



# Clackmannanshire Council

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**Kilncraigs, Alloa, Scotland, FK10 1EB (Tel.01259-450000)**

## **Clackmannanshire Council**

**Thursday 18 December 2014 at 10.00 am.**

**Venue: Council Chamber, Patons Building,  
Kilncraigs, Greenside Street, Alloa, FK10 1EB**

Date	Time
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# Clackmannanshire Council

There are 32 Unitary Councils in Scotland. Clackmannanshire Council is the smallest mainland Council. Eighteen Councillors are elected to represent the views of the residents and businesses in Clackmannanshire. The Council has approved Standing Orders that detail the way the Council operates. Decisions are approved at the 9 weekly meetings of the full Council and at Committee Meetings.

The Council is responsible for approving a staffing structure for the proper discharge of its functions, approving new policies or changes in policy, community planning and corporate governance including standards of conduct.

The Council has further responsibility for the approval of budgets for capital and revenue expenditure, it also has power to make, alter or cancel any scheme made under statute and to make, alter or cancel any orders, rules, regulations or bye-laws and to make compulsory purchase orders. The Council also determines the level of Council Tax and approves recommendations relating to strategic economic development.

Members of the public are welcome to attend our Council and Committee meetings to see how decisions are made.

Details of all of our Council and Committee dates and agenda items are published on our website at [www.clacksweb.org.uk](http://www.clacksweb.org.uk)

If you require further information about Council or Committee meetings, please contact Strategy and Customer Services by e-mail at [customerservice@clacks.gov.uk](mailto:customerservice@clacks.gov.uk) or by telephone on 01259 452106 or 452004.

**10 December 2014**

**A MEETING of the CLACKMANNANSHIRE COUNCIL will be held within the Council Chamber, Patons Building, Kilncraigs, Alloa, FK10 1EB, on THURSDAY 18 DECEMBER 2014 at 10.00 am.**

**ELAINE McPHERSON  
Chief Executive**

**B U S I N E S S**

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1. Apologies	--
2. Declaration of Interests Elected Members are reminded of their obligation to declare any financial or non-financial interest which they may have in any item on this agenda in accordance with the Councillors' Code of Conduct. A Declaration of Interest form should be completed and passed to the Committee Officer.	--
3. Confirm Minutes of Meeting held on Thursday 23 October 2014 (Copy herewith)	07
4. Committee Meetings Convened Since the Previous Council Meeting on 23/10/14 ( <i>For information Only</i> )	- -
(a) Regulatory Committee 28/10/14 & 25/11/14	
(b) Resources and Audit Sub Committee 29/10/14 & 10/12/14	
(c) Planning Committee 30/10/14	
(d) Housing, Health and Care Committee 30/10/14	
(e) Enterprise and Environment Committee 06/11/14	
(f) Licensing Board 13/11/14 & 11/12/14	
(f) Education Sport and Leisure Committee 20/11/14	
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8.	Notification of Changes to Standing Orders - Notice was given at the Meeting of Council of 23 October 2014 under Standing Order 20.7 of intention to bring to Council proposals to amend Standing Orders. No such proposals have been submitted and therefore no substantive report is submitted to this meeting.	--
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## **EXEMPT INFORMATION**

It is considered that the undernoted report be treated as exempt from the Council's general policy of disclosure of all papers by virtue of Schedule 7A, Part 1, Paragraph 9 of the Local Government (Scotland) Act 1973. It is anticipated, (although this is not certain) that the Council will resolve to exclude the press and public during consideration of these items.

14.	Capital Investment Fund - Acquisition of Land at 35 Primrose Street , Alloa - report by Head of Development and Environment (Copy herewith)	81
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## Clackmannanshire Council – Councillors

### and Wards

#### Councillors

#### Wards

Provost	Tina Murphy	1	Clackmannanshire West	SNP
Councillor	George Matchett, OPM	1	Clackmannanshire West	LAB
Councillor	Les Sharp	1	Clackmannanshire West	SNP
Councillor	Jim Stalker	1	Clackmannanshire West	LAB
Councillor	Donald Balsillie	2	Clackmannanshire North	SNP
Councillor	Archie Drummond	2	Clackmannanshire North	INDP
Councillor	Walter McAdam, MBE	2	Clackmannanshire North	SNP
Councillor	Bobby McGill	2	Clackmannanshire North	LAB
Councillor	Derek Stewart	3	Clackmannanshire Central	LAB
Councillor	Graham Watt	3	Clackmannanshire Central	LAB
Councillor	Gary Womersley	3	Clackmannanshire Central	SNP
Councillor	Janet Cadenhead	4	Clackmannanshire South	LAB
Councillor	Kenneth Earle	4	Clackmannanshire South	LAB
Councillor	Ellen Forson	4	Clackmannanshire South	SNP
Councillor	Craig Holden	4	Clackmannanshire South	SNP
Councillor	Alastair Campbell	5	Clackmannanshire East	CONS
Councillor	Irene Hamilton	5	Clackmannanshire East	SNP
Councillor	Kathleen Martin	5	Clackmannanshire East	LAB





**MINUTES OF MEETING of the CLACKMANNANSHIRE COUNCIL held within the Council Chamber, Patons Building, Kilncraigs, Alloa, FK10 1EB, on THURSDAY 23 OCTOBER 2014 at 10.00 am.**

**PRESENT**

Provost Tina Murphy (In the Chair)  
Councillor Donald Balsillie  
Councillor Janet Cadenhead  
Councillor Alastair Campbell  
Councillor Archie Drummond  
Councillor Kenneth Earle  
Councillor Ellen Forson  
Councillor Irene Hamilton  
Councillor Craig Holden  
Councillor Kathleen Martin  
Councillor George Matchett, QPM  
Councillor Walter McAdam, MBE  
Councillor Bobby McGill  
Councillor Les Sharp  
Councillor Jim Stalker  
Councillor Derek Stewart  
Councillor Graham Watt  
Councillor Gary Womersley

**IN ATTENDANCE**

Elaine McPherson, Chief Executive  
Nikki Bridle, Depute Chief Executive  
Stephen Coulter, Head of Resources and Governance  
Stuart Crickmar, Head of Strategy and Customer Services  
Val de Souza, Head of Social Services  
Ahsan Khan, Head of Housing and Community Safety  
David Leng, Head of Education  
Gordon McNeil, Head of Development and Environment  
Andrew Wyse, Solicitor, Clerk to the Council  
Alan Milliken, Assistant Head of Education  
Liz Shaw, Chief Accountant

Before the start of business, on behalf of the Council, the Provost welcomed Stephen Coulter, as the Council's recently appointed Head of Resources and Governance, to his first meeting of the Clackmannanshire Council.

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In terms of Standing Order 11.6, the Provost intimated that an item of urgent business in relation to the appointment of the Leader of the Council had been submitted by the Chief Executive. In terms of Standing Order 11.7, the Provost intimated that this matter would be accepted onto the agenda and would be considered after agenda item 14 for the following reason. The item in question, which had been formally intimated to the Chief Executive, relates to the recent resignation of the Leader of the Council and in order to ensure continued leadership of the Council, the matter would be considered as an item of urgent business.

**CC.244            APOLOGIES**

None

**CC.245            DECLARATION OF INTERESTS**

None

**CC.246            MINUTES OF MEETING OF THE CLACKMANNANSHIRE COUNCIL HELD  
ON THURSDAY 14 AUGUST 2014**

The minutes of the meeting of the Clackmannanshire Council held on Thursday 14 August 2014 were submitted for approval.

**Decision**

The minutes of the meeting of the Clackmannanshire Council held on Thursday 14 August 2014 were agreed as a correct record of proceedings and signed by the Provost.

**CC.247            COMMITTEE MEETINGS CONVENED SINCE THE PREVIOUS COUNCIL  
MEETING ON 14 AUGUST 2014**

The Council agreed to note the committee meetings that had taken place since the last Council meeting on 14 August 2014:

- Housing, Health and Care Committee            21/08/14
- Regulatory Committee                                02/09/14
- Enterprise and Environment Committee            04/09/14
- Planning Committee                                    11/09/14
- Appointments Committee                            24/09/14
- Resources and Audit Committee                    25/09/14
- Education Sport and Leisure Committee            02/10/14
- Local Review Body                                    09/10/14

**CC.248            COMMITTEE RECOMMENDATIONS REFERRED TO COUNCIL**

A report which sought Council approval of recommendations made by committees during the August to October 2014 cycle of meetings was submitted by the Chief Executive.

**Motion**

That Council agrees the recommendations set out in the report.

Moved by Councillor Gary Womersley. Seconded by Councillor Donald Balsillie.

**Decision**

The Council agreed:

- (1) From the Housing, Health and Care Committee of 21 August 2014 in relation to the report entitled "Strategy and Regeneration Update " to ratify the decision of the Committee to:
  - Approve the sale of the garage site at Redwell Place, Alloa, to Kingdom HA at a value agreed in consultation with the District Valuer Service.



- (2) From the Housing, Health and Care Committee of 21 August 2014 in relation to the report entitled "Implementation of the Social Care (Self-Directed Support) (Scotland) Bill" to ratify the decision of the Committee to:
- Approve the revised eligibility framework, including the introduction of financial thresholds and appeals process, for operational implementation
- (3) From the Resources and Audit Committee of 25 September 2014 in relation to the report entitled "External Audit Final Report to Members on the 2013/14 Audit" to ratify the decision of the Committee to:
- Approve the final amended Accounts for 2013/14

#### **CC.249 LEADER'S BRIEFING**

A briefing report which informed elected members of a range of issues and activities which the Council Leader has been engaged with in the past quarter was submitted by the Leader of the Council. The intention of the report was to assist in raising awareness amongst elected members of a number of matters which affect the Council or the area and, as such, future workstreams.

Councillor Womersley pointed out an error in the report at paragraph 4.1; Councillor Womersley did not attend the official opening of Redwell Primary School on 30 September 2014 as indicated in the report.

The Council agreed to note the information set out in the report as amended at paragraph 4.1.

#### **CC.250 CHANGES TO COMMITTEE APPOINTMENTS AND CONSEQUENT RESIGNATION OF VICE-CONVENOR OF THE PLANNING COMMITTEE**

A report was submitted by the Governance Manager which resulted from the intimation from Councillor Graham Watt of intended changes to representatives of the Main Opposition on two standing committees and the consequent resignation of Councillor Watt as Vice Convenor of the Planning Committee and Local Review Body.

Councillors Watt and Martin had confirmed that they would simultaneously resign from the Planning Committee and the Resources and Audit Committee respectively in the event of Council agreeing their respective appointments to the Resources and Audit Committee and the Planning Committee.

#### **Motion**

That in the event of Councillor Watt ceasing to be a member of the Planning Committee, that Council appoints a member of the Planning Committee to be the Vice Convenor of the Committee and the Local Review Body and agrees the intended changes to representatives of the Main Opposition Group on the two standing committees.

Moved by Councillor Bobby McGill. Seconded by Councillor Graham Watt

Councillors Watt and Martin confirmed their resignations from the Planning Committee and the Resources and Audit Committee respectively.

#### **Appointment to the Planning Committee**

Councillor Watt nominated Councillor Kathleen Martin, seconded by Councillor Cadenhead.

### **Appointment to the Resources and Audit Committee**

Councillor McGill nominated Councillor Graham Watt, seconded by Councillor Cadenhead.

### **Appointment of Vice Convenor of the Planning Committee and Local Review Body**

Councillor McGill nominated Councillor George Matchett, seconded by Councillor Watt.

### **Decision**

There being no other nominations following the resignation of Councillors Watt and Martin from the Planning Committee and the Resources and Audit Committee, the Council agreed unanimously to appoint Councillor Martin to the Planning Committee, and Councillor Watt to the Resources and Audit Committee and the consequent appointment of Councillor Matchett as the Vice Convenor of the Planning Committee and Local Review Body.

### **Action**

Governance Manager

### **CC.251 NOTIFICATION OF CHANGES TO STANDING ORDERS - CHANGE OF MEETING CYCLE TO EIGHT WEEK PERIOD**

Notice was given at the Council meeting on 14 August 2014 of the intention to bring forward amendments to Standing Orders and a report which followed on from that notice was submitted by Councillor Graham Watt.

Changes are required to Standing Orders 6.2 and 6.3 to give effect to the proposal to alter the timetable of Council and Committee meetings to an eight week cycle from nine weeks.

### **Motion**

That Council agrees to:

Delete existing Standing Order 6.2 and insert:

- 6.2 Ordinary meetings will usually be held every eight weeks in the Council Chamber. Such meetings will be postponed or cancelled only if there is insufficient business or some other exceptional circumstances. The consent of the Provost will be required for any change of date or venue. An annual programme of meeting dates will be submitted to the appropriate meeting of the Council in the previous year.

Delete existing Standing Order 6.3 and insert:

- 6.3 Subject to there being business for the Committee, the Planning Committee will usually be held every four weeks in the Council Chamber, normally on a Tuesday, or at such other places and on such other dates and at such other times as the Convenor may set.

Moved by Councillor Graham Watt. Seconded by Councillor Derek Stewart.

### **Amendment**

Standing Order 6.3 to be amended to read as follows:

"Subject to there being sufficient business, the Planning Committee may meet more than once in an eight week cycle in the Council Chamber, not necessarily on a Thursday. Times and dates will be agreed with the Convenor.

The Local Review Body will normally be held on the same day as a Planning Committee according to the demands of business."

Moved by Councillor Bobby McGill. Seconded by Councillor Jim Stalker.

#### **Voting on the Amendment**

For the amendment	9 votes
Against the amendment	9 votes

On a division of 9 votes to 9, the amendment was defeated on the casting vote of the Provost.

#### **Voting on the Motion**

For the motion	9 votes
Against the motion	9 votes

On a division of 9 votes to 9, the motion was defeated on the casting vote of the Provost.

Accordingly, on the casting vote of the Provost both the motion and the amendment seeking to change Standing Orders fell resulting in no further action.

At this point in the proceedings, Councillor Womersley gave formal notification of potential changes to Standing Orders to be submitted to the next meeting of the Council (18 December 2014).

### **CC.252            BUDGET STRATEGY UPDATE**

A report which maintained Council's regular updates on the medium term financial outlook and indicative funding gap was submitted by the Depute Chief Executive. The report also provided an update on the latest financial outturn for the Council, progress with budget preparation and the new Community Development Grants (CDG) process.

#### **Motion**

That Council agrees to note the recommendations set out in the report.

Moved by Councillor Gary Womersley. Seconded by Councillor Donald Balsillie.

#### **Decision**

The Council agreed unanimously to note:

- (1) the Draft Scottish Budget announcement and the further information which follows in early December 2014 (as set out in paragraphs 3.1-3.4 of the report).
- (2) the revised indicative funding gap scenarios to 2017/18 of £21.85 (Exhibit 2 of the report) and £22.24m (Exhibit 3 of the report) based on pay inflation rates of 1.5% and 2.0% respectively.
- (3) the amendments to financial planning assumptions detailed in paragraph 4.5.
- (4) the work undertaken by management to improve the outturn position reported to the Resources and Audit Committee on 25 September 2014 (paragraphs 4.10 and 4.11 of the report).
- (5) the improved outturn position from £1.854m to £0.281m overspend since the Resources and Audit Committee on 25 September 2014 (paragraph 4.13 of the report).

- (6) the importance of robust financial monitoring by both elected members and management to sustain or further improve upon the current outturn position (paragraph 4.14 of the report).
- (7) that additional savings for 2014/15 are not proposed at this time but that other precautionary management measures are being progressed (paragraph 4.15 of the report).
- (8) progress with the implementation of the redesigned Budget Challenge process and the next scheduled briefings for elected members and trade unions in December 2014 (paragraphs 4.16 and 4.17 of the report).
- (9) progress in the implementation of the Community Development Grant scheme under the administration of the Capital Investment Group (paragraph 4.18 of the report).

### **CC.253 DEVELOPMENTS IN COMMUNITY PLANNING**

A report which brought the Council up to date with a number of important developments within community planning in Clackmannanshire following the latest meeting of Clackmannanshire Alliance held on 5 September 2014, was submitted by the Head of Strategy and Customer Services.

#### **Motion**

That Council agrees the recommendations set out in the report.

Moved by Councillor Gary Womersley. Seconded by Councillor Donald Balsillie.

#### **Decision**

Having commented on and challenged the report, the Council agreed to note the developments within community planning in Clackmannanshire.

### **CC.254 BUS SERVICES TO FORTH VALLEY ROYAL HOSPITAL**

A report which updated Council on the agreement to continue the H1 and H2 bus services between Clackmannanshire and Forth Valley Royal Hospital (FVRH) until 31 March 2018, further to the report to the Enterprise and Environment Committee in March 2013, was submitted by the Head of Development and Environment.

#### **Motion**

That Council notes and welcomes the proposal to continue the H1 and H2 bus services until 31 March 2018 and the renewed opportunity for partnership working between the Council and NHS Forth Valley which results.

Moved by Councillor Gary Womersley. Seconded by Councillor Donald Balsillie.

#### **Decision**

The Council agreed unanimously to note and welcome the proposal to continue the H1 and H2 bus services until 31 March 2018 and the renewed opportunity for partnership working between the Council and NHS Forth Valley which results.

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The Provost adjourned the meeting at this point in the proceedings (1203 hrs).

When the meeting resumed at 1237 hrs, 18 members remained present.

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**CC.255            REVIEW OF LEISURE SERVICES**

A report which presented Council with the findings of the externally commissioned review of Leisure Services and sought Council's views on key matters going forward in respect of the longer term provision of leisure services in Clackmannanshire was submitted by the Chief Executive.

**Motion**

That Council agrees the recommendations set out in the report.

Moved by Councillor Gary Womersley. Seconded by Councillor Ellen Forson.

**Decision**

The Council agreed unanimously to:

- (a) note the Review of Clackmannanshire Leisure Services, its overall findings and recommendations.
- (b) agree to develop a ten year Leisure Strategy for Clackmannanshire by December 2015 when the existing strategy expires.
- (c) note the Review's finding that the overall service provided by Wasp Leisure represents good value for money.
- (d) agree to continue its contract with Wasp Leisure to the end of September 2019 (subject to satisfactory negotiation of terms and conditions with the contractor), to ensure there is no loss of leisure provision while the Council develops a long term strategy and that there is continuity of leisure provision pending decisions which may flow from such a strategy and their implementation.

**Action**

Chief Executive

## **CC.256            AUTHORISATION OF TRADING STANDARDS SCOTLAND**

A report was submitted by the Head of Development and Environment which informed Council of the establishment of a Scotland-wide trading standards team, Trading Standards Scotland (TSS) forming part of CoSLA. The team will complement the work of local trading standards services throughout Scotland dealing with national and cross border issues as well as crimes of a specialist nature such as illegal money lending and e-crime.

The report also sought Council's approval of the proposed mechanisms for delegating the Council's functions and powers under trading standards and consumer protection legislation to Stirling Council who carry out the Trading Standards service for Clackmannanshire Council and further authorise Stirling Council to delegate the appropriate powers in respect of Clackmannanshire to TSS staff.

Council was invited to approve changes to the Scheme of Delegation to give effect to the necessary delegation of functions and powers to Stirling Council and consequently to TSS

### **Motion**

That Council agrees the recommendations set out in the report.

Moved by Councillor Gary Womersley. Seconded by Councillor Donald Balsillie.

### **Decision**

The Council agreed unanimously to appoint Stirling Council to discharge Clackmannanshire Council's relevant trading standards and consumer protection functions as enabled by section 56(1) of the Local Government (Scotland) Act 1973; and further authorises them to appoint Trading Standards Scotland to discharge the functions under the relevant trading standards and consumer protection legislation falling within the remit of Trading Standards Scotland on behalf of this authority.

The Council also agreed to approve the proposed changes to the Scheme of Delegation as set out in Appendix A of the report.

### **Action**

Head of Development and Environment

## **CC.257            ADDITIONAL CAPITAL FUNDING - KELLIEBANK**

A report which sought approval for the additional spend of £300k required to complete the Kelliebank Capital project was submitted by the Chief Accountant.

### **Motion**

That Council approves £300k from the current General Fund Capital Programme underspend of £2.956m (as set out in Appendix A of the report) to complete programmed works at Kelliebank.

Moved by Councillor Gary Womersley. Seconded by Councillor Donald Balsillie.

### **Decision**

On a division of 17 votes to one, the Council agreed to approve £300k from the current General Fund Capital Programme underspend of £3.956m (as set out in Appendix A of the report) to complete programmed works at Kelliebank.

### **Action**

Chief Accountant

## **CC.258 APPOINTMENT OF COUNCIL LEADER**

In terms of Standing Order 11.7 the Provost admitted this report onto the agenda as a matter of urgent business in order to ensure continued leadership of the Council.

A report was submitted by the Chief Executive which invited Council to appoint a new Leader further to notification by Councillor Gary Womersley of his intention to resign as Leader of the Council with effect from 3 November 2014.

### **Motion**

That Council appoints Councillor Les Sharp as Leader of the Council with effect from 3 November 2014 and notes that the new Leader will take the place of Councillor Womersley on the outside bodies set out in paragraph 3.3 of the report.

Moved by Councillor Gary Womersley. Seconded by Councillor Donald Balsillie.

### **Decision**

The Council agreed unanimously :

- (a) to appoint Councillor Les Sharp as Leader of the Council with effect from 3 November 2014, and
- (b) to note that Councillor Sharp as Leader of the Council will take the place of Councillor Womersley on the following outside bodies:
  - Clackmannanshire and Stirling NHS Forth Valley Partnership Board
  - Clackmannanshire Alliance
  - Clackmannanshire Business Ltd
  - CoSLA Leaders
  - CSBP Clackmannanshire Developments Ltd
  - CSBP Clackmannanshire Investments Ltd

On behalf of the Council, the Provost thanked Councillor Womersley and wished him well and offered congratulations to Councillor Sharp on his appointment as Leader of the Council.

### **Action**

Chief Executive

## **EXEMPT INFORMATION**

The Council resolved in terms of Section 50(A) of the Local Government (Scotland) Act, 1973, that the press and public be excluded from the meeting during consideration of the following items of business on the grounds that it involved the likely disclosure of exempt information as detailed in Schedule 7A, Part 1, Paragraphs 8 (CC.259) and 9 (CC.260).

### **C.259 GEOGRAPHIC INFORMATION SERVICES**

A report which updated Council on the position in respect of the company thinkWhere (formerly Forth Valley GIS) and made recommendation was submitted by the Chief Executive.

As one of the recommendations in the report sought to alter a Council decision made within the past six months (26 June 2014), as per Standing Order 17.1, the Provost had been consulted on the matter and was satisfied that circumstances had changed in a relevant way in light of updated financial information and responses received to date on the matter.

#### **Motion**

That Council agrees the recommendations set out in the report.

Moved by Councillor Gary Womersley. Seconded by Councillor Donald Balsillie.

#### **Decision**

The Council agreed unanimously to support the recommendations set out in the report.

#### **Action**

Chief Executive

### **CC.260 ALVA GLEN HOTEL, STIRLING STREET, ALVA**

A report was submitted by the Head of Development and Environment which sought to update Council on progress regards the Alva Glen Hotel building.

#### **Motion**

That Council agrees the recommendations set out in the report.

Moved by Councillor Gary Womersley. Seconded by Councillor Donald Balsillie.

#### **Amendment**

That paragraphs 2.2-2.5 are removed and new paragraphs 2.2 and 2.3 as detailed in the submitted amendment are inserted.

Moved by Councillor Bobby McGill. Seconded by Councillor Jim Stalker.

#### **Procedural Motion 1**

Councillor Womersley moved that the matter is put to the vote. The Provost accepted the procedural motion and the matter was voted on as follows:

For the motion to move to the vote on the amendment	9 votes
Against the motion to move to the vote on the amendment	9 votes

Accordingly, on the casting vote of the Provost the matter was put to the vote.



### **Voting on the Amendment**

For the amendment	9 votes
Against the amendment	9 votes

On a division of 9 votes to 9, the amendment was defeated on the casting vote of the Provost.

### **Procedural Motion 2**

Councillor Womersley moved that the matter is put to the vote. The Provost accepted the procedural motion and the matter was voted on as follows:

In terms of Standing Order 14.7, Councillor Cadenhead asked for a roll call vote. The Council agreed that a vote be taken by calling the roll and at this stage there were 18 members present who were eligible to vote. On the roll being called, the members present voted as follows:

For the motion to move to the vote on the substantive motion (9 votes)

Councillor Gary Womersley  
Councillor Donald Balsillie  
Councillor Les Sharp  
Councillor Craig Holden  
Councillor Ellen Forson  
Councillor Irene Hamilton  
Councillor Walter McAdam  
Provost Tina Murphy  
Councillor Archie Drummond

Against the motion to move to the vote on the substantive motion (9 votes)

Councillor Alastair Campbell  
Councillor Kenneth Earle  
Councillor Derek Stewart  
Councillor Kathleen Martin  
Councillor Graham Watt  
Councillor Janet Cadenhead  
Councillor Jim Stalker  
Councillor George Matchett  
Councillor Bobby McGill

Accordingly, on the casting vote of the Provost the matter was put to the vote.

### **Voting on the Substantive Motion**

In terms of Standing Order 14.7, Councillor Womersley asked for a roll call vote. The Council agreed that a vote be taken by calling the roll and at this stage there were 18 members present who were eligible to vote. On the roll being called, the members present voted as follows:

For the substantive motion (10 votes)

Councillor Gary Womersley  
Councillor Donald Balsillie  
Councillor Les Sharp  
Councillor Craig Holden  
Councillor Ellen Forson  
Councillor Irene Hamilton  
Councillor Walter McAdam

Councillor Archie Drummond  
Councillor Alastair Campbell  
Provost Tina Murphy

Against the substantive motion (8 votes)

Councillor Kenneth Earle  
Councillor Derek Stewart  
Councillor Kathleen Martin  
Councillor Graham Watt  
Councillor Janet Cadenhead  
Councillor Jim Stalker  
Councillor George Matchett  
Councillor Bobby McGill

**Decision**

Accordingly, on a division of 10 votes to 8 the Council agreed the recommendations set out in the report.

**Action**

Head of Development and Environment

Ends 1455 hrs

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**Report to: Clackmannanshire Council**

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**Date: 18th December, 2014**

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**Subject: Committee Recommendations Referred to Council**

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**Report by: Chief Executive**

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## **1.0 Purpose**

- 1.1 The purpose of this report is to seek Council approval of recommendations which have been made by committees during the October - December, 2014 cycle of meetings.
- 1.2 Under the Council's decision-making framework, Council has delegated certain matters to committees and has reserved certain powers. Included in the latter are the approval of main policies and strategies (Scheme of Delegation 3.2), the approval of budgets (Scheme of Delegation 3.19) and the spending money not budgeted for (Scheme of Delegation 3.20).
- 1.3 Standing Order 8.4 requires that where a committee passes a report to Council, the full committee report shall not be included again on the council agenda and that officers should prepare a brief report that refers to the relevant committee report and recommendation(s).

## **2.0 Recommendations**

2.1 It is recommended that Council:

1. from the **Housing, Health and Care Committee of 30th October, 2014** in relation to the report entitled "*Fostering and Kinship Rates*"

- agrees to increase the Kinship Care Allowances to reflect an equivalency level with foster care payments.

2. from the **Housing, Health and Care Committee of 30th October, 2014** in relation to the report entitled "*Strategic Housing Investment Plan 2014-2019*"

- approves the Strategic Housing Investment Plan (SHIP), including the 5 year programme of housing sites that will provide the basis of the Strategic Local Program (SLP).

3. from the **Housing, Health and Care Committee of 30th October, 2014** in relation to the report entitled "*Proposed Town Centre Regeneration Project*"

- transfers the Tillicoultry Community Centre land from the General Fund to the Housing Revenue Account at a value agreed in conjunction with the District Valuer Services.
- approves the funding arrangements for the Council to support the housing development at the Tillicoultry Community Centre by bringing the approved capital spend forward from 2016/17 to 2015/16.
- agrees to Tillicoultry for the next phase of the Village and Small Town Centre initiative in order to support a wider regeneration of Tillicoultry town centre.

2.2 The minute and reports relating to these items are available on the Members' Portal.

### **3.0 Sustainability Implications**

NA

### **4.0 Resource Implications**

4.1. *Financial Details*

4.2. N/A

4.3. Staffing N/A

### **5.0 Declarations**

5.1 The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

#### **(1) Our Priorities**

Our communities are more cohesive and inclusive  
 Vulnerable people and families are supported  
 The Council is effective, efficient and recognised for excellence

**(2) Council Policies** (Please detail) N/A

### **6.0 Equalities Impact**

6.1 N/A

### **7.0 Legality**

7.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes


### **8.0 Appendices**

8.1 None

## 9.0 Background Papers

a) Housing, Health and Care Committee Agenda of 30th October, together with Minute.

### Author(s)

NAME	DESIGNATION	SIGNATURE
Elaine McPherson	Chief Executive	



**THIS PAPER RELATES TO  
ITEM 6  
ON THE AGENDA**

**Councillor Archie Drummond**  
Ward 2 Clackmannanshire North (Multi Member Ward)  
Kilncraigs, Greenside Street, Alloa, FK10 1EB  
Telephone: 01259 452267 Mobile: 07881 832 301  
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**Clackmannanshire Council**  
www.clacksweb.org.uk

The Clerk to the Council

Contact: Ashleigh Gardiner  
Business Support Officer  
Telephone: 01259 452005  
Email: agardiner@clacks.gov.uk  
Our ref:  
Date: 02 December 2014

Dear Mr Wyse

**Meeting of Clackmannanshire Council, 18 December 2014  
Questions to the Provost - Council Policy on Fracking**

I will be grateful if you will include the following questions to the Provost on the agenda of the meeting of Clackmannanshire Council to be held on 18 December 2014.

*In light of the increasing likelihood of local applications for the commercial extraction of unconventional gas by fracking, evidence of growing public concern over possible adverse impacts on our communities and the absence of any reference to policy on this issue in the recently adopted Local Development Plan, how does the Council propose to address the omission and provide public assurance of robust planning powers?*

*Will the council make early arrangements to provide members with currently available evidence on any adverse health and environmental impacts that have arisen from fracking and coal bed methane extraction?*



Councillor Archie Drummond  
Ward 2, Clackmannanshire North

3 DEC. 2014

Rvd. 15.39  
gw

Visit my website - [www.your-councillor.com/archie-drummond](http://www.your-councillor.com/archie-drummond)





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**Report to: Clackmannanshire Council**

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**Date: 18 December, 2014**

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**Subject: Resignation of a Depute Provost**

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**Report by: Chief Executive**

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## **1.0 Purpose**

- 1.1 The purpose of this report is to notify to Council of the resignation of Councillor Les Sharp as one of the Council's two Depute Provosts further to his recent appointment as Council Leader.

## **2.0 Recommendation**

- 2.1 It is recommended that Council:
- a) notes the resignation of Councillor Les Sharp as one of the Council's two Depute Provosts and;
  - b) considers appointing an elected member to the vacant position.

## **3.0 Background**

- 3.1 Councillor Les Sharp has notified me of his resignation as one of the Council's two Depute Provosts.
- 3.2 The Council currently has two positions of Depute Provost, as agreed at its meeting in June, 2012. Only one of these is remunerated (ref Council Jan 26, 2012) and it is the other post which is now vacant.
- 3.3 If the Council wishes to fill the vacancy which now exists, the appointment will be made under the terms of Standing Orders 14.14-14.19, *Voting: Filling Posts or Offices Held By Councillors*.

## **4.0 Sustainability Implications - N/A**

## **5.0 Resource Implications - Financial Details N/A; Staffing N/A**

## **6.0 Declarations**

- 6.1 The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

(1) **Our Priorities** - N/A

(2) **Council Policies** (Please detail) - Standing Orders

**7.0 Equalities Impact** - N/A

**8.0 Legality**

8.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes


**9.0 Appendices** - None

**10.0 Background Papers** -

a) Letter from Councillor Les Sharp dated 6th November, 2014

b) Minute of Meeting of Clackmannanshire Council of 26 January, 2012 - cc115 and associated agenda report entitled, Amendments to Standing Orders

**Author(s)**

<b>NAME</b>	<b>DESIGNATION</b>	<b>SIGNATURE</b>
Elaine McPherson	Chief Executive	

**CLACKMANNANSHIRE COUNCIL**

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**Report to Council**

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**Date of Meeting: 18 December, 2014**

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**Subject: Budget Update**

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**Report by: Chief Executive and Depute Chief Executive**

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**1.0 Purpose**

- 1.1. The purpose of this report is to update Council on the financial outlook, the indicative funding gap and proposals for taking forward the 2015-16 budget.

**2.0 Recommendations**

2.1 It is recommended that Council:

- a) notes the financial outlook (paragraphs 3.1 to 3.12)
- b) notes the revised cumulative indicative funding gap of approximately £22million to 2017/18 (Tables 1 and 2);
- c) notes progress with the Budget Challenge process (Section 5)
- d) notes that the officer savings proposals identified to date (paragraph 5.3) do not close the current funding gap in any future years;
- e) agrees in principle the alternative operational model for the Council going forward (section 4) including the principle of the development of secondary and primary schools as community service hubs;
- f) agrees to undertake public consultation on the alternative operational model and the illustrative officer savings proposals (sections 4 and 6 and Appendix B);
- g) notes that some of the illustrative officer savings proposals for 2015-2016 would require a reduction in staff numbers for them to be achieved.
- h) agrees that compulsory redundancy may be utilised as one of a number of mechanisms to reduce the Council's establishment within the development of an overarching workforce strategy.

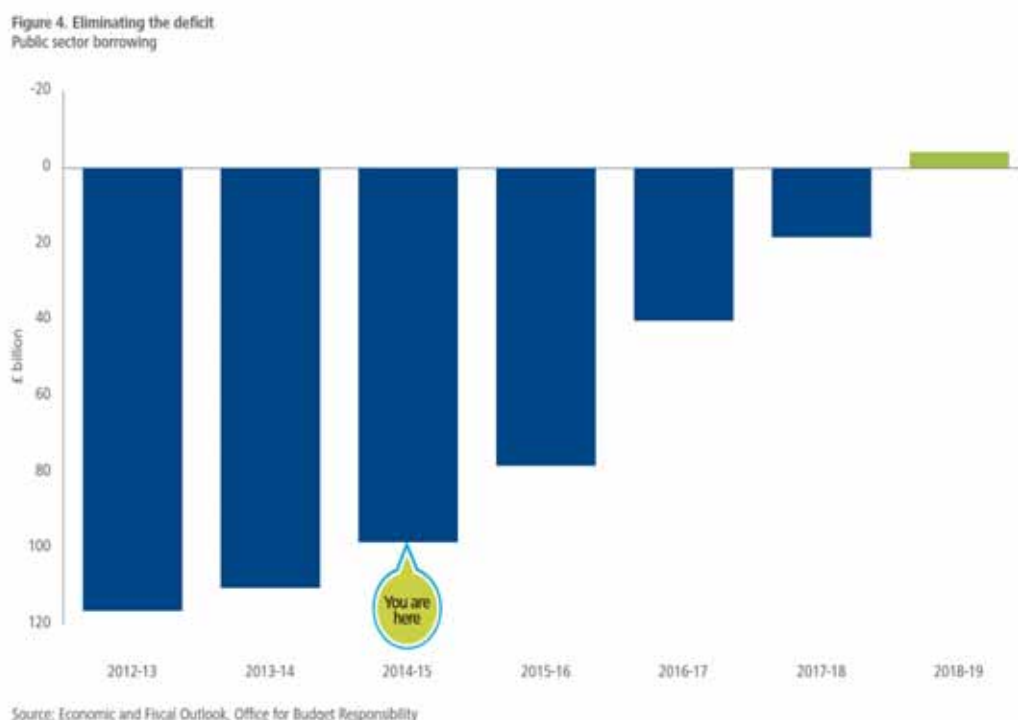
**3.0 Financial Outlook & Funding Gap**

- 3.1 In the Summer of 2014, Deloitte published its most recent research on the United Kingdom's (UK) financial position. It was titled *'The State of the State 2014/15:*

*Government's Inflection Point'*. Some of the key points are summarised in the following section alongside the most recent analysis prepared by Fiscal Affairs Scotland (previously Centre for Public Policy for the regions (CPPR)).

- 3.2 Exhibit 1 shows the current Office for Budget Responsibility (OBR) forecasts of the United Kingdom's (UK) public sector expenditure profile to 2018/19. This suggests that the UK deficit now stands at £96 billion and is expected to return to surplus by 2018/19. On this basis, the deficit reduction appears to be at about the half way mark, though significant reductions in expenditure need to be made in the coming 3-4 years if the deficit is to be eliminated within this timeframe.

Exhibit 1: Deloitte: Eliminating the deficit

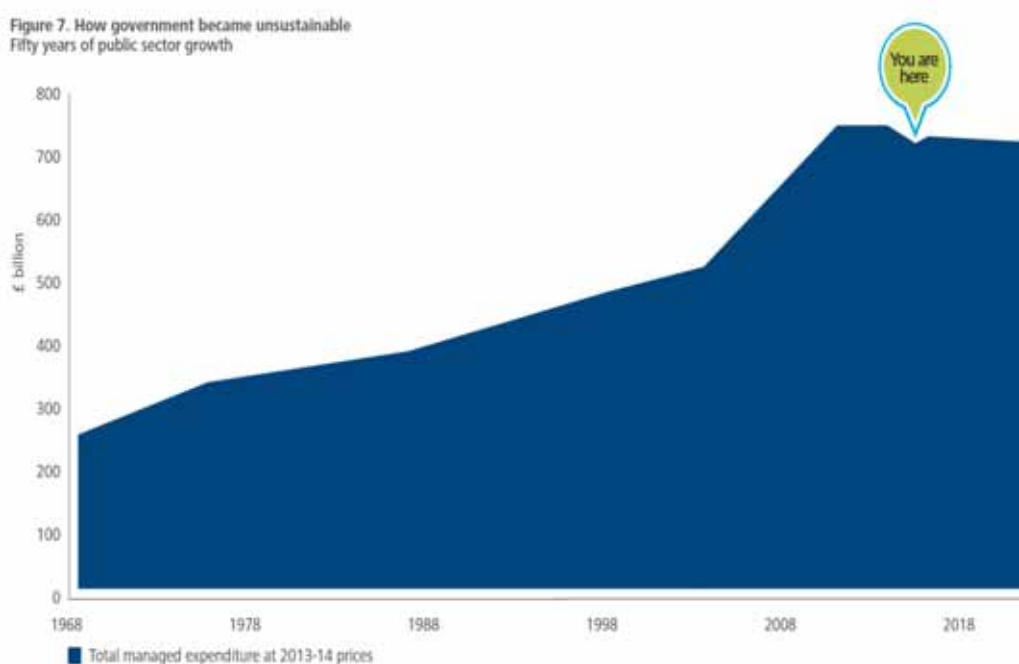


- 3.3 If the UK Government's fiscal consolidation target is met, spending reductions over the nine year period will take public sector expenditure as a percentage of GDP back to its 2001 level.
- 3.4 Successful delivery of the UK Government's fiscal consolidation strategy will bring spending down to more affordable levels but will fall short of ensuring that public service delivery is completely sustainable. For these reasons, continuing reform of public sector service delivery will be required to ensure that spending is sustainable at the same time as managing the increasing demand pressure of the UK's ageing population.
- 3.5 The cost of public sector service delivery has grown over time in line with the desire of governments to drive social change, for instance in respect of standards of Education

and health. However, over the last ten years there have been particularly significant increases in public spending, driven by demand, for instance 45% real terms increase in some elements of social security expenditure, a doubling of health expenditure and an increase of 50% in the cost of providing adult social care.

- 3.6 Exhibit 2 shows that in 1964, the UK Government spent about £13 billion or about £190 billion at today's prices. This was equivalent to 38% of GDP. Fifty years later, it is spending £730 billion which is equivalent to 44% of GDP. Exhibit 2 also shows the relative impact of recent reductions in public sector expenditure as a proportion of expenditure. Whilst the reductions in public sector expenditure have felt significant, it is clear that when these are viewed in the context of total expenditure, they appear to be less material.

Exhibit 2: Deloitte: Fifty years of public sector expenditure growth.



Source: Public Finances databank, Office for Budget Responsibility

- 3.7 While the deficit has been reducing, debts have been increasing. In the past decade, UK Government debt has trebled to £1.4 trillion. Reducing the public sector net debt as a proportion of GDP by 2015/16 is also part of the UK Government's fiscal targets. Current forecasts suggest that it will miss its targets by one year.
- 3.8 Since the start of fiscal consolidation in 2010/11, the public sector workforce has been adversely impacted. Over the last year, research suggests reductions in staff numbers of the order of 282,000, and of 898,000 since 2010. This position, however, masks an inconsistency in the reductions in public sector headcount that have been experienced across the 4 UK administrations. In England 760,000 staff left public sector employment between 2010 and 2014 compared to 36,000 in Wales, 83,000 in Scotland and 13,000 in Northern Ireland.
- 3.9 Committed frontline staff have been viewed as a key attribute of public service

delivery, however, recent research suggests that the public sector's popularity as a career destination has fallen in recent years. A key factor is that workforce reforms as a consequence of fiscal consolidation indicate that reducing confidence in job security is a key factor. An important part of reforms in service delivery models and approaches will be to ensure that appropriate steps are taken to develop and establish the skill set of those delivering public sector services in the future whilst acknowledging that the nature and design of service delivery roles will need to change.

- 3.10 The next wave of reductions in public service expenditure will be substantially more challenging. It is likely to require many public sector organisations to rethink how they operate. In local government, for instance it is anticipated that services will increasingly focus on services targeted towards people in particular need and move away from those services, they are not legally required to provide.
- 3.11 In Scotland, the profile of spending reductions in the public sector has been two years of deep cuts, followed by four years of milder cuts (current position), followed by projections of three more years of deep cuts. Between 2009/10 and 2014/15, there has been a real terms reduction of -10% in public sector expenditure. By the end of 2018/19, it is forecast that this position will be closer to a -20% reduction. It is important to remember that for local government, continuing protection of the NHS budget will result in greater reductions than this position, somewhere closer to -30%.
- 3.12 Pressure continues to be greatest on public sector revenue expenditure and at this stage, there is no obvious source of additional funding for this recurring day to day expenditure. The Scottish Government's Budget announcement is scheduled for the 11 December 2014. A verbal update on the Council's individual settlement sum will be provided at the Council meeting on the 18th December.
- 3.13 The current estimated funding gap is set out in the Tables 1 and 2 below. Table 1 shows the gap assuming 1% pay inflation, Table 2 assumes 1.5% pay inflation. At this stage, pay negotiations are ongoing through the recognised negotiation mechanisms. However, it is clear that the level of award potentially poses a significant challenge for councils in budget planning and preparation. Overall, the cumulative funding gap facing the Council remains significant at around £22M to the end of 2017/18. This equates to an annual gap of between £8.8M and £9.2M for 2015/16.
- 3.14 Key assumptions included within these scenarios remain as advised in the last update report to Council:
- demand pressures of £1.5m per annum, reflecting the level of demand pressures approved in respect of the 2014/15 Budget and the level of draft Demand pressure bids received to date.
  - budget growth of £1.5m in respect of Social Services in line with the current projected outturn for the Service.
  - removal of Adult Change Fund Budget of £600k.
  - removal of Welfare reform Budget of £746k.

**Table 1:** Indicative funding budget Gap based on 1% pay inflation

	2015/16	2016/17	2017/18
	£000	£000	£000
<b>Net expenditure</b>	122,924	128,409	132,847
<b>Net Funding</b>	114,098	112,962	111,388
<b>Cumulative indicative Funding Gap</b>	8,826	15,447	21,459
<b>Indicative Annual Gap</b>	8,826	6,621	6,011

**Table 2:** Indicative funding budget Gap based on 1.5% pay inflation

	2015/16	2016/17	2017/18
	£000	£000	£000
<b>Net expenditure</b>	123,306	128,800	133,238
<b>Net Funding</b>	114,098	112,962	111,388
<b>Cumulative indicative Funding Gap</b>	9,208	15,838	21,850
<b>Indicative Annual Gap</b>	9,208	6,630	6,011

#### 4.0 Alternative Council Operating Model

- 4.1 Details of progress with the Council's ongoing budget challenge process is provided in the next section of this report, along with proposed officer savings. It is, however, clear that the funding gap which the Council faces cannot be met from a programme of discrete savings and efficiencies; rather, for it to be financially sustainable the Council will require to realign its operating model. This position is also consistent with external commentaries and proposed approaches summarised in section 3 of this report as well as previous Budget Strategy Update reports to Council.
- 4.2 Senior management have been progressing work in this regard under the *Making Clackmannanshire Better* programme of work and proposals are now being refined for consideration of Council alongside more traditional budget savings. What is clear from this work is that there is a need for the Council to clearly define and articulate its core business for the future. It is intended that this vision will be a key influence and building block in setting the coming and future year's budgets.
- 4.3 Based on the MCB work completed to date, it is proposed that a financially sustainable alternative operating model for the future would have the following characteristics:
- a) a starting point of the Council's available budget rather than what it currently spends or traditionally has spent;
  - b) statutory service provision prioritised within that available budget
  - c) maximisation of efficiency, and productivity from within the available budget and a move away from focusing on the 'funding gap'

- d) statutory services provided efficiently and to the levels and/or standards prescribed
- e) if non-statutory services were provided or supported by the Council, they would only those which contributed directly to the following prevention and early intervention agendas:
  - giving young people the best start in life and supporting vulnerable families
  - improving employment opportunities for 16-25 year olds
  - supporting people to remain healthier and fitter for longer
  - reducing dependency on public sector services.
- f) where there was less, or no, capacity for the Council to provide services, the Council would facilitate as far as possible engagement of the community and third sector.

#### 4.4 Some likely implications of this operating model are:

- a) the Council would require to stop providing some non-statutory services
- b) the Council would require to reduce standards of statutory services where these were above the prescribed level or the national average
- c) the Council would require to introduce, or increase, charges for some services and/or stop subsidies for some services
- d) there would be a presumption of full cost recovery when charging for services
- d) the Council would require to stop funding to other organisations
- e) the Council would require to operate different service models.
- f) some specialist professional services would be procured as needed rather than provided directly by the Council.

#### 4.5 To implement the model and for it be sustainable going forward:

- a) the Council would have to reduce the number of people it employs, this being done in a structured way through effective workforce planning
- b) where appropriate, roles in the Council would have to be more generic to provide more integrated services
- c) there would be a need to continue to invest in staff skills development through effective workforce planning.
- d) the Council would have to make more efficient and flexible use of fixed assets which are required for statutory service provision (i.e. schools)
- e) the Council would have to consolidate the number of service centres it operates
- f) the Council would provide some services only on-line, digitally or through third parties.



- 4.6 Ultimately, the revised Council operating model would seek to maximise integrated and accessible delivery of statutory services and enable discretionary services to be provided by the third sector.
- 4.7 Last year as part of the budget consultation process, the public indicated a desire to see more joined up services with better use of buildings, including schools, to deliver a range of community services beyond education. This is consistent with the proposals which the Council's Education, Sport & Leisure Committee has considered to date in respect of the review of school estate.
- 4.8 Part of the vision for the estate going forward is that schools would be *"far more than just 'educational establishments,' [places] where quality of environment supports an accessible range of services and opportunities which enrich the communities they serve and the lives of learners and families."* (ref report to Committee of 19 June, 2014). As part of the ongoing review of school estate, proposals for new schools would, therefore, also include options for community use. In addition, where there is capacity in existing schools, options would be explored for enhanced community use.
- 4.9 As such, a potential realigned model of Council delivered services could be as set out below:

#### **POTENTIAL ALTERNATIVE COUNCIL MODEL**

Council headquarters at Kilncraigs - delivery of centralised services

2 Area Service Points - 1) Speirs Centre in Alloa 2) Ben Cleuch Centre in Tillicoultry - delivery of library, public computers, payments, booking and information services

approx 15 Community Campuses and Hubs - based around our three secondary schools and primary schools - delivery, which may vary depending on requirements, of leisure, community meeting space, advice and guidance services, including 3rd sector service provision.

For services not provided via these points, those would be provided

- in a mobile/outreach way
- online or digitally
- via other providers

Where existing discretionary services were no longer be provided by the council, the Council would provide signposting, explaining to customers and clients where they can now find these services.

The Council would also intend to help Clackmannanshire Third Sector Interface (CTS*i*) become to lead co-ordinator of third sector provision within Clackmannanshire.

- 4.10 Many of the officer proposals for savings in 2015-16 represent transitional actions towards such a new model of operation. There are also emerging some proposals which, while not achieving savings in 2015-16 because of lengthy lead in periods, will require early policy decisions so that savings can be achieved in 2016-17 and beyond.

- 4.11 The last budget update report to Council in October provided elected members with information on some of the work of the cross-cutting groups which had been set up as part of the budget process to integrate into the *Making Clackmannanshire Better* programme. An overview summary of progress in these is attached as Appendix A to this report. This ongoing work is incorporated within the *Making Clackmannanshire Better* programme and the outputs of these cross cutting groups will be key to the development of the alternative service delivery model for the future.
- 4.12 As these corporate and cross cutting groups embed, it is intended that the individual projects within each workstream will be refreshed and renewed, creating the full programme of change projects required to deliver the agreed service delivery model over a number of years. In turn this will allow future year's budgets to map out the pattern of investment and savings required over a number of years. This is a positive and decisive move towards longer term financial planning, continuing the work started in recent years.
- 4.13 In order to be financially viable in the future, the Council will have to reduce its employee costs and the number of people it employs. To date, considerable efforts have been made to achieve reductions in staff numbers through voluntary severance and natural wastage though on balance whilst voluntary severance is viewed as preferable to compulsory redundancy, it is not generally as cost-effective or affordable.
- 4.14 Throughout this year staff have been asked to intimate interest in taking voluntary severance and following the most recent round a further 18 staff will be leaving the Council on that basis. This is a small number relative to those who expressed an interest and the reasons for some applications not being agreed at this time have been that the financial case does not stack up because:
- a) the post held by the individual is required and would need to be filled;
  - b) the severance package is too expensive, with savings not being achieved within two years.
- 4.15 Voluntary severance, while one tool to reduce employee costs, in isolation is not going to allow the level of reduction in headcount which would potentially be required to close the funding gap.
- 4.16 Similarly, the non-filling of vacancies, while it can make a contribution, in isolation will not allow the required reduction in headcount. This is because vacancies occur randomly and most often do not reconcile with those areas where there might be an ability or desire to reduce the establishment. Vacancies also frequently occur in service areas where the establishment cannot be reduced because of statutory requirements (e.g. teacher numbers, ratios in care provision).
- 4.17 For tools such as voluntary severance and vacancy freezes to be most effective, therefore, there requires to be a strategic framework which sets out what the Council's service requirements and priorities are so that effective targeting can be undertaken. This means that the Council needs to agree and prioritise which services it must and wishes to support.
- 4.18 Even where there is a strategic framework, voluntary severance and non-filling of vacancies would not be sufficient. Accordingly, Council is asked to agree that statutory

compulsory redundancy provisions may also be utilised to reduce the Council's establishment.

## 5.0 Budget Challenge Process - Update

5.1 Since October, the Budget Challenge process has progressed broadly in line with the timetable previously reported. In summary:

- Round Table Session 1 discussions have been completed for all services and the aggregated output has previously been shared with elected members and trade union representatives
- Round Table 2 discussions (Cross cutting Groups) have taken place and a summary of these is attached at Appendix A; this information was also shared with elected members and trade union representatives at briefings in December
- demand pressure bids have been reviewed and assessed by the Executive Team; these are currently within the £1.5m total assumed in the funding gap estimates set out in the tables above
- officers have developed a programme of proposed initial savings for 2015-16 amounting to £4.9m. Significant further verification work is required to be undertaken in respect of these proposals. However, draft proposals have been shared with elected members and Trade Union representatives whilst this work is ongoing.
- work to verify savings proposals and to find additional savings continues between services and the service accountants.

5.2 Round Table 3 sessions will be held in January 2015 and will focus on the work of the cross cutting groups and the development of the alternative operating model.

5.3 The following table summarises the potential financial value of officer proposals to date for savings in 2015-16 by individual services.

	Year 1 2015-16 £	Year 2 2016-17 £	Year 3 2017-18 £	Year 4 2018-19 £	Year 5 2019-20	Total Saving
Education	673,700	429,257	215,250	56,250	0	1,374,457
Social Services	40,000	558,000	0	0	0	598,000
Resources & Governance Strategy & Customer Services	474,160	384,310	298,000	55,000	5,000	1,216,470
Development & Environment	524,260	195,050	0	0	0	719,310
Housing & Community Safety	1,328,233	354,977	458,292	0	0	2,141,502
Corporate/ Cross Cutting	755,109	0	0	0	0	755,109
	1,200,000	0	0	0	0	1,200,000
	<u>4,995,461</u>	<u>1,921,594</u>	<u>971,542</u>	<u>111,250</u>	<u>5,000</u>	<u>8,004,848</u>
HRA	<u>279,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>279,000</u>

5.4 These proposals include a mixture of the following:

- stopping delivery of some services
- reducing the level of service provision
- changing the way some services are provided
- introducing or increasing charges for some services

and also assume the reduction of a number of full time equivalent posts. Appendix B which is the Draft Public Consultation document includes illustrations of savings proposals categorised by Stop, Reduce, Change and Charge. Whilst this schedule is not exhaustive, it demonstrates the review of all council service delivery which has been undertaken.

5.5 Officers are continuing to work on these proposals to refine them and also to identify any further savings which might be put to Council for consideration early next year. It is the case, however, that without the sort of change in Council operating model already outlined in this report, sufficient savings will not be found to produce balanced budgets for 2015/16 or subsequent years. As members will see from the table above and the detailed officer proposals, there are fewer and fewer plain efficiency options available as much resource has already been stripped out in previous budget rounds.

## **6.0 Community Engagement & Consultation**

6.1 Community engagement and consultation on the matters covered in this report are vital in order to ensure an understanding of the context the Council operates in, the challenges it faces and to allow budget decisions to be informed by community feedback.

6.2 The general themes of this report were highlighted as part of last year's consultation process and certain messages came back including that people wanted to see better, more joined up services, more effective use of buildings and easier access to services.

6.3 The proposed alternative council delivery model set out in this report would meet those ambitions though it would also mean the Council would provide fewer services to fewer people and provide those services in different ways. It is important, therefore, in light of the wider financial context that key stakeholders are engaged in discussion about the requirement for a different model and its implications for them.

6.4 In terms of the illustrative officer savings proposals, it is unlikely many of these will be generally welcomed, particularly when considered in isolation from the broader context. If elected members accept the analysis set out in this and previous reports on budget, tough decisions will be necessary and there is a degree to which the Council has limited choices if it is to be financially sustainable. It is proposed, therefore, that the emphasis in terms of public consultation and engagement on the current proposals is more on mitigating the impact of savings rather than simply seeking views on how welcome or otherwise the potential savings proposals might be.

6.5 As with previous years, it is proposed that engagement and consultation is undertaken in a range of different ways, including online consultation and face to face meetings with community groups and key stakeholders. (A draft consultation document is attached at Appendix B which members are invited to approve and an outline schedule of face to face meetings is set out at Appendix C.)

- 6.6 It is proposed formal consultation will commence following the Council meeting on 18 December 2014 and will run until 9 February 2015.
- 6.7 Ongoing discussions with trade union representatives have taken place throughout the year and a full briefing on the contents of this paper was held with trade union representatives on 11 December. At this stage, trade union representatives have indicated that they 'would not be discussing Ts and Cs until greater clarity has been provided on the services which will cease to be provided'. Management will continue to engage with trade unions between now and the Council's budget meeting next year. Briefing sessions for staff more widely are currently in the process of being scheduled and developed. These are likely to take place in January 2015.

**7.0 Conclusions**

- 7.1 The Financial outlook remains as previously reported to Council with three years of significant deep reductions in funding likely.
- 7.2 The funding gap facing the Council in the coming years remains significant at approximately £22million to the end of March 2018, and as has been reported to Council at successive meetings since the 2014-15 budget was agreed.
- 7.3 The Council does not have the capacity to achieve a balanced budget in 2015-16 and beyond without making significant changes to how it operates.
- 7.4 In order to be a viable organisation going forward, the Council faces a number of tough decisions about service provision and its core business.

**8.0 Resource Implications**

*8.1. Financial Details*

- 8.2. Finance have been consulted and have agreed the financial implications as set out in the report. **Yes**

*8.3. Staffing*

This paper proposes agreeing that compulsory redundancy can be used as a means of reducing staff numbers in order to achieve a balanced budget.

**90 Exempt Reports**

- 91. Is this report exempt? **No**

**9.0 Declarations**

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

**(1) Our Priorities**

The Council is effective, efficient and recognised for excellence

**(2) Council Policies** (Please detail)

**10.0 Equalities Impact**

10.1 Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations?

Stage 1 EQIA analyses have identified that there are potential equalities impacts arising from a range of officer proposals. The consultation and engagement arrangements outlined at 6.2 therefore, will include consultation with protected characteristics to better understand how these impacts may be mitigated

**11.0 Legality**

11.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes

**12.0 Appendices**

12.1 Please list any appendices attached to this report. If there are no appendices, please state "none".

Appendix A - Summary of Work of Cross-Cutting Work Groups

Appendix B - Draft Public Consultation Document including Officer Proposals for Savings Categorised by Stop, Reduce, Change, Charge

Appendix C - Schedule of Budget Meetings

**13.0 Background Papers**

13.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)

The State of the State 2014/15: Government's Inflection Point  
Monthly Bulletins (October, November and December 2014)

Deloitte  
Fiscal Affairs Scotland

**Author(s)**

<b>NAME</b>	<b>DESIGNATION</b>	<b>TEL NO / EXTENSION</b>
Elaine McPherson	Chief Executive	
Nikki Bridle	Depute Chief Executive	

**Approved by**

<b>NAME</b>	<b>DESIGNATION</b>	<b>SIGNATURE</b>
Elaine McPherson	Chief Executive	
Nikki Bridle	Depute Chief Executive	





## APPENDIX A OVERVIEW OF CROSS CUTTING GROUPS

Lead	Project	Stage of Project Life Cycle					
		Initiation				Design	Delivery
		Proposal	Draft Business Case	Consult	Final Business case	Plan	Implement
Head of Strategy & Customer Services	TOM 1 Integrated Universal Transactional Services	Complete	Complete	In progress	In progress		
Head of Education	TOM 2 Integrated Universal Community-based Facilities & Services	Initiated	In progress	In progress			
Head of Social Services	TOM 3 Integrated Preventative & Early Intervention Services for Vulnerable People and Families	Initiated	In progress	In progress			
	TOM 5 Centralised Specialist Services	Programme in progress for Health & Social Care Integration and Complete Reshaping Care for Older People					
Head of Development & Environment	TOM 4 Universal Community Services	Complete	Complete	In progress	In progress		
Head of Housing & Community Safety	Underpins TOMs 1-5 Advice & Guidance Provision	In progress	In progress	In progress			
Head of Resources & Governance	Underpins all work Workforce Planning & Enabling	In progress	In progress	In progress			





# Budget 2015/16 Consultation

**Better Services**

**Better Opportunities**

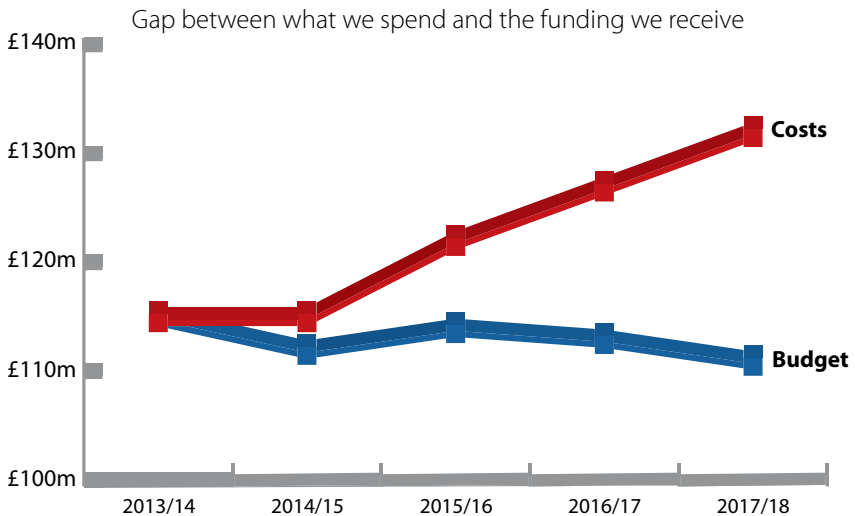
**Better Communities**

# Making Clackmannanshire Better

## Introduction

Public service delivery in Clackmannanshire continues to change significantly. The Council is required by law to provide certain services like social work, education, planning and environmental health. It also provides or subsidises a wide range of other services such as buses, CCTV, community safety, countryside and heritage management and business development.

In the past few years, the Council's budget has been under extreme pressure and this pressure is going to continue for some years. It is estimated that over the next three years, the Council will have to close a funding gap of around £20M which means that the Council's current expenditure is substantially more than it will be able to afford.



At the same time there are increasing pressures resulting from a sharp increase in demand for many of the services we provide. In particular, the demands for services to support our ageing population are significant. A broader anticipated population increase will see the need for new or remodelled schools.

The Council is, therefore, facing some very tough choices to remain financially viable.

In the past few years we've tried to ensure, through extensive public consultation exercises, that the hundreds of people who use our services every day are aware of the changes ahead.

In last year's consultation we clearly set out our choices, which were:

- STOP** some or all of the services that we are not required by law to deliver
- REDUCE** service delivery to the national average standard; prioritise services for those most in need
- CHARGE** introduce charges to help pay for some services or stop subsidies for other services based on a presumption of full cost recovery
- CHANGE** look at different service models, which will see the way some services are delivered change significantly.

These remain our choices. However, whilst to date we have managed substantial reductions in the cost of Council services in ways that have generally minimised the impact on communities, the scale of the savings required means that this is no longer possible.

To maintain statutory services, including services that protect and support our most vulnerable residents, we need to make substantial savings in those services we are not required to deliver by law, including highly valued services that communities have become accustomed to.

For those services which we continue to deliver we need to make sure we deliver those to any prescribed standards and in ways which are affordable. Also in terms of affordability we cannot sustain subsidising some valued but discretionary services.

Given the financial context, the Council needs to fundamentally change how it operates in order to live within its means. The future model of operation will likely see a Council that has fewer staff operating from fewer facilities, providing fewer direct services but in much more integrated and cost-effective ways.

This consultation document provides some information of the developing operational model for the Council going forward and seeks your views on that.

In addition, the document shares some officer proposals for budget savings in 2015-16. Although these represent reductions and changes in services, the savings from these proposals still do not meet the funding gap so the Council still needs to find ways of reducing its costs. That is why a shift in how the Council operates is required in the coming years.

We know that the savings proposals will not be popular but there are limited choices available to the Council. So, as we increasingly focus on our core business of statutory services, we will continue to use your feedback to shape how these services can be delivered more effectively. In particular, we are keen to hear from you if there are alternatives to the proposals that the Council should consider and how any negative impacts of the savings might be reduced or eliminated.

# An Alternative Model for the Council

The Council needs to live within the budget which is available to it - it cannot continue to spend what it currently spends.

Statutory services will have to be prioritised within that available budget and those services will have to be provided efficiently and to the levels and/or standards prescribed (which may be of a lesser standard than current provision).

The only discretionary services provided or supported by the Council will be those which contribute directly to the following prevention and early intervention agendas:

- giving young people the best start in life and supporting vulnerable families
- improving employment opportunities for 16-25 year olds
- supporting people to remain healthier and fitter for longer
- reducing dependency on public sector services.

Where the Council has to stop providing services, it will try and empower community and third sector involvement to maintain some support where there is demand for this.

In previous consultations, you've told us that you'd like to see more joined up services with better use of buildings, including using school buildings, to deliver a range of community services beyond education. You also want easier access to services, and for us to make greater use of online services, more flexible and mobile service delivery models.

Taking your views within the financial context, our new operating model would make more efficient and flexible use of schools and other fixed assets which are required for statutory service provision. In this model, we would consolidate the number of separate service centres we operate but use schools more effectively as community hubs.

For instance rather than have standalone local offices in a number of communities (the current Community Access Points), there would be two main service centres (the Speirs Centre, Alloa and the Ben Cleuch Centre, Tillicoultry) with secondary and primary schools over time providing a base for the delivery of certain other services.

The pupil population in Clackmannanshire is increasing and many of our primary schools are, or will be, in need of development to respond to changing demographics. There will be opportunities, therefore, in future for schools to be more than just educational establishments and places where there is an accessible range of services and opportunities. As part of the ongoing review of school estate,

proposals for new schools will, therefore, also include options for community use and where there is capacity in existing schools, options will be explored for enhanced community use.

Some services may not be provided via these campuses or service points. Instead those services might be delivered:

- From a central point like Kilncraigs
- In a mobile/outreach way
- Online/digitally
- Via other providers such as the third sector

While many discretionary services will no longer be directly provided by the council, as part of integrated service provision we would enable easy access and signposting to a range of community services.

With our communities and third sector potentially playing a more prominent role in community services, there will be a crucial role for Clackmannanshire Third Sector Interface (CTSI) in facilitating and co-ordinating integrated third sector provision.

Unfortunately, given the budget gap, the Council will need to reduce the number of people it employs. In addition, many of those who do work for the Council will need to be able to play broader roles to provide customers with a more integrated experience. To allow us to deliver services in these ways, it is important that we work with our staff to ensure they are equipped with the right skills. Work continues within the council to look at the numbers of staff we will need in the future and the design of new roles and ways of working.



# Officer Proposals for Savings 2015-16

A significant change in the Council's operating model will take time, so programmes of savings are still required.

Council officers work continuously to try and find greater efficiencies across the organisation and to identify potential areas for savings.

The following illustrative officer proposals will be considered by Council in the coming months. While some of these don't generate savings in the first 12 months, they would generate savings in future years.

The proposals include a mixture of the following:

- stopping delivery of some services
- reducing the level of service provision
- changing the way some services are provided
- introducing or increasing charges for some services.

Work continues to develop a full schedule of officer proposals. In addition to these illustrative proposals, there are also a range of internal management and efficiency savings proposals.





Proposal	Potential Savings in next 4 years			
	15-16	16-17	17-18	18-19
<b>STOP</b>				
funding for Football Festival and for school sports associations	£5,950			
provision of swimming lessons for P4 and P5	£8,366	£5,019		
subsidising free swimming in summer holidays	£31,000			
funding to Central Scotland Partnership (teacher CPD)	£5,000			
repairing headstones not owned by Council	£7,500			
supply of free dog waste bags	£7,000			
twinning activity	£3,500			
provision of extra staff which a small number of schools have (home-school liaison officers, care assistants)	£94,150	£56,490		
financial support for Shopmobility at Sterling Mills	£7,333			
Clackmannanshire Business and tourism	£44,000			
all supported bus services	£268,942			
subsidy of taxicards	£9,778			
dog training classes	£1,200			
cease funding to some voluntary groups	£28,000			
close public toilets at Maple Court and superloos	£40,000			
funding CCTV	£140,000			
funding two police officers & community safety analyst	£99,000			
providing community warden service	£187,140			
Supported Owners' Service	£75,000			
cease maintaining non-Council owned land	£100,000			

Proposal	Potential Savings in next 4 years			
	15-16	16-17	17-18	18-19
<b>REDUCE</b>				
entitlement to free school transport to the statutory required levels			£93,750	£56,250
provision of heritage service		£38,180		
Community Access Point services (in Alva, Clackmannan, Sauchie and Tullibody) and remove CAP services from Dumyat Centre and Dollar Civic Centre	£170,600	£56,870		
book budget in line with reducing CAP services	£10,000	£5,000		
the number of play areas (reduced maintenance)			£15,000	
frequency of grounds maintenance (grass-cutting etc)	£7,500	£7,500	£7,500	
frequency of litter tidying to national standards	£20,000			
extent of countryside ranger service through non-filling of vacancy	£38,025			
budget to prepare and implement Local Biodiversity Action Plan	£3,290			
spend on traffic signs	£8,500			
Environmental Health sampling budget	£5,000			
subsidy to Dial-a-Journey	£9,100			

Proposal	Potential Savings in next 4 years			
	15-16	16-17	17-18	18-19
<b>CHANGE</b>				
animal welfare and pest control service	£23,000			
service delivery model for sustainability and ranger services	£25,000	£25,000		
instrumental music tuition		£4,000		
provide some speech and language therapy in-house rather than contract out	£30,000			

shared management for expressive arts	£40,537			
increase shared working across Clacks & Stirling in Youth Services	£26,597			
reshape senior phase (S4-S6) schooling to enable more efficient timetable model		£202,500	£121,500	
the model for providing access to nursery teachers	£216,430	£129,858		
the hours of school crossing patrollers to match the needs of schools	£44,000			
school cleaning arrangements through redesign	£20,000			
make more use of digital communications	£5,000	£5,000	£5,000	£5,000
move to a 3 weekly bin collection	£65,000	£15,000		
provider of stray dog kennelling and recover costs from owners		£8,000		

Proposal	Potential Savings in next 4 years			
	15-16	16-17	17-18	18-19
<b>CHARGE</b>				
for nursery sessions over and above 600 hours	£5,000			
for external placements in Secondary School Support service	£25,000	£15,000		
increase burial charges to align with other authorities	£20,000			
for second garden bin	£5,000			
increase charge for bulky uplift	£4,000			
increase licensing fees	£5,500	£6,500	£7,000	
for on-street parking (Alloa)		£117,360		
for off-street parking (Alloa)		£289,000		

# Feedback

Despite the financial challenges it faces, the Council still wishes to deliver positive outcomes for Clackmannanshire and make a positive difference to people's lives. While times are undoubtedly tough, the Council has a plan for changing how it operates to ensure that it remains focussed on its key priorities and that resources are targeted where they are most needed.

To inform decisions that councillors will be taking next year, it is important that we get your feedback, both on the alternative model of operation for the Council and the specific proposals for savings in the coming year. We know that the majority of the proposed savings will not be welcomed and that certain individuals and interests will be impacted upon; however, we have to find savings, so our focus will be on reducing the impact of reductions in service and looking for alternative savings options.

The opportunity for your feedback and input will run from 18th December 2014 to 9th February 2015 and your responses will be shared with all councillors in advance of setting the 2015/16 budget.

You can:

- go online to **ClacksWeb** and complete our online survey. (If you don't have access to the internet, go into **your local Council office** where our staff will assist you.)
- get involved by sharing your views with your **local councillor** or **community council**
- email any comments you may have to **mcb@clacks.gov.uk** or write to us at Making Clackmannanshire Better, Clackmannanshire Council, Kilncraigs, Greenside Street, Alloa, FK10 1EB

We are particularly keen to hear your views on the alternative operating model and how that might be implemented or improved and also how specific savings proposals might impact on you and what might be done to reduce any negative impact.



**Clackmannanshire  
Council**

[www.clacksweb.org.uk](http://www.clacksweb.org.uk)

**BUDGET 2015/16 - STAKEHOLDER CONSULTATION PROGRAMME**

OVERVIEW

Our approach aims to build on our consultation engagement in previous years. Our vision for the medium to long term and more immediate proposals for the coming year's budget have been shaped by feedback on priorities from communities and stakeholders in previous years. Given the breadth and complexity of Council services, we do not believe that we can consider any one year in isolation: change on the scale required cannot be achieved in one year - it is a long term effort, requiring a long term vision and ongoing commitment to achieving better outcomes, despite the considerable budgetary challenges we face.

Our formal consultation will commence following the Council's scheduled meeting on 18 December 2014 and will run until 9 February 2015.

The consultation will use various feedback mechanisms including via our online consultation tool, Citizen Space, e-mail to [mcb@clacks.gov.uk](mailto:mcb@clacks.gov.uk) and a range of face to face forums.

We want to ensure as many people as possible are aware of the challenges we face, and the choices proposed, both in terms of our longer term vision, and, within that broader context, proposals put forward by officers for 2015/16. Therefore, in addition to publicity encouraging stakeholders to participate in the consultation, councillors from the Administration will attend a number of meetings during the consultation process to raise awareness.

The feedback from the consultation will help inform the final recommendations, upon which councillors will ultimately decide at the budget meeting in late February 2015.

**DRAFT SCHEDULE: DECEMBER to FEBRUARY**

<b>Date</b>	<b>Time</b>	<b>Location</b>	<b>Stakeholder</b>	<b>Contact/Lead</b>	<b>Comments</b>
			Community Councils	Lesley Baillie	Seek written response on impact for each community and suggestions for mitigation or amendment. Ask community councils to advertise and encourage their communities to complete the online consultation.
Tbc Jan 15	tbc	tbc	Tenants & Residents Federations	Michelle Flynn Leader	Seek a special meeting in January led by Leader. Encourage members to respond online to consultation. Ask TRFS to advertise and encourage residents to complete the online consultation.
Tbc Jan 15	tbc	tbc	Joint Parent Council	Lesley Baillie Education Convenor	Seek a special meeting in January led by Education Convenor. Encourage members to respond online to consultation.
Tbc Jan 15	tbc	tbc	Older Peoples Forum	Lesley Baillie Leader	Seek a special meeting in January led by Leader. Encourage members to respond online to consultation.
Tbc Jan 15	tbc	tbc	Young People	Mary Fox Education Convenor	Seek a special meeting in January led by Education Convenor. Encourage members to respond online to consultation.
Tbc - Jan 15	tbc	tbc	Third Sector Forum	Lesley Baillie Depute Leader	Seek a special meeting in January or February led by Depute Leader. Encourage members to complete online consultation.
5/12/14	AM	FV College	Alliance Partners	Gillian Taylor Leader	Presentation on challenges and choices at the Alliance. Encourage members to complete online consultation.

Jan 15	tbc	tbc	Clacks Business	Julie Hamilton Enterprise & Environment Convenor	Seek special meeting led by Convenor. Encourage members to complete online consultation.
Jan 15	n/a	n/a	General Community	Officer led	Run a number of facilitated representative focus groups using Clacks 1000 members on key questions in budget booklet.
Jan 15	n/a	n/a	Protected Characteristics	Officer led	Based on EQIA - Stage 1 - run a number of facilitated representative focus groups to seek feedback on potential impacts or mitigations based on vision and officer proposals. May also include written and online responses.





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**Report to Council**

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**Date: 18<sup>th</sup> December 2014**

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**Subject: Treasury Management Update at 30th September 2014**

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**Report by: Chief Accountant**

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## **1.0 Purpose**

- 1.1. The purpose of this report is to present an update of Treasury Management activity for the period to 30th September 2014.

## **2.0 Recommendations**

- 2.1. It is recommended that the Council note and consider this mid year review of the Council's Treasury Management activities.

## **3.0 Background**

- 3.1 The CIPFA (Chartered Institute of Public Finance and Accountancy) Code of Practice for Treasury Management recommends that members be updated on treasury management activities regularly (TMSS, annual and midyear reports). This report therefore ensures this Council is implementing best practice in accordance with the Code.

- 3.2 The report covers the following:

- Economic background
- Interest rate forecast
- Outlook
- Annual Investment Strategy
- New borrowing
- Debt Rescheduling
- Compliance with Treasury and Prudential Limits

## **4.0 Economic background**

- 4.1 After strong UK GDP quarterly growth of 0.7%, 0.8% and 0.7% in quarters 2, 3 and 4 respectively in 2013, (2013 annual rate 2.7%), and 0.7% in Q1, 0.9% in Q2 and a first estimate of 0.7% in Q3 2014 (annual rate 3.1% in Q3), it appears very likely that strong growth will continue through 2014 and into 2015.
- 4.2 Forward surveys for the services and construction sectors are very encouraging and business investment is also strongly recovering. The manufacturing sector has also been encouraging though the latest figures indicate a weakening in the future trend rate of growth. However, for this recovery to become more balanced and sustainable in the longer term, the recovery needs to move away from dependence on consumer expenditure and the housing market to exporting, and particularly of manufactured goods, both of which need to substantially improve on their recent lacklustre performance.
- 4.3 This overall strong growth has resulted in unemployment falling much faster through the initial threshold of 7%, set by the Monetary Policy Committee (MPC) last August, before it said it would consider any increases in Bank Rate. The MPC has, therefore, subsequently broadened its forward guidance by adopting five qualitative principles and looking at a much wider range of about eighteen indicators in order to form a view on how much slack there is in the economy and how quickly slack is being used up. The MPC is particularly concerned that the current squeeze on the disposable incomes of consumers should be reversed by wage inflation rising back above the level of inflation in order to ensure that the recovery will be sustainable. There also needs to be a major improvement in labour productivity, which has languished at dismal levels since 2008, to support increases in pay rates. Most economic forecasters are expecting growth to peak in 2014 and then to ease off a little, though still remaining strong, in 2015 and 2016. Unemployment is therefore expected to keep on its downward trend and this is likely to eventually feed through into a return to significant increases in pay rates at some point during the next three years. However, just how much those future increases in pay rates will counteract the depressive effect of increases in Bank Rate on consumer confidence, the rate of growth in consumer expenditure and the buoyancy of the housing market, are areas that will need to be kept under regular review.
- 4.4 Also encouraging has been the sharp fall in inflation (CPI), reaching 1.2% in September, the lowest rate since 2009. Forward indications are that inflation is likely to fall further in 2014 to possibly 1%. Overall, markets are expecting that the MPC will be cautious in raising Bank Rate as it will want to protect heavily indebted consumers from too early an increase in Bank Rate at a time when inflationary pressures are also weak. A first increase in Bank Rate is therefore expected in Q2 2015 and they expect increases after that to be at a slow pace to lower levels than prevailed before 2008 as increases in Bank Rate will have a much bigger effect on heavily indebted consumers than they did before 2008.
- 4.5 The return to strong growth has also helped lower forecasts for the increase in Government debt by £73bn over the next five years, as announced in the 2013 Autumn Statement, and by an additional £24bn, as announced in the

March 2014 Budget - which also forecast a return to a significant budget surplus, (of £5bn), in 2018/19. However, monthly public sector deficit figures have disappointed so far in 2014/15.

- 4.6 The Eurozone is facing an increasing threat from weak or negative growth and from deflation. In September, the inflation rate fell further, to reach a low of 0.3%. However, this is an average for all Eurozone (EZ) countries and includes some countries with negative rates of inflation. Accordingly, the ECB took some rather limited action in June to loosen monetary policy in order to promote growth. In September it took further action to cut its benchmark rate to only 0.05%, its deposit rate to -0.2% and to start a programme of purchases of corporate debt. However, it has not embarked yet on full quantitative easing (purchase of sovereign debt).
- 4.7 Concern in financial markets for the Eurozone subsided considerably during 2013. However, sovereign debt difficulties have not gone away and major issues could return in respect of any countries that do not dynamically address fundamental issues of low growth, international uncompetitiveness and the need for overdue reforms of the economy, (as Ireland has done). It is, therefore, possible over the next few years that levels of government debt to GDP ratios could continue to rise for some countries. This could mean that sovereign debt concerns have not disappeared but, rather, have only been postponed.
- 4.8 In the US the economic outlook continues to look strong with asset purchases ceasing by the end of October 2014. First quarter GDP figures were depressed by exceptionally bad winter weather but growth rebounded very strongly in Q2 to 4.6% (annualised).
- 4.9 The U.S. faces similar debt problems to those of the UK, but thanks to reasonable growth, cuts in government expenditure and tax rises, the annual government deficit has been halved from its peak without appearing to do too much damage to growth, although the weak labour force participation rate remains a matter of key concern for the Federal Reserve when considering the amount of slack in the economy and monetary policy decisions.
- 4.10 Both Japan and China are both causing considerable concern in the marketplace. In Japan, the increase in sales tax in April has suppressed consumer expenditure and growth. In Q2 growth was -1.8% q/q and -7.1% over the previous year. The Government is hoping that this is a temporary blip.
- 4.11 In China, Government action in 2014 to stimulate the economy appeared to be putting the target of 7.5% growth within achievable reach but recent data has raised fresh concerns. There are also major concerns as to the creditworthiness of much bank lending to corporates and local government during the post 2008 credit expansion period and whether the bursting of a bubble in housing prices is drawing nearer.

## **5.0 Interest Rate Forecast**

- 5.1 The Council's Treasury Advisors - Capita Asset Services have provided the following interest rate forecast, reviewed on 24th October:

	Dec-14	Mar-15	Jun-15	Sep-15	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18
Bank rate	0.50%	0.50%	0.75%	0.75%	1.00%	1.00%	1.25%	1.25%	1.50%	1.50%	1.75%	2.00%	2.25%	2.50%
5yr PWLB rate	2.50%	2.70%	2.70%	2.80%	2.90%	3.00%	3.10%	3.20%	3.30%	3.40%	3.50%	3.50%	3.50%	3.50%
10yr PWLB rate	3.20%	3.40%	3.50%	3.60%	3.70%	3.80%	3.90%	4.00%	4.10%	4.10%	4.20%	4.20%	4.30%	4.30%
25yr PWLB rate	3.90%	4.00%	4.10%	4.30%	4.40%	4.50%	4.60%	4.70%	4.70%	4.80%	4.80%	4.90%	4.90%	5.00%
50yr PWLB rate	3.90%	4.00%	4.10%	4.30%	4.40%	4.50%	4.60%	4.70%	4.70%	4.80%	4.80%	4.90%	4.90%	5.00%

5.2 During September and October, a further rise in geopolitical concerns, principally over Ukraine but also over the Middle East, plus fears around Ebola and an accumulation of dismal growth news in most of the ten largest economies of the world and also on the growing risk of deflation in the Eurozone, had sparked a flight from equities into safe havens like gilts and depressed PWLB rates. However, there is much volatility in rates as news ebbs and flows in negative or positive ways. This latest forecast includes a first increase in Bank Rate in quarter 2 of 2015 and a slow but steady rise in PWLB rates over the next three years.

## 6.0 Outlook

6.1 Economic forecasting remains difficult with so many external influences weighing on the UK. Bank Rate forecasts provided by Capita Assets Services and also MPC decisions, will be liable to further amendments depending on how economic data transpires over 2014 and 2015. Forecasts for average earnings beyond the three year horizon will be heavily dependent on economic and political developments.

6.2 Major volatility in bond yields is likely to endure as investor fears and confidence ebb and flow between favouring more risky assets i.e. equities, or the safe haven of bonds. The overall longer trend is for gilt yields and PWLB rates to rise, due to high volume of gilt issuance in the UK, and bond issuance in other major western countries. Increasing investor confidence in eventual world economic recovery is also likely to compound this effect as recovery will encourage investors to switch from bonds to equities.

6.3 The overall balance of risks to economic recovery in the UK remains weighted to the downside. Only time will tell just how long this current period of strong economic growth will last as it remains exposed to vulnerabilities in a number of key areas.

6.4 The Eurozone and financial flows from emerging markets in particular pose significant risks and caution must be exercised in respect of all interest rate forecasts at the current time. The general expectation for an eventual trend of gently rising gilt yields and PWLB rates is expected to remain unchanged, as market fundamentals will focus on sheer volume of UK gilt issuance (and also US Treasury issuance) and the price of those new debt issues. Negative (or positive) developments in the EZ sovereign debt crisis could significantly impact safe-haven flows of investor money into UK, US and German bonds and produce shorter term movements away from our central forecasts.

6.5 With interest rates remaining low and an increase in rates not forecast until 2015/16, the Council's opportunities to secure investment returns on any surplus cash are limited.

**7.0 Annual Investment Strategy**

7.1 The Treasury Management Strategy Statement (TMSS) for 2014/15, which includes the Annual Investment Strategy, was approved by the Council on 15th May 2014. The intention of the Strategy is to provide security of investment and minimisation of risk.

7.2 It can be confirmed that the approved limits within the Annual Investment Strategy were not breached during the 6 months to 30th September 2014. There are no policy changes to the TMSS; the details in this report update the position in light of the updated economic position and budgetary changes already approved.

7.3 In accordance with the code it is the Council's priority to ensure security of capital and liquidity, and to obtain an appropriate level of return which is consistent with the Council's risk appetite. As set out in Section 3, it is a very difficult investment market in terms of earning the level of interest rates commonly seen in previous decades as rates are very low and in line with the 0.5% Bank Rate. Indeed, the Funding for Lending scheme has reduced market investment rates even further. The potential for a prolonging of the Eurozone sovereign debt crisis, and its impact on banks, prompts a low risk and short term strategy. Given this risk environment, investment returns are likely to remain low. However the interest rate with the Council's bankers is still favourable at 0.4%.

As at 30<sup>th</sup> September 2014 the Council held £19.6m of short term investments (£18m at 31 March 2014). The average level of funds available for investment purposes during the half year was £12.4m. These funds were available on a temporary basis, and the level of funds available was mainly dependent on the timing of payments, receipt of grants and progress on the Capital Programme.

7.4 The benchmark investment returns over the 6 months ended 30th September 2014 are illustrated in the undernoted table:

Benchmark	Benchmark Return
7 day	0.35%
1 month	0.37%
3 month	0.42%
6 month	0.55%
12 month	0.88%

7.5 The Council's budgeted cash investment return for 2014/15 was 0.59%. The Council achieved an actual investment return of 0.55% for the period to 30th September. This comprised 0.98% return on 12 month deposit outperforming the benchmark by 0.1%, and 0.4% on everyday cash balances which also outperforms the benchmark return for both 7 day and 1 month investments.

**8.0 New Borrowing**

8.1 In the first 6 months to 30<sup>th</sup> September 2014 the Council repaid £10m of maturing debt which was budgeted to be replaced. Due to low interest rates, short term temporary borrowing was undertaken to replace this debt. An additional £5m was also undertaken on a short term basis to December 14 to fund budgeted Capital Expenditure. The requirement for which will be reviewed during the second half of the financial year.

8.2 Repayments of £0.6m were also made in the first 6 months of the year toward the Council's PFI and finance lease.

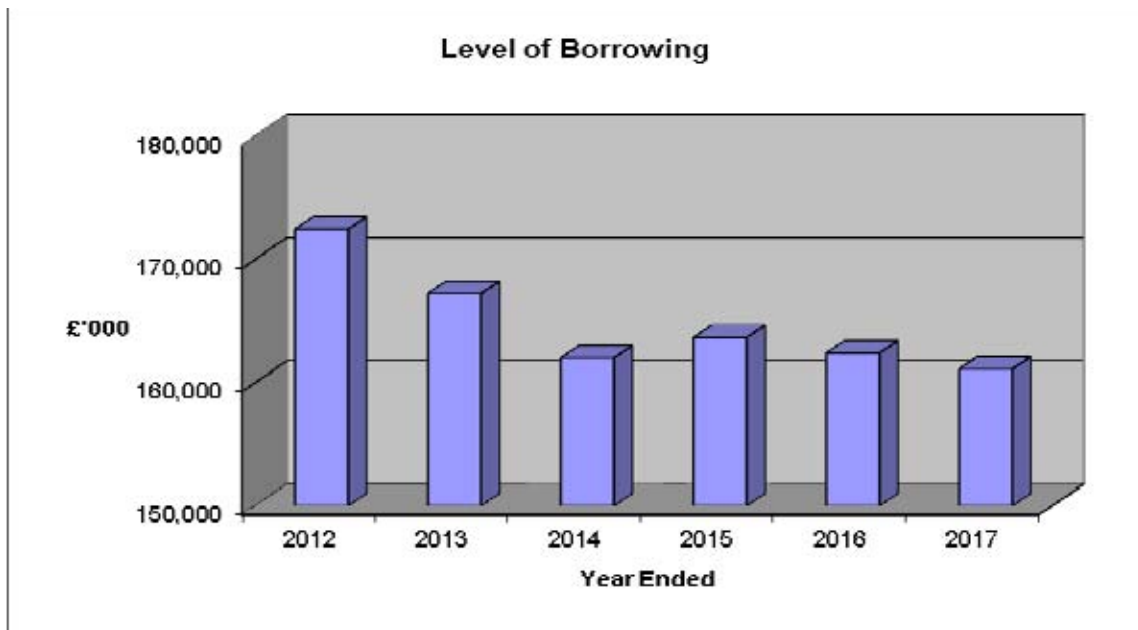
8.3 During the 6months to 30 September the Council invested in a Social Housing Project with a third party and undertook an additional PWLB loan of £2.9m to fund this investment. This loan is fully funded through repayments from the third party and underwritten by the Scottish Government. This therefore increased the Council's long term borrowing by £2.9m.

8.4 The Council's external borrowing position as at 30 September 2014 is illustrated in the undernoted table:

	<b>March 2014</b> <b>£000</b>	<b>September 2014</b> <b>£000</b>
Public Works Loan Board	91,702	84,647
Temporary Loans (< 1 year)	0	15,000
Market Loans	24,019	24,019
Other long term liabilities	46,248	45,627
<b>Total</b>	<b>161,969</b>	<b>169,293</b>

8.5 The Council continues to work towards reducing overall external debt in line with the Treasury Strategy. This is illustrated in the following chart, demonstrating actual and forecast level of debt up to 2016/17. In line with the Treasury Strategy maturing debt in previous years has not been replaced due to the running down of internal cash balances. Cash balances are now at a sufficient level therefore maturing debt in the current and future years is assumed to be replaced however, the repayments towards PFI and finance leases continue to reduce the Council's overall level of external debt.

8.6 The level of cash balances and interest rates will continue to be monitored and reviewed if significant changes occurred.



## 9.0 Borrowing in advance of need

9.1 The Council has not borrowed in advance of need during the 6 months ended 30th September and has no intention to borrow in advance in 2014/15.

## 10.0 Debt Rescheduling

10.1 Debt rescheduling opportunities have been limited in the current economic climate and following the increase in the margin added to gilt yields which has impacted PWLB rates since October 2010. Consequently no debt rescheduling was undertaken during the year.

## 11.0 Compliance with Treasury and Prudential Limits

11.1 It is a statutory duty for the Council to determine and keep under review the affordable capital expenditure limits. The Council's Treasury and Prudential Indicators (affordability limits) are included in the approved Treasury Management Strategy Statement.

11.2 During the financial year the Council has operated within the treasury and prudential indicators set out in the Council's Treasury Management Strategy Statement and in compliance with the Council's Treasury Management Practices. The prudential and treasury indicators are shown in appendix 2.

## 12.0 Conclusions

12.1 Additional long term borrowing of £2.9m was undertaken during the 6 months to 30th September 2014 to fund a long term investment in Social Housing.

12.2 Short term loans totalling £15m were undertaken to repay matured debt and to fund budgeted capital expenditure.

12.3 The Council has repaid £0.6m towards PFI and Finance Leases during the first 6 months of the financial year.

12.4 The Council continues to outperform the benchmark return in interest on investments and cash balances are at a level of c£19.6m which contributes to supporting the Council's capital financing requirement internally.

### 13.0 Sustainability Implications

13.1 None

### 14.0 Resource Implications

14.1 *Financial Details*

14.2 The full financial implications of the recommendations are set out in the report. This includes a reference to full life cycle costs where appropriate.

Yes

14.3 Finance have been consulted and have agreed the financial implications as set out in the report. =

Yes

14.4 Staffing

14.5 None

### 15.0 Exempt Reports

15.1 Is this report exempt? Yes  (please detail the reasons for exemption below)  
No

### 16.0 Declarations

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

(1) **Our Priorities** (Please tick )

- |  |                                     |
|--|-------------------------------------|
| The area has a positive image and attracts people and businesses         | <input type="checkbox"/>            |
| Our communities are more cohesive and inclusive                          | <input type="checkbox"/>            |
| People are better skilled, trained and ready for learning and employment | <input type="checkbox"/>            |
| Our communities are safer  | <input type="checkbox"/>            |
| Vulnerable people and families are supported                             | <input type="checkbox"/>            |
| Substance misuse and its effects are reduced                             | <input type="checkbox"/>            |
| Health is improving and health inequalities are reducing                 | <input type="checkbox"/>            |
| The environment is protected and enhanced for all                        | <input type="checkbox"/>            |
| The Council is effective, efficient and recognised for excellence        | <input checked="" type="checkbox"/> |



**(2) Council Policies** (Please detail)

Treasury Management Policy Statement and Practices

**17.0 Equalities Impact**

17.1 Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations?

N/A

Yes  No

**18.0 Legality**

18.1 In adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes

**19.0 Appendices**

19.1 Please list any appendices attached to this report. If there are no appendices, please state "none".

Appendix 1 – Investment Portfolio as at 30<sup>th</sup> September 2014

Appendix 2 - Prudential and Treasury Indicators as at 30th September 2014

**20.0 Background Papers**

20.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)

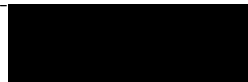

Yes  (please list the documents below) No

**Treasury Management Strategy 2014/15 - report to Council May 2014**

**Author(s)**

NAME	DESIGNATION	TEL NO / EXTENSION
Lindsay Sim	Team Leader - Corporate Accountancy	2078
Liz Shaw	Chief Accountant	2072

**Approved by**

NAME	DESIGNATION	SIGNATURE
Stephen Coulter	Head of Resources & Governance	
Nikki Bridle	Depute Chief Executive	



## APPENDIX 1: Investment Portfolio as at 30<sup>th</sup> September 2014

<b>Borrower</b>	<b>Principal (£000)</b>	<b>Interest Rate</b>	<b>Start Date</b>	<b>Maturity Date</b>	<b>Lowest Long Term Rating</b>	<b>Historic Risk of Default</b>
Bank of Scotland Plc	5,000	0.98%	03/10/2013	03/10/2014	A	0.001%
Bank of Scotland Plc	14,611	0.4%	Instant Access		A	0.000%
Other Accounts	36	0%				0%
<b>Total Cash and Cash Equivalents</b>	<b>19,647</b>	<b>0.55%</b>				<b>0.0%</b>

<b>Long Term Investments</b>	<b>Principal (£000)</b>
CSPB Developments Ltd	564
CSPB Investments	1
Clackamannanshire Regeneration	4,906
Coalsnaughton LLP	2,976
<b>Total Long Term investments</b>	<b>8,447</b>

<b>TOTAL INVESTMENTS</b>	<b>28,094</b>
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## APPENDIX 2: Prudential and Treasury Indicators as at 30th September 2014

Treasury Indicators	2014/15 Budget £'000	2014/15 Outturn as at 30 <sup>th</sup> September 14 £'000
Authorised limit for external debt	187,000	187,000
Operational boundary for external debt	175,000	175,000
Gross external debt	160,721	169,293
Investments	18,000	19,610
Net borrowing	142,721	149,683

Maturity structure of fixed rate borrowing – upper and lower limits (excluding PFI and Finance Leases)	Upper and Lower Limits	Fixed Rate Borrowing as at 30 <sup>th</sup> September 13 £'000	% of Total Fixed Rate Borrowing
Under 12 months	25% - 0%	5,000	3.3%
12 months to 2 years	25% - 0%	16,000	10.6%
2 years to 5 years	50% - 0%	11,200	7.4%
5 years to 10 years	75% - 0%	3,769	2.5%
10 years and above	100% - 0%	69,197	45.9%

<b>Prudential Indicators</b>	<b>2014/15 Budget £'000</b>	<b>2014/15 Outturn as at 30<sup>th</sup> September 14 £'000</b>
<b>Capital expenditure - General Fund Services</b>	14,609	12,725
<b>Capital expenditure - Housing Revenue Account</b>	10,586	10,189
<b>Capital Financing Requirement (CFR) - General Fund</b>	139,563	143,490
<b>Capital Financing Requirement (CFR) - HRA</b>	32,028	31,946
<b>Annual change in CFR - General Fund</b>	3,927	1,346
<b>Annual change in CFR - HRA</b>	883	(82)
<b>In year borrowing requirement</b>	4,810	1,264
<b>Ratio of financing costs to net revenue stream - General Fund</b>	8.05%	8.05%
<b>Ratio of financing costs to net revenue stream - HRA</b>	17.54%	17.12%

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**Report to Clackmannanshire Council**

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**Date of Meeting: 18 December 2014**

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**Subject: Health and Social Care Integration**

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**Report by: Chief Executive & Head of Social Services**

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**1.0 Purpose**

- 1.1. The purpose of this paper is to provide elected members with an update on progress towards health and social care integration and to seek Council's approval of a number of issues which have been discussed at recent Partnership Boards involving this Council, Stirling Council and NHS Forth Valley.

**2.0 Recommendations**

2.1 It is recommended that Council:

- a) notes progress in taking forward health and care integration in Clackmannanshire;
- b) agrees that the composition of the Integration Joint Board should be three elected members from each of Clackmannanshire and Stirling Councils and six representatives of the Board of NHS Forth Valley;
- c) agrees that this Council's three representatives comprise two members from the political administration and one from the main opposition;
- d) nominates individuals to the three places on that basis;
- e) agrees that these individuals will also be the Council's representatives on the Transitional Board which will operate until such time as ministerial approval is given to the Integration Scheme and the Integration Joint Board can be legally established;
- f) agrees that the appointments panel for the post of Chief Officer for health and care integration comprises two elected members from each of the two councils and four representatives from the Board of NHS Forth Valley;

g) agrees that this Council's representatives on the appointments panel should comprise one elected member from the Administration and one from the main opposition;

h) nominates two members to sit on the appointments panel on that basis;

i) notes that the final draft Integration Scheme will come to Council for approval in March, 2015.

### **3.0 Considerations**

3.1 Clackmannanshire and Stirling Councils and NHS Forth Valley have been working towards putting in place arrangements to take forward health and social care integration for several months.

3.2 In late June this year, agreement was reached to pursue the body corporate model of integration, which involves delegation by the councils and Health Board of relevant functions to a new legal entity (governed by an Integrated Joint Board) with accountability for overseeing the planning, management and delivery of all relevant functions.

3.3 Since June, considerable officer time has been invested in developing the draft Integration Scheme which is required to be submitted to the Scottish Government by April, 2015.

3.4 Six workstreams have been taking forward various aspects of the draft Scheme and at the two most recent meetings of the Partnership Board in November and December agreement was reached on a number of key aspects of the initial draft Scheme including:

a) the proposed make up of the Integration Joint Board, which is three councillors from each Council and six members of NHS Forth Valley;

b) the establishment of a Transitional Board which will take forward integration until such time as the Integration Joint Board can be legally established;

c) the remit of the Chief Officer and a process for appointing someone to that post (the role will be advertised at the start of January, 2015, and the appointment will be made by a panel of elected members and members of the Board of NHS Forth Valley); and

d) the broad scope of services to be included within the Scheme (i.e. the minimum prescribed by the legislation), although there remain some outstanding decisions around some elements of unplanned acute care which NHS Forth Valley are particularly concerned about.

3.5 Other required aspects of the Scheme covering vision, aims, outcomes, clinical and care governance, local operational delivery arrangements, workforce and organisational development, participation and engagement, and financial arrangements are currently being considered with a view to the Transitional Board reaching agreement at its meetings early in the new year.

3.6 The required Integration Scheme will be a fairly high-level documents which sets out for many issues in the form of a series of joint commitments the



detailed implementation of which will be worked through in 2015-16 with a view to implementation by April of 2016. Accordingly, no information can be provided to members at the moment on the detail of, for example, the financial arrangements and performance monitoring.

3.7 There also remain some outstanding matters which the Transitional Board will require to take decisions on at its meeting in January. These include appointing a chair and vice chair of the Transitional Board and the appointment period of these post holders.

3.8 There are requirements to consult a range of stakeholders on the draft scheme. This has already partially begun and will be taken forward more fully in January. Unfortunately, some of the regulations in respect of the Integration Scheme have not been finalised by Parliament and additional guidance continues to come out on an ad hoc basis from the Scottish Government. However, it is anticipated that a complete draft Integration Scheme for Clackmannanshire and Stirling will be available to share with all members in January, 2015.

#### **4.0 Sustainability Implications**

4.1 None

#### **5.0 Resource Implications**

##### *5.1 Financial Details*

5.2 There will be a cost to the Council for its share of the employee costs of the Chief Officer for health and care integration. The grade for the post has not finalised but it will be at chief officer level. The costs will be shared between the three partners on a basis still to be agreed.

##### *5.3 Staffing Details*

5.4 There are no direct implications for the Council's establishment from this report. However, it is possible (depending on the background of the successful candidate for the chief officer post) that the Council may be the employer. It is equally possible the employer might be NHS Forth Valley.

#### **6.0 Exempt Reports**

6.1 Is this report exempt? No

#### **7.0 Declarations**

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

(1) **Our Priorities** (Please double click on the check box )

Health is improving and health inequalities are reducing

X

## 8.0 Equalities Impact

8.1 Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations? n/a

## 9.0 Legality

9.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes

## 10.0 Appendices

10.1 Please list any appendices attached to this report. If there are no appendices, please state "none".

None.

## 11.0 Background Papers


11.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)

No

### Author(s)

NAME	DESIGNATION	TEL NO / EXTENSION
Elaine McPherson	Chief Executive	452002
Val de Souza	Head of Social Services/CSWO	225017

### Approved by

NAME	DESIGNATION	SIGNATURE
Elaine McPherson	Chief Executive	
Val de Souza	Head of Social Services/CSWO	

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**Report to Council**

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**Date of Meeting: 18 December 2014**

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**Subject: Alva Swimming Pool - Ochil Leisure Enterprises Limited**

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**Report by: Head of Strategy & Customer Services**

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**1.0 Purpose**

- 1.1. This report seeks to update members on the current position following upon the fire and consequent closure of the Alva Swimming Pool and leisure facility and the outcome of discussions between Council Officers and representatives of Ochil Leisure Enterprises to determine the way forward.

**2.0 Background**

- 2.1 The Council decided on 03 November 2011 (Minute Reference Item CC.71) to transfer the Alva Pool Complex and associated car park as shown on the attached plan ("the Pool") to Ochil Leisure Enterprises ("OLE") for a sum of £1, along with a sum of not less than £100,000 (i.e. the sum identified for demolition costs) to operate the Pool as a community facility for the benefit of the people of Alva and Clackmannanshire. In the event that the Pool was no longer required by OLE, it was to be transferred back to the Council.
- 2.2 Ownership of the Pool was duly transferred to OLE in July 2012 subject to a Minute of Agreement between the Council and OLE which was secured over the Pool property by a Standard Security in favour of the Council.
- 2.3 The relevant clause of the Minute of Agreement provides that " Should OLE cease to operate the Subjects as a swimming pool and leisure facility for the community benefit of the inhabitants of Alva and Clackmannanshire otherwise than for routine or emergency repair, refurbishment and improvement or otherwise in the normal course of business, as soon as is practicable upon request from the Council OLE will transfer the Subjects back to the Council for no consideration."

**3.0 Recommendation**

It is recommended :-

- 3.1 that members note that OLE have confirmed to the Council that they are not in a position to continue to operate the Pool as a swimming pool and leisure facility;

- 3.2 that members note that OLE have agreed that as a consequence the Pool now falls to be transferred back to the Council without any payment being made to OLE and that officers are currently progressing this;
- 3.3 that members note that no further payments will be due to OLE under the Service Level Agreement between the Council and OLE, such payments being conditional upon the active operation of the swimming pool facility; and
- 3.4 that the Council declares the Pool surplus to operational requirements and that officers examine the options for the future redevelopment of the property including the demolition of the Pool buildings.

#### **4.0 Considerations**

- 4.1 Since acquiring the Pool, OLE had continued to operate it as a community facility in accordance with the Agreement and supported by a Service Level Agreement between the Council and OLE.
- 4.2 In September this year, a fire within the buildings resulted in the Pool being closed and the use of the Pool and leisure facility ceasing. OLE advised that the Pool would be closed for an indeterminate period of time. Detailed discussions with OLE following upon OLE considering its various options have resulted in OLE confirming that it would not be in a position to reopen the swimming pool facility and that it would therefore transfer the Pool back to the Council as provided by the Agreement. OLE held a public meeting in Alva to make the local community aware of its position regarding the Pool
- 4.3 Officers are now concluding the detailed arrangements for the transfer of the Pool back to the Council.
- 4.4 As a result of the transfer back of the Pool to the Council, the Council will resume responsibility, and any associated costs, for securing the buildings against unauthorised access pending further detailed consideration of the future of the site. Given the transfer was unanticipated, these costs are not provided for within the current year's budget but they may nevertheless be offset by the reduced payment to OLE mentioned at 3.2 above.

#### **5.0 Resource Implications**

- 5.1 Finance have been consulted and have agreed the financial implications as set out in the report. Yes
- 5.2 No additional staff resources would be required as a result of this report.

#### **6.0 Exempt Reports**

- 6.1 Is this report exempt? Yes  (please detail the reasons for exemption below) No

## 7.0 Declarations

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

(1) **Our Priorities** (Please double click on the check box)

The area has a positive image and attracts people and businesses

Our communities are more cohesive and inclusive

People are better skilled, trained and ready for learning and employment

Our communities are safer

Vulnerable people and families are supported

Substance misuse and its effects are reduced

Health is improving and health inequalities are reducing

The environment is protected and enhanced for all

The Council is effective, efficient and recognised for excellence

(2) **Council Policies** (Please detail)

Proposed Clackmannanshire Local Development Plan

## 8.0 Equalities Impact

Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations?

Yes  No

## 9.0 Legality

9.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes

## 10.0 Appendices

10.1 Please list any appendices attached to this report. If there are no appendices, please state "none".

None

## 11.0 Background Papers



Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)

Yes  (please list the documents below) No

Author(s)

<b>NAME</b>	<b>DESIGNATION</b>	<b>TEL NO / EXTENSION</b>
Andy Wyse	Legal Leader - Legal Services	Extension : 2088

**Approved by**

<b>NAME</b>	<b>DESIGNATION</b>	<b>SIGNATURE</b>
Stuart Crickmar	Head of Strategy & Customer Services	
Garry Dallas	Executive Director	



**Councillor Donald Balsillie**

Ward 2 Clackmannanshire North (Multi Member Ward)  
Kilncraigs, Greenside Street, Alloa, FK10 1EB  
Telephone: 01259 452255 Mobile: 07972 800 632  
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**Clackmannanshire Council**  
www.clacksweb.org.uk

**THIS PAPER RELATES TO  
ITEM 13  
ON THE AGENDA**

Motion to Council -Thursday December 18th 2014.

In response to the recent Consultation on Post Office Services in Alloa. Clackmannanshire Council objects to the removal of Crown Post Office status for Alloa and the resultant implications for Service delivery. The Council is concerned about the proposal to relocate the post office to within a local store and the likelihood that this will result in the reduction of staff numbers and current level of Service. Unlike the current post office we understand that the loss of crown post office status means that there would be no obligation to continue postal services in Alloa if the store decides to give up this aspect of its business.



Cllr Donald Balsillie

8 DEC 2014  
1642  
MS.

