriate to facilitate the take up of funding and the provision of affordable housing;
- (u) to make all necessary arrangements to purchase suitable properties relative to the Council's participation in a "rental off the shelf" programme;
- (v) in respect of housing finance:-
 - i) to administer the Rent Allowance Scheme in accordance with the Council's policy guidelines; and
 - ii) to arrange for the collection of council house rents and for the recovery of arrears.
- (w) to raise proceedings for recovery of possession of dwelling houses and to serve all necessary notices preliminary thereto in terms of the Housing (Scotland) Act 1987 or otherwise, and to take all appropriate actions necessary to implement and enforce decrees granted by the courts in pursuance of such actions, including the acceptance of suitable offers of payment of arrears of rent in lieu thereof.

20. The Director of Environment or the Head of Environment (Strategic Services) and the officers listed below are authorised to sign leases on behalf of the Council for the let of houses:-

- Senior Housing Manager
- Housing Services Manager (Service Delivery)
- Housing Services Manager (Property & Strategy)
- Lead Officer (Housing Options & Support)
- Lead Officer (Tenancy & Care)
- Repairs Delivery Manager
- Assistant Repairs Delivery Manager
- Lead Officer (Strategy Improvement & Support)
- Lead Officer (Property & Capital)

DEVELOPMENT MANAGEMENT

21. The Director of Environment or Head of Environment (Chief Planning Officer) or Planning and Building Standards Manager is authorised to carry out all necessary procedures associated with Stopping-up Orders carried out under the terms of the Town and Country Planning (Scotland) Act 1997, including authority to confirm an Order.

22. The Director of Environment or Head of Environment (Chief Planning Officer) or Planning and Building Standards Manager, in the event of a breach of planning control which requires immediate action, is authorised to initiate whatever action is deemed necessary and for the action to be reported to the next available meeting of the Planning Applications Committee;

23. The Director of Environment or Head of Environment (Chief Planning Officer) or Planning and Building Standards Manager or Principal Planner is authorised in relation to development management matters, to determine the categories of applications set out below:-

A Applications for Advertisement Consent

- (a) All applications

B Applications for Listed Building Consent

- (a) All applications other than significant alterations to Category A buildings

C Conservation Area consents

- (a) All applications

D Prior notifications by statutory undertakers

- (a) All applications

E Other Applications and Submissions

- (a) All other applications and submissions including courtesy submissions by Government departments, consultations from adjacent local authorities, applications for overhead lines, Certificates of Lawful Use or Development.
- (b) Provisions contained in the Town and Country Planning (General Permitted Development)(Scotland) Order 1992; e.g. demolition, proposals from gas and electricity suppliers, agricultural applications.

24. The Director of Environment or Head of Environment (Chief Planning Officer) or the Planning and Building Standards Manager or Principal Planner is further authorised:

- (a) to carry out Screening Opinions under the provisions of the Environmental Impact Assessment (Scotland) Regulations 1999 in respect of planning applications for Schedule 2 developments and to determine whether Environmental Impact Assessments are required;
- (b) to remove or obliterate placards and posters erected without consent in accordance with the terms of Section 187 of the Town and Country Planning (Scotland) Act 1997;

- (c) In consultation with the Chief Officer - Legal & Procurement, to negotiate and conclude agreement in relation to planning applications in terms of Section 69 of the Local Government (Scotland) Act 1973 and planning obligations under Section 75 of the Town and Country Planning (Scotland) Act 1997;
 - (d) to authorise:-
 - i) Notices under Section 179 of the Town and Country Planning (Scotland) Act 1997;
 - ii) Planning Contravention Notices under Section 125 of the 1997 Act; and
 - (iii) Breaches of Conditions Notices under Section 145 of the 1997 Act.
 - (e) to carry out pre-application screening on receipt of a pre-application screening notice from an applicant to determine whether an application is a "National" or "Major" application and whether pre-application consultation with the community is required;
 - (f) to determine treeworks applications required for works on trees in areas covered by Tree Preservation Orders or in Conservation Areas;
25. The Director of Environment or Head of Environment (Chief Planning Officer) in consultation with the Chief Officer - Legal & Procurement is authorised to issue a Fixed Penalty notice in respect of a failure to comply with the requirements of an Enforcement Notice or Breach of Condition Notice.
26. The Director of Environment or Head of Environment (Chief Planning Officer) is further authorised to appoint officers for the purposes of the administration and enforcement of Fixed Penalty Notices.
27. The Director of Environment or Head of Environment (Chief Planning Officer) is authorised to determine applications and take any associated action, including enforcement action, under the High Hedges (Scotland) Act 2013.

PLANNING

28. The Director of Environment or Head of Environment (Chief Planning Officer) is authorised:-
- (a) to determine applications for financial assistance from the Environmental Small Grants, Tree Planting Grants, and Shop Front Improvement Grants Schemes;
 - (b) to determine applications for financial assistance from the Heritage Fund established in terms of the Local Authorities (Historic Buildings) Act 1962;
 - (c) following consultation with the relevant councillors, to exercise the functions of the Council in relation to the naming of streets;
 - (d) to enter into Public Path Creation Agreements under the terms of the Countryside (Scotland) Act 1967;
 - (e) to take the necessary action to encourage tourism;

- (f) to serve Notices under Section 14 of the Land Reform (Scotland) Act 2003 to require remedial action by land owners who are preventing or deterring any person entitled to exercise their access rights, from doing so.

BUILDING STANDARDS

- 29. The Director of Environment or Head of Environment (Chief Planning Officer) or Planning and Building Standards Manager or the officers shown against each function are authorised:-

Building Warrant applications

To determine all applications to grant, refuse or determine building warrant applications to erect, extend, alter convert and/or demolish buildings referred to in the Building (Scotland) Act 2003 (as amended) and associated legislation.

Enforcement

To determine the following measures referred to in the Building (Scotland) Act 2003 (as amended) and associated legislation

- a) to exercise the power and duties of the Council as an inspector or authorised officer including the powers of entry, and inspection; All Building Standards Surveyors

- b) to submit reports to the Procurator Fiscal under such legislation as may from time to time be referred by the Cabinet; All Building Standards Surveyors

- c) to issue notices, orders, registrations and licences as appropriate to the statutes listed hereunder and in respect of any other relevant legislation and to take such action is necessary following the service of such Notices; All Building Standards Surveyors

- (d) to appoint officers for the purposes of the administration and enforcement of the statutes listed hereunder;

Statutes Relative to Building Standards

The Building (Procedure) (Scotland) Regulations 2004
 The Building (Scotland) Acts 1959, 1970 & 2003
 The Building (Scotland) Act 2003 (Commencement No. 1, Transitional Provisions and Savings) Order 2004
 The Building (Scotland) Regulations 2004
 Boiler (Efficiency) Regulations 1993 and 1994
 Cinematographic (Safety) (Scotland) Regulations 1955; Part 1
 Civic Government (Scotland) Act 1982 - Order 2000
 Clean Air Act 1993
 Construction (Design and Management) Regulations 2007
 Construction (Health, Safety and Welfare) Regulations 1996
 Control of Pollution (Oil Storage) (Scotland) Regulations 2004
 Control of Pollution Act 1974
 Dangerous Substances and Explosive Atmosphere Regulations 2002
 Disability Discrimination Act 1995 and 2005
 Disability Discrimination (Providers of Services)(Adjustment of Premises)(Amendment) Regulations 2005
 Electricity Act 1989
 Electricity at Work Regulations 1989
 Electricity Safety, Quality and Continuity Regulations 2002
 Energy Act 1983
 Environment Act 1995
 Environmental Protection Act 1990
 Factories Act 1961
 Fire Safety and Safety of Places of Sport Act 1987
 Fire (Scotland) Act 2005 as amended
 Fire (Scotland) Regulations 2006
 Gas Appliance (Safety) Regulations 1995
 Gas Safety (Installation and Use) Regulations 1998
 Groundwater Regulations 1998
 Health and Safety (Safety Signs and Signals) Regulations 1996
 Health and Safety at Work etc Act 1974
 Ionising Radiations Regulations 1999
 Licensing (Scotland) Act 1976 and 2005
 Management of Health and Safety at Work Regulations 1999
 Mines and Quarries Act 1954
 Registration of Care (Scotland) Act 2001
 Safety of Sports Grounds Act 1975
 School Premises (General Requirements and Standards) (Scotland) Regulations 1967 to 1979
 Sewage (Scotland) Act 1968
 Technical Standards for compliance with the Building Standards (Scotland) Regulations 1990, as amended
 Water Byelaws 2004
 Water Environment (Controlled Activity) Regulations 2005
 Water Environment and Water Services (Scotland) Act 2003
 Working at Height Regulations
 Workplace (Health, Safety and Welfare) Regulations 1992

PROPERTY SERVICES

30. The Director of Environment or Head of Environment (Strategic Services) or Property and Technical Services Manager or Principal Officer Asset Management is authorised:-

- (a) to determine all routine and non-contentious lease related requests in respect of the Council's commercial and industrial properties and Council-owned land including rent reviews;
- (b) to take whatever steps are necessary, including the appointment of consultants, agency staff, or the utilisation of overtime in Property Services, to ensure that the Council's approved General Fund Capital Programme is achieved;
- (c) to be responsible for the Council's activities in relation to energy conservation and management in the Council's property; and
- (d) to be responsible for the maintenance of the Council's central land register.

TECHNICAL SERVICES

31. The Director of Environment or Head of Environment (Strategic Services) or Strategic Services Manager or Principal Officer Technical Services is authorised:-

- (a) in terms of the Construction (Design and Management) Regulations 1994 made under the Health and Safety at Work etc. Act 1974, to act as the client's agent and appoint a Designer, Planning Supervisor, Principal Contractor and other contractors where more than one contractor is to be employed;
- (b) in terms of the aforesaid Regulations where the Council itself is appointed as Designer and/or Planning Supervisor, to carry out the duties appropriate to such appointment(s); and
- (c) to take whatever steps are necessary, including the appointment of consultants, agency staff, or the utilisation of overtime in Technical Services, to ensure that the Council's approved Housing and general Fund Capital Programmes are achieved.

ROADS & TRANSPORTATION

32. The Director of Environment or Head of Environment (Chief Planning Officer) is authorised to alter inspection charges for roads in new developments in accordance with charges agreed through the Charging for Services review process.
33. The Director of Environment or Head of Environment (Chief Planning Officer) is authorised to appoint officers for the purposes of the administration and enforcement of the New Roads and Street Works Act 1991 and the Roads (Scotland) Act 1984 both as amended by the Transport (Scotland) Act in relation to fixed penalty notices.
34. The Director of Environment or Head of Environment (Chief Planning Officer) is authorised to appoint officers for the purposes of the administration and enforcement of the Road Traffic Act 1991 in relation to penalty charge notices.
35. The Director of Environment, or Head of Environment (Chief Planning Officer) or Roads Senior Manager are authorised to carry out the functions shown below.

STATUTORY

1. To carry out the following functions of the Council in terms of the Roads (Scotland) Act, 1984:-
 - a. After consultation with the Chief Constable and the Chief Officer - Legal & Procurement, and after informing the Convener for Environment and the local Members, under Sections 36 and 37 in relation to the construction of road humps
 - b. To exercise the functions of the Council under Section 12 in relation to the stopping up of and diversion of roads crossings or entering routes of proposed new roads.
 - c. To exercise the functions of the Council under Section 152(2) to re-determine the exercise of a public right of passage over a road.
2. To exercise the following functions of the Council in terms of the Roads Traffic Regulation Act, 1984:-

Under Section 23 in relation to pedestrian crossings.

3. After consultation with the Chief Constable and the Chief Officer - Legal & Procurement, and after informing the Convener for Environment and the local Members, to arrange for the advertisement of any proposal for the making, revocation, or variation of Orders and Schemes under:-
 - a. The Roads Traffic Regulation Act, 1984; and
 - b. Sections 68, 69, 70 and 71 of the Roads (Scotland) Act 1984
4. To exercise the following functions of the Council in terms of the Road Traffic Act 1991:-
 - (a) The duties contained in Schedule 6, Paragraph 2(7) of the Act, to consider representations and any supporting evidence provided in relation to grounds set out in Schedule 6.
 - (b) To make a decision in relation to such representations and supporting evidence and to serve on the person making representations notice of their decision as to whether they accept that the ground in question has been established
 - (c) To decide upon any other representations which may be made to the Council outwith the statutory appeal process.
5. To exercise the road safety functions in conjunction with the Chief Constable and the Scottish Government.
6. After consultation with the Chief Officer - Legal & Procurement, to agree terms for Bridge Agreements with Network Rail and terms of agreement of the Council's liability for annual maintenance and renewal charges in that connection.
7. After consultation with the Chief Constable, to consider, and, where acceptable in road safety terms, approve locations for advertisements on road safety barriers and similar structures.
8. To make arrangements for the management of car parks, etc. including, subject to consultation with the Chief Officer - Legal & Procurement, granting the use of part thereof to other persons or bodies and following consultation with the Head of Accountancy the imposition or waving of charges for such use.

9. To exercise the following functions of the Council in terms of the Roads (Scotland) Act, 1984:-

Under Section 79 and after consultation with the Chief Officer - Legal & Procurement, to negotiate terms and enter into agreements with bridge owners in relation to future maintenance obligations

10. To exercise the following functions of the Council in terms of the Roads (Scotland) Act, 1984:-

- a. Under Section 13 in relation to the imposition of frontagers of the requirements to make up and maintain private roads including the service of appropriate notices.
- b. Under Section 16(1)(b) in relation to the consideration and determination of applications for the adoption of private roads.
- c. After consultation with the Chief Constable and the Chief Officer - Legal & Procurement, and after informing the Convener for Environment and the local Members, under Section 62 in relation to the temporary prohibition or restriction of traffic on roads for reasons of public safety or convenience.

11. To exercise the following functions of the Council in terms of the Roads (Scotland) Act 1984:-

- a. Under Section 15 in relation to the completion of necessary work on private roads occasioned by an emergency (other than an emergency constituted by a danger as defined in Section 91)
- b. Under Section 18 in relation to the adoption of footpaths associated with development.
- c. Under Section 21 in relation to applications for construction consent.
- d. Under Section 23 in relation to stopping up or temporarily closing any new road constructed without consent or in contravention of, or in non-compliance with, a condition imposed by a construction consent.
- e. Under Section 35(1) and (4) and after giving notice in terms of Section 35(5) in relation to the provision of road lighting and related structures.

- f. Under Section 51 in relation to the authorisation and withdrawal of authorisation for the planting and maintenance of trees, shrubs, grass or other plants within a public road.
- g. Under Section 57 in relation to the prevention or termination of dangerous works or excavations in or under a public road.
- h. Under Section 59 in relation to the control of obstructions in roads.
- i. Under Section 60 in relation to the issuing of consent for marking, lighting and fencing obstruction on roads works and for shoring buildings requiring protection in similar circumstances.
- j. Under Section 61 in relation to granting permission to place and thereafter maintain apparatus in or under a public road.
- k. Under Section 63 in relation to the imposition of the requirement to construct new accesses across road verges or footways where appropriate.
- l. Under Section 64(2) in relation to the issue of consents to statutory undertakers for work on footways, footpaths or cycle tracks in connection with their apparatus in terms of Section 64(1)(b).
- m. Under Section 66 in relation to enforcing maintenance of vaults, cellars and related structures within the vicinity of a road.
- n. Under Section 67 in relation to enforcing safety provisions countering outward opening doors, gates, windows, window shutters or bars interfering with the safety or convenience of road users.
- o. Under Section 83 in relation to the prevention of sight obstructions in the view of road users.
- p. Under Section 87 in relation to the removal from roads of unauthorised structures and the consequent reinstatement of the site.
- q. Under Section 88 in relation to the removal of projections interfering with safe or convenient passage along a road.

- r. Under Section 89 in relation to the removal of accidental obstructions from roads.
 - s. Under Section 90 in relation to the granting of consent for fixing or placing over or across a road any overhead bridge, beam, rail, pipe, cable, wire or other similar apparatus.
 - t. Under Section 91 in relation to the prevention of danger to road users or road from nearby vegetation and fences etc. or from retaining walls being inadequate.
 - u. Under Section 92 in relation to granting consent for planting trees or shrubs within 5 metres of the edge of the made up carriageway.
 - v. Under Section 93 in relation to the protection of road users from dangers near a road.
 - w. Under Section 94 in relation to dangerous ditches on land adjoining or near to a public road.
 - x. Under Section 96 in relation to
 - (i) the issue as proper officer of the authority of a certificate in respect of extraordinary expenses in repairing roads damaged by heavy vehicles etc.;
 - (ii) the recovery of said extraordinary expenses.
 - y. Under Section 97 in relation to the issue of consent for trading.
 - z. Under Section 99(2) in relation to the issue of consent to persons undertaking works or excavations necessary to ensure compliance with Section 99(1).
 - aa Under Section 99(3) in relation to the service of notices on owners or occupiers requiring works or excavations to be undertaken to ensure compliance with Section 99(1).
12. To carry out the following functions of the Council terms of the Roads (Scotland) Act, 1984:-
- a. Under Section 56 in relation to the authorisation of works and excavations in or under a public road.
 - b. Under Section 58 in relation to the granting of permission for the deposit of building materials on roads.

- c. Under Section 85 in relation to granting permission for the location of builders' skips on roads.
 - d. Under Section 86 in relation to the removal or repositioning of any builder's skip which is causing, or is likely to cause a danger or obstruction.
13. To carry out the following functions of the Council in terms of the Road Traffic Regulation Act 1984:-
- a. Under Section 14 in relation to the temporary prohibition or restriction of traffic on roads.
 - b. Under Section 65 in relation to the placing of traffic signs.
 - c. Under Section 68 in relation to the placing of traffic signs in connection with the exercise of other powers of the Authority as defined in sub - section (1) thereof.
 - d. Under Section 69 in relation to the removal of unauthorised signs.
 - e. Under Section 71(1) in relation to the power to enter land in connection with the placing of traffic signs.
14. To grant wayleaves in respect of public utilities.
15. To carry out the functions of the Council under the Public Utilities Street Work Act 1950 and the New Roads & Street Works Act 1991 in relation to roads for which the Council is responsible.
16. To carry out the following functions of the Council in terms of the Roads (Scotland) Act, 1984:-
- a. Under Section 30 in relation to the service of notices, subject to Section 31(3), in connection with carrying out works for protecting roads against hazards of nature.
 - b. Under Section 31(3) in relation to the service of notices in connection with the drainage of public roads.

- c. Under Section 78(2) in relation to the service of notice prior to the diversion of waters, where necessary, in connection with the construction, improvement or protection of a public road.
 - d. Under Section 140 in relation to the authorisation of persons taking entry to land for the purposes specified therein.
 - e. Under Section 140 in relation to the recovery of expenses reasonably incurred.
 - f. Under Section 141 in relation to the carrying out of works or excavations previously the subject of a Notice under the Act.
17. To carry out the following functions of the Council in terms of the Strathclyde Regional Council Order Confirmation, Act 1991:-
- a. Under part II, Roads, Section 4, in relation to the erection and keeping in position barriers on roads for the purpose of securing public order or public safety.
18. To carry out the following functions of the Council in terms of The Security for Private Road Works (Scotland) Regulations 1985:-
- a. Under Regulation 7, and subject to the agreement of the Chief Officer - Legal & Procurement, in relation to -
 - (i) apportioning Security between associated persons;
 - (ii) granting or refusing an application to commence to a person who has lodged Security when others have not.
 - b. Under Regulation 8, and subject to the agreement of the Chief Officer - Legal & Procurement, in relation to agreeing to other than joint owners lodging Security in joint names
 - c. Under Regulation 9, in relation to the return of Security where there is a delay in commencing building works.
 - d. Under Regulation 12, and subject to the agreement of the Chief Officer - Legal & Procurement, in relation to arrangements for Security where land is sold or transferred after Security is lodged.

- e. Under Regulation 13, where Security has been provided in relation to –
 - (i) the completion by the Council of a private road which has not been completed within the required period;
 - (ii) the serving of notices for remedial works where a private road has deteriorated since completion in accordance with a Construction Consent;
 - (iii) the carrying out by the Council of such remedial works if not carried out within the specified time.
 - f. Under Regulation 14, and subject to consultation with the Chief Officer - Legal & Procurement, in relation to calling up of Bonds or application of Deposit where private roads have been completed by the Council under Regulation 13.
 - g. Under Regulation 15, in relation to the release of any part of any Security or the return of any Bond for cancellation or the refund of the Deposit or any part thereof.
19. To carry out the following functions of the council in terms of The Security for Private Road Works (Scotland) Regulations 1985:-
- a. Under Regulation 6, in relation to calculating and notifying persons as to the amount of Security required.
 - b. Under Regulation 11, in relation to the provision of additional Security.

CONTRACTS

1. To take such measures as may be required in emergency situations, subject to advising the Director of Environment as soon as possible thereafter on any items for which Council approval would normally be necessary. This includes any contract for the execution of works which are urgently required for the prevention of damage to life or property.
2. In accordance with the Council's Quick quote procedures, to select four or more persons whose names appear on the appropriate list of contractors to whom invitations to tender for a contract shall be sent.

3. Acting as Engineer's Representative, to be responsible for the control of contracts under NEC3 Conditions of Contract
4. To issue to the Contractor the letter of appointment of the Resident Engineer.

CDM REGULATIONS 2015

1. In terms of the Construction (Design & Management) Regulations 2015 as follows:-
 - a. To act as Client, and appoint CDM Co-ordinator, Designer, Principal Contractor and/or Contractor:-
 - b. In the case of contracts in which the Council acts as agent of the Scottish Government in terms of Section 4 of the Roads (Scotland) Act 1984, to consent to the Council being appointed as a partner or (joint) Client, CDM Co-ordinator, and/or Designer;
 - c. In the case of contracts where the Council is appointed as a partner or (joint) Client CDM Co-ordinator, Designer, Principal Contractor and/or Contractor, to carry out the duties appropriate to each such appointment.

ENVIRONMENTAL SERVICES (PARKS, PLAYING FIELDS AND CEMETERIES)

36. The Director of Environment or Head of Environment (Operations) or Operations Manager or the officers shown against each function are authorised:-
- (a) to arrange for the routine maintenance and repair of equipment and parks infrastructure, together with the grounds maintenance of parks and open spaces, all within budgetary levels;
 - (b) to take all necessary action with regard to the supervision and management of the Council's cemeteries and burial grounds, including the sale of lairs and the giving of titles thereto etc;
 - (c) to negotiate franchises, estimated to be valued under £10,000 per annum; and
 - (d) to let or arrange for the letting, hire and use of those playing fields, sports pitches and outdoor leisure facilities which are the responsibility of the Environment Department and also the provision of entertainment, promotions and events within the remit of the Environment Department in accordance with the policies, practices and procedures and subject to the charges fixed from time to time by the Council.
- | | |
|--|---|
| (e) to issue graffiti removal notices in accordance with Section 58 of the Antisocial Behaviour etc. (Scotland) Act 2004 | Operations Manager
Cleansing & Waste Strategy Manager
Principal Environment Officer
(Regulations and Compliance) |
| (f) to make the necessary arrangements for the provision of the Council's refuse collection and street cleaning services | Operations Manager
Cleansing & Waste Strategy Manager
Senior Environment Officer
(Cleansing)
Area Supervisor
Principal Environment Officer
(Regulations and Compliance) |
| (g) to issue litter fixed penalty notices in accordance with Section 88 of the Environmental Protection Act 1990 | Cleansing & Waste Strategy Manager
Cleansing Supervisor |

PREVENTION SERVICES – TRADING STANDARDS AND ENVIRONMENTAL HEALTH

37. The Director of Environment or the Head of Environment (Operations) or Operations Manager or the officers shown against each function are authorised:-

- | | |
|--|---|
| (a) to exercise the power and duties of the Council as an inspector or authorised officer including the powers of entry, inspection, sampling, purchase of goods and services, opening containers; | Prevention Services Managers
All Environmental Health and Trading Standards Officers |
| (b) to submit reports to the Procurator Fiscal as appropriate to the statutes listed in Paragraph 37 below and in respect of any other relevant legislation; | Prevention Services Managers
All Environmental Health and Trading Standards Officers |
| (c) to issue notices, fixed penalty notices, orders, registrations, and certificates as appropriate to the statutes listed in Paragraph 37 below and in respect of any other relevant legislation; | Prevention Services Managers
All Environmental Health and Trading Standards Officers |
| (d) to appoint consultants in public health medicine for the purposes of exercising all functions of the Council where the Council is required to appoint Medical Officers; | Prevention Services Managers |
| (e) to revoke Closing Orders where the property in question has been brought up to the tolerable standard; | Prevention Services Managers and Senior Environmental Health Officers |
| (f) to grant second-hand vehicle dealer's licences in terms of the Civic Government (Scotland) Act 1982 | Prevention Services Managers |
| (g) to deal with applications for licences to sell fireworks outwith the prescribed periods as specified in the Fireworks Regulations 2004 | Prevention Services Managers
All Trading Standards and Environmental Health Officers |

38. The following designations of East Renfrewshire Council officers are authorised to exercise the powers (including the powers of entry, inspection and sampling where authorised by statute) and to carry out the duties appropriate to the designation under the legislation hereinafter referred to and under any amending Acts, Regulations or Orders made thereunder;

Officer Designation	Legislation Group
Prevention Services Manager – Environmental Health, Senior Environmental Health Officer, Environmental Health Officer, Food Safety Officer and Authorised Enforcement Officer - Environmental Health	9,10,11, (subject to the requirements stated within the Food Law Code of Practice (Scotland)),12, 13, 14
Prevention Services Manager – Trading Standards and Senior Trading Standards Officer	1, 2, 3, 4, 5, 6, 7, 8, 12
Licensing Standards Officer	15
Authorised Enforcement Officer – Trading Standards	1, 2, 4, 5, 8, 12

Legislation Group

1 Consumer Advice and Fair Trading

Accommodation Agencies Act 1953
 Advanced Television Services Regulations 2003
 Business Protection from Misleading Marketing Regulations 2008
 Cancer Act 1939
 Companies Act 2006
 Companies (Trading Disclosures) Regulations 2008
 Consumer Contracts (Information, Cancellations and Additional Charges) Regulations 2013
 Consumer Protection (Distance Selling) Regulations 2000
 Consumer Protection Act 1987
 Consumer Protection (Enforcement) (Amendment etc.) (EU Exit) Regulations 2019
 Consumer Rights Act 2015
 Consumer Protection from Unfair Trading Regulations 2008
 Consumer Rights (Payment Surcharges) Regulations 2012
 Enterprise Act 2002
 Estate Agents Act 1979
 Electronic Commerce (EC Directive) Regulations 2002
 Footwear (Indication of Composition) Labelling Regulations 1995
 Package Travel and Linked Travel Arrangements Regulations 2018
 Provision of Services Regulations 2009
 Radio Equipment and Telecommunications Terminal Equipment Regulations 2000
 Radio Equipment Regulations 2017

Rights of Passengers in Bus and Coach Transport (Exemptions and Enforcement) Regulations 2013
Single Use Carrier Bags Charge (Scotland) Regulations 2014
Textile Products (Labelling and Fibre Composition) Regulations 2012
Unsolicited Goods and Services Act 1971
European Union (Withdrawal) Act 2018 and European Union (Withdrawal Agreement) Act 2020 (and relevant regulations made thereunder)

2 Consumer Credit and Prices

Consumer Credit Acts 1974 and 2006
Debt Arrangement and Attachment (Scotland) Act 2002
Development of Tourism Act 1969
European Union (Withdrawal Act) 2018 and European Union (Withdrawal Agreement) Act 2020 (and relevant Regulations made thereunder)
Prices Act 1974
Price Indications (Bureau de Change) (No. 2) Regulations 1992
Price Marking Order 2004
Timeshare, Holiday Products, Resale and Exchange Contracts Regulations 2010
Financial Services Act 2012
Financial Services Act 2012 (Consumer Credit) Order 2013
Financial Services (Distance Marketing) Regulations 2004
Financial Services and Markets Act 2000
Legal Services Act 2007

3 Petroleum and Dangerous Substances

Clean Air Act 1993
Civic Government (Scotland) Act 1982
European Union (Withdrawal) Act 2018 and European Union (Withdrawal Agreement) Act 2020 (and relevant Regulations made thereunder)
Explosives Acts 1875 and 1923
Explosives Regulations 2014
Fireworks Act 2003
Fireworks Regulations 2004
Health and Safety at Work etc. Act 1974 (sections 20, 21, 22 and 25) and, by virtue of section 19(1) of the Act, any other related Health and Safety Regulation for which North Lanarkshire Council is responsible
Petroleum (Consolidation) Regulations 2014
Pyrotechnic Articles (Safety) Regulations 2015
Volatile Organic Compounds in Paints, Varnishes and Vehicle Refinishing Products Regulations 2012

4 Consumer Safety and Poisons

Aerosol Dispensers Regulations 2009
Antisocial Behaviour etc. (Scotland) Act 2004
Biocidal Products and Chemicals (Appointment of Authorities and Enforcement) Regulations 2013
Biofuel (Labelling) Regulations 2004
Cat and Dog Fur (Control of Import, Export and Placing on the Market) Regulations 2008

Chemicals (Hazard Information and Packaging for Supply) Regulations 2009
EC No. 1272/2008 Classification, Labelling and Packaging Regulations
Children and Young Persons (Protection from Tobacco) Act 1991
Cigarette Lighter Refill (Safety) Regulations 1999
Construction Products Regulations 2013
Coronavirus Act 2020
Cosmetic Products Enforcement Regulations 2013
Consumer Protection Act 1987
Detergents Regulations 2010
Electrical Equipment (Safety) Regulations 2016
Electromagnetic Compatibility Regulations 2016
Energy Act 1976
Energy Conservation Act 1996
Energy Information Regulations 2011
European Union (Withdrawal) Act 2018 and European Union
(Withdrawal Agreement) Act 2020 (and relevant Regulations
made thereunder
Food Imitations (Safety) Regulations 1989
Furniture and Furnishings (Fire)(Safety) Regulations 1988
Gas Appliances (Safety) Regulations 1995
Gas Appliances (Enforcement) and Miscellaneous Amendments Regulations
2018
General Product Safety Regulations 2005
Household Appliances (Noise Emission) Regulations 1990
Medical Devices Regulations 2002
Motorcycle Noise Act 1987
Motor Fuel (Composition and Content) Regulations 1999
Motor Vehicle Tyres (Safety) Regulations 1994
Nightwear (Safety) Regulations 1985
N-nitrosamines and N-nitrosatable Substances in Elastomer or Rubber Teats
and Dummies (Safety) Regulations 1995
Oil Heaters (Safety) Regulations 1977
Packaging (Essential Requirements) Regulations 2015
Passenger Car (Fuel Consumption and CO2 Emissions Information)
Regulations 2001
Pedal Bicycles (Safety) Regulations 2010
Personal Protective Equipment Regulations 2002
Personal Protective Equipment (Enforcement) Regulations 2018
Pesticides (Fees and Enforcement) Act 1989
Plant Protection Products Regulations 2011
Plugs & Sockets etc. (Safety) Regulations 1994
Poisons Act 1972
Pressure Equipment (Safety) Regulations 2016
REACH Enforcement Regulations 2008
Recreational Craft Regulations 2017
Regulation 765/2008/EC on Accreditation and Market Surveillance
Road Traffic Act 1988 (sections 17 and 18)
Road Vehicles (Brake Linings Safety) Regulations 1999
Standardised Packaging of Tobacco Products Regulations 2015
Tobacco Advertising and Promotion Act 2002
Tobacco for Oral Use (Safety) Regulations 1992
Tobacco and Primary Medical Services (Scotland) Act 2010
Tobacco and Related Products Regulations 2016
Tobacco Products (Manufacture, Presentation and Sale) (Safety) Regulations
2002

Toys (Safety) Regulations 2011
Simple Pressure Vessels (Safety) Regulations 2016
Supply of Machinery (Safety) Regulations 2008

5 Trade Descriptions and Hallmarking

Copyright, Designs and Patents Act 1988
Copyright, etc. and Trade Marks (Offences and Enforcement) Act 2002
Energy Conservation Act 1996
European Union (Withdrawal) Act 2018 and European Union
(Withdrawal Agreement) Act 2020 (and relevant Regulations
made thereunder
Hallmarking Act 1973
Housing (Scotland) Act 2006
Intellectual Property Act 2014
Olympic Symbol etc. (Protection) Act 1995
Trade Descriptions Act 1968
Trade Marks Act 1994
Registered Designs Act 1949
Video Recording Acts 1984 and 2010

6 Quality Control, Food and Agriculture

Agriculture Act 1970
Animal By-Products (Enforcement) (Scotland) Regulations 2013
Animal Feed (Scotland) Regulations 2010
Animal Welfare (Licensing of Activities Involving Animals)
(Scotland) Regulations 2021
EC Fertilisers (Scotland) Regulations 2006
European Union (Withdrawal) Act 2018 and European Union
(Withdrawal Agreement) Act 2020 (and relevant Regulations
made thereunder
Feed (Hygiene and Enforcement) (Scotland) Regulations 2005
Food and Environment Protection Act 1985
Food Safety Act 1990
Genetically Modified Animal Feed (Scotland) Regulations 2004
Medicines Act 1968
Official Feed and Food Controls (Scotland) Regulations 2009
Trade in Animals and Related Products (Scotland) Regulations 2012

7 Quantity Control

European Union (Withdrawal) Act 2018 and European Union
(Withdrawal Agreement) Act 2020 (and relevant Regulations
made thereunder
Measuring Container Bottles (EEC Requirements) Regulations 1977
Measuring Equipment (Capacity Measures and Testing
Equipment) Regulations 1995
Measuring Instruments Regulations 2016
Measuring Instruments (EEC Requirements) Regulations 1988
Non-automatic Weighing Instruments Regulations 2016
Weights and Measures Acts 1976 and 1985
Weights and Measures (Packaged Goods) Regulations 2006

8 Animal Health and Welfare (Trading Standards)

Animal Health Act 1981
Animal By-Products (Enforcement) (Scotland) Regulations 2013
Animal Health and Welfare (Scotland) Act 2006
Animals (Scotland) Act 1987
Anthrax Order 1991
Avian Influenza (Preventive Measures in Zoos) (Scotland) Regulations 2005
Avian Influenza (Preventive Measures) (Scotland) Order 2007
Avian Influenza and Influenza of Avian Origin in Mammals (Scotland) Order 2006
Avian Influenza (Slaughter and Vaccination) (Scotland) Regulations 2006
Avian Influenza (H5N1 in Poultry) (Scotland) Order 2007
Avian Influenza (H5N1 in Wild Birds) (Scotland) Order 2007
Cattle Identification (Scotland) Regulations 2007
Civic Government (Scotland) Act 1982
Dangerous Wild Animals Act 1976
Disease Control (Interim Measures) (Scotland) Order 2002
Diseases of Animals (Approved Disinfectants) (Scotland) Order 2008
Diseases of Poultry (Scotland) Order 2003
Diseases of Swine Regulations 2014
Equine Animal (Identification) (Scotland) Regulations 2019
European Union (Withdrawal) Act 2018 and European Union (Withdrawal Agreement) Act 2020 (and relevant Regulations made thereunder
Foot-and-Mouth Disease (Scotland) Order 2006
Foot-and-Mouth Disease (Slaughter and Vaccination) (Scotland) Regulations 2006
Importation of Animal Pathogens Order 1980
Importation of Animals Order 1977
Infectious Diseases of Horses Order 1987
Local Government (Scotland) Act 1992
Microchipping of Dogs (Scotland) Regulations 2016
Non-Commercial Movement of Pet Animals Order 2011
Pigs (Records, Identification and Movement) (Scotland) Order 2011
Rabies (Control) Order 1974
Rabies (Importation of Dogs, Cats and other Mammals) Order 1974
Sheep and Goats (Records, Identification and Movement) (Scotland) Order 2009
Sheep Scab (Scotland) Order 2010
Trade in Animals and Related Products (Scotland) Regulations 2012
Transmissible Spongiform Encephalopathies (Scotland) Regulations 2010
Transport of Animals (Cleansing and Disinfection) (Scotland) Regulations 2005
Tuberculosis (Scotland) Order 2007
Welfare of Animals at Markets Order 1990
Welfare of Animals (Transport) (Scotland) Regulations 2006
Welfare of Farmed Animals (Scotland) Regulations 2010
Welfare of Horses at Markets (and Other Places of Sale) Order 1990
Wildlife and Countryside Act 1981
Zoo Licensing Act 1981

9 Environmental Health

Air Quality Standards (Scotland) Regulations 2010
 Air Quality (Scotland) Regulations 2000, as amended 2002 and 2016
 Agriculture Act 1970
 Antisocial Behaviour etc. (Scotland) Act 2004
 Building (Scotland) Act 2003
 Burial and Cremation (Scotland) Act 2016
 Caravan Sites and Control of Development Act 1960
 Civic Government (Scotland) Act 1982
 Clean Air Act 1993
 Control of Pollution Act 1974
 Control of Pollution (Amendment) Act 1989
 Coronavirus Act 2020
 Dog Fouling (Scotland) Act 2003
 Environment Act 1995
 Environmental Noise (Scotland) Regulations 2006
 European Union (Withdrawal) Act 2018 and European Union (Withdrawal Agreement) Act 2020 (and relevant Regulations made thereunder)
 Health and Safety at Work etc. Act 1974
 Health Protection (Coronavirus) Requirements) (Scotland) Regulations 2021 and amendments thereof)
 Health Protection (Coronavirus, Restrictions) (Directions by Local Authorities) (Scotland) Regulations 2020
 Housing (Scotland) Act 1987
 Housing (Scotland) Act 2006
 Housing (Scotland) Act 2014
 Licensing (Scotland) Act 2005
 Local Government (Scotland) Act 1973
 Local Government in Scotland Act 2003
 Noise and Statutory Nuisance Act 1993
 Prevention of Damage by Pests Act 1949
 Private Housing (Tenancies) Scotland Act 2016
 Private Rented Housing (Scotland) Act 2011
 Private Water Supplies (Scotland) Regulations 2006
 Public Health etc. (Scotland) Act 2008
 Refuse Disposal (Amenity) Act 1978
 Reservoirs Act 1975
 Reservoirs (Scotland) Act 2011
 Sewerage (Scotland) Act 1968
 Water (Scotland) Act 1980 (and Regulations made thereunder)
 The Water Intended for Human Consumption (Private Supplies) (Scotland) Regulations 2017
 Water Services etc. (Scotland) Act 2005

10 Environmental Protection

Civic Government Scotland Act 1982
 Dog Fouling Scotland Act 2003
 Environmental Protection Act 1990
 Environmental Protection Act 1990 Amendment (Scotland) Regulations 2019

Environmental Protection (Duty of Care) (Scotland) Regulations 2014
Environmental Protection (Microbeads) (Scotland) Regulations 2018
European Union (Withdrawal) Act 2018 and European Union (Withdrawal Agreement) Act 2020 (and relevant Regulations made thereunder)
Health Protection (Coronavirus) (Requirements) (Scotland) Regulations 2021 (and amendments thereof)
Health Protection (Coronavirus, Restrictions) (Directions by Local Authorities) (Scotland) Regulations 2020
Public Health etc (Scotland) Act 2008
Refuse Disposal Amenity Act 1978
Road Traffic Act 1991
Road Traffic (Vehicle Emissions) (Fixed Penalty) Scotland Regulations 2003
Smoking, Health and Social Care Scotland Act 2005

11 Food Safety

Contaminants in Food (Scotland) Regulations 2003
Country of Origin of Certain Meats (Scotland) Regulations 2016
Deer (Scotland) Act 1996
European Union (Withdrawal) Act 2018 and European Union (Withdrawal Agreement) Act 2020 (and relevant Regulations made thereunder)
Food (Hot Chilli and Hot Chilli Products) (Emergency Control) (Scotland) Regulations 2003
Food (Hot Chilli and Hot Chilli Products) (Emergency Control) (Scotland) Amendment Regulations 2003
Food Hygiene (Scotland) Regulations 2006 (as amended)
Food Environment and Protection Act 1985
Food Information (Scotland) Regulations 2014 (as amended)
Food Safety Act 1990 (and Regulations made thereunder)
Food Safety (Sampling and Qualifications) (Scotland) Regulations 2013
Game Licences Act 1860
Imported Food Regulations 1997
Official Feed and Food Control (Scotland) Regulations 2009 (as amended)
Products of Animal Origin (Import and Export) Regulations 1996
The Food (Scotland) Act 2015
The General Food Regulations 2004 (as amended)
The Quality Schemes (Agricultural Products and Foodstuffs) Regulations 2018
The Spirit Drinks Regulations 2008
Trade in Animal Related Products (Scotland) Regulations 2012

12 Health and Safety at Work etc. Act 1974

The officer is empowered to authorise any person to accompany him/her, if necessary on visits to premises for the purpose of carrying out his/her duties in terms of the Health and Safety at Work, etc. Act 1974. This officer is also hereby authorised to exercise the power of an inspector specified in:-

- (a) Sections 20, 21, 22 and 25 of the Health and Safety at Work etc Act 1974;
- (b) Any health and safety Regulations made under the above Act; and
- (c) The provisions specified in the third column of Schedule 1 of the Act which and of the Regulations, Orders or other Instruments of a legislative character made or having effect under any provision so specified.

Under the powers conferred on it by Section 26 of the Health and Safety at Work etc. Act 1974, East Renfrewshire Council indemnifies those inspectors appointed under that Act against the whole of any damages and costs or expenses which may be involved, if the authority is satisfied that the inspector honestly believed that the act complained of was within their powers and that their duty as an inspector entitled them to do it, providing the inspector was not wilfully acting against instructions.

13 Animal Health and Welfare (EH)

Animal Boarding Establishment Act 1963
Animal Health Act 1981
Animal Health and Welfare (Scotland) Act 2006
Animal Welfare (Licensing of Activities Involving Animals) (Scotland) Regulations 2021
Civic Government (Scotland) Act 1982
Control of Dogs (Scotland) Act 2010
Dog Fouling (Scotland) Act 2003
Environmental Protection Act 1990
European Union (Withdrawal) Act 2018 and European Union (Withdrawal Agreement) Act 2020 (and relevant Regulations made thereunder
Horse Identification (Scotland) Regulations 2009
Local Government (Scotland) Act 1982
Microchipping of Dogs (Scotland) Regulations 2016
Riding Establishments Acts 1964 and 1970
The Control of Dogs Order 1992

14 Pest Control

European Union (Withdrawal) Act 2018 and European Union (Withdrawal Agreement) Act 2020 (and relevant Regulations made thereunder
Prevention of Damage by Pests Act 1949
Public Health etc. (Scotland) Act 2008

15 Licensing

Alcohol (Minimum Unit Pricing) (Scotland) Act 2012
East Renfrewshire Licensing Board Policy Statement (Alcohol)
East Renfrewshire Licensing Board Policy Statement (Gaming)
Gambling Act 2005
Licensing (Scotland) Act 2005

PREVENTION SERVICES MANAGER

39. (a) In respect of Consumer & Trading Standards, the Prevention Services Manager is authorised to act as Chief Inspector of Weights & Measures for the purposes of the Weights and Measures Act 1985.
- (b) any suitably qualified officer is authorised to act for the Chief Inspector of Weights and Measures for the purposes of the Weights and Measures Act 1985.

TRADING STANDARDS SCOTLAND

40. With effect from 4 December 2014, All Trading Standards Officers employed by Trading Standards Scotland are appointed as officers of the Council. Individuals becoming employed by Trading Standards Scotland after that date are automatically, by virtue of their appointment as Trading Standards Officers of Trading Standards Scotland, appointed as officers of the Council.

TRADING STANDARDS SCOTLAND – CHIEF OFFICER

41. The Chief Officer of Trading Standards Scotland is authorised
- (a) to discharge the Council's functions as a local weights and measures authority under the legislation listed in the Schedule below;
- (b) to act as an authorised officer for the purposes of that legislation in fulfilment of all functions granted to local weights and measures authorities thereunder; and
- (c) to delegate the functions delegated to the Chief Officer by virtue of paragraph 40 to grant authorisations to all or any Trading Standards Officers employed by trading Standards Scotland to act as authorised officers for the purposes of the legislation listed in the Schedule below, provided that:-
- (i) the authorisations of individual officers shall not take effect until such times as their names appear on the list of authorised officers maintained by the Chief Officer of Trading Standards Scotland, a copy of which shall be provided to the Council and kept up to date at all times.

SCHEDULE

- Trade Descriptions Act 1968
- European Communities Act 1972 (section 2)
- Consumer Credit Act 1974
- Prices Act 1974
- Consumer Protection Act 1987
- Copyright, Designs and Patents Act 1988
- Trade Marks Act 1994
- Unfair Terms in Consumer Contracts Regulations 1999
- Consumer protection (Distance Selling) Regulations 2000
- Financial Services and Markets Act 2000
- Enterprise Act 2002
- Electronic Commerce (EC Directive) Regulations 2002

- Financial Services (Distance Marketing) Regulations 2004
- Counter-Terrorism Act 2008
- Business Protection from Misleading Markets Regulations 2008
- Cancellation of Contracts made in a Consumer's Home or Place of Work etc. Regulations 2008
- Consumer protection from Unfair Trading Regulations 2008
- Consumer Rights (Payment Surcharges) Regulations 2012
- Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013
- Financial Services Act 2012 (Consumer Credit) Order 2013
- Consumer Rights Act 2015
- Coronavirus Act 2020

CHIEF OFFICER – HEALTH AND SOCIAL CARE PARTNERSHIP

42. The Chief Officer – Health and Social Care Partnership or HSCP Heads of Service are authorised:-

- (a) to carry out the functions of the Council in terms of the following sections of the Social Work (Scotland) Act 1968:-
 - i) Section 65(1) which empowers or requires the Council in certain circumstances to remove a person from certain residential or other establishments; and
 - ii) Section 68, which requires the Council to make arrangements for periodic visits to persons in establishments in the Council's area, in the interests of the well-being of those persons.
- (b) to provide aids and adaptations for the homes of persons with physical or learning disabilities;
- (c) to accept or reject applications for installation of telephones for persons with physical or learning disabilities based on approved criteria;
- (d) to carry out the functions of the Council under the Disabled Persons (Badge for Motor Vehicles) Regulations 1982 and subsequent legislation;
- (e) to undertake all statutory functions incumbent upon the Council in terms of the Children (Scotland) Act 1995.
- (f) in accordance with Standing Orders relating to Contracts, to decide on the procedure to be used to award any contract for Social and other Specific Services falling under their remit
- (g) to waive a charge for a service dependent on individual circumstances

CHIEF SOCIAL WORK OFFICER

43. The Chief Social Work Officer is authorised:-

- (a) to appoint Mental Health Officers in terms of the Mental Health (Scotland) Act 1984;
- (b) to carry out the functions of the Council in relation to the adoption of children in terms of the Adoption (Scotland) Act 1978;
- (c) following the appointment by the Council of a Fostering and Adoption Panel in terms of the Adoption Agencies (Scotland) Regulations 1996, to carry out the remaining functions of the Council as care authority under the Regulations;
- (d) to consider and determine recommendations made by the Adoption and Fostering Review Panel in reviewing original decisions made in connection with fostering and adoption matters;

- (e) to consider and determine recommendations by the Adoption Panel which are approved by the Adoption Panel for assistance with legal fees (up to an amount considered reasonable by the Director of Corporate and Community Services) and medical expenses;
- (f) to make applications for all appropriate Orders in terms of the Children (Scotland) Act 1995, in particular the following:-
 - i) Exclusion Orders
 - ii) Child Protection Orders
 - iii) Child Assessment Orders
 - iv) Parental Responsibilities Orders

44. DELEGATION TO OFFICERS IN CONSULTATION WITH ELECTED MEMBERS(1) CHIEF EXECUTIVE, AND ALL DIRECTORS

N.B. Any reference to Convener/Chair in this section should be taken to refer to the appropriate Vice Convener/Vice Chair in the absence of the Convener/Chair.

- (a) in consultation with the appropriate Convener/Chair, to take any necessary action during any of the Council's recess periods which would normally require approval by the Cabinet or other committee.

(2) DIRECTOR OF BUSINESS OPERATIONS AND PARTNERSHIPS AND HEAD OF HR & CORPORATE SERVICES AND DEMOCRATIC SERVICES MANAGER

- (a) The Director of Business Operations and Partnerships or Head of HR & Corporate Services or Democratic Services Manager, in consultation with the appropriate Convener is authorised to agree the level of annual grant to community councils in line with the formula previously agreed by the Council;
- (b) The Director of Business Operations and Partnerships or Head of HR & Corporate Services or Democratic Services Manager in consultation with the appropriate Convener, is authorised to determine applications for financial assistance from national and local organisations, except those which fall to be determined by other Directors in consultation with the appropriate Convener;
- (c) The Director of Business Operations and Partnerships or Head of HR & Corporate Services or Democratic Services Manager, in consultation with the Leader of the Council and the local Members (provided they are not a member of the Licensing Board), is authorised to determine whether to lodge an objection to an application for a licence in terms of the Licensing (Scotland) Act 2006 or the Gambling Act 2005, where the Council, which would normally deal with this matter, does not meet until after the last date for the lodging of objections;
- (d) The Director of Business Operations and Partnerships or Head of HR & Corporate Services or Democratic Services Manager, in consultation with the Provost, is authorised to disburse funds from the Provost's Appeal Fund subject to information being issued to other members of the Council on request;
- (e) The Director of Business Operations and Partnerships or Head of HR & Corporate Services or Democratic Services Manager, in consultation with the Provost, is authorised to deal with all matters in relation to the civic and ceremonial arrangements of the Council up to an estimated value of £1,000; and
- (f) The Director of Business Operations and Partnerships or Head of HR & Corporate Services or Democratic Services Manager, in consultation with the Leader of the Council, or in his/her absence the Deputy Leader, is authorised to determine elected Member attendance at conferences etc.

(3) HEAD OF HR & CORPORATE SERVICES AND DEMOCRATIC SERVICES MANAGER

- (a) The Head of HR & Corporate Services or Democratic Services Manager, in consultation with the Provost, is authorised to decide whether to fly a flag at any time other than that set out in the agreed protocol, should a national or international event deem it necessary.

(4) DIRECTOR OF BUSINESS OPERATIONS AND PARTNERSHIPS AND HEAD OF HR & CORPORATE SERVICES

- (a) The Director of Business Operations and Partnerships or Head of HR & Corporate Services, in consultation with the appropriate Convener and the Head of Accountancy (Chief Financial Officer), is authorised to set or adjust prices for specific promotions and joint ventures

(5) CHIEF OFFICER - LEGAL & PROCUREMENT

- (a) The Chief Officer - Legal & Procurement or the Principal Solicitor, in consultation with the Chair of the Licensing Committee, is authorised to determine requests for advertising on licensed taxis and private hire cars.

(6) DIRECTOR OF EDUCATION

- (a) The Director of Education, in consultation with the Chair of the Education Committee, is authorised to operate a special case premature retiral scheme for the teaching profession including the determination of the level of any pension enhancement;
- (b) The Director of Education, in consultation with the Chair of the Education Committee, is authorised to determine requests for financial assistance for education purposes;
- (c) The Director of Education and Director of Business Operations and Partnerships are authorised in consultation with the Chair of the Education Committee to determine the dates of local school holidays within East Renfrewshire after seeking the views of parent councils and trade unions; and
- (d) The Director of Education, in consultation with the Convener for Community Services and Community Safety, is authorised to modify the conditions for eligibility for the Theatre Tickets for Armed Forces scheme, based on experience and future comments from relevant organisations.

7. DIRECTOR OF ENVIRONMENT

- (a) The Director of Environment or Head of Environment (Operations) is authorised, following consultation with the Chair of the Planning Applications Committee, to determine applications to remove or vary conditions imposed by the Planning Applications Committee;

(8) CHIEF OFFICER – HEALTH AND SOCIAL CARE PARTNERSHIP/CHIEF SOCIAL WORK OFFICER

- (a) The Chief Officer – Health and Social Care Partnership or the Chief Social Work Officer, in consultation with the Convener for Social Work and Health, is authorised to appoint Curators ad litem in terms of the Children (Scotland) Act 1995 and associated regulations made thereunder.

DELEGATED POWERS IN RELATION TO TENDERS AND CONTRACTS

45. The delegated powers in relation to the acceptance of tenders and the awarding of contracts, including contracts for the appointment of consultants, shall be as set out in the Council's Standing Orders Relating to Contracts.

RENFREWSHIRE VALUATION JOINT BOARD

46. East Renfrewshire Council has agreed that its electoral registration function should be discharged by the Renfrewshire Valuation Joint Board with a consequent delegation of powers in respect of electoral registration to the Joint Board.

POLICE SCOTLAND

47. The Chief Constable of Police Scotland is authorised to discharge the functions of East Renfrewshire Council under Section 19 (Appointment of Inspectors) of the Health & Safety at Work Act 1974 for the purposes of the enforcement of the Explosive Acts of 1875 and 1923 in so far as they relate to the licensing, registration and regulation of stores or registered premises.

EAST RENFREWSHIRE INTEGRATION JOINT BOARD

48. East Renfrewshire Council has agreed to delegate to the Integration Joint Board those functions associated with the delivery of adult, criminal justice and children's social care services as set out in Appendix to this scheme.

Functions delegated by the Council to the Integration Joint Board

Set out below is the list of functions delegated by the Council to the Integration Joint Board. Part 1 of the list reflects those functions which must be delegated in terms of the Public Bodies (Joint Working) (Prescribed Local Authority Functions etc) (Scotland) Regulations 2014.

Further local authority functions can be delegated as long as they fall within the relevant sections of the Acts set out in the Schedule to the Public Bodies (Joint Working) (Scotland) Act 2014 . Part 2 of the list reflects those functions which the Council has delegated on this discretionary basis.

PART 1 – FUNCTIONS WHICH MUST BE DELEGATED

Column A Enactment conferring function	Column B Limitation
National Assistance Act 1948	
Section 48 (Duty of councils to provide temporary protection for property of persons admitted to hospitals etc.)	
The Disabled Persons (Employment) Act 1958	
Section 3 (Provision of sheltered employment by local authorities)	
The Social Work (Scotland) Act 1968	
Section 1 (Local authorities for the administration of the Act.)	So far as it is exercisable in relation to another integration function.
Section 4 (Provisions relating to performance of functions by local authorities.)	So far as it is exercisable in relation to another integration function.
Section 8 (Research.)	So far as it is exercisable in relation to another integration function.
Section 10 (Financial and other assistance to voluntary organisations etc. for social work.)	So far as it is exercisable in relation to another integration function.
Section 12 (General social welfare services of local authorities.)	Except in so far as it is exercisable in relation to the provision of housing support services.

Column A Enactment conferring function	Column B Limitation
Section 12A (Duty of local authorities to assess needs.)	So far as it is exercisable in relation to another integration function.
Section 12AZA (Assessments under section 12A - assistance)	So far as it is exercisable in relation to another integration function.
Section 13 (Power of local authorities to assist persons in need in disposal of produce of their work.)	
Section 13ZA (Provision of services to incapable adults.)	So far as it is exercisable in relation to another integration function.
Section 13A (Residential accommodation with nursing.)	
Section 13B (Provision of care or aftercare.)	
Section 14 (Home help and laundry facilities.)	
Section 28 (Burial or cremation of the dead.)	So far as it is exercisable in relation to persons cared for or assisted under another integration function.
Section 29 (Power of local authority to defray expenses of parent, etc., visiting persons or attending funerals.)	
Section 59 (Provision of residential and other establishments by local authorities and maximum period for repayment of sums borrowed for such provision.)	So far as it is exercisable in relation to another integration function.
The Local Government and Planning (Scotland) Act 1982	
Section 24(1) (The provision of gardening assistance for the disabled and the elderly.)	
Disabled Persons (Services, Consultation and Representation) Act 1986	
Section 2 (Rights of authorised representatives of disabled persons.)	
Section 3 (Assessment by local authorities of needs of disabled persons.)	

Column A Enactment conferring function	Column B Limitation
Section 7 (Persons discharged from hospital.)	In respect of the assessment of need for any services provided under functions contained in welfare enactments within the meaning of section 16 and which have been delegated.
Section 8 (Duty of local authority to take into account abilities of carer.)	In respect of the assessment of need for any services provided under functions contained in welfare enactments (within the meaning set out in section 16 of that Act) which are integration functions.
The Adults with Incapacity (Scotland) Act 2000	
Section 10 (Functions of local authorities.)	
Section 12 (Investigations.)	
Section 37 (Residents whose affairs may be managed.)	Only in relation to residents of establishments which are managed under integration functions.
Section 39 (Matters which may be managed.)	Only in relation to residents of establishments which are managed under integration functions.
Section 41 (Duties and functions of managers of authorised establishment.)	Only in relation to residents of establishments which are managed under integration functions
Section 42 (Authorisation of named manager to withdraw from resident's account.)	Only in relation to residents of establishments which are managed under integration functions
Section 43 (Statement of resident's affairs.)	Only in relation to residents of establishments which are managed under integration functions
Section 44 (Resident ceasing to be resident of authorised establishment.)	Only in relation to residents of establishments which are managed under integration functions
Section 45 (Appeal, revocation etc.)	Only in relation to residents of establishments which are managed under integration functions
The Housing (Scotland) Act 2001	
Section 92 (Assistance for housing purposes.)	Only in so far as it relates to an aid or adaptation.
The Community Care and Health (Scotland) Act 2002	
Section 4 (Accommodation more expensive than usually provided)	

Column A Enactment conferring function	Column B Limitation
Section 5 (Local authority arrangements for residential accommodation outwith Scotland.)	
Section 14 (Payments by local authorities towards expenditure by NHS bodies on prescribed functions.)	
The Mental Health (Care and Treatment) (Scotland) Act 2003	
Section 17 (Duties of Scottish Ministers, local authorities and others as respects Commission.)	
Section 25 (Care and support services etc.)	Except in so far as it is exercisable in relation to the provision of housing support services.
Section 26 (Services designed to promote well-being and social development.)	Except in so far as it is exercisable in relation to the provision of housing support services.
Section 27 (Assistance with travel.)	Except in so far as it is exercisable in relation to the provision of housing support services.
Section 33 (Duty to inquire.)	
Section 34 (Inquiries under section 33: Co-operation.)	
Section 228 (Request for assessment of needs: duty on local authorities and Health Boards.)	
Section 259 (Advocacy.)	
The Housing (Scotland) Act 2006	
Section 71(1)(b) (Assistance for housing purposes.)	Only in so far as it relates to an aid or adaptation.
The Adult Support and Protection (Scotland) Act 2007	
Section 4 (Council's duty to make inquiries.)	
Section 5 (Co-operation.)	

Column A Enactment conferring function	Column B Limitation
Section 6 (Duty to consider importance of providing advocacy and other.)	
Section 11 (Assessment Orders.)	
Section 14 (Removal orders.)	
Section 18 (Protection of moved persons property.)	
Section 22 (Right to apply for a banning order.)	
Section 40 (Urgent cases.)	
Section 42 (Adult Protection Committees.)	
Section 43 (Membership.)	
Social Care (Self-directed Support) (Scotland) Act 2013	
Section 5 (Choice of options: adults.)	
Section 6 (Choice of options under section 5: assistances.)	
Section 7 (Choice of options: adult carers.)	
Section 9 (Provision of information about self-directed support.)	
Section 11 (Local authority functions.)	
Section 12 (Eligibility for direct payment: review.)	
Section 13 (Further choice of options on material change of circumstances.)	Only in relation to a choice under section 5 or 7 of the Social Care (Self-directed Support) (Scotland) Act 2013.
Section 16 (Misuse of direct payment: recovery.)	

Column A
Enactment conferring function

Column B
Limitation

Section 19
(Promotion of options for self-directed support.)

PART 2 – ADDITIONAL FUNCTIONS TO BE DELEGATED ON A DISCRETIONARY BASIS

National Assistance Act 1948

Section 45
(Recovery in cases of misrepresentation or non-disclosure)

Matrimonial Proceedings (Children) Act 1958

Section 11
(Reports as to arrangements for future care and upbringing of children)

Social Work (Scotland) Act 1968

Section 5
(Powers of Secretary of State).

Section 6B
(Local authority inquiries into matters affecting children)

Section 27
(supervision and care of persons put on probation or released from prison etc.)

Section 27 ZA
(advice, guidance and assistance to persons arrested or on whom sentence deferred)

Section 78A
(Recovery of contributions).

Section 80
(Enforcement of duty to make contributions.)

Section 81
(Provisions as to decrees for aliment)

Section 83
(Variation of trusts)

Section 86
(Adjustments between authority providing accommodation etc., and authority of area of residence)

Children Act 1975

Section 34
(Access and maintenance)

Section 39
(Reports by local authorities and probation officers.)

Section 40
(Notice of application to be given to local authority)

Section 50
(Payments towards maintenance of children)

Health and Social Services and Social Security Adjudications Act 1983

Section 21
(Recovery of sums due to local authority where persons in residential accommodation have disposed of assets)

Section 22
(Arrears of contributions charged on interest in land in England and Wales)

Section 23
(Arrears of contributions secured over interest in land in Scotland)

Foster Children (Scotland) Act 1984

Section 3
(Local authorities to ensure well being of and to visit foster children)

Section 5
(Notification by persons maintaining or proposing to maintain foster children)

Section 6
(Notification by persons ceasing to maintain foster children)

Section 8
(Power to inspect premises)

Section 9
(Power to impose requirements as to the keeping of foster children)

Section 10
(Power to prohibit the keeping of foster children)

Children (Scotland) Act 1995

Section 17
(Duty of local authority to child looked after by them)

Sections 19
(Local authority plans for services for children)

Section 20
(Publication of information about services for children)

Section 21
(Co-operation between authorities)

Section 22
(Promotion of welfare of children in need)

Section 23
(Children affected by disability)

Section 24
(Assessment of ability of carers to provide care for disabled children)

Section 24A
(Duty of local authority to provide information to carer of disabled child)

Section 25
(Provision of accommodation for children etc)

Section 26
(Manner of provision of accommodation to children looked after by local authority)

Section 27
(Day care for pre-school and other children)

Section 29
(After-care)

Section 30
(Financial assistance towards expenses of education or training)

Section 31
(Review of case of child looked after by local authority)

Section 32
(Removal of child from residential establishment)

Section 36
(Welfare of certain children in hospitals and nursing homes etc)

Section 38
(Short-term refuges for children at risk of harm)

Section 76
(Exclusion orders)

Criminal Procedure (Scotland) Act 1995

Section 51
(Remand and committal of children and young persons).

Section 203
(Reports)

Section 234B
(Drug treatment and testing order).

Section 245A
(Restriction of liberty orders).

Adults with Incapacity (Scotland) Act 2000

Section 40
(Supervisory bodies)

Community Care and Health (Scotland) Act 2002

Section 6
(Deferred payment of accommodation costs)

Management of Offenders etc (Scotland) Act 2005

Section 10
(Arrangements for assessing and managing risks posed by certain offenders)

Section 11
(Review of arrangements)

Adoption and Children (Scotland) Act 2007

Section 1
(Duty of local authority to provide adoption service)

Section 4
(Local authority plans)

Section 5
(Guidance)

Section 6
(Assistance in carrying out functions under sections 1 and 4)

Section 9
(Assessment of needs for adoption support services)

Section 10
(Provision of services)

Section 11
(Urgent provision)

Section 12
(Power to provide payment to person entitled to adoption support service)

Section 19
(Notice under section 18: local authority's duties)

Section 26
Looked after children: adoption not proceeding

Section 45
Adoption support plans

Section 47
Family member's right to require review of plan

Section 48
Other cases where authority under duty to review plan

Section 49
Reassessment of needs for adoption support services

Section 51
Guidance

Section 71
Adoption allowance schemes

Section 80
Permanence orders

Section 90
Precedence of court orders and supervision requirements over order

Section 99
Duty of local authority to apply for variation or revocation

Section 101
Local authority to give notice of certain matters

Section 105
Notification of proposed application for order

Adult Support and Protection (Scotland) Act 2007

Section 7
(Visits)

Section 8
(Interviews)

Section 9
(Medical examinations)

Section 10
(Examination of records etc)

Section 16
(Right to move adult at risk)

Children's Hearings (Scotland) Act 2011

Section 35
(Child assessment orders)

Section 37
(Child protection orders)

Section 42
(Parental responsibilities and rights directions)

Section 44
(Obligations of local authority)

Section 48
(Application for variation or termination)

Section 49
(Notice of application for variation or termination)

Section 60
(Local authority's duty to provide information to Principal Reporter)

Section 131
(Duty of implementation authority to require review)

Section 144
(Implementation of compulsory supervision order: general duties of implementation authority)

Section 145
(Duty where order requires child to reside in certain place)

Section 153
(Secure accommodation: regulations)

Section 166
(Review of requirement imposed on local authority)

Section 167
(Appeals to sheriff principal: section 166)

Section 180
(Sharing of information: panel members)

Section 183
(Mutual assistance)

Section 184
(Enforcement of obligations on health board under section 183)

Social Care (Self- Directed Support)(Scotland) Act 2013

Section 8
(Choice of options: children and family members)

Section 10
(Provision of information: children under 16)

Carers (Scotland) Act 2016

Section 6

(Duty to prepare Adult Carer Support Plan)

Section 24

(Duty to provide support)

Section 25

(Provision of support to carers: breaks from caring)

Section 31

(Duty to prepare local carer strategy)

Section 34

(Information and advice for carers)

Section 35

(Short breaks services statements)

EAST RENFREWSHIRE COUNCIL**3 MARCH 2022****Report by Director of Business Operations and Partnerships****SCHEME FOR MEMBERS' REMUNERATION AND EXPENSES 2022/23****PURPOSE OF REPORT**

1. To seek approval of the Council's Scheme for Members' Remuneration and Expenses for 2022/23.

RECOMMENDATION

2. That the Scheme for Members' Remuneration and Expenses for 2022/23 be approved.

BACKGROUND

3. In accordance with the relevant legislation, the Council has in place a scheme for Members' Remuneration and Expenses.

4. The Scheme provides details of the levels of basic salary payable to all councillors, and the increased salaries payable to the Leader and the Civic Head (Provost) these amounts being prescribed in legislation. The Scheme also provides details of those positions in the Council identified as being "Senior Councillor" positions for the purposes of the Regulations, and the levels of salary to be paid to each postholder.

5. In addition, the Scheme provides details of those other categories in respect of which Elected Members are entitled to claim expenses, such as the performance of approved duties, travelling expenses, and subsistence allowances.

REPORT

6. The Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2022 were laid before the Scottish Parliament on 24 January 2022 and take effect from 1 April 2022.

7. The Regulations see an increase in the basic councillor remuneration from £18,604 to £19,571; the remuneration paid to the Leader of the Council increases from £31,010 to £32,622, and the remuneration paid to the Provost increases from £23,357 to £24,467. The remuneration paid to senior councillors will also increase from £23,357 to £24,467. These increases will take effect from 1 April 2022.

8. A copy of the new Scheme is attached (Appendix 1).

RECOMMENDATION/...

RECOMMENDATION

9. That the Scheme for Members' Remuneration and Expenses for 2022/23 be approved.

Local Government (Access to Information) Act 1985

Background Papers - None

Report Author: Eamonn Daly, Democratic Services Manager 577 3023

e-mail:- eamonn.daly@eastrenfrewshire.gov.uk

EAST RENFREWSHIRE COUNCIL
SCHEME FOR MEMBERS' REMUNERATION AND EXPENSES
2022/2023

BLANK PAGE

CONTENTS

	PAGE
GUIDANCE NOTES	3
PAYMENT OF MEMBERS' SALARIES	5
APPROVED DUTIES	6
TRAVELLING EXPENSES	7-9
SUBSISTENCE	10
TELEPHONE EXPENSES	11
CONFERENCES AND TRAVEL ABROAD	12
INCOME TAX, NATIONAL INSURANCE	13
TRAVEL AND SUBSISTENCE CLAIM FORM	
CONFERENCE CLAIM FORM	

BLANK PAGE

591 GUIDANCE NOTES

1. Members are responsible for completing their own expenses claim forms and for signing the declaration on each form that the expenses have been necessarily incurred for the performance of eligible approved duties. **Members should, as far as possible, also ensure that cost implications are considered in decisions regarding expenses to be incurred and should where possible adopt the most cost effective mode of transport.**
2. All travel, subsistence and telephone call claim forms must be submitted to the Members Services Section who will be responsible for checking that they have been properly completed. Members Services will sign the form in the box provided as evidence that the check has been carried out.
3. Travel and subsistence claims must include the following:
 - Date for which expense is claimed
 - Time of departure /arrival.
 - Detailed description of approved duty (including category).
 - Expense items / Journey details (including journey start and finish details).
 - Receipts for expenditure incurred.
4. Claims for travelling and subsistence in respect of conferences must be claimed on the conferences claim form which should then be submitted to Members Services.
5. Advances for conferences etc. can only be made up to seven days before departure and must be signed by the Member and an authorised signatory in Members Services.
6. When an advance has been made in respect of a conference a final claim form should be submitted as soon as possible thereafter. Advances will be recovered from the earlier occurring of next salary payment due or any subsequent payment in anticipation of which the advance was given.
7. Sample claim forms are appended to this Scheme for information. Actual forms are available from Members Services.
8. **Expense Claims Timetable/...**

8. Expense Claims Timetable

<u>To be Submitted to Members Services by</u>	<u>Pay Date Friday</u>
29.04.22	20.05.22
03.06.22	17.06.22
01.07.22	15.07.22
05.08.22	19.08.22
02.09.22	16.09.22
07.10.22	21.10.22
04.11.22	18.11.22
02.12.22	16.12.22
06.01.23	20.01.23
03.02.23	17.02.23
03.03.23	17.03.23
07.04.23	21.04.24

Expenses forms should be submitted to Members Services by the dates shown above in order for any expenses being claimed to be included in salary payments made on the corresponding Pay Date Friday. Claims must be fully completed, signed and dated. Incomplete/inaccurate forms will be returned to Elected Members which may result in a delay in expenses being reimbursed. It is important that expenses claim forms are returned timeously so that expenses can be recorded in the correct period.

593
PAYMENT OF MEMBERS' SALARIES

Basic Salary

Each Member of the Council will receive a basic salary of £19,571 per annum. Payment of salary will be made on the third Friday of each month by a monthly payment of £1,630.92 subject to normal Income Tax, National Insurance and Pension Contribution deductions.

Senior Councillors

In terms of the 2007 Regulations the Council has resolved to pay Senior Councillor Salaries to Members with special responsibilities. These Salaries will be paid under the same arrangements as basic salaries.

	ANNUAL SALARY £	MONTHLY PAYMENT £
Leader of the Council	32,622	2718.50
Provost	24,467	2,038.92
Deputy Provost	24,467	2,038.92
Convener for Community Services and Community Safety	24,467	2,038.92
Convener for Education and Equalities	24,467	2,038.92
Convener for Environment	24,467	2,038.92
Convener for Housing and Maintenance Services	24,467	2,038.92
Chair of Audit and Scrutiny Committee	24,467	2,038.92
Chair of Planning Applications Committee/LRB	24,467	2,038.92
Chair of Licensing Committee	24,467	2,038.92

Payment of Salaries

Payment of salaries will be made automatically monthly into each Member's bank account on the third Friday of each month.

If a Member leaves office as a Councillor or ceases to be entitled to a Senior Councillor Salary, the payment due will be calculated on a daily basis from date of appointment to the date of demitting office. In such circumstances any overpayment will require to be repaid by the Member.

Prior to election, salaries will be calculated on a daily basis up to the appointed date.

APPROVED DUTIES

Travel and subsistence expenses may be claimed for approved duties. The list below provides details of all duties in respect of which claims can be submitted. When completing a claim form Members should include the category of the approved duty as listed below (A, B, C etc) as well as providing full details of the approved duty.

Attending or Undertaking:-

- A. Meetings of Council, Cabinet and Committees.
- B. Conference meetings or seminars etc. as approved representative of Council.
- C. Meetings organised to inform members of any development or to assist members with personal development wherever held.
- D. Political group meetings of the Council held within the East Renfrewshire area.
- E. Meetings with officers of the Council.
- F. Members' surgeries.
- G. Community Councils and Parent Councils.
- H. Duties as officer of political group.
- I. Duties as Convener, or Committee Chair/Vice-Chair.
- J. Functions required as Leader or Deputy Leader of Administration.
- K. Attendance at meetings of partner bodies as approved representative of Council.
- L. Attendance at meeting of partner bodies to which the Councillor has been appointed by virtue of their position as councillor.
- M. Duties undertaken as a ward representative.

Where it is reasonable to do so, Members should use public transport in the conduct of their duties. However where public transport is not reasonably available, alternative forms of transport (e.g. private vehicle) can be used. **In cases where alternative transport is used which is more expensive than the cost of travelling by public transport, the cost of travelling by public transport can be reclaimed although as no receipts or tickets can be provided this will be subject to tax. In the event that travelling by alternative transport is cheaper than the cost of travelling by public transport, the lower rate can be reclaimed.**

Public Transport – Reimbursement of Costs

Members may travel standard class by public transport, the cost of which will be reimbursed on production of a ticket except in the case of travel by air, where not more than the cost of the economy fare or any available cheap fare for travel by regular air service will be reimbursed, on production of a ticket. In cases of urgency where no such air service is available then the actual fare paid by the Member will be reimbursed on production of a ticket.

The production of tickets is required for all modes of public transport in order that appropriate supporting documentation can be produced to HMRC which may be demanded under current legislation. In the event Members are unable to produce tickets or receipts for any journey made on public transport, any amounts claimed will be subject to tax.

ZoneCard

Members who do not claim car mileage allowance, may at the Council's cost apply for a ZoneCard, details of which may be obtained from Members Services. The ZoneCard will cover journeys from their house or place of work to the Council's Headquarters by public transport and will as far as possible cover journeys within their wards.

Any Member in receipt of a ZoneCard from the Council will have details of this benefit submitted to HMRC at the end of each tax year. Tax may be levied on this benefit by HMRC.

Rail Cards

Members will be able to claim the cost of rail cards purchased by them to allow them to obtain reduced fares when on Council business. Details of the card and the business details should be sent to Members Services to allow discounts to be obtained when tickets are booked.

Any member in receipt of a rail card reclaimed from the Council will have the details of this benefit submitted to HMRC at the end of the tax year. Tax may be levied on this benefit by HMRC.

Mileage Allowances

For the purposes of calculating claims, **a councillor's normal place of residence is regarded as their normal place of work**, so expenses associated with travel from home to the Council HQ, and other locations to conduct council business, may be claimed back. Where a councillor travels on council business from their place of employment or business (which is not Council related) they may be reimbursed for the cost of the journey. However, if the cost of making this journey would have been lower had it started from the councillor's home, then that lower cost is the maximum amount that will be reimbursed.

For example if the distance from a councillor's home to council offices is 5 miles and from a councillor's business to council offices is 10 miles, a maximum of 5 miles may be claimed and reimbursed.

In the event a Member attends a meeting which requires them to **travel from and return to** their place of employment or business, and their place of employment or business is further away than their home, the actual mileage travelled can be claimed. If a councillor does not return to work after the meeting only the mileage from home to the council office can be claimed.

For example if the distance from a councillor's home to council offices is 5 miles and from a councillor's business to council offices is 10 miles, and the councillor leaves from their business to attend a meeting and returns there after the meeting, they are able to claim the total mileage (20 miles – 2 x 10 miles). If the councillor does not return to their work after the meeting but instead goes home then the lower mileage can be claimed (10 miles – 2 x 5 miles).

Under the Regulations, the following mileage rates apply.

car	-	45 pence per mile
passenger (approved duty)	-	5 pence per mile
motorcycle	-	24 pence per mile
bicycle	-	20 pence per mile.

When claiming mileage expenses the claim should be based on the shortest route between the start and end points of the journey regardless of the actual route taken.

Other Travelling Expenditure

The rates specified for car mileage may be increased by the amount of any expenditure incurred by tolls, ferries or parking fees.

No reimbursement will be made for the above costs unless receipts are produced.

The Council will not be responsible for any parking fines incurred.

Travel by Taxi or Private Hire Car

Taxis or private hire cars should only be used in exceptional circumstances when no other public transport is reasonably available.

Taxi or private hire car journeys should be booked through Members Services who will make the booking on behalf of the Member. When making a taxi booking request, Members will need to complete a Taxi Request Form. This form requires the member to provide details of the journey, its purpose and to confirm that there was no other reasonable travel option available,

When taxis or private hire cars are pre-booked they will be paid on account and there will be no need for the Member making the journey to include the journey details and costs on any expenses claims form. However the details will be included in the annual summary of Members' Expenses.

In the event that a taxi or private hire car journey is required which cannot be booked through Members Services, the journey cannot be made on account and the cost of the journey will need to be paid for by the Member making the journey. In claiming for the cost of the journey, the Member concerned will be required to confirm that the reason for the journey was either due to urgency or that public transport was not reasonably available. If these conditions are not met, the Member concerned will be required to repay the excess over the public transport cost.

The rate for travel by taxi or private hire car shall not exceed:-

In the case of urgency or where no public transport is reasonably available the amount of actual receipted fare.

In any other case the amount of fare for travel by appropriate public transport.

Travel by Other Hired Motor Vehicle

The rate for travel by a hired motor vehicle other than a taxi or private hire car shall not exceed the lower of:-

The car mileage rate as stated above being the rate which would have been applicable had the vehicle belonged to the Member who hired it.

The cost of hiring a vehicle of less than 1200cc

In order to reclaim reimbursement the Member must provide an appropriate VAT receipt.

Travel by Council Car

Members should be aware that the Council is required to record and publish as part of the annual members' expenses exercise costs relating to the use of chauffer driven cars. This will include costs incurred on such journeys by Provost, Deputy Provost and other Councillors being conveyed in the Council car.

598

SUBSISTENCE

Entitlement

Any Member is entitled to payment of subsistence claims where expenses are *necessarily incurred* and for which appropriate receipts are produced in carrying out approved duties which require continuous time involvements shown below.

Rates

These payments may not exceed maximum rates prescribed by Scottish Ministers.

MAXIMUM ALLOWANCE	AMOUNT	HOURS AWAY FROM HOME	PERIOD THAT MUST BE INCLUDED
	£		
Breakfast	8.00	3	No overnight subsistence.
Lunch	12.00	4	12 Noon to 2p.m.
Dinner	25.00	4	
Overnight stay with friends or family	25.00	24	Continuous absence which includes overnight stay.
Overnight Stay	110.00	24	Continuous absence which includes overnight stay.
Overnight stay London	131.00	24	Continuous absence which includes overnight stay.

Exclusions

- (i) In the case of breakfast, lunch and dinner no reimbursement can be claimed when a meal has been provided free of charge.
- (ii) In the case of an overnight stay the sum reimbursed shall be reduced in respect of any meal or accommodation provided free of charge.
- (iii) Where the Council books a conference which includes accommodation and subsistence no additional sums may be claimed by Members.

TELEPHONE EXPENSES

Landline Telephone and Broadband Connections

Members can be supplied with landline telephone and broadband facilities at home which are installed and paid for by the Council. **The telephone facility should only be used for Council business. In parallel with the Council's mobile device policy, broadband facilities may be used for personal use but must not be used for any non-Council business activities. Members will be asked to sign an undertaking to that effect.**

Bills for these services are sent directly to the Council.

Some Members have chosen to use their own personal broadband connection for Council business and as the Council has made a cost effective solution available, Members are not entitled to claim for business use of this equipment.

Mobile Telephones

Members can be supplied with mobile telephones/tablets/laptops by the Council. **The use of these devices is controlled by the Council's mobile device policy.** The policy permits personal use of a Council supplied mobile device within usage plan limits, but it does not permit the use of a Council supplied mobile phone for non-Council business activities.

Should members intend to use phones, laptops and tablets overseas they should contact IT (3131) with travel details no later than 3 days before travel to allow the appropriate "bolt on" arrangements to be made. Members should also note that there may be additional costs associated with this depending on their travel destination. Should Members fail to notify IT of overseas travel and use their devices without making the appropriate "bolt on" arrangements, this may result in significant additional costs.

Bills for mobile devices are sent to Members Services. In the event that a bill exceeds the monthly usage plan limit Members will be asked to confirm whether excess costs are personal or Council related. If personal, Members will be required to pay the excess by way of deduction from their next salary.

Members will be asked to sign an undertaking confirming that they will comply with the terms of the Council's mobile device policy

CONFERENCES AND TRAVEL ABROAD

Conferences

Attendance at conferences requires to be approved in advance by the Director of Corporate and Community Resources or Head of Democratic and Partnership Services in consultation with the Leader of the Council.

Conferences have to be accounted for separately and accordingly there is a special conferences claim form.

In respect of conferences within the UK Members will be reimbursed according to normal rates for travelling and subsistence which will be subject to provision of appropriate receipts.

When the Council books overnight accommodation this should be at or below the Members' overnight allowance rate.

When the Council books a conference which includes accommodation and subsistence no additional sums may be claimed by Members.

Travel Abroad

In respect of travel outwith the UK, travelling expenses for the most appropriate form of transport and subsistence will be reimbursed provided details and receipts are produced.

601

INCOME TAX AND NATIONAL INSURANCE

Income Tax and National Insurance

Normal Income Tax and National Insurance rules are applied to salary payments, travel claims and telephone rental allowance.

Tax Relief

Members may wish to claim tax relief in respect of expenses which are not reimbursed by the Council e.g. expenses in connection with constituency work. Details of these expenses should be submitted normally at the end of the Tax Year, direct to HMRC. A form and guidance notes for this purpose will be available from the Payroll Section. If Members do not wish to make a claim in respect of such expenses no action need be taken.

BLANK PAGE