



Clackmannanshire Council

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

Meeting of Clackmannanshire Council

Thursday 15 December 2016 at 10.00 am.

**Venue: Council Chamber, 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

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

7 December 2016

A MEETING of the CLACKMANNANSHIRE COUNCIL will be held within the Council Chamber, Kilncraigs, Greenside Street, Alloa, FK10 1EB, on THURSDAY 15 DECEMBER 2016 at 10.00 am.

**ELAINE McPHERSON
Chief Executive**

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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 10 November 2016 (Copy herewith)	
4. Committee Meetings Convened Since the Previous Council Meeting on 10/11/16 <i>(For information only)</i> <ul style="list-style-type: none">• Audit and Finance Committee on 17/11/2016• Clackmannanshire Licensing Board on 23/11/2016• Clackmannanshire Licensing Board on 29/11/2016	--
5. Assessment of Children's Progress – Teacher Professional Judgement Data Collection 2016 – report by the Chief Education Officer (Copy herewith)	13
6. Empowering Teachers, Parents and Communities to Achieve Excellence and Equity in Education: A Governance Review – report by the Chief Education Officer (Copy herewith)	39
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17. City Deal – report by the Head of Development and Environment (copy herewith)	165

EXEMPT INFORMATION

It is considered that the undernoted reports 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 this item.

18. Clackmannan Regeneration Project – report by the Head of Development and Environment (Copy herewith)	169
19. Proposed Sale of 15/15A Mar Street, Alloa and 5 Tron Court, Tullibody – report by the Head of Development and Environment (Copy herewith)	183

Clackmannanshire Council – Councillors and Wards

Councillors

Wards

Councillor	Tina Murphy	1	Clackmannanshire West	SNP
Councillor	George Matchett, QPM	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	SNP
Councillor	Walter McAdam, MBE	2	Clackmannanshire North	SNP
Councillor	Bobby McGill	2	Clackmannanshire North	LAB
Provost	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

Appointed Members (3)

Rev Sang Y Cha	Church of Scotland
Father Michael Freyne	Roman Catholic Church
Pastor David Fraser	Scottish Baptist Church

Nb. Religious representatives (Appointed Members) only have voting rights on matters relating to the discharge of the authority's function as education authority.



**MINUTES OF MEETING of the CLACKMANNANSHIRE COUNCIL held within the Council
Chambers, Kilncraigs, ALLOA, FK10 1EB, on THURSDAY 10 NOVEMBER 2016 at 09.45 am.**

PRESENT

Provost Derek Stewart (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 Kathleen Martin
Councillor George Matchett, QPM
Councillor Walter McAdam, MBE
Councillor Bobby McGill
Councillor Tina Murphy
Councillor Jim Stalker
Councillor Graham Watt

Reverend Sang Y Cha, Appointed Member (Church of Scotland)
Father Michael Freyne, Appointed Member (Roman Catholic Church)

IN ATTENDANCE

Nikki Bridle, Depute Chief Executive
Garry Dallas, Executive Director
Stephen Coulter, Head of Resources and Governance
Stuart Crickmar, Head of Strategy and Customer Services
Ahsan Khan, Head of Housing and Community Safety
Gordon McNeil, Head of Development and Environment
Anne Pearson, Chief Education Officer
Lindsay Sim, Chief Accountant
Shiona Strachan, Chief Officer Health and Social Care Integration
Chris Alliston, HR Service Manager
Andrew Wyse, Acting Legal Services Manager, Clerk to the Council
Gillian White, Committee Services

Prior to the start of the Council Meeting, Councillor Graham Watt, Spokesperson for Health and Social Work, presented a CoSLA Gold Excellence Award to the team from Clackmannanshire and Stirling Councils for their work on the Autism Strategy.

Intimation

The Provost intimated that Janice McCrum, Legal Services (Clerk to Committees), had recently been admitted to hospital. The Provost advised he would send a letter wishing her a speedy recovery on behalf of the Council.

CC(16)84 APOLOGIES

Apologies for absence were received from Councillor Les Sharp, Councillor Craig Holden, Councillor Gary Womersley and Pastor David Fraser.

CC(16)85 DECLARATIONS OF INTERESTS

None.

**CC(16)86 MINUTES OF MEETING OF CLACKMANNANSHIRE COUNCIL -
13 OCTOBER 2016**

The minutes of the meeting of the Clackmannanshire Council held on 13 October 2016 were submitted for approval.

CC(16)79 Clackmannan Regeneration Project

Councillor Hamilton advised that she withdrew from the meeting following the conclusion of CC(16)79 not after CC(16)80.

Decision

Subject to the above amendment, the minutes of the meeting of the Clackmannanshire Council held on 13 October 2016 were agreed as a correct record of proceedings and were signed by the Depute Provost.

**CC(16)87 COMMITTEE MEETINGS CONVENED SINCE THE PREVIOUS COUNCIL
MEETING ON 13 OCTOBER 2016**

The Council agreed to note the Committee meetings that had taken place since the last ordinary meeting on 13 October 2016.

- (i) Regulatory Committee on 25 October 2016
- (ii) Scrutiny Committee on 26 October 2016
- (iii) Planning Committee on 27 October 2016
- (iv) Clackmannanshire Licensing Board on 1 November 2016
- (v) Social Services Complaints Review Committee 8 November 2016

Councillor Martin withdrew from the meeting during the following item. Fourteen (14) members and two (2) appointed members remained present.

CC(16)88 ESTABLISHMENT OF ATTAINMENT AND IMPROVEMENT FORUM

A report was submitted by the Chief Education Officer which sought Council's approval to establish an Attainment and Improvement Forum.

Motion

That Council agrees the recommendations set out in the report.

Moved by Councillor George Matchett QPM. Seconded by Councillor Jim Stalker.

Voting on the Motion

For the motion 10 votes

Against the motion 6 votes

Decision

On a division of 10 votes to 6, the Council agreed to establish an Attainment and Improvement Forum as set out in the report.

Action

Chief Education Officer

Reverend Sang Y Cha, Appointed Member and Father Michael Freyne, Appointed Member withdrew from the meeting prior to the following item of business.

CC(16)89 BUDGET STRATEGY UPDATE

A report was submitted by the Chief Accountant, which maintained Council's regular update on the Council's approved Budget Strategy. The report also provided an update on financial planning assumptions and the associated potential impact on the cumulative indicative funding gap from 2017/18 through to 2019/20, and progress with the implementation of workforce related savings agreed in the Council's budget on the 23rd February 2016.

Motion

That Council notes the information set out in the report.

Moved by Councillor Janet Cadenhead. Seconded by Councillor Graham Watt.

Voting on the Motion

For the motion 8 votes
Against the motion 6 votes

Decision

On a division of 8 votes to 6, the Council agreed to note:

- a. The timing of the Scottish Draft Budget (set out in paragraph 3.1 of the report)
- b. The impact of the refreshed financial planning assumptions for the financial years 2017/18, 2018/19 and 2019/20 (set out in Tables 1 to 4 and paragraphs 4.1 to 4.5 of the report)
- c. The update on discussions with trade union representatives on the implementation of unsocial hours changes in terms and conditions which were agreed as part of the 2016/17 Budget (set out in paragraphs 4.6 to 4.8 of the report)
- d. Progress with regards to the implementation of workforce related savings in 2016/17 in respect of Targeted Voluntary Redundancy and Voluntary Severance (set out in paragraphs 4.9 to 4.12 of the report).

Councillor Balsillie, on behalf of the SNP Group asked that the minutes of the meeting record a note of their disagreement with the decision of the meeting, specifically part (c) of the agreed decision.

Action

Chief Accountant

CC(16)90 REVIEW OF THE WORKING WEEK (UNSOCIAL HOURS PAYMENTS)

A report was submitted by the Head of Resources and Governance which put to Council a proposal to implement the £363k saving (MCB039 Review of the Working Week) which was agreed by Council in February as part of the 2016/17 Budget.

Motion

That Council agrees recommendation (a) as set out in the report and in coming to a view on how it wished to proceed, agrees not to take the proposal (MCB 039) forward

Moved by Councillor Bobby McGill. Seconded by Councillor Graham Watt.

Decision

The Council agreed unanimously to:

- a. Note the management proposal to implement the saving, progress on negotiations with trade unions and the JTUC formal response; and
- b. Not take the proposal (MCB 039) forward

Action

Head of Resources and Governance

CC(16)91 PUTTING CUSTOMERS FIRST – LOCAL SERVICE PROVISION

A report, submitted by the Head of Strategy and Customer Services, reported on the results of the public consultation on the Administration's vision for Local Service Provision.

Motion

That Council agrees the recommendations set out in the report.

Moved by Councillor Janet Cadenhead. Seconded by Councillor Bobby McGill.

Decision

The Council agreed unanimously to note:

- (i) Feedback from the public consultation; and
- (ii) That a further report will be brought to Council on proposals arising from the consultation.

Action

Head of Strategy and Customer Services

CC(16)92 INTEGRATION OF HEALTH AND SOCIAL CARE SERVICES

A report, submitted by the Chief Officer, Health and Social Care Integration provided an update to Council on the progress to plan and implement health and social care integration in line with the provisions of the Public Bodies (Joint Working) (Scotland) Act 2014 and the accompanying guidance and regulations. The report built on the previous report to the Housing, Health and Care Committee on 28 January 2016 and to Council on 11 August 2016.

Motion

That Council agrees the recommendations set out in the report.

Moved by Councillor Graham Watt. Seconded by Councillor Bobby McGill.

Voting on the Motion

For the motion	8 votes
Against the motion	6 votes

Decision

On a division of 8 votes to 6, the Council agreed to note:

1. The progress of planning and implementation in respect of the integration of health and social care services for adults; and
2. The projected overspend and the work being carried out to develop a recovery plan.

Action

Chief Officer, Health and Social Care Integration

Ends 1310 hrs

Report to Council

Date of Meeting: 15th December 2016

Subject: Assessment of Children's Progress – Teacher Professional Judgement Data Collection 2016

Report by: Chief Education Officer

1.0 Purpose

- 1.1. The purpose of this report is to update the Council on the Data Collection of Teacher Professional Judgement for 2016 which was submitted to Scottish Government in September.

2.0 Recommendations

- 2.1. It is recommended that the Council note and comment on the contents of this report.

3.0 Background

- 3.1. Achievement of children's progress in Curriculum for Excellence, specifically through the Broad General Education (P1-S3), was not previously collected at local or national level. This evidence is now required by Scottish Government as part of the National Improvement Framework. It will become publicly available in December 2016.
- 3.2. The National Improvement Framework recognised that one of the key drivers for improvement in education was to improve the quality of assessment evidence about children's attainment and progress. The Framework set out plans for a new data collection to gather evidence from all schools in Scotland on assessment of children's progress in achieving Curriculum for Excellence levels in Literacy and Numeracy, at P1, P4, P7 and S3.
- 3.3. This data collection is based on the assessment that teachers make about a child's attainment supported by a range of evidence, including, new national standardised assessments. It is recognised that consistency and quality of the data both nationally and across Clackmannanshire schools needs to improve. The Education Service is currently supporting establishments in ensuring that there is a shared understanding of Curriculum for Excellence levels, standards and progress.
- 3.4. This data collection provides new evidence of assessment of children's progress across Clackmannanshire. A summary of the overall results is

attached at **Appendix 1**. As advised by Scottish Government, the full statistical breakdown remains restricted under the Code of Practice for Official Statistics until publication on 13th December 2016.

- 3.5. Education Scotland issued further detailed documents to support schools, teachers and parents on assessment on 25 November 2016. This information is intended to support teachers in their engagement with parents about how a child is assessed. It includes information on the planned new national standardised assessments which will be introduced in school year 2017/2018 for all children in P1, P4, P7 and S3. These guidance documents are attached at **Appendix 2**.

4.0 Considerations

- 4.1. The results for each individual school cannot be directly compared, as each school has its own particular context and breakdown of pupils and families. For example, schools where there is a relatively high proportion of children from disadvantaged backgrounds, from Scottish Index of Multiple Deprivation deciles 1 and 2, with English as an Additional Language, looked after children, or from families in crisis. In addition, there may be particular staffing or other issues which are affecting progress.
- 4.2. Nevertheless, the data, taken alongside other data, demonstrates that children in our disadvantaged communities are not doing as well as those from better off communities. This is in line with the overall pattern of the gap for children living in deprivation in Scotland. Many of our children are not achieving the nationally expected levels in Literacy and Numeracy. This is particularly evident as children progress through the Broad General Education, with particular dips in performance in writing and numeracy in P4 and in P7. The focus of Clackmannanshire's activity within Scotland's Attainment Challenge is to address these gaps and trends in performance.
- 4.3. The Scottish Government intends to publish the data online at national, local authority and school level, on 13 December 2016 as part of its reporting on the National Improvement Framework. Scottish Government have said they will use a combination of bandings and combined results to display the data at school level so that no children/classes can be identified but at a local authority level a more detailed breakdown will be available. They will also include some contextual data e.g. school roll and SIMD profile.
- 4.4. Parents will be able to access their own school's results through an online data base. Headteachers have already been prompted to engage with parents on their own results so that they understand their own context. The new guidance information from Education Scotland (para 3.5 above) is aimed at helping teachers explain assessment to parents, both in relation to their own child's progress, but also their overall school's results in this new data rich environment. The Education Service will support schools in helping parents to understand this information locally.
- 4.5. Scottish Government has recognised that due to the inconsistency of some of the data this year, the statistics should be seen as Experimental Statistics. The ongoing work to support quality assurance, moderation and sharing of

standards aims to improve the reliability and robustness of the data across Scotland.

5.0 Sustainability Implications

5.1. None.

6.0 Resource Implications

6.1. *Financial Details*

6.2. 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

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

6.4. *Staffing*

7.0 Exempt Reports

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

8.0 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)

None

9.0 Equalities Impact

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

Yes No

10.0 Legality

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

Yes No

11.0 Appendices

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

1 - *TPJ Summary by Primary, Secondary, Special*

2 - *Education Scotland Information for parents and teachers on Assessment*

12.0 Background Papers

12.1 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

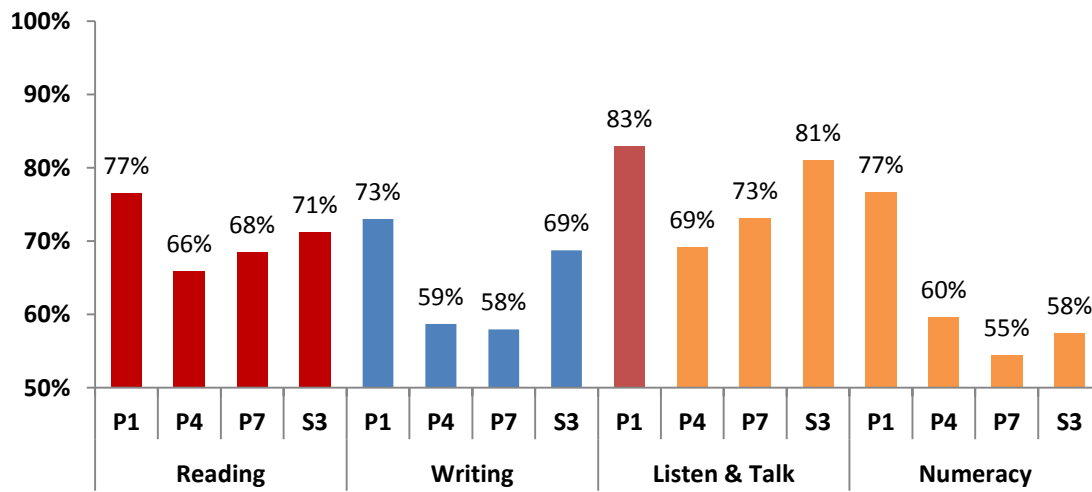
Author(s)

NAME	DESIGNATION	TEL NO / EXTENSION
Lorraine Sanda	Improving Outcomes Manager	2425

Approved by

NAME	DESIGNATION	SIGNATURE
Anne Pearson	Chief Education Officer	Signed : A Pearson
Elaine McPherson	Chief Executive	Signed: A McPherson

CLACKMANNANSHIRE LA TOTAL - % at level or above



ASSESSING CHILDREN'S PROGRESS:

A GUIDE FOR PARENTS AND CARERS



Education
Scotland
Foghlam Alba



Smarter
Scotland
Scottish
Government

WHAT DO I NEED TO KNOW ABOUT THE NATIONAL IMPROVEMENT FRAMEWORK?



The National Improvement Framework has been introduced to provide better information about how children and young people are progressing and how well schools, councils and the Scottish Government are supporting their learning. That information will help teachers and others who work to support children and young people to understand where improvement is needed. It will also help schools, councils and national government to see which learning, teaching and assessment approaches are working well, and where changes need to be made.

As part of the National Improvement Framework, the Scottish Government will collect assessment information about children and young people: their health and wellbeing; their progress through the early years and with their learning; the national awards and qualifications they obtain; and their success on leaving school.

HOW IS CHILDREN'S LEARNING ASSESSED IN SCOTLAND?



Assessment is a central part of everyday learning and teaching for children and young people. Teachers gather evidence on an ongoing and informal basis through asking questions, observing children working together and making comments on their work. Children may assess their own work or that of their classmates. Some assessment is more formal, such as projects, investigations, case studies and tests.

The assessment of children's progress throughout primary school and in secondary S1-S3 is based on teachers' views: their "professional judgement". In making these judgements, teachers draw on their professional knowledge and understanding of the child; on the recently published benchmarks for literacy and numeracy, which provide clear information about what children and young people should be able to do and demonstrate by the end of a Curriculum for Excellence level; and on a wide range of assessment information.

Many teachers and schools across Scotland use standardised assessments, bought in from various different providers, as one of the ways of assessing children's progress.

WHAT'S NEW?

From June 2016, teachers of P1, P4, P7 and S3 classes are being asked at the end of every school year whether children have achieved the relevant Curriculum for Excellence level for their stage in reading, writing, talking and listening (literacy), and their ability to understand and work with numbers (numeracy). Most children are expected to have achieved the early level by the end of P1, first level by the end of P4, second level by the end of P7 and third and fourth level by the end of S3.

The Scottish Government will publish the information received from teachers, to show the percentage of children who have achieved Curriculum for Excellence levels in literacy and numeracy in individual schools, across councils and at a national level. No individual child will be identifiable from published information.

From August 2017, new, national standardised assessments will be introduced in all schools in Scotland. These assessments will provide an additional source of nationally consistent evidence for teachers to use when assessing children's progress.

WHAT WILL BE THE SAME?

Ongoing and informal assessment is, and will continue to be, a central part of everyday learning and teaching.

Teachers will continue to draw on all of the assessment information available to them, when considering children's progress and planning the next steps in their learning.

Teachers remain best placed to know how the children in their class are progressing. Their professional judgement will continue to be the most important way of assessing your child's progress at school.

WHAT WILL THE NEW NATIONAL STANDARDISED ASSESSMENTS INVOLVE?



- Every child in P1, P4, P7 and S3 will undertake national standardised assessments covering some aspects of reading, writing and working with numbers.
- Assessments will be completed online and will be automatically marked by the online system, giving teachers immediate feedback to help children progress.
- The assessments will be used to help teachers understand how well your child is progressing with his or her learning and to plan next steps. There will be no pass or fail.
- The system will be designed so that if a child is struggling with the questions they will get easier, and if a child is doing well the questions will become more challenging.
- The standardised assessments will be as short as possible and will be age and stage appropriate. A time limit of 50 minutes for each assessment has been set. This is an absolute maximum, to ensure that no child feels an unnecessary time pressure when undertaking the assessments. We do not expect the majority of children to require the full 50 minutes.
- Your child will not be expected to take assessments covering reading, writing and working with numbers in one sitting.
- There will be no set day or period of time during which the national standardised assessments must be taken. Individual teachers and schools will decide the most appropriate time during the school year for your child to take the national standardised assessments.
- The assessments will, as far as possible, accommodate the needs of children who require additional support.

WHAT DOES ALL OF THIS MEAN FOR MY CHILD?



Teachers will judge whether children have achieved Curriculum for Excellence levels at the end of P1, P4, P7 and S3. This will help to ensure the next year's teacher knows how well children are progressing in their learning and can plan next steps and provide further support accordingly. Providing the right support at the right time will help to ensure your child can reach his or her potential.

As many teachers and schools across Scotland are already using a variety of standardised assessments, many children will already be familiar with taking this form of assessment. The Scottish Government is simply replacing the variety of existing standardised assessments that local authorities and schools currently buy in with a single, nationally consistent set of standardised assessments.

Your child will not have to revise or prepare for national standardised assessments. There will be no additional workload for your child and the assessments will offer no distraction from daily learning.

Teachers will discuss with children how they got on in their national standardised assessment, and will plan next steps with the individual child based on that information. Standardised assessment results will be considered alongside other evidence of your child's progress, from ongoing assessment and classroom activity.

The Scottish Government will ensure that the impact of the new standardised assessments on children is closely monitored.

WHAT DOES ALL THIS MEAN FOR ME AS A PARENT?

The online assessment system will produce feedback information about where your child did well and where further support is required. Teachers will use this information, alongside a wide range of other assessment information, to discuss with you how your child is progressing with their learning.

Education Scotland – the national body supporting quality and improvement in Scottish education – will be working with teachers and parents to develop guidance on the best ways to report your child's progress.

WHAT CAN I DO TO HELP MY CHILD?

You have a key role to play in helping your child to learn. Your child's teacher will keep you informed about how your child is progressing. Talk to your child's school if you have any concerns about their learning or assessment. Ask for information on how you can support your child's learning at home.

The standardised assessments should be seen by your child as just another aspect of daily learning. There is no need to prepare your child for assessment or to practice any specific tasks or activities.

WHO CAN I TALK TO IF I'M CONCERNED?

In the first instance, you should always expect to be able to speak with your child's class teacher or with their headteacher.

If you have any more general comments, questions or concerns about the way in which children's progress is being assessed as part of the National Improvement Framework, please email nationalimprovementframework@gov.scot

WHERE CAN I FIND OUT MORE?

Your child's class teacher or headteacher should always be on hand to discuss any questions that you may have about your child's progress and the role assessment plays in this.

Your Parent Council may be able to point you towards further advice or support.

Further information can also be found on the Scottish Government's website: <http://www.gov.scot/Topics/Education/Schools/NationalImprovementFramework/NatonalImprovementFramework>

For further information about how to support your child's learning, their education and school life, visit: www.parentzonescotland.com

Assessing Children's Progress: Questions and Answers

How are children assessed in Scotland?

The assessment of children's progress throughout primary school and in secondary school S1-3 is based on the professional judgement of teachers. In making these judgements, teachers draw on their professional knowledge and understanding of the child; on the recently published benchmarks for literacy and numeracy, which provide clear information about what children and young people should be able to do and demonstrate by the end of a Curriculum for Excellence level; and on a wide range of assessment information.

Assessment is a central part of everyday learning and teaching for every child and young person. Teachers gather evidence on an ongoing and informal basis through asking questions, observing children working together and making comments on their work. Children may assess their own work or that of their classmates. Other assessments can be more formal, such as projects, investigations, case studies and question papers/tests.

Why is this important?

Children, parents, carers, teachers and headteachers need to know how individual children are getting on: where they are doing well and where they need further support. Assessment information can be used by teachers to make decisions about next steps in learning and to help parents understand better how they can support their child at home. It can be used by headteachers to understand how to make learning better for all children in the school.

Why are you introducing National Standardised Assessments?

To give every child a better chance of reaching his or her potential, parents, carers and teachers need objective, consistent and comparable information about how well children are progressing. This information will be used to identify strengths and to understand and act upon areas where children need further support.

At school, local authority and national level, we need information to show us which learning and teaching approaches are working best and where changes need to be made. That way, we can learn from the best, and ensure time and efforts are focussed on the approaches which have the greatest impact on learning.

Does this mean national testing?

No. We are not introducing a national testing regime. The national standardised assessments are not "high stakes tests". The results will not determine any key future outcomes for students (such as which school they go to, or whether they can progress to the next level). There will be no pass or fail. Children will not be expected to revise or prepare for assessments. They will simply continue to undertake routine classroom learning activities.

Does this mean that ongoing, classroom assessment will no longer be used?

No. Ongoing assessment is, and will continue to be, a central part of everyday learning and teaching. The new national standardised assessments will provide an excellent source of evidence for teachers to use when assessing children's progress. Teachers will continue to draw on the full range of assessment activity when considering children's progress and planning the next steps in their learning.

What will the national standardised assessments involve?

The new national standardised assessments will cover some aspects of reading, writing and numeracy. This type of national standardised assessment is not suitable for assessing listening and talking or extended writing.

Children will take the national standardised assessments online.

How long will the national standardised assessments take?

The standardised assessments will be as short as possible and will be age and stage appropriate. A time limit of 50 minutes for each assessment has been set. This is an absolute maximum, to ensure that no child feels an unnecessary time pressure when undertaking the assessments. We do not expect the majority of children to require the full 50 minutes.

When will the national standardised assessments take place?

There will be no set day or period of time during which the national standardised assessments must be taken. Individual teachers and schools will decide the most appropriate time during the school year for children to take the national standardised assessments.

Will all children take the national standardised assessments?

In order to provide national consistency, the new national standardised assessments will be taken by all children in P1, P4, P7 and S3, whatever their background and ability, except in exceptional circumstances, such as where individual complex additional support needs make it inappropriate for them to do so.

What about children with additional support needs?

We will ensure that the national standardised assessments are as inclusive as possible and accommodate the needs of the vast majority of children who require additional support. The system will be accessible to those who already use technology to help them learn, or other methods of communication such as speech to text and Braille. Practitioners who work with children and young people with complex additional support needs will use their knowledge and understanding of the child and their needs, strengths and challenges to reach a decision, with parents, on whether or not the use of standardised assessment is appropriate.

Will the national standardised assessments be marked by class teachers?

No. The national standardised assessments will be delivered online, using technology that provides results automatically. The system will quickly and automatically generate information for teachers on where a child has done well and where further support may be required.

What will you do with the results?

At a classroom level, the information provided from individual children's national standardised assessments will help teachers to understand how children are progressing, based on a nationally consistent picture of those aspects of reading, writing and numeracy that the assessments cover. Training and guidance will be provided to help teachers interpret and use the national standardised assessment results.

Information at a school and local authority level will help to inform local improvement planning.

National level information will help to inform national improvement plans and policy.

Will children get to see the results?

Teachers will discuss with children how they got on in their national standardised assessment, and will plan next steps with the individual child based on that information. Teachers will ensure that standardised assessment results are considered alongside other evidence of the child's progress, from ongoing assessment and classroom activity.

Will parents get to see the results?

Feedback information produced by the online assessment system will be used for discussion with parents about their child's learning, along with other assessment evidence that teachers use to assess a child's progress.

Education Scotland will be working with teachers and parents and carers, to agree how best to share the results from the standardised assessments, so that parents understand their child's progress and how best to support their learning at home.

Will you publish the results?

Data on the percentage of children who have achieved the Curriculum for Excellence levels in literacy and numeracy relevant to their stage will be published at school, local authority and national levels. Teachers will use their professional judgement to decide if children have achieved those levels, based on a wide range of assessment information from across the full school year.

How will the national standardised assessments affect children?

Standardised assessments are just one element of a wider range of evidence used by teachers who know children and work with them daily, to understand how they are progressing.

The new standardised assessments will be designed so that if a child is struggling with the questions they will get easier, and if a child is doing well, questions will become more challenging. In this way, the assessments will establish children's ability, without them having to face lots of questions that are too easy for them or too hard to answer.

Children will not have to prepare for assessments. There will be no additional workload for children or teachers. The assessments should not distract from core learning.

The Scottish Government will ensure that the impact on children of the new assessments is monitored closely.

Isn't P1 too young to assess children?

There is widespread recognition that children's early development and their progress during the first year of school are crucial for their later success.

Many local authorities already use standardised assessment at Primary 1. Schools find this information useful to ensure the right support is in place to secure good outcomes for children and plan for future learning.

Can parents opt out of the assessments/decline to take part?

The intention of all assessment is to assess progress and put in place support where a need is identified. As these assessments are designed to help teachers understand whether children need additional help or support, there is no benefit to opting out for parents or for children.

Parents who are concerned about any aspect of their child's learning and assessment should discuss this with their child's teacher.

How can parents help their child?

Parents and carers have a key role to play in helping their child's learning to progress. Teachers should keep parents informed about how their child is progressing. Parents and carers should talk to the school if they have any concerns about their child's learning or progress. Teachers should talk to parents about how they can support their child's learning at home.

The standardised assessments should be seen by children as just another aspect of daily learning. There is no need for parents to prepare children for assessment or practice any specific tasks or activities.

Who will develop and deliver the new national standardised assessments?

The National Standardised Assessments will be developed and delivered by ACER International UK Ltd. ACER International UK Ltd is a wholly-owned subsidiary of the Australian Council for Educational Research (ACER), a not-for-profit organisation with 85 years of experience in educational research. ACER has extensive experience of delivering large-scale online assessments similar to those they will deliver in Scotland. ACER currently provides online assessments in more than 80 countries around the world.

When will the new national standardised assessments be introduced?

August 2017.

How will you ensure that the online system works, in advance of children taking the assessments?

Implementation testing of the standardised assessment materials will begin by the end of 2016 and continue through to May 2017. Implementation testing will take place in local authorities in urban and rural areas and will include local authorities who do not currently use standardised assessments as well as those local authorities who do.

What will happen if schools do not have the necessary technology or internet connection to enable children to sit the tests online?

If a school has significant difficulties with providing online assessments that cannot be overcome, we will make sure that the national standardised assessments can be taken in another way.

Where can I find out more?

Further information about the assessment model used in Scotland can be found here:

<http://www.gov.scot/Topics/Education/Schools/NationalImprovementFramework>

Further information about the National Improvement Framework can be found here:

<http://www.gov.scot/Topics/Education/Schools/NationalImprovementFramework>

If you have any other questions, comments or concerns to raise about the way in which children's progress is being assessed as part of the National Improvement Framework, please email nationalimprovementframework@gov.scot



Delivering Excellence and Equity in Scottish Education: the National Improvement Framework

The Scottish Government wants to make sure that all children and young people:

- have the skills they need to do well – particularly in literacy and numeracy
- can do their best, no matter where they live or who their parents are
- feel healthy and secure
- go on to succeed once they have left school.

Evidence shows that six things make the biggest difference to the quality of children's learning:

- strong leadership
- high quality, professionally trained teachers and practitioners
- parents and carers who understand and are actively engaged in their children's learning and their school
- information that tells us how children are progressing
- good schools, which involve children, parents, carers, teachers and the community in planning to become even better
- an understanding of how information about what's happening in schools now can be used to improve things for the future.

As part of the National Improvement Framework, the Scottish Government will gather a range of data and evidence, to show us how well we are doing in each of these areas at school, local authority and national levels, and where we need to make further improvements.

This information leaflet is focused on the information we will gather to tell us how children are progressing with their learning.

Assessing children's progress

The Scottish Government wants children to become successful learners, confident individuals, responsible citizens and effective contributors.

To find out whether we are achieving these aims, we need to gather information across the full span of children's learning, from the early years, through to the point where they leave school. This information will tell us how children are progressing individually, as well as at school, local and national levels.

Teachers will use the information to make decisions about next steps in learning, both for individual children, and in terms of the particular approaches and interventions they use in the classroom.



In assessing how children are progressing, we will collect information on a wide range of areas, including:

- **Health and wellbeing** – Children must feel healthy and secure if they are to do well in other aspects of their learning and life. Children must feel ready to learn. Existing surveys give us a lot of national level information about children’s health, attitudes, behaviours and wellbeing, which helps us to understand how children are getting on, to identify differences in health behaviours and wellbeing between different groups of children and to take action to improve the life chances of every child and young person. The Scottish Government is developing a new survey which will give us information at a local level and so can be used by schools and local authorities, to identify the aspects of children’s health and wellbeing that are of greatest interest to them and to plan how best to support the children and young people in their area.
- **Early years** – The sooner we can identify and act on any issues affecting children, the greater chance they will have of succeeding in later life. Health Visitors will continue to carry out child health reviews of all children at 27-30 months, to highlight whether there are any concerns about a child’s development at a young age, and to provide additional support as necessary.
- **Literacy and numeracy skills** – Reading, writing, talking and listening skills, and the ability to understand and work with numbers, are the building blocks for success in all other aspects of children’s learning. The majority of this leaflet focuses on explaining how children’s progress in literacy and numeracy will be measured.
- **National qualifications and awards** – While national qualifications are an important measure of young people’s learning, recognising broader achievements too, provides a richer understanding of how children are progressing. All young people benefit from gaining recognition for their achievements and the skills for learning, skills for life and skills for work that are developed through them. The National Improvement Framework will gather information on the number of national qualifications and the wider range of awards and achievements young people obtain.
- **The success of young people on leaving school** – Education is not an end in itself, but a way of preparing children and young people for their future lives. The National Improvement Framework will gather information about the quality of support young people are being given to help inform their choices about the future and about the number of young people who go on to and then sustain further education, employment or training.





Measuring literacy and numeracy skills

The assessment of children's progress throughout primary school and in secondary S1 - S3 is based on teachers' views: their professional judgement.

We recognise that teachers are best placed to know how the children in their classes are progressing. That is why, at the end of every school year, the Scottish Government is asking all teachers of P1, P4, P7 and S3 classes whether children have achieved the relevant Curriculum for Excellence level in literacy and numeracy for their stage (i.e. the early level by the end of P1, first level by the end of P4, second level by the end of P7 and third and fourth level by the end of S3).

Teachers will make those judgements based on their own professional knowledge and understanding; on the recently published benchmarks for literacy and numeracy, which provide clear information about what children and young people should be able to do and demonstrate by the end of a Curriculum for Excellence level; and informed by how each individual child has been progressing over the full year. Teachers will work together within their school, local area and with national teams to make sure that their judgements are consistent. Education Scotland is leading a new programme to make sure that the judgements teachers make meet the national standards for the curriculum levels.

The Scottish Government will publish annual teacher professional judgement data on the percentage of children who have achieved the Curriculum for Excellence levels in literacy and numeracy relevant to their stage. That information will be published at school, local authority and national level.

Using information appropriately

All schools are unique, so to understand how well a school is doing it is important to look at a range of different data sources, together with information about the individual school and the characteristics of the children and young people in that school. It is not appropriate to rank schools, based on teacher professional judgement of Curriculum for Excellence levels data. Creating league tables which imply that schools at the top of the table are the best in Scotland and those at the bottom are the worst would be entirely misleading. Schools operate in very different circumstances and cannot be compared in this way. The context of a school must be taken into account in understanding how well a school is doing.

Assessing achievement of Curriculum for Excellence levels

Assessment is a central part of everyday learning and teaching. The vast majority of evidence teachers consider when making their judgements is gathered frequently and informally, from day-to-day classroom activities.

This ongoing assessment can take the form of children assessing their own work, or the work of their classmates, teachers asking questions and teachers observing children working together. It will also include teachers commenting on children's work.

More formal assessment can include projects, investigations, case studies, design folios and question papers/more formal tests. This kind of assessment may take place at set points in the school calendar, for example, after a short course, at the end of a school term or year or at points of transition.

Teachers use assessment information on a day to day basis to help children plan next steps. **They will draw on all assessment activity when deciding whether the children in their class have achieved the Curriculum for Excellence level relevant to their stage.**

In addition, the Scottish Government is developing new national standardised assessments in aspects of reading, writing and numeracy, for all children in P1, P4, P7 and S3. These will replace the various standardised assessments currently in use in schools across Scotland. The results from the standardised assessments will provide an additional source of nationally consistent information to inform teachers' professional judgement, both when planning next steps and when considering whether children have achieved Curriculum for Excellence levels.

Using assessment appropriately, proportionately and inclusively

The new national standardised assessments will cover aspects of reading, writing and numeracy. This type of assessment is not suitable for assessing listening and talking or extended writing. As the national standardised assessments will only cover some aspects of literacy and numeracy, they cannot and should not replace teachers' professional judgement of achievement of Curriculum for Excellence levels.

Children will take the standardised assessments online. The system will be designed so that if a child is struggling with the questions they will get easier, and if a child is doing well, questions will become more challenging. In this way, the assessments will establish children's ability, without them having to face lots of questions that are too easy for them or too hard to answer.

The standardised assessments will be as short as possible and will be age and stage appropriate. A time limit of 50 minutes for each assessment has been set.



This is an absolute maximum, to ensure that no child feels an unnecessary time pressure when undertaking the assessments. We do not expect the majority of children to require the full 50 minutes.

Children will not be expected to take standardised assessments covering the three areas of reading, writing and numeracy in one sitting. No child should sit a succession of assessments which would, in combination, last as long as an hour.

Teachers and schools will decide the most appropriate time during the school year for children to take standardised assessments.

Some teachers may decide to carry out the assessments at the start of the session or midway through, to help them to understand how individual children are progressing in aspects of literacy and numeracy, and to plan next steps in learning. Other teachers may carry out the assessments at the end of the school year, to confirm the stage children have reached in aspects of literacy and numeracy, as part of their broader judgements of whether children have achieved the Curriculum for Excellence level relevant to their stage. In this case, the results of each child's assessment would be shared with their next year's teacher, so that future learning can be planned.

We will ensure that the assessments are as inclusive as possible, and accommodate the needs of the vast majority of children who require additional support. The system will be accessible to those who already use assistive technology, and other methods of communication such as speech to text and braille. Those who work with children and young people with complex additional support needs will use their knowledge and understanding of the individual child and their needs, strengths and challenges, to reach a decision, with parents, on whether or not the use of standardised assessment is appropriate.

Using assessment information to drive improvement

The Scottish Government wants to improve educational outcomes for every child and young person. We know that reading, writing and numeracy are the core skills children and young people need to succeed in all other areas of learning, both at school and beyond. We know that children living in deprived communities are doing less well at school, purely on the basis of where they were born. We know that identifying and addressing individual children's skills gaps early in their education pays dividends in their future successes as learners. Waiting until children sit national qualifications is too late to find out whether they are progressing as they should be.

Through the use of national standardised assessments and teacher professional judgement of achievement of Curriculum for Excellence levels, the National Improvement Framework will provide better information about how children and young people in Scotland are progressing with their learning.



This information will help teachers and practitioners to understand where children and young people are doing well and where they need further support; and to plan next steps accordingly.

It will help parents to understand any particular learning challenges their child is experiencing as early as possible, and to know how best to support their child's learning at home.

It will also help schools, local authorities and national government to see which learning and teaching approaches are working well within schools and classrooms and where changes need to be made.

Reflecting Curriculum for Excellence

We know that teachers across Scotland already use a variety of standardised assessments. These assessments, however, have not been developed to meet the specific needs of Scottish education, and may not be measuring the aspects of children's learning in which we're most interested. As children in different schools are taking different assessments, there is no consistency in what is being measured.

The Scottish Government is replacing the variety of existing standardised assessments that local authorities and schools currently buy in with a single, nationally consistent set of standardised assessments, designed to reflect the way we deliver education in Scotland, through Curriculum for Excellence. They will therefore provide a much better tool to help teachers help children.

Alongside a range of other evidence, the national standardised assessments will inform teacher professional judgements of Curriculum for Excellence levels. The assessment should not be used in isolation and should not be viewed as a replacement for the ongoing assessment of children's progress which is central to Curriculum for Excellence.

Bringing standardised assessments into line with Curriculum for Excellence, also ensures that daily classroom learning is in itself all the preparation a child will need to take the assessments. Children will not have to revise or prepare for assessments. There will be no additional workload for teachers or children, and the assessments will offer no distraction from children's core learning.

Providing comparable, objective assessment

Different assessments serve different purposes. Ongoing classroom assessments provide immediate information to teachers about how the children in their classes are progressing in their learning. This information supports teachers' professional knowledge and understanding, enabling them to consider individual children's needs and adapt their learning and teaching strategies on an ongoing basis in response to individual children's progress. As these assessments are developed, delivered, assessed and marked by individual teachers, however, they cannot provide a comparable measure of children's performance.

The new national standardised assessments will be developed by independent, objective experts in assessment and reporting tools. They will be quality assured by specialists and tested extensively in schools.

Assessments will be delivered online and will be marked automatically through the online system. The standardised assessments will therefore provide a fully objective and comparable measure of children's progress in some aspects of reading, writing and numeracy.

The national standardised assessments will sit alongside a wide range of other evidence, including ongoing classroom assessment of all aspects of literacy and numeracy. Taken together, ongoing assessment information and national standardised assessment results will provide a more complete and balanced picture of how children are getting on, giving teachers the information they need to support every child to succeed.

Using assessment results appropriately

The Scottish Government is clear that the purpose and value of all assessment, including national standardised assessment, is in its ability to help teachers understand how children are progressing, and to tailor aspects of future learning accordingly. Assessment data should be used to improve educational outcomes for every child and young person.

It is important not to place a distorted value on an individual child's national standardised assessment results. National standardised assessments results cannot be considered in isolation. **Teacher professional judgement is the key measure of children's progress.** It is these judgements that take account of all aspects of a child's literacy and numeracy skills over the course of the full school year.

Providing better information for parents

The online assessment system will produce individual feedback reports for each child, outlining where that child did well, and where further support is required. Teachers will use these reports, alongside a wide range of other assessment information, to discuss with parents how their child is progressing with their learning.

The information will also be used to plan next steps in learning and to help parents to see how they can support their child's learning at home.

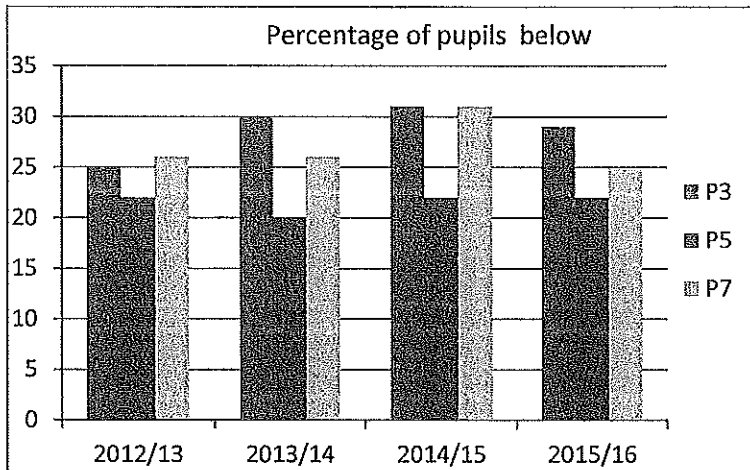
Education Scotland will be working with teachers and parents to develop guidance for schools on how best to report children's progress and achievements to parents.

For any further queries please contact nationalimprovementframework@gov.scot

Reading results over time

The graph below illustrates the percentage of children whose attainment was below that expected for their age in reading.

In sessions 2012/13 to 2014/15 an increasing trend in the number of children below average can be identified. In session 2015/16 the percentage of pupils reading below average has decreased in P3 by 2% and P7 by 6%.



Excellence

In 2014/15, 69% of pupils in Clackmannanshire were achieving average or above average results in reading for their age.

In 2015/16 these results increased to 71% of children achieving average or above average results in reading.

This is an overall increase of 2% points.

Equity

In 2014/15, the poverty related attainment gap was defined as the gap in attainment between pupils living in Scottish Index of Multiple Deprivation (SIMD) deciles 1 to 3 (most disadvantaged) compared to those living in SIMD deciles 8 to 10 (least disadvantaged).

This gap was measured as 41% points. Prior to session 2014/15, poverty related attainment data was not available. In session 2015/16 the attainment gap as defined above was measured at 17% points.

The gap has been closed by 24% points



Report to: Council

Date of Meeting: 15 December 2016

Subject: Empowering Teachers, Parents and Communities to Achieve Excellence and Equity in Education: A Governance Review

Report by: Chief Education Officer

1.0 Purpose

- 1.1 The purpose of this report is to advise Council of the Scottish Government's Governance Review on how education is run and to seek Council's views on a draft response to this consultation.

2.0 Recommendations

It is recommended that the Council:

- notes the Governance Review and the main questions it covers as attached at **Appendix 1**;
- agrees the draft response to the consultation on the review as set out in **Appendix 2** to this report.

3.0 Background

The National Improvement Framework was published in January 2016 and sets out clear priorities for everyone in Scottish education, providing a framework for how data and evidence will be used to monitor improvement. The Framework addressed some of the recommendations made by the Organisation for Economic Cooperation and Development when they carried out their review of Scottish Education in June 2015.

In June 2016, the Scottish Government then published a further document entitled "Delivering Excellence and Equity in Scottish Education: A Delivery Plan for Scotland". The Delivery Plan sets out the actions that Scottish Government will take to achieve further improvement, particularly in relation to

closing the attainment gap. Within the Delivery Plan, the Government set out plans for a Governance Review.

- 3.1 The Education Governance Review was launched in September 2016, as a consultation document. The Scottish Government have described the Governance Review as integral to the delivery of the overall Education Delivery Plan, allowing the Government to “examine the system changes required to deliver its commitment to empower schools, decentralise management and the support through the encouragement of school clusters and creation of new educational regions.”
- 3.2 The review focusses on:
- How governance can be improved to support delivery of ‘excellence and equity’ to children and young people.
 - Strengthening collaboration amongst teachers and practitioners.
 - Supporting children, parents, and the wider community to take a stronger role in school life.
 - Which support functions and services are best provided at school/ regional/ national level.
 - Further empowerment in early learning and childcare.
 - Establishing new educational regions.
 - Funding and accountability arrangements for education.
- 3.3 The Education Service has engaged on the Governance Review with early years staff, teachers, parents and young people. The Scottish Government is visiting on 1st December to facilitate a discussion on the Review with authority central staff, teachers and early year’s staff. The Chief Education Officer, Senior Managers and one of the Elected Members have also participated in national discussions with the Association of Directors of Education (ADES), Scottish Government and COSLA.

Response

- 3.4 The proposed Council response is attached at Appendix 2. Clackmannanshire Council shares the Scottish Government’s strong commitment to excellence and equity for all children and young people but we believe that an integrated approach to meeting needs, particularly for our most disadvantaged children, is essential. Synergy across services, including between early learning, school, out of school, community learning, housing, social work is crucial, and in line with GIRFEC principles.

The local authority is best placed to support teachers, schools and partners to work together to support families and children, and to ensure local accountability.

There is no evidence that teachers and head teachers are hindered by Local Authority colleagues in addressing the attainment gap and improving the delivery of education.

Clackmannanshire Education Service is already using the National Improvement Framework to drive improvement. It is also working collaboratively with partners and other authorities to improve outcomes. Introducing alternative structures of governance and supports will only get in the way of this activity and with the overall shared goal of closing the attainment gap.

Looking at the current structure and funding of national agencies and support organisations which engage with schools and education services should be an essential part of any Governance Review. This may address future local improvement needs in a more efficient way.

4.0 Sustainability Implications

4.01 The paper has no sustainability implications.

5.0 Resource Implications

5.1 The paper has no resource implications.

6.0 Exempt Reports

6.1 Is the report exempt? Yes 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 | <input checked="" type="checkbox"/> |
| Our communities are more cohesive and inclusive | <input checked="" type="checkbox"/> |
| People are better skilled, trained and ready for learning and employment | <input checked="" type="checkbox"/> |
| Our communities are safer | <input type="checkbox"/> |
| Vulnerable people and families are supported | <input checked="" type="checkbox"/> |
| Substance misuse and its effects are reduced | <input type="checkbox"/> |
| Health is improving and health inequalities are reducing | <input checked="" 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)

Not applicable

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?

Yes No

9.0 Legality

- 9.1 In adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes No

10.0 Appendices

11.0 Background Papers

Appendix 1 – Empowering Teachers, parents and Communities to achieve Excellence and Equity in Education – A Governance Review.

Appendix 2 – draft response to the consultation.

Author(s)

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Approved by

NAME	DESIGNATION	SIGNATURE
Anne M Pearson	Chief Education Officer	Signed: A Pearson
Elaine McPherson	Chief Executive	Signed: E McPherson

Empowering teachers, parents and communities to achieve Excellence and Equity in Education - A Governance Review

Summary of questions

Question 1

What are the strengths of the current governance arrangements of Scottish education?

Question 2

What are the barriers within the current governance arrangements to achieving the vision of excellence and equity for all?

Question 3

Should the above key principles underpin our approach to reform? Are there other principles which should be applied?

Question 4

What changes to governance arrangements are required to support decisions about children's learning and school life being taken at school level?

Question 5

What services and support should be delivered by schools? What responsibilities should be devolved to teachers and headteachers to enable this? You may wish to provide examples of decisions currently taken by teachers or headteachers and decisions which cannot currently be made at school level.

Question 6

How can children, parents, communities, employers, colleges, universities and others play a stronger role in school life? What actions should be taken to support this?

Question 7

How can the governance arrangements support more community-led early learning and childcare provision particularly in remote and rural areas?

Question 8

How can effective collaboration amongst teachers and practitioners be further encouraged and incentivised?

Question 9

What services and support functions could be provided more effectively through clusters of schools working together with partners?

Question 10

What services or functions are best delivered at a regional level? This may include functions or services currently delivered at a local or a national level.

Question 11

What factors should be considered when establishing new educational regions?

Question 12

What services or support functions should be delivered at a national level?

Question 13

How should governance support teacher education and professional learning in order to build the professional capacity we need?

Question 14

Should the funding formula for schools be guided by the principles that it should support excellence and equity, be fair, simple, transparent, predictable and deliver value for money? Should other principles be used to inform the design of the formula?

Question 15

What further controls over funding should be devolved to school level?

Question 16

How could the accountability arrangements for education be improved?

Question 17

Is there anything else you would like to add regarding the governance of education in Scotland?

...oOo...

Draft Consultation Response

Summary

Clackmannanshire Council believes firmly that legal responsibility for delivering education and raising standards in schools and in early years establishments should sit with local authorities.

It is absolutely right that schools and establishments should be taking decisions on a daily basis about children's learning and their progress, and about school life generally. It is entirely appropriate and correct that the professionals working directly with children are best placed to make these judgements and decisions. The existing governance system supports this flexibility and autonomy and the necessity to change this is not clear from the Governance Review, imposing; new regional boards and or removing the responsibility of local authorities for education would undermine local democracy and accountability structures.

Clackmannanshire Council supports community led decision making and distributive leadership which best meets the needs of children and their families. In line with GIRFEC principles, it is essential that we look at the whole family and the context of their local community, working across services such as Housing, Social Work, and Economic Development. Moving to a new regional model (without an obvious regional basis) cuts across the current Clackmannanshire strategic direction of working towards cluster/locality models and empowering local communities.

The Council, therefore, is not convinced of the relevance or necessity of these proposals or that they would result in improvements for children and their families, and their communities.

Background and purpose of the Review

It remains unclear the purpose of this Governance Review. The Organisation for Economic Cooperation and Development (OECD) carried out an independent review of Scottish Education in 2015. Their report gave a largely positive review of progress with Curriculum for Excellence and of Scottish education more generally. There was no indication in the OECD Review that governance structures per se are getting in the way of improvement in Scottish Education. Indeed the report states that "there is no one right system of governance." However, the Review team did recommend a shift to an approach which reinforced the "middle" rather than a top-down centralised approach.

They talk about collective autonomy, empowering teachers and of schools working together, to generate and drive change. We would support that approach, and indeed the cluster driven model which we are driving forward in Clackmannanshire is a clear example of such collaboration and change. However, the suggestion that there should be less of a role for a local authority in facilitating and enabling such improvement is not supported.

National Improvement Framework

The National Improvement Framework provides a clear structure and framework for schools and authorities to follow which is designed to bring about improvement for children. In particular, it sets out four priority areas and signals the importance of an integrated approach at all levels of the education system which will contribute to these priorities.

The importance of teacher professionalism, school leadership, parental engagement, supporting school improvement, is all recognised in the Framework. The purpose of the Framework is to ensure that all levels of the system have the right type of evidence which can support evaluation of strengths and areas for improvement, and that there are clear synergies and interconnections in addressing the agreed priorities.

Clackmannanshire schools and the Education Service have already embraced the National Improvement Framework, and are working hard to put necessary systems and structures in place to drive improvement. There is a real danger that the distraction of alternative structures of governance and supports will get in the way of this improvement activity, and with the overall shared goal of closing the attainment gap.

Supporting schools and teachers and establishments in meeting the needs of children and young people

The complex nature of Curriculum for Excellence, of our education system generally, and the increasing challenges facing our families and communities demand a high degree of partnership working to meet the needs of all our children and young people. It is widely recognised that schools alone cannot deliver the improvements that are required. The role of an education service in today's complex world of education is not to take decisions on a daily basis about individual children (if it ever was) but to help schools navigate the complexity of our systems, to support them in working with a range of partners, and to comply with the increasing level of requirements of national government and its agencies. There are also economies of scale and decreasing bureaucracy of some functions being retained centrally.

Some examples of the continued and evolving role of the education service:

- Supporting wellbeing and SHANAARI
- Consistency in excellence and equity for all children
- Quality assurance
- Implementing national policy and legislation
- Ensuring an 0-18 service (and beyond) planning and implementation
- Consistency in ensuring Curriculum for Excellence entitlements
- Integrated Service planning and use of data
- Identifying and supporting establishments in meeting the needs of our most vulnerable children including those with high levels of Additional Support Needs and Looked After
- Keeping up to date with the latest practice, research and development

Increased collaboration and regional working

There are already many excellent examples of school collaboration, regional and national working. An imposed model of regional working (with no obvious basis) does not seem necessary and risks adding an additional tier of interaction. At present, Clackmannanshire Education Service is working with other authorities in a number of regional and specific partnerships, including through Scotland's Attainment Challenge, Developing the Young Workforce, ADES groups and many others.

Role of national agencies

Partly as a result of Curriculum for Excellence, Developing the Young Workforce, GIRFEC and other national policy developments, the requirement for increased partnership working has become the norm in education. The range of partners, both at authority and school/establishment level, is much greater than pre-CfE. At the same time, there has also been a growing trend to promote, adapt and increase the role of national educational support organisations eg Scottish College of Educational Leadership, General Teaching Council for Scotland, Scottish Credit and Qualifications Framework, Scottish Qualifications Authority, Skills Development Scotland, College Network, Education Scotland, Care Commission, teacher professional organisations, parent organisations, children's organisations.

This creates a very complex, bureaucratic and crowded landscape for schools and communities to navigate and to keep up with. It would be beneficial if a clearer mapping and analysis of these supports be undertaken before any decisions are taken to establish if any simplification of these structures could lead to a more focused approach to empowering teachers, supporting collaboration and to improvement.

In addition, the range of information policies, legislation and demands from Scottish Government can feel very disjointed for local authorities. Often it is the role of the Education service to try and make sense of this landscape so that schools and early years establishments can get on with the day to day job of making decisions about teaching and supporting children. An overarching plan of activity from Scottish Government, which is clearly focused on outcomes for children would be very welcome, making the necessary connections with early years, economic and poverty activity, health and communities.

Funding and Accountability

The Review consults on changes to the current funding formula for schools and how alternative accountability arrangements could be introduced. However, it is unclear as to the basis of allocation of future funding from Scottish Government.

As can be evidenced from the information published by Scottish Government on pupil teacher ratios different local authorities choose to apply different funding levels to schools depending on their own priorities. If funding was coming directly from Government a national funding formula would be required, this would result in

winner and loser at school level and may require schools to reduce budgets and potentially course choices.

If funding was devolved to schools how would this fit in with national and European procurement regulations? Following the McClelland report, local authorities have been successful in obtaining efficiencies through collaborative procurement using Scotland Excel. If schools were given the power to purchase from any supplier the successful bidders for some national contracts may mount a challenge.

Currently local authorities employ all staff and issue contracts of employment. The local authority ensures that procedures are in place to ensure that no contracts of employment are issued unless safe recruitment is undertaken, ie PVG checks are undertaken, occupational health reports are received and Identity checks are undertaken to comply with national legislation. If this responsibility was devolved to schools there is a risk that in the eagerness to have new appointments in place that shortcuts may be taken. Similarly in relation to procedures around discipline and grievance the support is currently provided from HR professionals to ensure that the employees and employers interests are met and we do not have staff having to revert to tribunals.

It is unclear how the Governance Review fits in with legislation around support for children with Additional Support Needs - would accountability and responsibility be transferred from local authorities to schools?

In Clackmannanshire secondary schools administration support is provided centrally through the Business Support service. This is inconsistent with the Governance review.

If schools are to have significantly greater budget and HR responsibilities they will require to be more accountable for the use of resources than they currently are, this will require the support of someone with a finance or HR background to ensure. In Clackmannanshire, schools have not had the support of business managers this is additional expenditure that they do not currently incur.

Schools currently are able to reclaim VAT through the local authority and this advantage not only applies to purchases funded from public sector funds but can sometimes be used for items purchased from parent funding. The changes made around the governance of Police Forces at the time of creation of Police Scotland has given the Government an ongoing issue in relation to VAT.

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Report to: Clackmannanshire Council

Date: 15 December, 2016

Subject: Committee Recommendations Referred to Council

Report by: Chief Executive

1.0 Purpose

- 1.1 The purpose of this report is to seek Council approval of a recommendation which has been made by the Audit and Finance Committee on 17 November, 2016.
- 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 of 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 **Audit and Finance Committee of 17 November, 2016** in relation to the report entitled "*Council Financial Performance 2016/17-August Outturn*"
 - Approves the reallocation of funding of £60k from underspends within the existing GF capital programme for a new project to upgrade security arrangements at Kelliebank.
- 2.2 The minute and report relating to this item are available on the Members' Portal.

3.0 Sustainability Implications

NA

4.0 Resource Implications

- 4.1. The financial implications of this are referred in the source Committee report.

4.2. *Staffing Implications*

There is no impact on the Council's establishment

5.0 Declarations

5.1 The recommendation 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) Agenda, together with Minute of the Audit and Finance Committee of 17 November, 2016.

Author(s)

NAME	DESIGNATION	SIGNATURE
Elaine McPherson	Chief Executive	Signed: E McPherson

Report to Council

Date of Meeting: 15 December 2016

Subject: Scrutiny Committee Membership

Report by: Executive Director

1.0 Purpose

1.1 The purpose of this report is to ask Council to appoint a replacement Member to the Scrutiny Committee.

2.0 Recommendation

2.1 It is recommended that Council appoints Councillor Archie Drummond on the Scrutiny Committee as a replacement for Councillor Irene Hamilton.

3.0 Background

3.1 On 18th November 2016 Councillor Balsillie, Acting Chair of Scrutiny Committee, wrote advising that the SNP Group had decided to request the replacement of Councillor Irene Hamilton with Councillor Archie Drummond on the Scrutiny Committee.

3.2 Consequently, Council is asked to agree the change in appointment.

4.0 Sustainability Implications

4.1 There are no sustainability implications arising from this report.

5.0 Resource Implications

5.1 There is no change to resources arising from 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

- 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)

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?

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 None

11.0 Background Papers

11.1 None

Author(s)

NAME	DESIGNATION	TEL NO / EXTENSION
Garry Dallas	Executive Director	2531

"

Approved by

NAME	DESIGNATION	SIGNATURE
Garry Dallas	Executive Director	Signed: G Dallas
Elaine McPherson	Chief Executive	Signed: E McPherson

"

CLACKMANNANSHIRE COUNCIL

Report to: Clackmannanshire Council

Date of Meeting: 15 December, 2016

Subject: Workforce Committee – Proposed Change in Remit

Report by: Council Leader

1.0 Purpose

1.1 The purpose of this report is to ask Council to change the remit of the Workforce Committee.

2.0 Recommendations

2.1 It is recommended that Council removes from the remit of the Workforce Committee the hearing of appeals by employees below the level of Head of Service.

3.0 Background & Considerations

3.1 The remit of the Council's Workforce Committee as set out in the Scheme of Delegation is to hear *"appeals by our employees and disputes raised by recognised trade unions, in line with Human Resources' policies and procedures."*

3.2 The Administration does not believe it is appropriate that elected members should ordinarily be part of the process of hearing employee appeals as dealing with those is a management function.

3.3 Accordingly, the Administration proposes that the Workforce Committee no longer has a role in employee appeals below the level of Head of Service and that these should instead be heard and decided upon by a chief officer panel of two which must include either the Chief Executive or the Depute Chief Executive, along with appropriate advisers.

3.4 The Workforce Committee would continue to have a role in hearing any appeals by posts at Head of Service level and above given the elected member role in appointing to these positions.

4.0 Sustainability Implications - N/A

5.0 Resource Implications – N/A

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

The Council is effective, efficient and recognised for excellence

8.0 Equalities Impact

8.1 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 Appendix - None

11.0 Background Papers – Scheme of Delegation

Author(s):

NAME	DESIGNATION	
Councillor Robert McGill	Council Leader	Signed: R McGill

CLACKMANNANSHIRE COUNCIL

Report to Council

Date of Meeting: 15th December, 2016

Subject: Budget Strategy Update

Report by: Depute Chief Executive

1.0 Purpose

1.1. The purpose of this report is to maintain Council's regular update on the approved Budget Strategy. This report also provides an update on the fiscal outlook, the UK Chancellor's Autumn Statement, Budget 2017/18 preparations and progress with the implementation of workforce related savings agreed in the Council's Budget on the 23rd February 2016.

2.0 Recommendations

2.1 It is recommended that Council notes:

- a. the fiscal outlook and information on the incidence of savings across Scottish local government (Section 3)
- b. that recent SPICe analysis suggests that Clackmannanshire is experiencing the greatest budget pressure of all 32 Scottish councils (paragraph 3.6)
- c. key messages from the UK Government's Autumn Statement, made on 23rd November (paragraph 3.7)
- d. notes the new financial planning scenario based on the most recent feedback received in respect of financial planning assumptions (Table 4)
- e. the timing of the Scottish Draft Budget on 15th December and the members' briefing arranged for the 22nd December, 2016.
- f. budget preparation activity detailed in paragraphs 4.4 to 4.8
- g. those savings proposals which will form the basis of consultation in December and January (Appendix A)
- h. the latest version of the Focus on Finance newsletter (Appendix B)
- i. progress with regards the implementation of workforce related savings in 2016/17 in respect of Targeted Voluntary Redundancy and Voluntary Severance (paragraphs 4.9 to 4.12).

3.0 Fiscal outlook

3.1 There have been several briefings prepared by Fiscal Affairs Scotland during November. This report covers the following:

- Brexit impacts update
- Institute of Fiscal Studies (IFS) analysis of UK Local Government Finance
- Scottish Parliament Information Centre (SPICe) analysis of the social impact of the 2016/17 local government budget
- UK Government Autumn Statement.

3.2 New economic forecasts were published in early November by the Bank of England (BoE) and the National Institute for Economic and Social Research (NIESR). Both highlighted an ongoing Brexit impact on growth and rising estimates of inflation for coming years. On inflation, both bodies have raised their forecast as a consequence of the fall in the value of the pound.

3.3 In late October the IFS published analysis of local government funding over the period 2009/10 to 2016/17. The report concentrates on England, however, the study also includes some analysis of the position in Scotland and Wales. The key findings relevant to Scotland include:

- Over the period reviewed, the real terms cut to service (revenue) spending is forecast to be 22% in England, around 15% in Scotland and 11.5% in Wales
- The main reasons for the lower cuts in Scotland and Wales are attributed to less protection of health budgets and more generous treatment of business rates
- In Scotland, there has been a significant difference reported in respect of the size of cuts made between councils, with the greatest cut reported for Glasgow (-29%) and while East Renfrewshire saw a small real terms increase of 1.6%. This conclusion relates particularly to analysis of the extent to which individual councils are reliant on central government grant for their funding
- The pattern of cuts seen in England, Scotland and Wales is broadly similar, but not identical, across services (Table 1)

Table 1: Real terms changes in local government spending by service area, 2009/10 to 2016/17

Service	Scotland	Wales	England
Education	-6%	-6%	n/a
Culture	-24%	-37%	-40%
Social services	-1%	-1%	-10%
Transport	-22%	-21%	-40%
Environmental	-8%	-19%	-15%
Planning	-32%	-52%	-58%
Housing	-36%	-26%	-47%
Central services	-46%	+9.5%	-18%
Total services	-11%	-9%	-
Total exc Education	-15%	-12%	-22%

Source: IFS - 'A Time of Revolution? British Local Governance Finance in the 2010's', 2016.

3.4 Table 1 highlights:

- Social Services and Education (in Scotland and Wales) were the most protected services over this period;
- The services seeing the biggest reductions, in all three countries, were Culture, Transport, Planning and Housing;
- The declines in England were greater across the board than in Scotland, with the single exception of Central services, which is the most difficult area to assess due to definitional issues;
- Wales offered significantly greater protection to Housing and Central services than Scotland and significantly less protection to Culture, Environmental services and Planning & Development.

3.5 In late October, SPICe issued a briefing note looking at the social impact of the 2016/17 local government budget. This analysis looked at the savings made in cash terms across services which are predominantly used by poorer, more deprived households, for instance social services and advice services ('pro-poor'), and those which are predominantly used by wealthier households, for instance parking and museums and galleries ('pro-rich'). In between, early years and waste management were classified as 'neutral'. Table 2 provides a summary of the results.

Table 2: Share of Scottish local government expenditure and savings by category of service

Category of service	Expenditure	Savings 2016-17	Savings as a % of expenditure
Pro-Rich	2	6	12
Neutral-Rich	6	13	7
Neutral	10	16	5
Neutral-Poor	18	9	2
Pro-Poor	41	27	2
Very Pro-Poor	10	12	4
Back Office	3	14	17
Non-service	10	3	1

Source: SPICe, 'The social impact of the 2016-17 local government budget', 2016.

3.6 The analysis was further broken down to look at how patterns in savings changed relative to: deprivation, population density, population size and 'budget pressure' across councils. The findings included:

- most councils are making similar decisions about how to distribute cuts across services but 'very pro-poor' and 'pro-poor' services are being reduced at a relatively greater rate in councils facing the most budget pressure. Clackmannanshire is classified as having the greatest budget pressure of all 32 councils in Scotland
- 'pro-rich' and 'neutral' services together only account for 8% of expenditure which means that where councils require to find significant savings, there is little option but to reduce funding to services used by lower income groups. In Clackmannanshire, these categories account for 6% of expenditure creating greater pressure to reduce funding in services which support lower income groups
- services across Scotland are dominated by the 'pro-poor' category which accounts for 40-45% of spending in most councils. As a consequence, the largest contribution to savings comes from this category. In Clackmannanshire, this classification accounts for 36%
- for many councils, the 'neutral' or 'back office' services provide the greatest contributions to savings. The analysis particularly flags Clackmannanshire and West Lothian in this regard, with savings in back office in excess of 50% (56% in Clackmannanshire, the second highest in Scotland)
- the most deprived councils are making the most savings from 'very pro-poor' services, while the least deprived councils are making the lowest percentage of savings in this area. Clackmannanshire is ranked as the ninth most deprived area in Scotland for the purposes of the analysis
- by population density, those less dense have a higher percentage of savings

from 'pro-poor' services. Councils with smaller, dense populations also make a higher percentage of savings from back office services

3.7 FAS has also provided an analysis of the Autumn Statement. The key messages are as follows:

- the UK economy will grow at a slower rate than previously assumed and inflation will be higher
- public finances have worsened but this has been compensated for by increased borrowing rather than by further public spending cuts
- the UK Government has adjusted pre-Brexit fiscal targets and allowed for a longer (as yet unspecified) period to reach fiscal balance
- 2017/18 is the best settlement year for the Scottish Budget over the three year period to 2020/21
- Barnett formula consequentialia mean that the Scottish Block Budget will receive extra funds over the next three years compared to what was outlined in last year's Draft Budget 2016/17
- the main areas of uncertainty in respect of the Scottish Budget relate to the use of borrowing powers and new tax powers, the degree of NHS protection, public sector pay policy, and Council Tax and Business Rates policy.

3.8 The Scottish Budget and Local Government Settlement will be issued on the 15th December. An all member briefing is scheduled for the 22nd December 2016 to update elected members on the impact of the settlement for the Council.

4.0 Budget Strategy Implementation

4.1 On the 13th October and 10th November, elected members were presented with revised financial planning assumptions and refreshed financial scenarios for 2017/18 to 2019/20. At this stage the only changes which have been made are to add a fourth scenario to reflect emerging negotiation themes. The changes are largely a refinement of the median assumptions plus an assumption of additional income in respect of adult social care pressures to fund the full year costs of Scottish Living Wage.

Table 3: Financial Planning Scenarios: Assumptions for 2017/18, 2018/19 and 2019/20

Assumptions	Low Value	Median Value	High Value	New scenario
Reduction in General Revenue Grant	2%	5%	7%	3.5%
Pay award (teaching and non-teaching staff)	1%	2%	4%	1.25%
Council tax Income increase	1%	3%	3%	3%
Social Services Growth 17/18	£2m	£3m	£4m	£2m
Fees and Charges	1%	2%	3%	2%

4.2 Additional assumptions include the following for all scenarios:

- an annual allowance of £1.3m for contractual inflation and £1.2 million for general pressures;
- continuation of the Council's share of the additional £250 million funding in respect of HSCI;
- an increase in the assumed Council Tax base of 150 properties;
- an estimate of the effect of the increase in the Council Tax multiplier of approximately £1million;
- estimates of growth for Social Services based on current projected outturn. The 'Low' scenario assumes that as a minimum the additional £2 million recommended by the Audit and Finance Committee of 15th September and approved by Council on 13th October, would need to be built into the base budget, then median scenario a potential £1million growth, then High value a potential £2 million growth; and
- in the absence of information on the impact of the scheduled Revaluation in 2017/18, NDR income is assumed to increase in line with the 3 year average increase in the poundage since 2013/14.

4.3 Using the assumptions detailed above, Table 4 sets out an indicative funding gap of £10.5m for 2017/18 and a cumulative gap of £26.7m over the next three years based on the New scenario assumptions. This represents the most up to date information ahead of the announcement of the Scottish Budget and Local Government Settlement on 15th December.

Table 4: New Scenario: 2017/18 to 2019/20

Year	2017/18	2018/19	2019/20
Net expenditure	120,607	126,911	132,988
Net funding	110,128	108,213	106,305
Annual Indicative funding gap	10,479	8,219	7,985
Cumulative Indicative funding gap	10,479	18,698	26,683

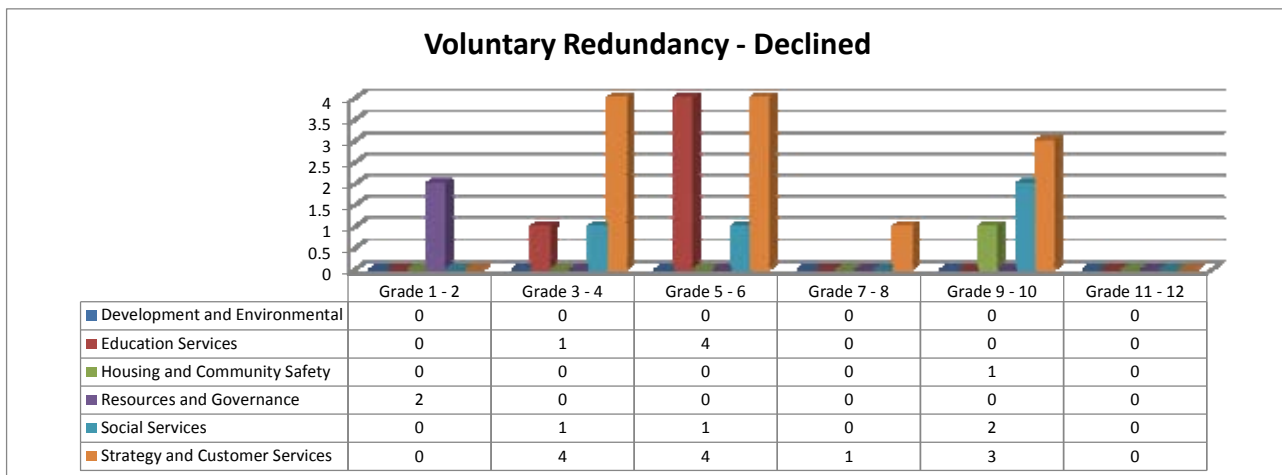
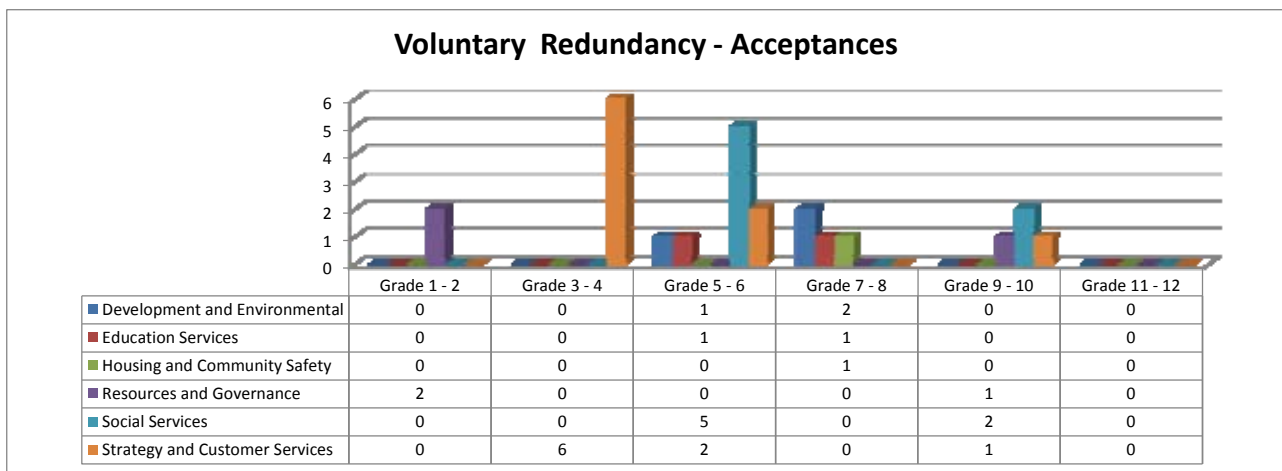
Budget preparation 2017/18

- 4.4 Work is progressing to develop the Council's proposed Budget for next year. Given that the Council has made £29 million of savings in the last five years, it is proving extremely challenging to identify new savings proposals. To date officers have identified £0.5 million of efficiency / management proposals and £2.6 million of proposals which would require policy change. These proposals are in addition to the £1.2 million of savings approved during 2016/17 budget setting which will deliver savings in 2017/18. However, this position means that there remains a significant savings balance to find. On this basis, managers are also developing service redesign proposals and their consequential restructure proposals in order that Council can consider these proposals alongside other efficiency related savings. Once proposals are available, they will be shared with elected members and trade union representatives.
- 4.5 All elected members and trade union representatives have received copies of the schedule of officer saving proposals prior to this Council meeting. The Administration has requested that consultation takes place on the proposals detailed at Appendix A, all of which would require policy approval should they be taken forward. The consultation will take place during December and January and will be undertaken through face to face meetings with key stakeholders and service users, and online. Clackmannanshire Third Sector Interface (CTSI) will assist with the facilitation of targeted service user consultation. The consultation will 'go live' on 19th December and will run until 20th January 2017.
- 4.6 As part of the Budget consultation process, the agenda for this meeting of Council also includes a separate paper on the changes to Council Tax arrangements for the coming financial year. Part of the consultation approach will, therefore be to raise awareness of the changes and the implications for householders.
- 4.7 At service level, all services have now submitted their requests for additional funding to offset demands and new duties. These are currently subject to review by management and will be agreed or rejected as appropriate as part of the budget setting process.
- 4.8 The most recent edition of Focus on Finance was prepared in November and this is attached at Appendix B for information. This edition focuses on:

- Outturn monitoring of the 2016/17 budget
- Budget 2017/18
- An update on the implementation of Tech One, the Council's new finance system.

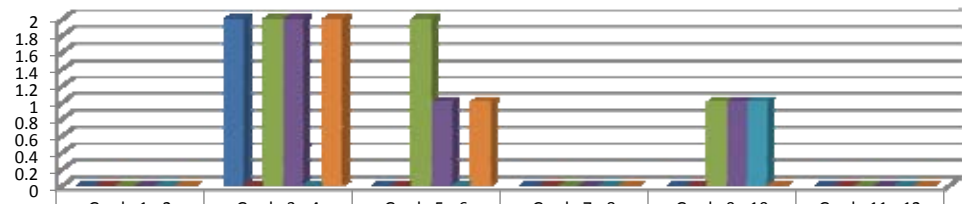
Managed Contraction in the Cost of Employment

4.9 At present, 56 out of 58 TVR proposals have been approved by Executive Team for discussion with members of staff. These approved expressions of interest have now all been discussed with individual members of staff and this has resulted in 25 acceptances (10 Full Time and 15 Part Time), 24 rejections (18 Full Time and 6 Part Time), 7 members of staff are still to advise of their intentions. A breakdown of the acceptances and rejections by service and grade is set out in Exhibits 1 and 2 below.



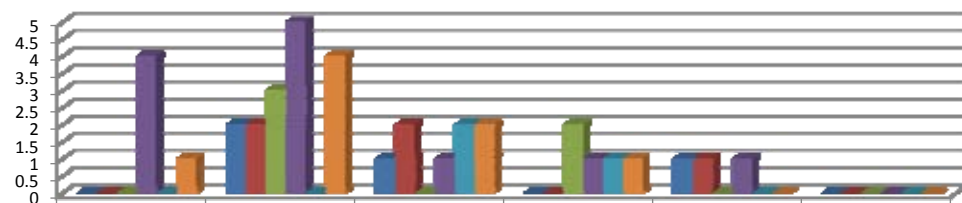
4.10 With the majority of TVR having been processed, the next batch of forms (numbering 169) are being processed. These relate to expressions of interest in Voluntary Severance (VS). To date, 85 VS applications have been approved for discussion with members of staff and to date there have been 15 acceptances (9 Full Time and 6 Part Time) and 37 rejections (20 Full Time and 17 Part Time). A further 41 forms are due to be returned by Falkirk LGPS and the remainder are at various stages of the VS Process. The breakdown of VS acceptances and rejections by service and grade are set out below.

Voluntary Severance - Acceptance



	Grade 1 - 2	Grade 3 - 4	Grade 5 - 6	Grade 7 - 8	Grade 9 - 10	Grade 11 - 12
Development and Environmental	0	2	0	0	0	0
Education Services	0	0	0	0	0	0
Housing and Community Safety	0	2	2	0	1	0
Resources and Governance	0	2	1	0	1	0
Social Services	0	0	0	0	1	0
Strategy and Customer Services	0	2	1	0	0	0

Voluntary Severance - Declined



	Grade 1 - 2	Grade 3 - 4	Grade 5 - 6	Grade 7 - 8	Grade 9 - 10	Grade 11 - 12
Development and Environmental	0	2	1	0	1	0
Education Services	0	2	2	0	1	0
Housing and Community Safety	0	3	0	2	0	0
Resources and Governance	4	5	1	1	1	0
Social Services	0	0	2	1	0	0
Strategy and Customer Services	1	4	2	1	0	0

4.11 In summary, at this stage 56 TVR and 85 VS applications have been approved for discussion with members of staff. To date this has resulted in 40 acceptances (25 TVR and 15 VS) and 61 refusals (24 TVR and 37 VS). This means that at this stage, based on leaving dates of staff, the Council has secured £478,034 of TVR and VS savings against the budget savings of £1.554m.

5.0 Conclusions

5.1 This report provides an update on the fiscal outlook, the UK Chancellor's Autumn Statement, Budget 2017/18 preparations and progress with the implementation of workforce related savings agreed in the Council's Budget on the 23rd February 2016.

5.2 The report provides an update on the timing of the announcement of the Draft Scottish Budget and sets out a new financial planning scenario based on recently received information ahead of the Budget announcement. This new scenario results in an indicative funding gap of £10.5 million in 2017/18 and £26.7 million cumulatively to the end of 2019/20

5.3 Recent SPICe analysis suggests that Clackmannanshire experienced the greatest budget pressure in 2016/17 of all 32 Scottish councils and has made amongst the highest reductions in back office services in Scotland. The report sets out those savings proposals identified by officers to date which would require policy approval as the basis of consultation activity which will take place in December and January.

6.0 Sustainability Implications

6.1. N/A

7.0 Resource Implications

7.1 *Financial Details*

7.2 Accountancy has been consulted and has agreed the financial implications as set out in the report.

7.3 *Staffing* – the financial impact of planned savings not being delivered in respect of the managed contraction in the workforce is detailed within the report.

8.0 Exempt Reports

8.1 Is this report exempt? No

9.0 Declarations

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

(1) **Council Policies**(Please detail)

Budget Strategy

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? N/A

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

Appendix A 2017/18 Schedule of policy saving proposals for 2017/18 Consultation

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)

Council Budget 2016/17 - February 2016
 Fiscal Affairs Scotland November 2016
 Fiscal Affairs Scotland Autumn Statement Briefing , November 2016
 SPICe The social impact of the 2016/17 local government budget

Author(s)

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Approved by

NAME	DESIGNATION	SIGNATURE
Nikki Bridle	Depute Chief Executive	Signed: N Bridle
Elaine McPherson	Chief Executive	Signed: E McPherson

BUDGET SAVINGS 2017-18 - POLICY

Appendix A

Covalent Code (Reference)	Saving Description	Year One Saving (201718)	Year Two Saving (201819)	Year Three Saving (201920)	Cumulative Saving (2017-22)	Post Reduction	Service Comments / Impact
EDU 178 001	Nursery Teachers	£115,000	£0	£0	£115,000	Yes	Move from teacher in each Nursery to peripatetic model of service delivery.
EDU 178 003	Parent Councils	£5,000	£0	£0	£5,000	No	Providing adequate funding to Parent Councils is a statutory responsibility under the Parental Involvement Act.
COU 178 013	Capital Programme	£129,000	£0	£0	£129,000	No	Reduction in level of capital programme leading to a consequent reduction in loan charges (revenue)
DAE 178 011	Review of Council Depots	£200,000	£0	£0	£200,000	Yes	Consolidation of Forthbank and investment in Kelliebank to achieve one depot that meets current and future needs.
COU 178 019	Refresh Income and Charging Strategy and Rates	£60,000	£39,000	£39,000	£138,000	No	Options on the rate of increase to charges levied by the Council for services it provides generate additional income.
EDU 178 006	Sports Development Charges (academic year)	£18,750	£11,250	£0	£30,000		A 10% increase in the charges applied to these services
RAG 178 006	School meals	£40,000	£0	£0	£40,000		Increase the rate of school meals from £0.10 in 2017/18 to £0.20
HCS 178 001	Reduction of 6 B&B Places	£78,000	£0	£0	£78,000	No	Reduction in local B&B provision leading to Budget Realignment
DAE 178 001	Glenochil Prison Partnership Working.	£6,000	£0	£0	£6,000	No	working on partnership for procurement of goods and services manufactured by prison.
DAE 178 008	Supported Buses	£175,880	£0	£0	£175,880		cease funding

EDU 178 009	Review of management posts and additional teacher support across education services	£558,000	£323,000	£0	£881,000		Partially dependent on teacher number commitment.
RAG 178 011	Toilets	£26,923	£0	£0	£26,923		Close Maple Court, Toilets, Super loos & West End Park Toilets
EDU 178 011	Music Tuition Fees	£4,227	£2,473	£0	£6,700	Yes	For 2017/18 the Service is proposing a 15% increase in fees
	School efficiencies	£200,000			£200,000		Primary and Secondary school efficiency targets
	Creation leisure and sports trust		£991,000		£991,000		Development of community facilities consolidated in 7 key locations including secondary schools (rates saving)
HCS 178 008	Stop funding full time union official(s)	£28,090	£0	£0	£28,090		Cease funding
		£1,644,870	£1,366,723	£39,000	£3,050,593		



Focus on Finance

Issue 5

November 2016



Nikki Bridle

Depute Chief
Executive and
Section 95 Officer

Introduction

This is a very busy time of year for us all. Before we all finish for a well deserved break over the Christmas period, there is a lot of work we need to complete as we move towards the Council's budget setting for 2017/18.

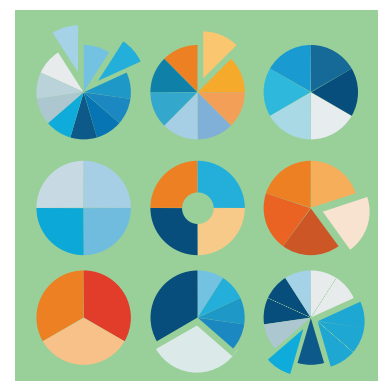
This edition of the newsletter provides updates on some of the key areas of finance related activity that is currently in hand. These are:

- Preparations for 2017/18 Budget setting
- Monitoring the current year's outturn in respect of the Budget agreed for 2016/17
- Progress with the phased implementation of Tech One, the Council's new financial system.

Outturn monitoring 2016/17

When preparing the Budget for the next year, a significant consideration is always how well we are delivering/ have delivered against the budget(s) for the current and previous years. It is extremely important that the Council's agreed Budget reflects the planned expenditure commitments of services. By ensuring that service business plans and budgets are aligned, the Council's financial management will be accurate, transparent and robust. It also means that the Council is not asked to find more savings than it needs when it comes to setting the Budget.

In recent years, the Council has delivered some underspends and at the end of the last financial year, 2015/16, there was a significant underspend in excess of £4 million. This was predominantly down to services making additional efficiencies particularly from vacant posts during the year and some one off cash savings such as income received from the winding up of a Company the Council had an interest in and additional income received from Government and the Department of Work and Pensions that was not known at the time the Budget was set. Whilst this could be viewed as advantageous to the Council, it is more important that the original Budget set is as accurate a reflection of planned activity as possible and that the outturn is as close as possible to the Council's approved Budget.



It is extremely important that budgets are monitored closely during the year and potential cash savings or future budget savings are identified as soon as possible and that we do not leave it to the end of the year before identifying or revealing the position. A significant focus of each service accountant just now is to challenge services on their forecasts and as far as possible all commitments should be evidenced when outturn monitoring is being undertaken. Also from a service perspective, please remember that Budget Holders need to be familiar and comply with Financial regulations. For a quick refresh, these can be found [here](#).



Budget 2017/18

Over these few weeks up to Christmas, the Council awaits two significant announcements which will impact the level of funding the Council will have to deliver services in 2017/18 and beyond. These are:

- UK Chancellor's Autumn Statement on 23rd November
- Announcement of Draft Scottish Budget and Council settlement figures on the 15th December.

It is anticipated that this year's announcements will present significant challenges for local government, with further reductions in the amount of funding available. To help councillors, staff and other stakeholders understand the potential impact for Clackmannanshire, a Budget Strategy report is presented to every Council meeting. These reports detail the latest financial planning assumptions and forecast the Council's potential indicative funding gap.

Given the high level of economic and financial uncertainty there has been over the last few years, these reports provide a range of potential scenarios which reflect differing assumptions in respect of the key income and expenditure variables which affect the Council's funding. The latest report forecasts an indicative funding gap of between £9.5 million and £17.6 million for 2017/18 and a cumulative gap of between £22.5 million and £49.1 million over the three years up to 2020/21.



Meeting such a significant financial challenge is more difficult than ever this year when you consider that the Council has already agreed savings of £29 million over the last five years. Management has already identified a range of efficiency savings for members to consider as part of the Budget but at this stage these are significantly short of bridging the potential financial gap. Therefore, additionally, managers are reviewing service delivery models for all services across the Council with a view to proposing revised models of service delivery and consequential changes to structures to allow these to be implemented. Once these proposals have been developed, they will be shared with elected members and trade union representatives in the first instance. These proposals will then also be submitted as part of the Council's Budget setting process for 2017/18.

At a service level, all services have now submitted their requests for additional funding to offset demands and new duties within their areas of responsibility. These will be reviewed, challenged and agreed or rejected, as appropriate as part of the budget setting process.

Tech One Update

All services with the exception of Catering and Social Services are now processing purchase orders in One Council. This provides services with more accurate information on the committed spend to date.

253 staff from all Services, including schools, attended end user training sessions, enabling them to effectively use Procure to Pay

The Tech One team have completed the training on XL One Reporting and are currently in training 2 days per week to complete the configuration of the budget packs. This is expected to be complete by Christmas. Accountancy will be involved with the testing of the budgeting process once complete.

The team continue to develop reports and dashboards to provide easy access to information for all users. New additions include:

- Accounts Payable and Accounts Receivable Dashboard: Provides information on Orders and requisitions raised and the stage of the process they are at
- Notification on Invoices in their workflow
- Budget and forecast monitoring
- Frequently Asked Questions and Contacts
- Ledger Enquiry allowing staff to check the budget available for their service before submitting requisitions

Look out for changes on your dashboard as they are rolled out.

Work is also ongoing to streamline the transfer of data between back office systems and Tech One. Significant

improvements have been made in Adult Care where the automation of invoicing between Finch and Tech One has removed the requirement for manual data entry. This has realised a productivity saving of 9 days per month. The project team are currently working with other Service Areas to maximise system functionality and realise benefits.



Report to: Council

Date: 15 December 2016

Subject: Treasury Management Update at 30th September 2016

Report by: Chief Accountant

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 2016.

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 Considerations

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

- 3.2 The report covers the following:

- The Economy and Interest Rates
- Interest Rate Forecast
- Investment Outturn for 2016/17
- Borrowing Requirement and Debt
- Borrowing Outturn for 2016/17
- Compliance with Treasury and Prudential Limits

The Economy and Interest Rates

- 3.3 UK GDP growth rates in 2015 were lower than the previous two years, although compared favourably to other EU countries. Growth fell again in quarter one of 2016 before rising in quarter two of 2016. The referendum vote

for Brexit in June this year saw confidence indicators and business surveys reduce, pointing to a slowdown in the economy. However, this recovered again a month later with consumer spending increasing in July. Although it is generally expected that the economy will now avoid flat lining, growth is forecast to be weak through the second half of 2016 and into 2017. The Bank of England addressed this expected slowdown in growth by a package of measures including a cut in Bank Rate from 0.50% to 0.25%.

- 3.4 There has been an high level of volatility in financial markets over the last six months which has caused significant swings in PWLB Borrowing Rates. The overall longer run trend is for gilt yields and PWLB rates to slowly rise. New long term borrowing has therefore been taken out to refinance maturing debt in 2016/17. As per the Treasury Management Strategy, the debt requirement is carefully reviewed to avoid incurring higher borrowing costs in future years, when the council may not be able to avoid new borrowing to finance capital expenditure and/or to refinance maturing debt.

Interest Rate Forecast

- 3.5 The Council's treasury advisors - Capita Asset Services, have provided the following interest rate forecast which is in line with the economic outlook set out in paragraph 3.3.

Table1: Investment Forecast provided by Capita Asset Management

	NOW	Dec-16	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19
Bank Rate	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.50%
5yr PWLB Rate	1.50%	1.60%	1.60%	1.60%	1.60%	1.60%	1.70%	1.70%	1.70%	1.80%	1.70%	1.90%
10yr PWLB Rate	2.30%	2.30%	2.30%	2.30%	2.30%	2.30%	2.30%	2.30%	2.40%	2.40%	2.50%	2.50%
25yr PWLB Rate	3.00%	2.90%	2.90%	2.90%	2.90%	3.00%	3.00%	3.00%	3.10%	3.10%	3.20%	3.20%
50yr PWLB Rate	2.70%	2.70%	2.70%	2.70%	2.70%	2.80%	2.80%	2.80%	2.90%	2.90%	3.00%	3.00%

- 3.6 Capita Asset Services undertook a quarterly review of its interest rate forecasts after the Bank Rate was cut to 0.25% in August and a further review after the updated Bank of England quarterly inflation report in November. It is anticipated that the bank rate will remain unchanged at 0.25% until the first increase to 0.50% in June 2019.

Investment Outturn for 2016/17

- 3.7 The Treasury Management Strategy Statement (TMSS) for 2016/17, which includes the Annual Investment Strategy, was approved by the Council on 3rd March 2016. It can be confirmed that the approved limits within the Annual Investment Strategy were not breached during the period ended 30th September 2016.
- 3.8 As at 30th September 2016 the Council held immediately available cash balances of £20m (£6.7m at 31st March 2016). Cash balances have increased over the first six months of the year which is mainly due to the

timing of payments, receipt of grants and capital receipts and progress on the Capital Programme. The average level of funds available for investment during the period to 30th September 2016 was £18m. These funds were available on a temporary basis and therefore to ensure the best interest rate was achieved a total of £8m was invested in short term deposits

- 3.9 The benchmark investment returns over the 6 months ended 30th September 2016 are illustrated in the undernoted table:

Table 2: Benchmark Investment Returns 2016/17

Benchmark	Benchmark Return
7 day	0.28%
1 month	0.30%
3 month	0.38%
6 month	0.52%
12 month	0.76%

- 3.10 The Council's budgeted cash investment return for 2016/17 was 0.60%. The Council achieved an actual investment return of 0.61% (£38k) for the period ended 30th September 2016. This comprised of 0.80% return on a 175 day notice deposit of £3m and 0.85% return on a 175 notice deposit of £5m, outperforming the 6 month benchmark by 0.28% and 0.33% respectively. A return of 0.33% was achieved on everyday cash balances which also outperformed the benchmark return for both 7 day and 1 month investments. The actual investment return is marginally higher than the budgeted return of 0.60% due to an active review of ongoing available deposit rates, however, this level of return may not continue until the end of the year due to the forecasted reduction in interest rates.

Borrowing Requirement and Debt

- 3.11 The Council's underlying need to borrow to finance capital expenditure, termed the Capital Financing Requirement (CFR) is shown below. This shows a reduction in actual CFR from Budget mainly due to slippage in Capital programme.

Table 3: Borrowing Requirement (CFR) 2016/17

	31 March 2016 Actual £000	31 March 2017 Budget £000	31 March 2017 Projected as at 30th September 2016 £000
CFR General Fund	125,041	124,071	122,754
CFR HRA	28,298	31,779	26,722
Total CFR	153,339	155,850	149,476

Borrowing Outturn for 2016/17**New Borrowing**

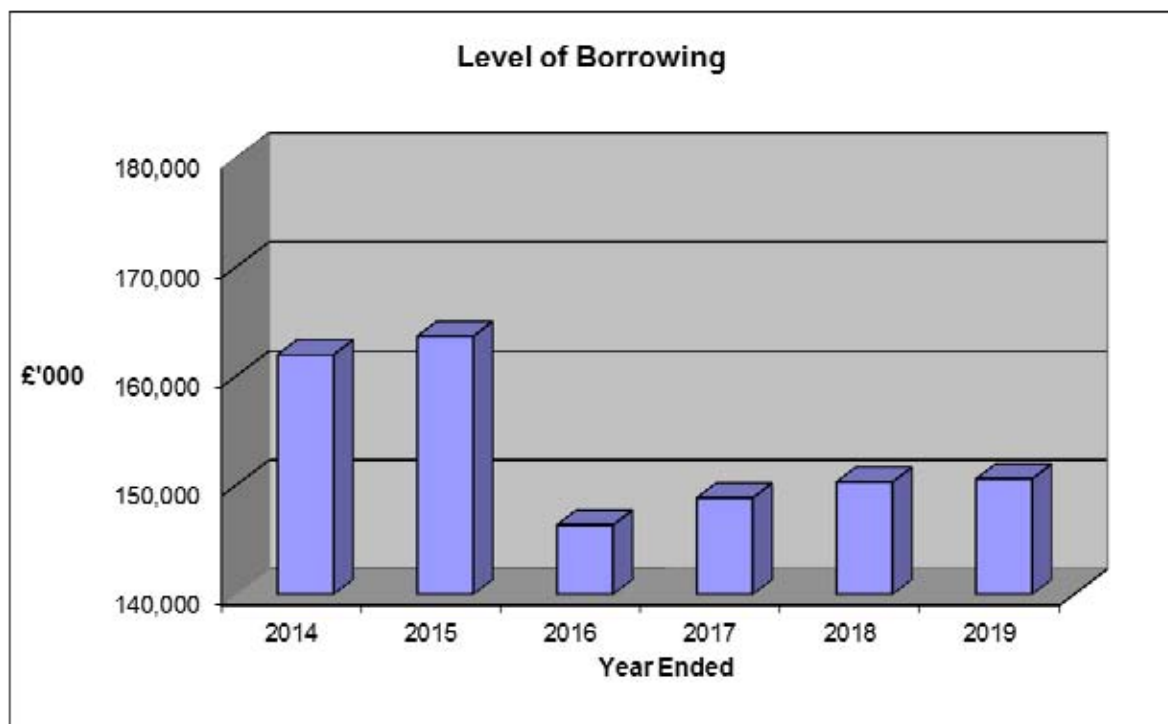
- 3.12 During the period to 30th September 2016, the Council repaid a maturing £6.2m PWLB Loan which was budgeted to be replaced. This was replaced with a twenty-five year £4m PWLB loan and short term borrowing.
- 3.13 Short term borrowing consisting of a £5m loan over six months and a £3m loan over twelve months were taken to fund the balance of the PWLB repayment and to fund the budgeted capital spend.
- 3.14 Repayments of £0.656m were also made in the first six months of the year toward the Council's PFI and finance lease.
- 3.15 The Council's external borrowing position as at 30th September 2016 and expected year end position is illustrated in the undernoted table:

Table 4: External borrowing at 2016/17

	Actual March 2016 £000	Actual September 2016 £000	Projected March 2017 £000
Public Works Loan Board	78,645	76,445	76,445
Market Loans	24,006	24,003	24,000
Other long term liabilities	43,715	43,059	42,404
Temporary Loans (<1 year)		8,000	6,000
Total	146,366	151,507	148,849

- 3.16 The Capital Programme has been set in line with the Council's strategy to reduce long term debt and budgeted levels remain fairly consistent over the next few years. This is illustrated in the following chart, demonstrating actual and forecast level of debt up to the end of 2018/19.

Table 5: External debt (actual and forecast)



3.17 The Council's debt position reduced significantly in 2015/16 due to a continued strategy of internal borrowing, along with the underspends in the capital programme and the re-profiling of capital spend to future years. Repayment profiles of debt maturity mean there are variations in annual change in debt year on year. The table shows a slight increase in the current year and next two years as a result of a reduced level of repayment of maturing debt however by the end of 2019 there is a forecasted overall reduction in cumulative external debt of 13% since 2012, showing that over the longer term the Council is not increasing its level of debt to finance its capital programme. Repayments towards PFI and finance leases also continue to reduce the Council's overall level of external debt on an annual basis.

Borrowing in advance of need

3.18 The Council has not borrowed in advance of need in the six months ended 30th September and has no intention to borrow in advance in 2016/17.

Debt Rescheduling

3.19 Debt rescheduling opportunities have been limited in the current economic climate as the average 1% differential between PWLB new borrowing rates and premature repayment rates made rescheduling unviable. Consequently no debt rescheduling has been undertaken.

Compliance with Treasury and Prudential Limits

3.20 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.

- 3.21 During the financial year to 30th September 2016 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.

4.0 Conclusions

- 4.1 Cash balances have increased over the first six months of the year which is mainly due to the timing of payments, receipt of grants and capital receipts and slippage on the Capital Programme
- 4.2 The council has repaid £0.656m towards PFI and Finance leases
- 4.3 The Council continues to outperform the benchmark return in interest on investments and cash balances are at a level of c£20m which contributes to supporting the Council's capital financing requirement internally.

5.0 Sustainability Implications

- 5.1 None

6.0 Resource Implications

6.1 Financial Details

- 6.2 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

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

Yes

- 6.4 Staffing

- 6.5 None

7.0 Exempt Reports

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

8.0 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
- 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)

Treasury Management Policy Statement and Practices

9.0 Equalities Impact

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

N/A Yes No

10.0 Legality

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

11.0 Appendices

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

Appendix 1 – Investment Portfolio as at 30th September 2016

Appendix 2 - Prudential and Treasury Indicators as at 30th September 2016

12.0 Background Papers

12.1 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 2016/17 - report to Council March 2016

Author

NAME	DESIGNATION	TEL NO / EXTENSION
Anne Wallace	Accountant	2256
Lindsay Sim	Chief Accountant	2078

Approved by

NAME	DESIGNATION	SIGNATURE
Stephen Coulter	Head of Resources & Governance	Signed: S Coulter
Nikki Bridle	Depute Chief Executive	Signed: N Bridle

APPENDIX 1: Investment Portfolio as at 30th September 2016

Borrower	Principal (£000)	Interest Rate	Start Date	Maturity Date
Bank of Scotland Plc	5,000	0.85%	08/07/16	30/12/2016
Bank of Scotland Plc	3,014	0.40%	Instant Access	
Royal Bank of Scotland Plc	11,937	0.25%	Instant Access	
Other Accounts	25	-		
Total Cash and Cash Equivalents	19,977			

Short Term Investments	Principal (£000)
CSBP Developments	15
Total Short Term Investments	15

Long Term Investments	Principal (£000)
CSPB Investments	1
Clackmannanshire Regeneration	4,906
Coalsnaughton NHT Project	2,976
Total Long Term investments	7,883

TOTAL INVESTMENTS	27,875
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APPENDIX 2: Prudential and Treasury Indicators as at 30th September 2016

Treasury Indicators	2016/17 Budget £'000	2016/17 Outturn as at 30 th September 16 £'000
Authorised limit for external debt	171,500	171,500
Operational boundary for external debt	161,500	161,500
Gross external debt	146,869	148,849
Investments	14,538	19,383
Net borrowing	132,331	129,466

Maturity structure of fixed rate borrowing - upper and lower limits (excluding PFI and Finance Leases)	Upper and Lower Limits	Fixed Rate Borrowing as at 31 st March 2017 £'000	% of Total Fixed Rate Borrowing
Under 12 months	25% - 0%	6,000	6.8%
12 months to 2 years	25% - 0%	5,000	5.7%
2 years to 5 years	50% - 0%	412	0.5%
5 years to 10 years	75% - 0%	5,419	6.2%
10 years and above	100% - 0%	89,614	84.2%

APPENDIX 2: Prudential and Treasury Indicators as at 30th September 2016

Prudential Indicators	2016/17 Budget £'000	2016/17 Outturn as at 30 th September 16 £'000
Capital expenditure - General Fund Services	10,042	7,918
Capital expenditure - Housing Revenue Account	8,431	9,799
Capital Financing Requirement (CFR) - General Fund	124,071	122,754
Capital Financing Requirement (CFR) - HRA	31,779	26,722
Annual change in CFR - General Fund	(970)	(2,287)
Annual change in CFR - HRA	3,481	(1,576)
In year borrowing requirement	8,017	10,000
Ratio of financing costs to net revenue stream - General Fund	8.24%	8.10%
Ratio of financing costs to net revenue stream - HRA	16.93%	16.97%

Report to Council

Date of Meeting: 15th December 2016

Subject: Interim Procurement Strategy Report

Report by: Head of Resources & Governance

1.0 Purpose

- 1.1. The Procurement Reform (Scotland) Act 2014 Section 18 States that the Council must prepare a procurement strategy by 31 December 2016
- 1.2. The interim procurement strategy covers the remainder of the Council's 2016/17 financial year and its full 2017/18 financial year

2.0 Recommendations

- 2.1. It is recommended that Council:
- 2.2. notes the report, commenting and challenging as appropriate.
- 2.3. notes that during 2017/18 the Council will undertake relevant and proportionate consultation to prepare a full procurement strategy
- 2.4. notes that a paper will be presented to Council on the full Procurement Strategy once the consultation and engagement has been completed.

3.0 Considerations

- 3.1. This Strategy sets out how the Council will:
 - Make procurement easier for suppliers and the Council alike
 - Increase the professionalism and commercial skill of those carrying out procurements for the Council
 - Give opportunity to local and SME suppliers, including third sector organisations, to participate by increasing visibility of the Council's procurement plans and opportunities
 - Maximise innovation, sustainability and collaboration in procurement activities

- How procurement can contribute to a customer first culture and approach

3.2. The Interim strategy provides vision for procurement, identifies procurement principles and a work plan to deliver the themes

4.0 Sustainability Implications

4.1. The interim strategy refers to support and encourage an effective local supplier market including the voluntary sector and the promotion of local social value in contracts

4.2. Utilise the Flexible Framework Self-Assessment Tool(FFSAT) to provide a Sustainable Action Plan to establish the performance level of sustainable procurement across the council

4.3. Establish systems to record the impact of procurement policies and practices on the council's climate change duties.

5.0 Resource Implications

5.1. *Financial Details*

5.2. 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

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

5.4. *Staffing*

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)

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?

Yes NA

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".

Appendix A - Procurement Update Report

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)

Yes (please list the documents below) No

Author(s)

NAME	DESIGNATION	TEL NO / EXTENSION
Derek Barr	Procurement Manager	01259 452017

Approved by

NAME	DESIGNATION	SIGNATURE
Stephen Coulter	Head of Resources & Governance	Signed: S Coulter
Nikki Bridle	Depute Chief Executive	Signed: N Bridle



**Clackmannanshire
Council**

www.clacksweb.org.uk

Clackmannanshire Council Interim Procurement Strategy

January 2017 – April 2018



Contents

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2	Background	
3	Purpose of Strategy	
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5	The Council's Vision	
6	The Vision for Procurement	
7	Our Procurement Principles	
8	Spend / Finance	
9	Action Plan	

Appendices

A	Glossary of commonly used procurement terms and acronyms	
B	Links to Procurement Policies and Procedures	

Useful Contacts

Please contact me if you have any questions or comments about this Interim Procurement Strategy or about tendering for Council business:

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Procurement
Resource & Governance Service
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1 Introduction

This Interim Strategy is aimed at promoting effective procurement across the Council.

The Council has developed this Interim Procurement Strategy to comply with the requirement to prepare and publish a procurement strategy by 31 December 2016. The first procurement strategy covers the remainder of the Council's 2016/17 financial year and its full 2017/18 financial year¹

During the 2017/18 period the Council will undertake relevant and proportionate consultation and engagement when preparing the full procurement strategy. The purpose of this is to ensure that the Council's approach and procurement strategy takes account of stakeholders' views and that stakeholders have the opportunity to engage and contribute to development of the strategy. In doing so, the Council will gain a better understanding of the needs of the area and tailor the strategy to reflect those needs. Indeed one of the areas that the strategy itself must address is the Council's policy on consulting and engaging with those affected by its procurements.

The Council aims to be flexible and to respond to the rapidly changing environment around public sector procurement and to learn from its own experience and the experiences of others. The rapidly changing environment is well illustrated by the pace of technological change currently associated with e-procurement.

The overarching purpose of the Strategy is to support the delivery of high quality public services that offer value for money, and in a sustainable way take account of best practice and EU and Scottish procurement legislation.

This Strategy sets out how the Council will:

- Make procurement easier for suppliers and the Council alike
- Increase the professionalism and commercial skill of those carrying out procurements for the Council
- Give opportunity to local and SME suppliers to participate by increasing visibility of the Council's procurement plans and opportunities
- Maximise innovation, sustainability and collaboration in procurement activities

2 Background

There have been some significant changes since the last strategy was published.

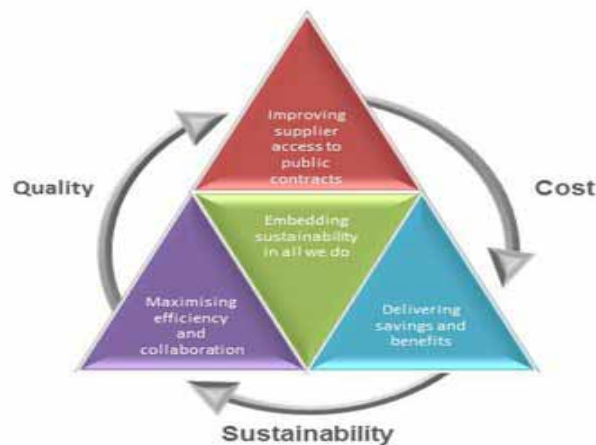
- The EU Procurement Directives which aim to ensure that public purchases are made in a transparent and fair manner.
- The Procurement Reform (Scotland) Act 2014 provides a national legislative framework for sustainable public procurement that supports Scotland's economic growth through improved procurement practice.

¹ Statutory Guidance under the Procurement Reform (Scotland) Act 2014
<http://www.gov.scot/Topics/Government/Procurement/policy/ProcurementReform/ProcReformAct/statutoryguidance>

As a whole, both the Act and the Directives provide the statutory foundations for the Scottish Model of Procurement illustrated in Figure 1.

Figure 1: Scottish Procurement Model

Scottish Procurement



Scottish Model of Procurement



These important changes to the rules on public procurement in Scotland resulted from:

- Procurement Reform (Scotland) Act 2014
- EU Procurement Directive on public procurement
- EU Procurement Directive on the award of concession contracts
- EU Procurement Directive on the award of contracts by entities operating in the water, energy, transport and postal services sectors
- EU Procurement Directive for electronic invoicing in public procurement

The Scottish Model of Procurement, simplifies, standardises and streamlines procedures for both businesses and public bodies. It places sustainable and socially responsible purchasing at the heart of the process. Some of these changes are mandatory.

In December 2012, the Council introduced a new set of Corporate Procurement Processes (Procurement Journey), designed to assist officers by providing guidance and facilitating best practice and consistency across the Council in line with the Scottish model of procurement. As a result of the legislative changes, Contract Standing Orders and the procurement journey will have to be altered to reflect the requirements of the new legislation.

This Strategy is intended to provide a high-level view about our direction of travel and the principles that the Council will follow.

3 Purpose of the Strategy

Historically the Council has spent approximately £60 million a year externally on procuring goods, works and services and it needs to maximise value from this expenditure. The next few years are likely to see further reductions in budgets so getting value for money is paramount.

This Strategy identifies the actions that the Council will take and the principles it will follow to maximise value from its procurement activity.

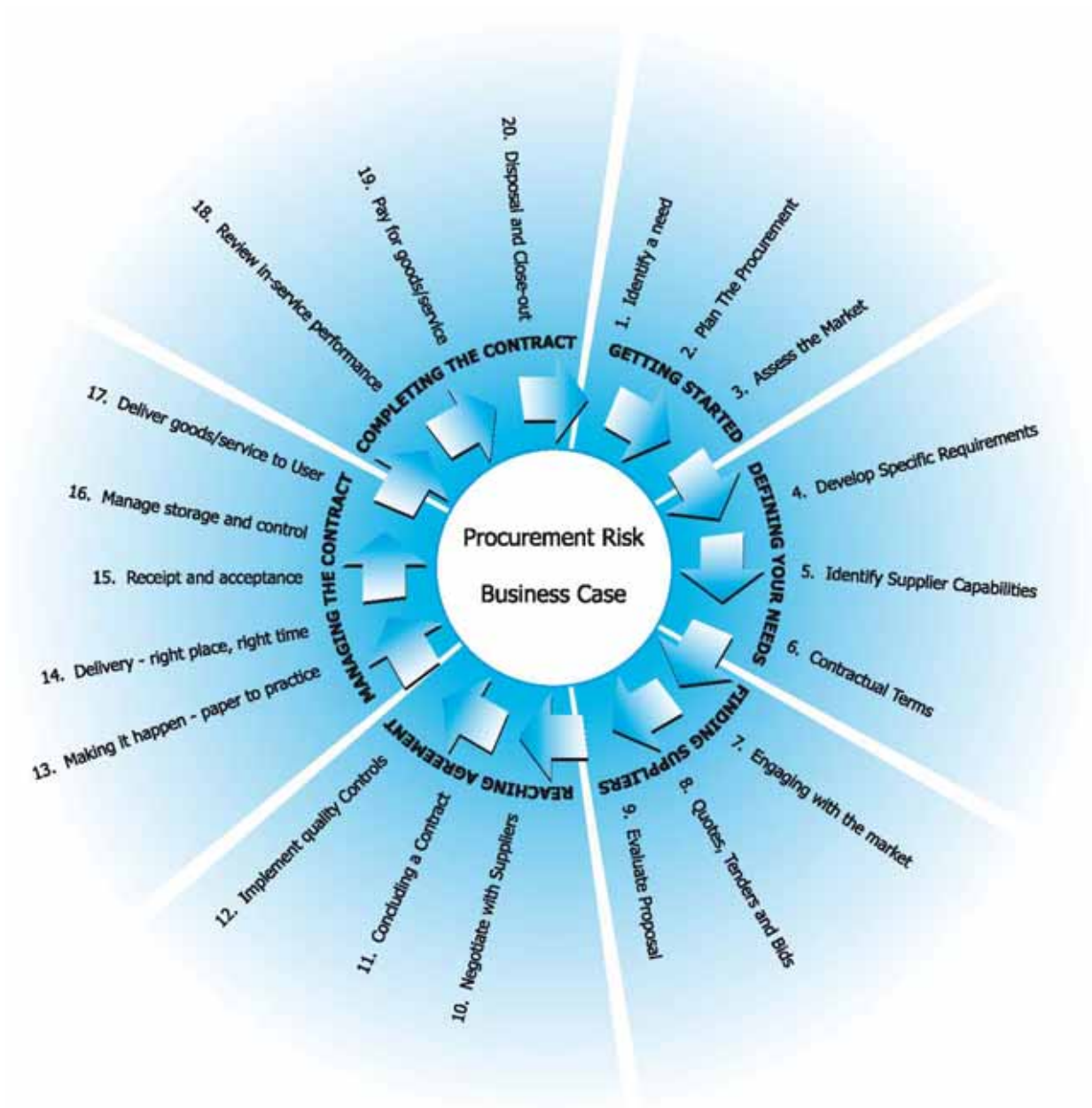
4 What is Procurement?

The Council directly provides some services from in house staff/ resources. Where it needs to acquire goods, services or works that cannot be provided in-house they are procured from external providers which may be a contractor or third sector supplier of another public sector body. Procurement is the process that is used to acquire such goods, services and works from those external providers.

Whilst responsibility for procurement resides in each Council service area, there is a procurement manager and advice available from the corporate centre that assists service areas with their procurement responsibilities.

Procurement activity forms a cycle extending from recognising an unmet need right through to management of the end contract, and where appropriate will include authorisations and audit arrangements. Depending on the need being addressed, the procurement cycle may vary from a simple transactional process, such as the on-line ordering of stationery, to the complexity of a PPP project. Well-trained procurement practitioners add value to every stage of the procurement cycle, minimising costs and maximising value.

Figure 2 : The Procurement Cycle



5 The Council's Vision

A Customer First Culture & Approach

5.1 The Council aims to achieve:

- better service performance and improved customer satisfaction;
- enhanced service user and community relationships; and
- more effective service contributions to meeting outcomes.

5.2 To achieve its aims the Council must:

- remove cultural silos and barriers so that services act consistently as part of a single organisation;
- have a collective, corporate and multi-agency outlook and approach to service design and delivery;
- focus on fewer, more integrated processes; and
- have easier access to services through enhanced local presence in communities.

5.3 The approach would put the customer first and develop services around service users and communities.

5.4 In operational terms, this approach envisages an integrated public sector presence in various localities where Council, and potentially other public services, could offer a single point of access for service users which enables:

- information, advice and sign-posting;
- general customer service;
- support for applying for certain services;
- direct access to certain services;
- single point of contact/link person to guide a service user and co-ordinate the input of various services;
- facilitation of access to specialist workers;
- a system of triage to assess the service user's issue;
- direct support by specific workers; and
- opportunities for wider community development.

6 The Vision for Procurement

The Council procures only what it needs to deliver the best services possible within its available resources.

To do this we have adopted the following Strategic Themes for the period covered by the Strategy.

Strategic Theme 1

Straightforward:

To make procurement as straightforward as possible for the Council and potential suppliers, in particular to improve access for local suppliers and SMEs and to eliminate anything that does not add value to the procurement

Strategic Theme 2

Professional:

To continue to embed professional procurement and contract management skills and support the growth of commercial acumen within the Council.

Strategic Theme 3

Maximise local opportunities:

To support and encourage an effective local supplier market including the voluntary sector and the promotion of local social value in

contracts.

Strategic Theme 4

Strategic:

To use sound procurement practices and innovative solutions to promote sustainability and value for money, making use of clear and detailed procurement/purchasing data, collaboration and partnership opportunities where appropriate.

Strategic Theme 5

Fair:

To ensure that, where applicable, contractors comply with Living Wage and Blacklisting Policies and to ensure that we take account of the possible impact that our approach to major projects might have on different groups of people.

Strategic Theme 6

Compliance:

To ensure that all procurement activity across the Council is compliant with procurement regulations, Contract Standing Orders and Financial Regulations.

The actions that we will take to deliver these Themes are set out in the Work Plan for the service at Section 9.

7 The Council's Procurement Principles

Fundamental to this strategy are Procurement Principles that will guide how the Council conducts and develops its procurement activities.

General

- 7.1 Throughout any procurement the Council will be clear about the outcomes and objectives it wants to achieve.
- 7.2 The Council's required outcomes from each procurement project will be properly assessed in relation to the Council's priorities, other statutory requirements and affordability.
- 7.3 The assessment of risk associated with each procurement project will aim to achieve a balance with commercial outcomes and placing risk where it is best managed.
- 7.4 Wherever possible requirements will be expressed in terms of outcome and performance to provide scope for bidder innovation.

Value for money

- 7.5 The Council will aim to increase value for money (defined, for the purposes of this Strategy as the best whole-life cost and quality ratio to fulfil the stated requirements) and reduce processing costs.
- 7.6 The Council will take a long-term strategic view of the procurement of its requirements, including the potential for innovative funding and the opportunity for working with other authorities especially for goods and services which can be procured more cost-effectively in a collaborative group.

Sustainability

- 7.7 Any procurement decision will aim to minimise harm to the environment and to promote conservation of natural resources.

The local supply base

- 7.8 The Council will support businesses local to Clackmannanshire through a range of initiatives including:
 - Making it simpler to do business with the Council;
 - Reduce where possible the bidding burden on suppliers;
 - Have regard to the impact on small/local firms of the way in which a procurement is structured; and
 - Providing clear information about selling to the Council on our website.

Relationships with suppliers

- 7.9 In longer-term contracts, the Council will incorporate provisions for continuous improvement both within the contracted service and to the benefit of the community it is serving.
- 7.10 In higher value contracts the Council will challenge contractors to identify ways in which they can contribute to improving the economic, social and environmental well-being of Clackmannanshire.
- 7.11 In construction contracts the Council will ask potential contractors to self-declare that have not been and will not be involved in blacklisting and where a potential contractor is unable to do this the Council will carry out a review in a proportionate and reasonable manner to conclude whether or not the organisation should be excluded from the competition.
- 7.12 The Procurement Reform (Scotland) Act 2014 has addressed and defined living wage in national legislation. It provides for Scottish Ministers to issue statutory guidance on how a company's approach to recruitment, remuneration (including living wage), and other terms of engagement should be considered when selecting bidders and awarding public contracts, where such matters will affect the quality of service that the bidder may provide.

Equality

- 7.13 Procurement processes and documentation will reflect the Council's Equalities and Diversity Policy in line with the Equality Act 2010.
- 7.14 Equality legislation places duties on the Council to promote equality through our actions and they must have due regard to whether the award and conditions of contract should include considerations to enable better performance of the public sector equality duty. In addition human rights standards recognise the right of everyone to just and favourable working conditions; in particular fair and equal pay, safe and healthy working conditions and reasonable working hours.
- 7.15 Section 9 of the Procurement Reform (Scotland) Act 2014 places a sustainable procurement duty on the Council before carrying out a regulated procurement, to consider how in conducting the procurement process it can improve the economic, social, and environmental wellbeing of the Council area. Wellbeing of the Council area includes, in particular, reducing inequality in the area. The Council can contribute towards improving the social wellbeing element of its sustainable procurement duty by adopting a policy to promote fair work practices in relevant public contracts.

Conduct

- 7.15 In all our dealings in the procurement process, the Council will preserve the highest standards of honesty, integrity, impartiality and objectivity and shall comply with the Council's staff conduct policies at all times.
- 7.16 In selecting contractors the Council will evaluate offers received on the basis of the most economically advantageous tender and will take into account, where appropriate, whole life costing seeking an appropriate balance between cost and quality.
- 7.17 In any procurement the Council will ensure that its approach to the market is consistent with these principles.

8 Spend / Finance

This section details historical and projected spend information and spend analysis for the Council covering the financial year 2015/16. Greater detail is provided in the Annual Procurement report.

Total annual spend with Trade Creditors	£61,399,385
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Suppliers (trade Creditors) used in 2015/16	2,129
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Top 20 suppliers by Trade Classification (Thomson)	Total Spend
Facilities Management	£7,484,067.00
Nursing Homes	£6,537,064.27
Project Management	£3,459,525.64
Home Care Services	£3,222,341.80
Property Maintenance & Repairs	£2,599,035.96
Adoption & Fostering	£2,132,141.97
Civil Engineers	£2,002,435.31
Childcare Services	£1,819,572.47
Social Services	£1,817,622.37
Residential Care Homes	£1,585,607.96
Disability & Special Needs - Services	£1,497,022.40
Electricity Companies	£1,332,762.88
Waste Disposal Services	£1,078,681.25
Computer Systems & Software (development)	£918,792.86
Building Refurbishment & Restoration Contractors	£880,742.37
Water Companies	£827,609.36
Employment & Recruitment Agencies	£798,320.08
Coach Hire	£762,651.11
Insurance - Other	£694,316.74
Recycling Services	£675,942.41

Percentage Spend with Local Suppliers	21.10%
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Percentage Spend with Small to Medium Enterprises	62.22%
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The Council will pay suppliers promptly, and include a clause in our standard terms and conditions stating that undisputed invoices will be paid within 30 days from receipt.

The Council wish to ensure that this behaviour flows through the supply chain and will include a clause stating that, "where you sub-contract any work under the Contract, that sub-contract

must contain a clause requiring you to pay your sub-contractor within 30 days of you receiving a valid invoice from your sub-contractor

9 Action Plan

The table below summarises the actions and initiatives planned over the Strategy period to achieve the outcomes set out in the Vision for Procurement at section 6.

Elements of the effectiveness of the procurement strategy will be measured via the [Procurement & Commercial Improvement Programme](#) (PCIP).

PROCUREMENT ACTION PLAN January 2017 – April 2018	
Strategic Theme 1 Straightforward Procurement	
To make procurement as straightforward as possible for the Council and potential suppliers, in particular to improve access for local suppliers and SMEs and to eliminate anything that does not add value to the procurement	
Action	Target Date
Deliver electronic procurement systems to satisfy new legislative requirements.	Ongoing
Review impact of newly implemented EU Procurement Rules and UK legislation and make necessary changes to existing approaches.	Ongoing

PROCUREMENT ACTION PLAN January 2017 – April 2018	
Strategic Theme 2 Embed professional and contract management Skills	
To continue to embed professional procurement and contract management skills across the Council. This goes hand in hand with moves to increase the commercial acumen of the Council	
Action	Target Date
Provide strategic professional advice to the corporate review of how to transform the way the Council procures its works, services and supplies and to propose a new model for procurement and purchasing activities across the Council.	Ongoing
Provide support and learning and development opportunities to staff engaged in procurement processes to ensure they are able to deliver effectively and are empowered to deal with procurement issues.	Ongoing

PROCUREMENT ACTION PLAN January 2017 – April 2018	
Strategic Theme 3 Support and encourage the local supplier market	
To support and encourage an effective local supplier market including the voluntary sector and the promotion of local social value in contracts.	
Action	Target Date
Revise guidance on Council's website about selling to the Council.	March 2017
Refresh and publish online schedule of proposed procurements to promote future contract opportunities.	March 2017
Continue to use Public Contract Scotland portal as our main advertising media.	Ongoing
Where possible, utilise the Public Contract regulations to enable Officers to place contracts with supported businesses more readily without having to resort to full tendering exercises, e.g. <ul style="list-style-type: none"> • Identify third sector suppliers that meet 'Supported Business' criteria; and • Identify opportunities to make use of reserved contracts for local supported businesses at monthly CTSI meetings. 	Ongoing
For non regulated procurement exercises officers will include at least one local supplier to tender where possible	Ongoing
Support businesses local to Clackmannanshire through a range of initiatives including: <ul style="list-style-type: none"> • Making it simpler to do business with the Council; • Reduce to a minimum the bidding burden on suppliers; • Have regard to the impact on small/local firms of the way in which a procurement is structured and how they are paid; and • Provide clear information about selling to the Council on the Council's website. 	Ongoing
Extend awareness of implications of Public Procurement Reform legislation through; <ul style="list-style-type: none"> • Workshop discussions to brief third sector on Council procurement policy and changes in legislation; and • Establish monthly communication between Council procurement manager and CTSI. 	March 2017
Better Align Service Level Agreements with Alliance Priorities by: <ul style="list-style-type: none"> • Mapping grant-aid and commissioned spend from the Council to the local third sector; and • Initiating a review and appropriate changes to Service Level Agreements based on Alliance policy priorities. 	March 2017

PROCUREMENT ACTION PLAN January 2017 – April 2018	
Strategic Theme 4 Sound procurement practices and innovative solutions	
To use sound procurement practices and innovative solutions to promote sustainability and value for money, making use of clear and detailed procurement/purchasing data, collaboration and partnership opportunities where this accords with the Council's Principles of partnership working.	
Action	Target Date
Review scope for and deliver further corporate contracts to consolidate spend.	Ongoing
Revise template documents and guidance with intention of promoting scope for innovation by the market in appropriate procurements.	Ongoing
Utilise the Scottish Government's sustainable prioritisation tool to identify and prioritise procurement activity.	March 2017
Utilise the Flexible Framework Self-Assessment Tool(FFSAT) to provide a Sustainable Action Plan to establish the performance level of sustainable procurement across the council.	September 2017
Create and manage a sustainable register to capture, monitor and report on the sustainable outcomes achieved via procurement activity, and link to related internal and external reporting requirements.	December 2017
Establish systems to record the impact of procurement policies and practices on the council's climate change duties.	March 2018

PROCUREMENT ACTION PLAN January 2017 – April 2018	
Strategic Theme 5 Fair procurement	
To ensure that, contractors comply with our Living Wage and Blacklisting Policies and to ensure that we take account of the possible impact that our approach to major projects might have on different groups of people.	
Action	Target Date
Establish simple methodology for assessing best value case for using the Living Wage requirement in service and works contracts,	July 2017
Embed Blacklisting protocols in procurement processes for construction contracts.	March 2017
Ensure that where appropriate EQIA's are completed for regulated procurements.	Ongoing

PROCUREMENT ACTION PLAN January 2017 – April 2018**Strategic Theme 6 Compliance**

Procurement will continue to identify, manage and control risk by developing policy and procedures which consider risk, and balance operational effectiveness and compliance.

Action**Target Date**

Update Council Contract Standing Orders to support compliance with the new procurement rules and cascade changes to informed clients and key stakeholders.

March 2017

Adapt internal procedures, processes and documentation to reflect the required legislative changes.

Ongoing

Produce a procurement workforce plan to consider what skills and development requirements will be necessary within the Council to comply with the new procurement rules.

August 2017

Implement measures in conjunction with Internal Audit to ensure that the opportunity for procurement fraud is minimised

Ongoing

Produce an annual procurement report in line with legislative requirements as soon as possible after the financial year end.

Ongoing

Appendix A

Glossary of commonly used procurement terms and Acronyms

This list includes some of the commonly used words, acronyms and phrases. It is not comprehensive and will be added to from time to time. If you think there is something that should be added to it please contact Derek Barr, whose contact details are given at the start of this Strategy.

Agreement Another word for “Contract”. The legally binding contract terms and conditions between the parties.
Category Management An approach to procurement within the Council that places projects of a particular type (e.g. construction, IT) with staff that are expert in procurements of that type.
Collaboration In this context, public sector organisations that engage in a joint procurement for works, services or supplies with the intention of obtaining better value for money through economies of scale and reduced tendering costs.
Commissioning The process of specifying, securing and monitoring services to meet people’s needs at a strategic level. It applies to all services, whether they are provided by the local authority, NHS, other public agencies, or by the private and voluntary sectors
Competitive Tendering Awarding contracts following a process to obtain competing tenders.
Contract A binding agreement between two or more parties that is enforceable in law.
Contract Officer An officer of the Council who has been nominated to manage the contract.
Contractor A firm or person who has entered into a contract with the Council to supply works, goods or services.
EU European Union.
ESPD European Single Procurement Document allow businesses to complete one document containing their basic selection and exclusion information and use this in competitions across Europe, building on the progress made in Scotland through the development of the standard pre-qualification questionnaire. Only used for EU procurements.
Evaluation A detailed assessment and comparison by the Council of offers made in response to a request for quotations or tenders in accordance with published criteria.
Framework Agreement An agreement with suppliers which sets out the terms and conditions (including maximum prices) under which specific orders can be made throughout the term of the agreement.
Invitation to Tender

<p>A formal document inviting an organisation to tender to provide a service, supply goods or to carry out works for the Council. It will include the instructions for submitting a tender, the specification for the requirement, the criteria against which the tender will be assessed, the proposed terms and conditions for the contract and, in some cases, a business questionnaire.</p>
<p>ITT Invitation to Tender.</p>
<p>KPI Key Performance Indicator. KPIs are placed against certain elements of a contract or service level agreement and indicate the items that are to be measured to see if the contractor has achieved the required contract standard.</p>
<p>Life cycle costing The systematic consideration of all relevant costs and revenues associated with the acquisition and ownership of an asset.</p>
<p>Local Suppliers or Suppliers local to Clackmannanshire – Local suppliers are defined as suppliers based within the boundary of Clackmannanshire to reflect the type of procurement and the maturity of the supplier market within the County, Sub-region is defined as Forth valley</p>
<p>MEAT Most Economically Advantageous Tender</p>
<p>Method Statement A document used in the invitation to quote or to tender which sets out specific questions for the bidder to answer to explain to the Council how a service is to be delivered/works to be carried out. The answers will be evaluated and form a part of the contract.</p>
<p>Most Economically Advantageous Quotation/Tender The quotation or tender offering the Council the greatest benefit in terms of cost and quality.</p>
<p>OJEU Official Journal of the European Union. The on-line publication in which notices advertising Council tenders that fall within the EU thresholds must be placed at the start and end of the procurement.</p>
<p>PQQ Pre-Qualification Questionnaire. A document asking the tenderer to provide information about their business and experience. Used below EU level procurements.</p>
<p>Procurement The process of the acquisition by the Council of the goods, services and works that it needs to deliver its services.</p>
<p>PCS Public Contracts Scotland the Scottish Government advertising portal which local authorities are required to use for the publication of information about contract opportunities worth £50,000 or over.</p>
<p>Quotation An offer by a supplier to supply goods or services or to carry out works requested either orally or in writing.</p>
<p>Regulations The Procurement Reform (Scotland) Act 2014 Public Contracts (Scotland) Regulations 2015 Procurement (Scotland) Regulations 2016 Concessions Contracts (Scotland) 2016</p>
<p>Small to Medium Enterprises (SME)</p>

Small

Less than 50 employees, regardless of turnover, or, if the number of employees is unknown, then turnover of less than £5.6m will be taken as an indicator that it is a small enterprise.

Medium

Between 50 and 249 employees, regardless of turnover, or, if the number of employees is unknown, then turnover of greater than or equal to £5.6m and less than £22.8m will be taken as an indicator that it is a medium enterprise.

Large

Greater than or equal to 250 employees, regardless of turnover, or, if the number of employees is unknown, then turnover of greater than or equal to £22.8m will be taken as an indicator that it is a large enterprise.

Specification/Statement of Requirements

A description of the requirements for the service, supply or works to be provided.

Supported Business

Firstly, a supported business' primary aim is the social and professional integration of disabled or disadvantaged persons.

Secondly, at least 30% of the employees of those businesses should be disabled or disadvantaged. The precise proportion of staff may fluctuate over time. However this requirement is underpinned by the main aim of the business being the social and professional integration of disabled and disadvantaged people.

Supplier/Service Provider

Other words for "Contractor".

Tender

The offer submitted by the tenderer in response to the Invitation to Tender.

VFM

Value for money.

Appendix B

Links Procurement Policies and Procedures



[Contract Standing Orders](#)



[Corporate Procurement Process](#)



[Terms and Conditions for Orders and Contracts](#)



[Procurement Strategy](#)



[Doing Business with Clackmannanshire Council - A Suppliers' Guide](#)



[Contract Register](#)



[Public Contracts Scotland](#)

Report to: Council

Date of Meeting: 15th December 2016

Subject: Council Tax Regulations Scotland

Report by: Head of Housing & Community Safety

1.0 Purpose

- 1.1. To provide an update on the changes to Council Tax regulations applying from the start of financial year 2017/18.

2.0 Recommendations

- 2.1. Members are asked to:

2.1.1. Agree that the Council no longer gives any discount on 2nd homes from April 2017.

2.1.2. Note the implications of the proposed changes to Council Tax regulations from April 2017.

2.1.3. Note the communication to households regarding the introduction of the changes to Council Tax Bands E-H.

2.1.4. Note the process and timing for issuing Council Tax bills and Rent increase notifications for 2017/18.

3.0 Summary

- 3.1. The Scottish Government has published a Statutory Instrument to change the proportion of Council Tax collected at certain bands. This will increase the proportion collected from higher band properties. The final details will be confirmed formally in the Local Government Finance Settlement, expected on 15 December 2016.

- 3.2. There will be four main changes that will apply for 2017/18.

3.2.1. Firstly, there are changes to the Council Tax Multiplier for certain property bands.

3.2.2. Secondly local authorities can increase the Council Tax by up to 3% without grant penalty for the duration of this Scottish Parliament.

3.2.3. The third significant change is that the Council Tax Reduction (CTR) Scheme will have targeted relief for households in properties in Bands E-H on net incomes below the Scottish median for their household type, up to a maximum of £25,000. There will also be an increase the child premium by 25%, from £66.90 to £83.63 per week.

3.2.4. Lastly the Scottish Government is also introducing legislation which will allow Councils to no longer give a discount on 2nd homes from April 2017. For Clackmannanshire the discount is currently 10% (it can be set as high by Council at 50%). In Clackmannanshire there are currently 59 2nd homes and the additional income that could be collected from the change is £6,700 at current Council Tax levels. The original ring fence for affordable housing remains.

4.0 Multiplier

4.1. Since its introduction in 1993, councils have been required to set a Band D Council Tax each year. The tax for all other property bands is set with reference to a multiplier of Band D. Bands A to C being set progressively lower than Band D, and Bands E to H being progressively higher than Band D.

4.2. The valuation of properties is determined by the Valuation Joint Board, and the council then applies the tax to the various bands. The proposals published by the Scottish Government have the effect of amending the multipliers for Bands E to H with effect from 1 April 2017. Multipliers for Bands A to D remain unchanged as a proportion of Band D. The following table sets out the nature of the current and proposed multipliers for each property band.

Table 1: Multiplier Impact on Current Band¹

Band	No. properties in band	Current multiplier	Proposed multiplier	Current council tax £	Revised council tax £	£ Increase	% change
A (Disabled)	24	5/9	200/360	638	638	-	-
A	6,012	6/9	240/360	765	765	-	-
B	7,050	7/9	280/360	893	893	-	-
C	1,937	8/9	320/360	1,020	1,020	-	-
D	2,480	9/9	360/360	1,148	1,148	-	-
E	3,172	11/9	473/360	1,403	1,508	£105	7.5%
F	1,889	13/9	585/360	1,658	1,866	£208	12.6%
G	864	15/9	705/360	1,913	2,248	£335	17.5%
H	44	18/9	882/360	2,296	2,813	£517	22.5%

¹ Figures rounded and do not include water and sewerage charge. Property numbers as at October 2016

- 4.3. The Scottish Government has committed £100 million (out of a total expected of £109m raised before the CTR changes) of the additional revenue raised across Scotland through the multiplier to the expanded Education Attainment Fund. The allocation both in quantum and process is still being finalised and details will be included in the Local Government Settlement, expected on 15 December 2016.

5.0 Increase in Council Tax

- 5.1. Councils will have the ability to increase council tax across each band by a fixed percentage, up to 3%. Table 2 models the potential impact below;

Table 2

Band	No. properties in band	Current council tax £	Revised council tax £	1% Increase (£)	2% Increase (£)	3% Increase (£)
A (Disabled)	24	638	638	644	651	657
A	6,012	765	765	773	780	788
B	7,050	893	893	902	911	920
C	1,937	1,020	1,020	1,030	1,040	1,051
D	2,480	1,148	1,148	1,159	1,171	1,182
E	3,172	1,403	1,508	1,523	1,539	1,554
F	1,889	1,658	1,866	1,884	1,903	1,921
G	864	1,913	2,248	2,271	2,293	2,316
H	44	2,296	2,813	2,841	2,869	2,897
Total Revenue	(23,472)	£25,069,056	£26,107,490	£26,368,565	£26,629,640	£26,890,715

- 5.2. In Clackmannanshire a quarter of our properties are liable for Bands E to H, with Band E accounting for half of that proportion. The largest amount of Clackmannanshire houses are Band B with just under a third of stock in that liability band.

6.0 Council Tax Reduction (CTR) Scheme

- 6.1. CTR replaced Council Tax Benefit in 2013 and devolved to the Scottish Parliament. Those in Band E-H with incomes below £25,000 will be fully protected from the increase. This will increase the numbers eligible for applying for the CTR scheme and will increase the processing work of the revenues team to assess the new applications.

- 6.2. There will be additional cost caused by the child premium within the CTR scheme increasing by 25%, from £66.90 per child per week to £83.63 per child per week from 1 April 2017. This change will increase the CTR award for existing CTR recipients who are on the taper, but also may enable households just outside the CTR scheme to be eligible for an award. These changes do not apply to households in receipt of Universal Credit.
- 6.3. The Scottish Government estimate that the total increase in CTR across Scotland should not exceed £17m.
- 6.4. Based on the current claimants it is estimated that the increase to the child premium would increase CTR income foregone by £164k in Clackmannanshire.
- 6.5. There will also be an additional cost of paying the Council Tax Reduction to those property owners who are in the Bands E to H, and who currently receive CTR payments. At present the CTR value for these bands is £180k.

7.0 Communication to affected residents

- 7.1. There has been significant press and media coverage at a national level regarding the changes to the multiplier and the increased costs for households. However, it is felt prudent to ensure that all households are properly informed of the proposed changes. This would also reduce any confusion of policy changes made at national level versus any variation made at a local level to increase the Council Tax.
- 7.2. Clackmannanshire Council will write a targeted letter to those in Band E-H affected by the multiplier to make them aware of the increase to their respective bill.
- 7.3. This would be supplemented with further detail in the annual Council Tax Bills for 2017/18.

8.0 Council Tax Annual Billing/Rent Increase Notifications 2017/18

- 8.1. Around two thirds of all Clackmannanshire households pay their Council Tax by Direct Debit. This means that we have a deadline of when bills need to be issued in order to meet the requirements of the Direct Debit Guarantee Scheme. Moreover, the Council has a legal requirement when notifying tenants of rent increases at least 4 weeks prior to the increase being applied.
- 8.2. The revenues service is in discussion with the Royal Mail to agree when the Council would need to have finalised bills and rent notifications to meet the above deadlines. We are currently working to agree timescales that will allow us to meet our statutory obligations.

9.0 Resource Implications

- 9.1. *Financial Details*

9.2. 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

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

9.4. *Staffing*

9.5. The legislative changes will require significant changes to software, will increase the workload in preparing the annual bills and for assessing additional CTR claims.

10.0 Exempt Reports

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

11.0 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)

None

12.0 Equalities Impact

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

Yes

No

13.0 Legality

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

14.0 Appendices

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

14.2. None

15.0 Background Papers

15.1. 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

Scottish Government Proposals for Council Tax Reform March 2016

Author(s)

NAME	DESIGNATION	TEL NO / EXTENSION
Murray Sharp	Service Manager	5113

Approved by

NAME	DESIGNATION	SIGNATURE
A Khan	Head of Service	Signed: A Khan
N Bridle	Depute Chief Executive	Signed: N Bridle

Report to: Council

Date of Meeting: 15 December 2016

Subject: Strategic Housing Investment Plan 2017 - 2022

Report by: Head of Housing and Community Safety

1.0 Purpose

- 1.1. To seek approval of the Strategic Housing Investment Plan (SHIP). The SHIP sets out the policy framework for affordable housing development in Clackmannanshire over the next 5 years, establishing the investment priorities. The programme of sites is agreed in line with the SHIP framework.

2.0 Recommendations

- 2.1. It is recommended that Council:

2.1.1 Approves the Strategic Housing Investment Plan for 2017-2022, including the 5 year programme of housing sites, detailed in Appendices 1 and 2.

2.1.2 Notes the remainder of the report, commenting and challenging as appropriate.

3.0 Background

- 3.1. Every two years local authorities are required by the Scottish Government to prepare a Strategic Housing Investment Plan, (SHIP), setting out the strategic investment priorities for affordable housing over a five year period to achieve the outcomes set out in the Local Housing Strategy. The SHIP informs the Scottish Government's housing investment decisions and is the key document for identifying strategic housing projects to assist the achievement of the target for 50,000 affordable homes across Scotland, which was announced in March 2016 and discussed below.
- 3.2. The national 'More Homes Scotland' approach provides a £3 billion commitment by the Scottish Government over the next 5 financial years. This includes increased subsidy levels for councils, accompanied by 5 year Resource Planning Assumptions to help with forward planning of development sites. The 'More Homes Scotland' approach also includes new policy initiatives including: more mid-market homes; supporting home ownership; establishing the new Housing Infrastructure Fund which will provide loans and grants to allow partners to unlock strategically important housing sites and increase the scale of housing delivery; and reviewing the planning system

with a focus on improving planning processes to support the delivery of good quality housing.

- 3.3. The draft SHIP for 2017-22, attached at appendix 1, builds upon the current SHIP approved in October 2014. It has been developed in consultation with key stakeholders, including local Registered Social Landlord (RSL) partners.
- 3.4. At its meeting of 13th October 2016 the Council approved an update on the planned affordable housing programme for Clackmannanshire. This set out the 'Strategic Local Programme' (SLP) for housing expenditure in 2016/17 through to 2019/20 and was compiled in line with the principles set out in the SHIP. The SLP is effectively a rolling programme which delivers the strategic priorities in the SHIP.
- 3.5. Appendix 2 lists the sites proposed for development, and the financial resources available to deliver these houses. Resources include grant funding through the Scottish Government's Affordable Housing Investment Programme, the Council's own resources (income from empty homes Council Tax), and additional grant funding through other streams. RSL schemes also require significant private finance contributions.
- 3.6. The increase in resources for new housing is very welcome, and will support the Council's wider regeneration aims. The intention is to spread investment throughout Clackmannanshire, and to direct it to the areas of greatest housing need. Work is underway to identify new opportunities in the private sector, and potential development sites held on the Housing Revenue Account, such as lock-up/garage sites and amenity areas.
- 3.7. The additional funding also provides the opportunity to consider the condition and popularity of the Council's existing housing stock. Some of this stock is nearing the point where it may no longer be financially viable to make the substantial investment required to meet modern standards. It should therefore be noted that areas identified for regeneration could potentially include programmes of selective demolition and replacement housing, and / or voluntary sales. Further work will be carried out to identify such areas and a report brought back to Council prior to any consultation on potential proposals.

4.0 Funding

- 4.1. As previously reported, the Scottish Government has provided an indicative funding target of £6.577 million over the three years from 2017/18 to 2019/20. The resource planning assumptions are subject to change and the Government expect local authorities to over-commit at least 25% to absorb any additional available grant.
- 4.2. The identified spend for Clackmannanshire over the same period is currently £11.458 million.

5.0 Sustainability Implications

- 5.1. The supply of affordable housing is a central contributor to the Council's commitment to reduce carbon emissions. The projects are all built to

'Greener Standards' and the Council will pursue the inclusion of renewable energy on sites where possible.

6.0 Resource Implications

Financial Details

- 6.1. There are no funding implications from this report that will not be met from within existing resources. A report will be brought to a future meeting on detailed regeneration proposals.
- 6.2. 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
- 6.3. Finance has been consulted and has agreed the financial implications as set out in the report. Yes

Staffing

- 6.4. There are no staffing implications arising from this report

7.0 Exempt Reports

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

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

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

9.0 Equalities Impact

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

Yes

No

10.0 Legality

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

11.0 Appendices

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

Appendix 1 Strategic Housing Investment Plan (SHIP) 2017-2022

Appendix 2 Affordable Housing Supply Programme (SHIP tables)

12.0 Background Papers

12.1. 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

Author(s)

NAME	DESIGNATION	TEL NO / EXTENSION
Susan White	Housing Devt Regen Team Leader	2421
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Approved by

NAME	DESIGNATION	SIGNATURE
Ahsan Khan	Head of Housing	Signed: A Khan
Nikki Bridle	Deputy Chief Executive	Signed: N Bridle

CLACKMANNANSHIRE COUNCIL

**STRATEGIC HOUSING
INVESTMENT PLAN
2017- 2022**

1.0 Introduction

- 1.1 The Strategic Housing Investment Plan (SHIP) 2017/22 defines the priorities for housing investment, as set out in the Clackmannanshire's Housing Strategy (CHS) 2012- 2017 vision, that;

"Every household in our area should have access to a good quality and affordable home, with advice and support services that meet their needs."

- 1.2 To achieve this vision through investment, our aim is to create a more effective local housing system, which delivers both economically balanced and sustainable communities. This in turn shapes our key objectives of providing the right houses, in the right location, delivering both choice and affordability. Supporting this is the commitment from the Scottish Government of an increasing annual grant allocation. For Clackmannanshire, the allocation increased by two thirds from £2.199 million in 2015/16 to £3.654 million in 2016/17.
- 1.3 Under the Scottish Government's initiative of 'More Homes Scotland', £3 billion has been committed over the next 5 years for the delivery of 50,000 affordable homes across Scotland. To help achieve this aim, the Government has introduced a Housing Infrastructure fund of £50 million for 2016/17, to help unlock blockages to development sites due to infrastructure constraints. The scheme is open to private developers, Registered Social Landlords (RSLs) and councils offering a five year flexible grant or loan. The Council will work with colleagues at the Scottish Government and developing RSLs to progress sites assessed as being eligible for such funding.
- 1.4 The 'More Homes Scotland' approach also includes new policy initiatives including: more mid-market homes; supporting home ownership; establishing the new Housing Infrastructure Fund which will provide loans and grants to allow partners to unlock strategically important housing sites and increase the scale of housing delivery; and reviewing the planning system with a focus on improving planning processes to support the delivery of good quality housing. The Council will work to maximise resources and delivery of new homes, to meet the priority needs of the area.

2.0 Housing Need and Demand

- 2.1 Early indications from our updated Housing Needs and Demand Assessment, using the 2012 based population projections, confirms some key findings that will influence future policy:
- Although the population is in decline, the number of **households** remains on the increase, because households are getting smaller. By 2037, 75% of all households are predicted to be either single person or a couple.

- Demographically, the future population of Clackmannanshire will be older and the consequent demand for specialist housing provision will increase.
- Longer term population projections reveal a decline particularly in younger, working age households. This means fewer people to support the ageing population.
- Houses in Clackmannanshire are more affordable than the Scottish average. The current average house price is around £35k lower than the national average of £170k and well below Stirling's £192k average.
- Housing need within settlements in Clackmannanshire is particularly self contained, so investment to meet needs is required across all settlements.

2.2 This SHIP details an investment programme of around £22 million over the next 5 years, from 2017 to 2022. As well as confirmed funding of £3.654 million for 2016/17, the Scottish Government has provided indicative Resource Planning Assumptions (RPA) to 2019/20 of £6.577 million. The RPAs are subject to change but are expected to increase to help meet the 50,000 target for new affordable homes. The Scottish Government expect councils to over commit by at least 25% in their programmes.

3.0 Clackmannanshire Housing Strategy

3.1 A revised Local Housing Strategy is due to be published in 2017, drawing on the full findings from the HNDA which is currently in progress. In the meantime, the eight priority areas and outcomes to be achieved remain:

- **New Housing Supply** - Quality, affordable housing is maximised
- **Best Use of Existing Housing** - The housing we already have is optimised and effective in providing choice and meeting need
- **Homelessness** - Homelessness is reduced and homeless and potentially homeless households have access to effective and appropriate housing option
- **Support for Independent Living** - Those requiring assistance to live independently at home have access to effective housing support
- **Specialist Housing** - People have access to specialist or adapted accommodation where there is an assessed need
- **Energy Efficiency and Fuel Poverty** - Energy efficiency is improved and fuel poverty and carbon emissions are reduced across all tenures
- **Improving Neighbourhoods and Communities** - Organisations and partnerships working with communities will improve the quality of life for all households
- **Housing Investment** - New, improved and innovative funding opportunities will ensure a flow of funds to achieve essential housing priorities.

- 3.2 There has been plenty of activity since the Local Housing Strategy was approved in 2012. Some key achievements over the last 2 years since the last SHIP are:

Completed Actions

- | | |
|--|---|
| The allocated Affordable Housing Budget spend was exceeded in 2015/16 and is looking to overspend again in 2016/17. | ✓ |
| On target to add 130 new and 'buy back' properties to the affordable housing stock in 2016/17, the highest annual total in Clackmannanshire since 1997. | ✓ |
| Completion of 17 affordable bungalows on former Community Centre land in Tillicoultry, funded by £782k Town Centre funding received from the Scottish Government. | ✓ |
| Adding to the success of phase one, a further 14 houses for Mid Market Rent in Coalsnaughton are due for completion in 2017. This is funded as part of the National Housing Trust initiative in partnership with the Scottish Futures Trust and the Council. | ✓ |
| RSL developing partner Kingdom Housing Association completed their first 27 units in Alloa Road, Tullibody in February 2016. | ✓ |
| Expansion of Kingdom's Tullibody development is due on site in January 2017 after the successful purchase of the adjacent piece of Council owned land. | ✓ |
| Land at Primrose Street in Alloa town centre purchased and construction underway for delivery of new affordable housing and town centre regeneration. | ✓ |
| The Council's off the shelf house purchase initiative has added a total of 60 new council properties for rent and 20 for use as homeless temporary accommodation. | ✓ |
| Castle Rock Edinvar will conclude negotiations with a private developer to deliver 35 units through the Falkirk Pension fund. | ✓ |
| Engage with the multi disciplinary Developer Contribution Group to ensure that affordable housing is on the agenda for new developments. | ✓ |

3.3 In addition to the above, the Local Housing Strategy confirms further broad actions which are being delivered through this investment programme;

LHS Key Actions	Progress
Develop a flexible Affordable Housing Policy, including commuted sums, with a settlement focus to maximise developer contributions towards affordable housing	
Continue to develop and support innovative and flexible models for providing cost effective new housing	
Agree a partnership with Falkirk and Stirling Council's and Castle Rock Edinvar to deliver Forth Valley a Pension Fund investment programme	
Maximise the impact of new housing, including affordable housing in areas of demand	
Optimise the Council's investment potential of its land and non-residential assets	
Work with local Housing Associations to deliver new affordable housing and maximise funding from their resources	
Promote and increase low cost home ownership and shared equity schemes with public funding or private developer cross subsidy, especially to promote tenure diversification	
Promote town centre development and regeneration through compatible investment in housing in Alloa, Alva, Tullibody and Tillicoultry	
Define the need for specialist housing and agree best way to supply gaps in provision	
Maximise the funding for new housing through private sector investment, match funding and bidding for challenge funds	
Maintain a programme to purchase existing housing for social stock	
Use income from reduction in Council Tax discounts to provide additional affordable housing, including bringing empty homes back to use	
Deliver specialist housing on all appropriate new housing developments	

4.0 Our Corporate Strategy: Taking Clackmannanshire Forward

4.1 The Council's key corporate priorities are set out in "Taking Clackmannanshire Forward- Corporate Priorities 2012 - 2017". This focuses on provision of Better Services, Better Opportunities and Better Communities, helping to deliver Single Outcome Agreement priorities relating to communities, vulnerable people and the environment. The aim is to ensure Council and partners, and resources, are joined up to achieve positive outcomes for Clackmannanshire.

4.2 The main corporate action that the SHIP will help to achieve is:

- Increase the stock of available housing and work with all partners to maximise the availability of affordable housing throughout Clackmannanshire.

4.3 The framework for strategic direction over the next 5 years is currently being progressed. Continuing and new priorities for the Council and its partners will be accommodated within the SHIP and the revised Local Housing Strategy. This will include work as part of the City Deal with Stirling Council and plans for future regeneration in Clackmannanshire.

5.0 New Housing Supply Targets

5.1 An updated Housing Need and Demand Assessment (HNDA) is underway. Findings so far show a reduction in the level of housing requirements since the last Assessment. This is due to a number of reasons, primarily the reversal in the population projections for 2012, showing an anticipated decline in the population to 2037. This, in turn, is influenced by a dramatic drop in new house building in Clackmannanshire since 2008. This has had a significant effect on population as low house building in the area fails to attract inward migration from households seeking new housing.

5.2 Up to 2021, the annual estimated need for additional affordable housing in Clackmannanshire is around 150 homes. Two thirds of these should be for 'social renting', with 100 properties required for rent by a social landlord and the remaining 50 'intermediate' properties, required to be below market value (rent or sale).

5.3 Social housing demand in Clackmannanshire is fairly self contained within settlements, so the location of new developments needs to be carefully considered. Availability of housing sites does not always match housing need and demand - something that will be considered in the revised Housing Strategy.

6.0 Housing Needs

6.1 Initial findings from the HNDA research confirm some specific features of demand for Clackmannanshire;

- The latest 2012 household projections to 2037 for Clackmannanshire show a fall in population
- Despite a falling population, 100 new households will form every year. Every one of these (100%) will be either single person or couple households, meaning additional, smaller houses are required
- The area has one of Scotland's steepest declines in private house building since 2008/09 and new private developers should be encouraged in to the area where possible
- Net outward migration of 16 to 29 year olds sits at around 100 annually, which is the highest for any age group
- By 2037 there will be 126% more people aged 75+, which is far above the Scottish average of an 86% increase
- By 2030 the number of people over 85 years will double

7.0 Specialist Housing

- 7.1 The Council will continue to provide an element of specialist housing on suitable sites. Most recently, the former Tillicoultry Community Centre was redeveloped providing 17 level access bungalows, which proved to be very popular with tenants.
- 7.2 One of the main drivers of the housing market is the ageing population and their requirement for specialist housing. This is the result of older people who need care (low cost but high volume) and higher infant survival and longevity for those with a learning disability (low volume and high cost).
- 7.3 The Clackmannanshire and Stirling Health and Social Care Partnership has supported additional research into specialist needs, discussed below.

8.0 Partnership Working

- 8.1 There is continued emphasis on partnership working to deliver the SHIP. We are working with Hadden Construction, and the Scottish Futures Trust (SFT) to deliver National Housing Trust (NHT) houses for mid market rent in Coalsnaughton. Ochil View Housing Association is acting as management and maintenance agents for the properties.
- 8.2 The Council, Paragon and Link Housing Associations and private developers, have worked in partnership to provide 48 new, affordable, high quality, highly energy efficient housing to be completed early in 2017. The funding has been provided, in part, from the Greener Homes Innovation Scheme.
- 8.3 The Council continues to work with Kingdom Housing Association as the main RSL developer to build a programme of affordable housing delivery.
- 8.4 Ochil View Housing Association has entered into a new agreement with Kingdom Housing Association to manage their development work. As such, sites that are in Ochil View's ownership at Todd's Yard, Sauchie and Elm Grove, Alloa have been brought back into the programme for development within the next 5 years.
- 8.5 The Council is working alongside Stirling and Falkirk councils to jointly deliver 207 new social rented homes being developed by Castle Rock Edinvar, using

£15m of Falkirk (Forth Valley) Pension funding. 35 units will be located in Clackmannanshire within a private developer site.

9.0 Health and Social Care Integration

- 9.1 The Clackmannanshire and Stirling Health and Social Care Partnership, which is governed by the Integration Joint Board, has set up a Housing Contribution Group which takes responsibility for identifying and addressing the priority housing related needs across the 3 localities within the Partnership area. Clackmannanshire is a single locality.
- 9.2 The Partnership takes the issue of housing very seriously, recognising that housing is a critical aspect of good quality of life. The Partnership has assisted with funding specialist research to help identify the housing needs of older people and of homeless people across the Partnership area. This is being incorporated into the HNDA.

10.0 The Planning Context

- 10.1 Any new housing development should address the needs of the people of Clackmannanshire, regardless of tenure. The key mechanism for this is the planning system. We are working alongside planning colleagues to create a mix of housing sizes and tenures with the aim of providing housing opportunities for all and helping to prevent further market failure.
- 10.2 The Local Development was adopted by Council in August 2015. This includes provision for the delivery of affordable housing, which is supported by the Housing Needs and Demand Assessment. The proposed Affordable Housing Policy (SC2) includes that housing proposals for 20 or more homes, or over 1 hectare, will be expected to include a range and choice of house types, tenures and sizes, including affordable housing.

11.0 Particular Policy Initiatives

11.1 Council purchase of existing housing for social renting

The Council maintains its commitment to make 'off the shelf' purchase a means of delivering affordable housing with 15 new social rented houses delivered in 2015/16 and a further 15 planned for 2016/17, with funding from the HRA Business Plan and Affordable Housing Supply Budget. This method of providing additional affordable homes will be continued as required by the programme.

11.2 RSL purchase of existing housing for social renting

Both Ochil View and Kingdom Housing Associations are buying properties 'off the shelf'. Of particular interest to Ochil View has been previous stock of theirs, which was sold through Right to Buy. Opportunities to purchase 'off the shelf' new build properties, direct from the developer, are also of interest, with Kingdom successfully completing such purchases in 2016/17.

11.3 Adaptations

The Health and Social Care Partnership is now responsible for some of the housing related functions as detailed in the Partnership Integration Scheme. In particular, the Housing Contribution Group is developing a Service Level Agreement (SLA) for the delivery of these services, which remain operationally managed through the Housing Service. The SLA will agree priorities for adaptations in private and council housing, in terms of funding, works, numbers and outcomes, in line with the Strategic Plan.

Clackmannanshire Council's Housing Contribution Statement has been agreed by the Partnership Board and highlights the priorities to be addressed in relation to housing need and the link with health and social care needs. The specialist housing needs research will also help to further define local requirements going forward to meet the growing number of older people in Clackmannanshire.

12.0 Resources

- 12.1 The RPA for Clackmannanshire for 2017/18 to 2019/20 is £6.577 million. The spend identified against projects at this time is £11.458 million which, as encouraged by the Scottish Government, is over the allocated budget but allows for slippage and mitigates the risk of underspend.

The Council and RSL partners are progressing sites for the future programme in anticipation of additional resources being made available.

Affordable Housing Supply Budget RPA		
Year	Budget	Planned Spend
2017/18	£2,923,000	£3,670,000
2018/19	£2,192,000	£3,818,000
2019/20	£1,462,000	£3,970,000
Total	£6,577,000	£11,458,000

13.0 HRA

- 13.1 The Council made a decision in February 2015 to remove future new build programmes from the HRA Capital Programme from 2019 onwards. This decision was recommended to Council to ensure that RSL partners could maximise their stock acquisition in the area. In future, where the situation will allow, the Council will undertake further open market targeted purchases to match local needs and demands.

14.0 Housing Associations

- 14.1 The Council is currently working with Kingdom Housing Association to develop a clear programme of activity to establish their presence in Clackmannanshire.
- 14.2 Ochil View Housing Association has recently entered into an agreement with Kingdom Housing Association to manage development work on their behalf, allowing them to participate in new development again. Ochil View can therefore assist to meet the increased unit target with sites in their ownership at Todd's Yard, Sauchie and Elm Grove, Alloa.
- 14.3 Paragon Housing Association is also looking to develop further housing locally to add to the innovative greener homes they are building with Link HA in Alva.

15.0 Falkirk (Forth Valley) Pension Fund

- 15.1 Falkirk Pension Fund, which operates across Forth Valley, agreed to allocate a total of £30m for housing in Scotland. It has been agreed that £15m of this should be spent on social rented housing in Forth valley, with Castle Rock Edinvar delivering the housing, 35 units of which will be built in Clackmannan.

16.0 Affordable Housing Supply Programme

- 16.1 The table at appendix A sets out the Council's criteria and method used to prioritise housing sites. Sites are ranked by meeting priority criteria based on key actions from the LHS as well as applying practical criteria such as land constraints, planning permission or listed in the Local Development Plan. Sites become nearer to delivery as the constraints are overcome.
- 16.2 The Council has been working with its RSL partners and the Scottish Government to maximise the number of new affordable homes in Clackmannanshire. The programme in 2016/17 is set to deliver just over 130 units. This has been supported by approximately £3.7million of affordable housing grant; £782k of Town Centre regeneration funding and £2.267million Greener Homes Innovation Funding. This is a significant boost to new provision in the area and provides a sound platform for future partnership schemes.
- 16.3 Details on individual sites are included in the proposed Strategic Local Programme tables attached to the SHIP, also summarised below.

17.0 New Supply

17.1 Primrose Place, Alloa

In keeping with the Council's commitment to targeted investment, 16 mid market rent flats will be delivered in 2017 on this prominent site, the first phase of a wider regeneration plan for a derelict area of Alloa town centre.

17.2 'Off the Shelf'

Kingdom purchased a development of 21 new builds from a developer in 2016/17. There is scope from them to purchase further new build properties in the future, with 20 units scheduled for 2017/18.

17.3 Pension Fund

The Scottish Government remains supportive of the Falkirk Pension Fund mandate to invest £30m into affordable housing. The RSL for the scheme, Castle Rock Edinvar, continue negotiations on a private site in Clackmannan which should deliver 35 units. The Scottish Government may also contribute additional infrastructure grant to enable the development to proceed.

17.4 Delph Road, Tullibody phase 2

Kingdom purchased this site in March 2016 to deliver a second phase of 31 units, due to start in February 2017. The development will include some larger wheelchair adapted units and houses suitable for older people - a priority to meet the demands of an ageing population.

17.5 Todd's Yard, Sauchie, phase 2

This site is owned by Ochil View, who built 16 houses on phase 1 in 2012. Kingdom will develop 12 units for Ochil View, starting early in 2017/18.

17.6 Lock-up site at Gartmorn Road, Sauchie

A site investigation and feasibility study will be commissioned for this site, to be developed by Paragon Housing Association who own adjacent properties.

17.7 Park Street, Tillicoultry

Land is being assembled to allow Kingdom to develop 8 units on the site, adjacent to the popular recent development of amenity bungalows.

17.8 Lochies Road, Clackmannan

This small site in Clackmannan will complement the wider regeneration of the town centre. The preference for the site will be for low level specialist housing.

17.9 Primrose Street, Alloa

Feasibility work continues on the options for this site which is phase 2 site of the town centre redevelopment proposals.

17.10 Elm Grove, Alloa

This site, owned by Ochil View, will likely provide a mixed tenure development, potentially including mid-market rent and low cost home ownership, to assist with the ongoing regeneration of the area. Kingdom will progress proposals for the site.

17.11 Potential HRA development/regeneration sites

Work is underway to identify development sites owned by the Housing Revenue Account which, as well as providing new housing which meets local needs, will be part of wider initiatives to improve local areas. This might include lock-up/garage areas, amenity areas considered surplus to requirements and potentially selective demolition of unpopular or difficult to manage housing which is no longer financially viable.

18.0 Shadow Programme (Potential Sites)

18.1 It is inevitable that some priority sites will not be deliverable for various reasons, such as ground conditions or financial viability. To help avoid slippage in the main programme, or in the event of additional Scottish Government funding being made available, potential sites are included in the 'shadow' programme. These sites may be substituted or added to the main programme, should the opportunity arise.

18.2 This approach allows additional flexibility to help ensure that the number of units and spend in Clackmannanshire is maximised. Below is a list of sites identified to date, however, it should be noted that the Council and its RSL partners are actively looking for further opportunities. Other proposals, including purchasing units from a developer, may be brought forward in addition to those listed.

18.3 The Orchard, Tullibody

This HRA-owned site was in the main programme but has been placed in the shadow programme pending further consultation and agreement on school provision in the area. The site capacity is around 12 units to replace the demolished block of flats.

18.4 North Street, Clackmannan

Kingdom Housing Association is looking at options for this town centre site. The Council has proposed the site for Infrastructure Funding to help with high development costs.

18.5 Forest Mill

The section 75 agreement sets a requirement for 22% of the 1,250 homes to be affordable. There are no affordable homes programmed by the developer in phase 1 or 2, so it is likely that it will be several years before affordable housing can be expected on this site.

18.6 Former FV College, Sauchie

A section 75 agreement for 7 affordable houses exists for this site. It is possible that the affordable housing element could be increased if a mid market rent proposal for the site is taken forward.

18.7 Craigview Shop, Sauchie

There is a commitment to conduct a feasibility study on this site. This could be progressed with Ochil View as it owns adjacent properties.

18.8 Devonpark Mills, Devonside

This is a small site that has previously been in the programme but was removed because of site constraints. It is being marketed for sale by the Council, but has been placed on the shadow programme in case an affordable development solution can be delivered.

18.9 The Craigs, Coalsnaughton

This Council owned site is next to the current National Housing Trust site being developed for mid market rent by Hadden Construction. Further work is needed to determine the numbers and types of units most suitable for this development.

19.0 Units in Addition to Affordable Housing Supply Programme

19.1 National Housing Trust, The Glen, Coalsnaughton,

Following approval at Council in June 2015, Hadden Construction, the Council and the Scottish Futures Trust in the National Housing Trust Initiative will deliver a further 14 houses for Mid Market Rent in Coalsnaughton.

19.2 Greener Homes, Former Alva Academy

The Greener Homes Initiative development benefited from £2.879m funding from the Scottish Government for the development of 48 highly energy efficient homes in Alva. The project has been significantly delayed whilst negotiations took place between the parties regarding financial risks. Agreement has been reached and it is expected that the properties will be complete early in 2017. The programme will deliver 48 new homes for both Link and Paragon Housing Association.

19.3 National Mid Market Rent (MMR) Initiative

The Scottish Government has invited prospective MMR providers to submit proposals for an expanded mid-market rented housing initiative. In line with the priorities set out in the Housing Strategy, we will look to incorporate potential feasible sites into our Programme if the opportunity arises.

20.0 Consultation

20.1 This document has been developed by housing and planning colleagues in consultation with local RSLs and Scottish Government officials.

21.0 Ensuring Equalities

21.1 An equalities impact assessment is carried out on each SHIP. The SHIP has no negative impact on the six equality groups; in fact it is likely that these groups will benefit from a positive impact.

22.0 Strategic Environmental Assessment

22.1 The SHIP is part of the LHS, which had a pre-screening as required by the Environmental Assessment (Scotland) Act 2005. Clackmannanshire Council as a "responsible authority" for the purpose of the Act has determined that no SEA submission is required for this document. Specific environmental issues will be considered as part of the Local Development Plan process when planning applications for sites are submitted.

SHIP 2017-22 PRIORITIES FOR INVESTMENT

Site	Ownership	Effective Land Supply	Regen. / Town Centre Area	High Demand Area	Homeless Needs	Particular Needs	Planning Permission	Creating Mixed Comms	No Land constraints	Resources Available	VFM	Deliverable Now	Deliverable within 5 years
MAIN PROGRAMME													
Primrose Place, Alloa	Kingdom	Yes	Yes	Yes	No(MMR)	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Pension Fund, Clackmannan	Private	Yes	No	No	Yes	Yes	Yes	Yes	No*	Yes	Yes	Yes	Yes
Delph Road Phase 2, Tullibody	Kingdom	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Todds Yard Phase 2, Sauchie	Ochil View	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Lock up sites, Sauchie	Council	No	No	Yes	Yes	Yes	No	Yes	Unknown	No	Yes	No	Yes
Park Street, Tillicoultry	Council / Private	No	Yes	Yes	Yes	Yes	No	Yes	No (ownership)	No	Yes	No	Yes
Primrose Street, Alloa	Council	Yes	Yes	Yes	Yes	Yes	No	Yes	Unknown	No	Yes	No	Yes
Elm Grove, Alloa	Ochil View	Yes	Yes	No	Yes	Yes	No	Yes(mix tenure)	Yes	No	Yes	No	Yes
Regeneration Sites	HRA	No	Yes	No	Yes	Yes	No	Yes	Unknown	No	Yes	No	Yes
Lochies Road, Clackmannan	Kingdom	No	Yes	Yes	No	Yes	No	Yes	Unknown	No	Yes	No	Yes

*Potential additional infrastructure funding to overcome this

Site Name	Ownership	Effective Land Supply	Regen. / Town Centre Area	High Demand Area	Homeless Needs	Particular Needs	Planning Permission	Creating Mixed Comms	No land constraints	Resources Available	VFM	Deliverable Now	Deliverable within 5 years
SHADOW PROGRAMME													
The Orchard, Tullibody	Clacks Council	No	No	No	Yes	Yes	No	Yes	Yes	No	Yes	No	Possible
North St, Clackmannan	Clacks Council	Yes	Yes	No	tbc	tbc	No	tbc	No	No	No*	No	Yes
Forest Mill	Private Developer	Yes	No	No	Yes	Yes	Yes	Yes	No*	No	Yes	No	Yes
Former FV College, Sauchie	College	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	No	Yes
Craigview Shop, Sauchie	Clacks Council	No	No	Yes	Yes	Yes	No	Yes	No*	No	Yes	No	Yes
Devonpark Mills, Devonside	Clacks Council	Yes	No	No	No	Maybe	No	Yes	No*	No	Yes	No	Yes
The Craigs, Coalsnaughton	Private Developer	Yes	No	No	No	Yes	Yes	Yes	No	No	Yes	No	Yes

* Potential additional infrastructure funding to overcome this

Definitions of Criteria for Priorities

Effective Land Supply	Listed in the Local Plan as a site that can be developed for housing. No known constraints.
Regeneration / Town Centre Area	The site is situated within an area identified through the SIMD as a regeneration area or an identified Town Centre site, as identified in the LHS.
High Demand Area	Little or no social housing in the area or high demand / low turnover of existing social housing. <i>LHS Action: 'Maximise the impact of new housing, including affordable housing in areas of demand.'</i>
Homeless Needs	The site will provide accommodation for at least one homeless household. <i>LHS Action: 'Reduce Homelessness and homeless households have access to appropriate housing.'</i>
Particular Needs	The site will provide at least 10% of particular needs accommodation. <i>LHS Action: 'Deliver specialist housing on all appropriate new housing developments.'</i>
Planning Permission	The site has planning permission for housing.
Creating Mixed Communities	The site will provide a desirable balance of tenure in the wider area or will provide a mix of types of houses for different households within the site. <i>LHS Action: 'Promote and increase low cost home ownership and shared equity schemes with public funding to promote tenure diversification.'</i>
No Land Constraints	Land has no infrastructure blockages.
Resources Available	Are there resources available now ie human resources or financial resources. <i>LHS Action: 'Work with local Housing Associations to deliver new affordable housing and maximise funding from their resources.'</i>
Value for Money	The site is capable of delivering the units with benchmark HAG funding or below. <i>LHS Action: 'Continue to develop and support innovative and flexible models for providing cost effective new housing.'</i>
Deliverable Now	If the site meets 8 or more of the above criteria, it will be considered to be deliverable now.
Deliverable Within 5 years	If the site meets 6 or more of the above criteria, it will be considered to be deliverable in the coming years when resources become available.

STRATEGIC HOUSING INVESTMENT PLAN

APPENDIX 2

Table 1
AFFORDABLE HOUSING SUPPLY PROGRAMME

YEARS 1 - 3 2017/18 to 2019/20

PROJECT	SUB-AREA	PRIORITY	DEVELOPER	UNITS - TENURE						UNITS - BUILT FORM				UNITS - TYPE			GREENER Y or N	APPROVAL Financial Year	UNITS - SITE STARTS				UNITS - COMPLETION			SG FUNDING REQUIRED (£0.000m)							
				Social Rent	MMR	LCHO - Shared Equity	LCHO - Shared Ownership	LCHO - Improvement for Sale	PSR	Total Units	Rehab	Off the Shelf	NB	Total Units	GN	Specialist			Type of Specialist	Total Units by Type	PRE 2017/18	2017/18	2018/19	2019/20	2017/18	2018/19	2019/20	PRE 2017/18	2017/18	2018/19	2019/20	TOTAL SG FUNDING REQUIRED OVER SHP PERIOD	
Delph Road, Tullibody - Phase 2	Tullibody	High	Kingdom	31						31			31	31	27	4		31	Y	2016/17	31					31			0.493	1.880			1.880
Park Street, Tillicoultry	Tillicoultry	High	Kingdom	8						8			8	8		8		8	Y	2017/18		8								0.300	0.322	0.622	
Todds Yard, Sauchie - Ph 2 (Ochil View HA)	Sauchie	High	Kingdom	12						12			12	12	8	4		12	Y	2017/18		12				12			0.250	0.698	0.948		
Harbour View - Kingdom HA	Alloa	High	Kingdom	20						20			20	20				20	Y	2017/18		20				20			0.560	1.000	1.560		
Lock up sites 1	To be identified	High	Kingdom	30						30			30	30	20	10		30	Y	2018/19			30			0	30			0.600	1.740	2.340	
Primrose St, Phase 1	Alloa	High	Kingdom	25						25			25	25	25	0		25	Y	2018/19			25			0	25			0.500	1.450	1.950	
Lochies Road, Clackmannan	Clackmannan	High	Kingdom	10						10			10	10		10		10	Y	2019/20				10						0.780	0.780		
Lock Up sites, Sauchie	Sauchie	High	Paragon	12						12			12	12	6	6		12	Y	2017/18		12				12			0.250	0.698	0.948		
Pension Funded site	Clackmannan	High	Castlerock Edinvar	35						35			35	35	35			35	Y	2016/17	35					35			0.550	0.430	0.430		
Total				183	0	0	0	0	0	183	0	0	183	183	141	42	0	183				52	55	10	0	118	65		3.670	3.818	3.970	11.458	

Table 2
AFFORDABLE HOUSING SUPPLY PROGRAMME

Years 4-5 2020/21-2021/22

PROJECT	SUB-AREA	PRIORITY	DEVELOPER	UNITS - TENURE						UNITS - BUILT FORM				UNITS - TYPE			STANDARD	APPROVAL	UNITS - SITE STARTS			COMPLETIONS		SG FUNDING (£0.000m)					
				Social Rent	Mid Market Rent	LCHO - Shared Equity	LCHO - Shared Ownership	LCHO - Improvement for Sale	PSR	Total Units	Rehab	Off the Shelf	NB	Total Units	GN	Special Provision			% of Specialist Particular	Total Units by Type	Greener Y or N	Financial Year	PRE 2020/21	2020/2	2021/22	2020/2 1	2021/2 2	PRE 2020/21	2020/2 1
Primrose Street Phase 2	Alloa	High	Kingdom		25						25			25	25	0		25	Y	2020/21		25		25			1.950		1.950
Elm Grove Ph1a (OVHA)	Alloa	High	Kingdom	12							12			12	2	10		12	Y	2020/21		12		12			0.936		0.936
Elm Grove Ph 1b	Alloa	High	Kingdom	10							10			10	0	10		10	Y	2020/21		10		10			0.780		0.780
Elm Grove Ph 1c	Alloa	High	Kingdom		15						15			15	15			15	Y	2020/21		15		15			0.400	0.320	0.720
HRA land (Regeneration)	tbc	High	Kingdom	20							20			20	15	5		20	Y	2020/21		40		40			0.900	0.660	1.560
Elm Grove Ph 2	Alloa	High	Kingdom			23					23			23	18	5		23	Y	2021/22			23				0.600		0.600
HRA land (Regeneration)	tbc	High	Kingdom	40							40			40	25	15		40	Y	2021/22			40				3.120		3.120
Total				82	40	23	0	0	0	145	0	0	145	145	100	45	0	145				102	63	47	55		4.966	4.700	9.666

Table 3 - INFRASTRUCTURE FUND							
PROJECT	PRIORITY	DEVELOPER	LOAN OR GRANT APPLICATION?	PLANNING STATUS (OUTLINE/ M'PLAN/ FULL CONSENT IN PLACE) (Y/N)	APPLICANT OWNS/POTENTIAL TO OWN SITE? (Y/N)	WORKS FOR WHICH INFRASTRUCTURE FUNDING IS SOUGHT	IS PROJECT LINKED TO DIRECT PROVISION OF AFFORDABLE HOUSING? (Y/N)
Pension Funding, Clackmannan	High	Places for People / Castlerock Edinvar / private developer	Loan and grant	Y	Y	tbc Ground condition works	Y
Total							

AFFORDABLE HOUSING UNITS DIRECTLY PROVIDED BY INFRASTRUCTURE FUNDING - BY ESTIMATED COMPLETION DATE																	
AFFORDABLE						MARKET						PRIVATE RENT					
2017/18	2018/19	2019/20	2020/21	2021/22	TOTAL Affordable	2017/18	2018/19	2019/20	2020/21	2021/22	TOTAL MARKET	2017/18	2018/19	2019/20	2020/21	2021/22	TOTAL PRIVATE RENT
	35				35			40			40						0
0	35	0	0	0	35	0	0	40	0	0	40	0	0	0	0	0	0

INFRASTRUCTURE FUNDING DRAWDOWN BY YEAR (£0.000M)							POTENTIAL ADDITIONAL CAPACITY - UNITS NOT DIRECTLY FUNDED BUT	
Loan/Grant Drawdown							UNITS - POTENTIAL ADDITIONAL CAPACITY IN EITHER LATER PHASES OR	TENURE - AFFORDABLE / MARKET /PRIVATE RENTED
PRE 2017/18 DRAWDOWN	2017/18	2018/19	2019/20	2020/21	2021/22	TOTAL		
						0.000		
0.000	0.000	0.000	0.000	0.000	0.000	0.000	0	

TABLE 4 - AFFORDABLE HOUSING PROJECTS FUNDED OR SUPPORTED BY SOURCES OTHER THAN THE RPA/TMDF BUDGET																					
PROJECT ADDRESS	SUB-AREA	PRIORITY	DEVELOPER	FUNDING	APPROVAL	UNIT SITE STARTS					TOTAL UNIT STARTS	UNIT COMPLETIONS					TOTAL Units Complete	NON SG FUNDING TOTAL £0.000M	OTHER NON-AHSP SG FUNDING (IF APPLICABLE) £0.000M	TOTAL FUNDING £0.000M	
						PRE-2017/18	2017/18	2018/19	2019/20	2020/21		2021/22	2017/18	2018/19	2019/20	2020/21					2021/22
The Glen, Phase 2	Coalsnaughton	High	Hadden Construction	NHT	2016/17	14					14	14					14	1.355	0.581	1.935	
											0						0			0.000	
Total							0	0	0	0	0	14	14	0	0	0	0	14	1.355	0.581	1.935

TABLE 5.1: COUNCIL TAX ON SECOND AND EMPTY HOMES - SUMMARY

	TAX RAISED £0.000M	TAX USED TO SUPPORT AFFORDABLE HOUSING £0.000M	TAX CARRIED FORWARD TO SUBSEQUENT YEARS £0.000M
Pre 2014/15 - In Hand	0.007	0.007	
2014/15	0.012	0.012	0.000
2015/16	0.002	0.002	0.000

TABLE 5.2: DEVELOPER CONTRIBUTIONS

	SUMS			UNITS		
	RAISED	USED TO ASSIST HOUSING	SUM CARRIED FORWARD TO SUBSEQUENT YEARS	AFFORDABLE UNITS FULLY FUNDED FROM CONTRIBUTIONS	UNITS PARTIALLY ASSISTED FROM CONTRIBUTIONS	UNITS TOTAL
Pre 2014/15	£0.000					
2014/15	£0.000		0.000			0
2015/16	£0.000		0.000			0

Report to Council

Date of Meeting: 15 December 2016

Subject: Social Work Complaints Review Committee Meeting

Report by: Head of Resources and Governance

1.0 Purpose

- 1.1. The Social Work Complaints Review Committee met on 8 November 2016. Following the meeting the findings and any observations require to be reported to Council.

2.0 Recommendations

- 2.1. It is recommended that Council:
- 2.1.1. consider and endorse the findings of the Social Work Complaints Review Committee; and
 - 2.1.2. request the Head of Social Services to report to the next Scrutiny Committee in response to the observations made by the Committee.

3.0 Considerations

- 3.1. Complaints made to the Council in relation to the delivery of social work services are, in the main, dealt with and resolved by managers responsible for the service areas involved, and are referred to as a Stage 1 complaint. Where complaints are either not resolved at this level, or where the complainer is not satisfied with a particular resolution, they can be reviewed by the Service's Complaints Officer and/or a senior manager. This is referred to as a Stage 2 complaint. Where, for whatever reason, resolution has not been possible within the Service, the matter may be referred to a Social Work Complaints Review Committee. This is referred to as Stage 3.
- 3.2. Clackmannanshire Council's complaint procedures were established to meet the requirements of section 5B of the Social Work (Scotland) Act 1968, the Social Work (Representations and Procedure) (Scotland) Order 1990 and the Social Work (Representations and Procedure) (Scotland) Directions 1996. The Complaints Review Committee forms part of those procedures.
- 3.3. To ensure objectivity, members of a Complaints review Committee should be experienced and knowledgeable in relation to social work matters as far as

possible. In accordance with Standing Orders and the above mentioned Directions, the Committee on this occasion was comprised of an Independent Chairperson and two elected members.

- 3.4. The following sections of the report provide details on the background to the complaint. The paper attached (Appendix A) summarises the Committee's findings and observations.
- 3.5. **Background** – the complaints related to the events around the assessment and support provided to the complainer's father and mother (as the main carer) during January to July 2016. Specifically the issues raised were with regard to the length of time taken to complete an assessment of need, as well as the length of time required to progress the assessed adaptation to the complainer's parents' bathroom.
- 3.6. The original complaint was submitted by letter dated 12 July 2016. Stage 1 was completed by letter dated 3 August 2016. The complainer's dissatisfaction with this response, along with his request for review, was submitted by letter dated 10 August 2016. The Stage 2 response was issued on 8 September 2016. The complainer subsequently requested that the Stage 3 processes be undertaken.

4.0 Sustainability Implications

- 4.1. None

5.0 Resource Implications

5.1. *Financial Details*

- 5.2. 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

- 5.3. *Staffing* – there are no staffing issues.

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)

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?
 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 Appendix 1 details the complaint, the Committee's findings and observations.

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)
 Yes (please list the documents below) No

Documents – correspondence held on relevant complaint file.

Author(s)

NAME	DESIGNATION	TEL NO / EXTENSION
Stuart McQueen	Solicitor and Clerk to the Social Work Complaints review Committee	2085

Approved by

NAME	DESIGNATION	SIGNATURE
Stephen Coulter	Head of Resources and Governance	Signed: S Coulter
Nikki Bridle	Depute Chief Executive	Signed: N Bridle

CLACKMANNANSHIRE COUNCIL – SSCRC 8 November 2016

FINDINGS AND OBSERVATIONS

1. **Failure in meeting statutory duties** in terms of the Social Work (Scotland) Act 1968 and the Regulation of Care (Scotland) Act 2001 and in compliance with the “*National Standard Eligibility Criteria and Waiting Times for the Personal and Nursing care of Older people – Guidance*”. More specifically this related to the length of time taken to complete an assessment, the length of time taken to progress the adaptation of a bathroom and the length of time taken to provide a copy of the assessment document.

Finding:

This complaint was fully upheld at both Stage 1 and Stage 2 of the complaint process. Accordingly, the Committee could add nothing further.

2. **Breach of Human Rights** – reference was made to the underlying duty placed on public bodies in terms of s6 of the Human Rights Act 1998, as well as to a number of Articles in Schedule 1 to that Act.

Finding:

The Committee noted the statutory duty imposed upon public bodies, in terms of s6 of the Human Rights Act 1996, i.e. not to act in a way which is incompatible with a Convention right. It thereafter agreed that this duty underpins all actions undertaken by a public body, in this case Clackmannanshire Council.

With regard to the alleged breaches of the Articles quoted, the Committee determined that as these had not formed part of the original complaint at either Stage 1 or 2, the Committee were unable to explore these further as new complaints could not be introduced at this stage.

3. **Acknowledgement of impact, consequences and the source of liability** for the negligence in the above failures.

Finding:

The Committee determined that in the absence of any direct evidence in support of this aspect and noting the decisions of the client’s family in regard to social services offers of assistance, it was not possible for them to draw any conclusion and therefore the Committee was unable to make a determination on this aspect of the complaint. It was noted though that at Stage 2 an apology had been provided in response to the distress the acknowledged failures had caused to the family.

Decision:

The Committee accordingly found that:

- 1) the Stage 2 complaint was fully investigated and responded to;
- 2) that a sincere apology was offered at both Stage 1 and 2 investigation outcomes;
- 3) and that the complaint was fully upheld at Stage 2 following the Social Work Complaints Procedure.

OBSERVATIONS:

During its deliberations, the Committee did make the following observations, and is recommending to Council that a Report be brought by the Head of Social Services to the next Scrutiny Committee in response:

1. Social Services recognised and accepted that the family concerned received a poor service and that mistakes had been made in service delivery. It was apparent to the Committee that the failure to complete the statutory assessment timeously arose because there had been no proactive case management, particularly during periods of staff absence, to prevent caseloads simply “lying unallocated”. It was felt that this demonstrated a failing in both the administrative and managerial systems which, if implemented and utilised properly, should have prevented such failures. What action has been taken to prevent such failings re-occurring?
2. The Committee noted that in the Second Stage response reference was made to disciplinary procedures being initiated where failures to operate within legislation and codes of practice had been identified. The Committee however noted that there was no evidence before it to suggest whether or not this course of action had been initiated and whether an investigation, at least, had been undertaken. Further information in this regard would be welcomed.
3. The Committee further noted that Social Services accepted there had been inadequate instruction given on the use of adaptations provided to service users. Reassurance is sought that this has been addressed within the service.
4. With regard to the complaint regarding a lack of financial advice regarding access to benefits, the Committee acknowledged that this was not a function for which Social Services were directly responsible. However, in its deliberations the Committee felt that as part of a holistic care approach which generally included sign-posting to other support services, this aspect had been less than satisfactory. Whilst this was acknowledged by the Service, reassurance is sought that effective sign-posting had been addressed within the Service.

CLACKMANNANSHIRE COUNCIL

Report to: Clackmannanshire Council

Date of Meeting: 15th December 2016

Subject: Social Services Scrutiny Review: Interim Report

Report by: Executive Director

1.0 Purpose

- 1.1. This paper provides an interim report on the Social Services Scrutiny Review, the scope for which was agreed on the 21st April 2016. The report details progress against each of the key aspects outlined in the scope document; progress on key lines of enquiry identified as part of the review and the next steps for completion of the review.

2.0 Recommendations

It is recommended that the Committee notes:

- a) the activity and progress since September (paragraphs 2.11 and 2.12)
- b) progress against the agreed scope set out in table 1 and
- c) the next steps (paragraphs 2.14 to 2.16).

Considerations

- 2.1. On the 21st April, the Resources and Audit Committee agreed the scope, approach, resourcing and reporting arrangements for undertaking a Social Services Scrutiny review. This is attached at Appendix 1 for ease of reference.
- 2.2. A progress report on the review was reported to Scrutiny committee on the 20th October 2016. This report updated committee on review activity undertaken since approval of the scoping document; progress against each of the key elements detailed in the scoping document and next steps.

Background

- 2.3. Following the approval of the scoping document at Resources and Audit committee in April 2016 a series of meetings with the Vice Convenor took place to establish and agree core principles for the review; expectations on administrative matters; preferred tools and techniques for the review, presentation of initial analysis in respect of the scope, identification of key lines of enquiry and scheduled meetings with key interviewees in line with the scope of the review. This work was taken forward throughout April and May 2016.
- 2.4. Progress with member leadership of the review then stalled due to changes in the political leadership of the Council which impacted both decision making structures (the Resources and Audit Committee was abolished and replaced by the current Scrutiny Committee) and the Convenorship of the Scrutiny Committee also changed in line with political balance. These changes took place between the 12th May and 2 June 2016.
- 2.5. Following confirmation of the Scrutiny Committee Convenorship to the Chief Executive on 16th June, the Depute Chief Executive met with the new Scrutiny Committee Convener on 5th July. It was agreed that initial analysis would be shared with him, in the first instance, during the recovery period of his planned absence. This was subsequently actioned and the Convener requested further analysis be undertaken
- 2.6. Given the ongoing absence of the Convener, summary information arising from the initial analysis was also shared with the Vice Convener of the Scrutiny Committee in September.
- 2.7. Work progressed to date has been undertaken using internal staff resources. The work has been undertaken by The Depute Chief Executive, Executive Director, Project Manager, Internal Audit Manager, Accountancy, Social Services Management, and analytical support from the Strategy Team within Strategy and Customer Services and the Social Work Business Manager. This is in line with the anticipated resource usage presented to the Committee in April.
- 2.8. The scope provides an option for external specialist advice to be procured to assist with aspect of the review. Up to £10k is available to Scrutiny Committee for these purposes. On request of Vice Convenor, enquiries were made to establish the availability of a consultant who previously conducted the Council's Independent Review of Childcare, with a view to building on that original work and providing further input to the Scrutiny Review of children. The consultant was, however, not available to undertake this work.
- 2.9. An approach has been made to MKM consultants to undertake a review on thresholds for intervention in children and families, however

this will not be funded from the £10k available to the committee but from existing service budget.

Progress and Activity to Date

2.11 Since September a series of member briefings and Scrutiny Review Group meetings have taken place. The aim of these meetings has been to consider and discuss data and analysis prepared in line with the agreed scope and to enable feedback to be provided to officers on additional areas of enquiry and further analysis required. These meetings have included;

- A briefing for all elected members was held on the 20th October to present environmental, financial, social and demographic data. An analysis pack was also prepared for members setting out this data in detail.
- A briefing for all elected members was held on the 3rd November to present information on financial pressures in childcare and potential causal factors and mitigations.
- A series of Scrutiny Review Group meetings have been held (9th November; 23rd November and 6th December) and briefings and additional information provided on key areas of enquiry identified by members of the Review Group.

2.12 A progress report to October Scrutiny Committee was presented on progress to date as was originally agreed in the Scope for June and October 2016.

Progress against scope

2.13 The key aspects of the scope are detailed in Table 1 below. A summary of progress to date and key aspects of work outstanding is provided against each area.

Table 1: Summary of progress and outstanding issues against the agreed scope for the Scrutiny Review of Social Services December 2016

Scope activity	Progress	Outstanding activity
Social and economic environment of Clackmannanshire (Scope paragraph 3.4)	<p>Complete</p> <p>Data pack presented to all member briefing 20th October 2016.</p> <p>Further data and analysis provided to briefing on the 3rd November and Review Group meetings on the 9th</p>	<p>None</p>

Scope activity	Progress	Outstanding activity
	November; 23 rd November and 6 th December.	
Child care statistics, trends and forecasts: for instance re number of Looked after children, child protection referrals (Scope paragraph 3.5)	<p>Complete Presented to all member briefing 3rd November 2016 and Review Group meetings on the 9th November; 23rd November and 6th December.</p> <p>Recovery Plan being implemented and progress reported to Audit and Finance committee.</p>	None
Significant areas of childcare expenditure (Scope paragraph 3.6, BP 1)	<p>Complete Presented to all member briefings 20th October and 3rd November 2016 and Review Group meetings on the 9th November; 23rd November and 6th December.</p>	None
Examination of the specific causes of financial pressures on childcare to establish whether these might be mitigated (Scope paragraph 3.6, BP 2)	<p>Complete Presented to all member briefing on 3rd November 2016</p> <p>Review of 3rd sector Children's services provision in Clackmannanshire and gap analysis on family support provision (linked with Realigning Children's Services project)</p>	None
Analysis of the demographics of Looked After Children (Scope paragraph 3.6, Bullet point 3)	<p>Complete Presented to all member briefings 20th October and 3rd November. Further analysis presented at Scrutiny Review Group meetings on 9th November; 23rd November and 6th December 2016.</p>	None
Financial governance including compliance with Financial Regulations, Scheme of Delegation and managerial controls (Scope paragraph 3.6, Bullet Point 4)	<p>Governance for the 2015/16 overspend obtained via Resources and Audit Committee (25th February 2016 and Council 3rd March 2016)</p> <p>Review of social work Q1 finance presented to Audit and Finance Committee 15th September, including</p>	Implement Financial Management Action Plan.

Scope activity	Progress	Outstanding activity
	<p>Service Recovery Plan</p> <p>Implementation Review of Social Work Case Management System presented to Member Forum 27th September including lessons learned and next steps</p> <p>Social Services Finance Report and Financial Management Action Plan presented to Audit and Finance Committee 17th November.</p> <p>New working protocols between Service Management and Accountancy</p>	
<p>Service policies, processes and models of care offer Best Value (Scope paragraph 3.5)</p>	<p>Options for change discussed with Administration August 2016</p> <p>Service Recovery Plan, Audit and Finance Committee 15th September</p> <p>Vanguard scoping exercise undertaken over 3 sessions in November 2016.</p> <p>16/17 Finance Report and Financial Management Action Plan to November Audit and Finance Committee.</p> <p>Information presented to Scrutiny Review Group on:</p> <ul style="list-style-type: none"> • The National Guidance for Child Protection in Scotland; • The decision making process in Social Services; • The Children's Hearing System in Scotland; • Extract from National Guidance for Child Protection in Scotland 2014. 	<p>Recovery Plan to be reviewed and evaluated as appropriate</p> <p>Independent review of thresholds for intervention in children and families. Consultant approached to undertake this work.</p>

Next Steps

2.14 To date a significant amount of work has been undertaken to take forward the review in line with the agreed scope. Two all-member briefings and three Scrutiny Review Group meetings have taken place over October – early December to present analysis. Feedback has been provided to officers on additional lines of enquiry and further analysis in line with the agreed scope.

2.15 The next steps of the review are;

- to complete all remaining analysis to fully understand the circumstances and context of the financial pressures on child care services in Clackmannanshire;
- to set out concisely any areas for development in child care services and actions planned to ensure that a sustainable resourcing position is possible for the Council.

3.0 Sustainability Implications

3.1. The Council will aim to deliver sustainable services to both internal and external customers. All services aim to support the Council's duties relating to the environment and sustainable development.

4.0 Resource Implications

4.1. *Financial Details*

4.2. There are no new financial implications arising from the recommendations of this report. Yes

4.3. *Staffing*

4.4. There are no direct staffing implications at this stage.

5.0 Exempt Reports

5.1. 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)

- 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)

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?
Not applicable

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 Appendix 1 – Social Services Scrutiny Review: Proposed Scope

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)
Yes (please list the documents below) No

Author(s)

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Approved by

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Elaine McPherson	Chief Executive	Signed: E McPherson

Report to Resources & Audit Committee

Date of Meeting: 21 April 2016

Subject: Social Services Scrutiny Review: Proposed Scope

Report by: Head of Strategy & Customer Services

1.0 Purpose

- 1.1. On the 28 January 2016, the Housing, Health and Committee requested that the Resources & Audit Committee undertake a scrutiny review of the circumstances impacting on the Social Services budget position and report its findings to Council.
- 1.2. The purpose of this report is for the Resources & Audit Committee to agree the scope and resources for that review.

2.0 Recommendations

- 2.1. It is recommended that Committee:
 - 2.1.1. agrees the scope and approach set out in respect of the planned Scrutiny Review of Social Services;
 - 2.1.2. notes that a provisional budget allocation of £10k has been identified from within existing resources to facilitate access to external specialist advice should it be required;
 - 2.1.3. agrees to a progress report being reported to Committee in June and October 2016;
 - 2.1.4. notes that the findings of the review will be reported to Council in December 2016.

3.0 Considerations

- 3.1. Based on November 2015 outturns, Social Services projected a revenue overspend of £1,894,000 for the year 2015/16 of which £1.676,000 related to Child Services. This was reported to the Housing, Health and Care Committee on 28 January 2016
- 3.2. The Social Services management team discussed the increasing revenue overspend with the Convenor of Housing, Health and Care Committee. Given

the extent of the projected overspend and its implications for the Council's overall budget, it was concluded that a wider review of the situation would be beneficial to examine all the circumstances impacting on the service's financial position. This approach was agreed by Committee and subsequently approved by Council on 3 March 2016.

Objectives

3.3. The objectives of the review are as follows:

- identify the key factors impacting on the Social Services revenue budget position;
- identify areas for improvement and actions to ensure that a sustainable resourcing position is possible for the Council.

Scope

3.4. This project will necessarily be tightly focused. Whilst operational management arrangements are a consideration, for example financial and managerial controls, the review will also consider the wider social and economic environment within which Social Services operates in Clackmannanshire.

3.5. The review will focus its research on matters directly relevant to the costs and levels of child care services in Clackmannanshire, for example, number of children in the care system, child protection referrals and whether service policies, processes or models of care offer best value. This should include current considerations, possible future trends and the likely local outlook.

3.6. The following issues should be considered within the scope of this review. Should the project lead wish to clarify or extend the scope then this will be considered by the Resources and Audit Committee.

- the review will focus on the significant areas of Child Care expenditure including:- children's residential schools; fostering and children's disability services
- examination of the specific causes of financial pressures on Child Care Services in Clackmannanshire to determine if and how they might be mitigated.. This will include a detailed analysis of the cause and effect of variable factors beyond general data already provided to the Committee.
- analysis of the demographics of the looked after children population that specifically affect service demands in Clackmannanshire to ensure that current resources and demand forecast are realistic.
- financial governance to ensure compliance with Financial Regulations, Scheme of Delegation and managerial controls.

Approach

3.7. The review should examine the current profile of social services

expenditure and consider the anticipated budget requirement for the future. Again, it will be important to remain focused on those issues impacting upon Child Services in Clackmannanshire.

The review will consider current best practice and may undertake benchmarking field visits. It is expected that the review should take into account a wide range of factors including:

- a) relevant demographics
- b) statutory requirements
- c) benchmarking spend, provision and policy against those of other councils
- d) the financial control environment.

Resources

- 3.8. The review project team will be sponsored by The Depute Chief Executive, with a designated Chief Officer responsible for project management leadership. Effective project management and communication with a range of stakeholders will be essential to the review process.
- 3.9. The core review team will, amongst others as required, include representation from Internal Audit, Finance, Strategy and Social Services. Other specialist advice and support will be available as appropriate.
- 3.10. In order to meet the requirements of the scope of the review, it may be necessary/desirable to obtain external specialist advice. This will be financed and procured in line with Financial Regulations and Contract Standing orders. A provisional maximum budget of £10k has been identified from within existing resources to facilitate this if required.

Reporting

- 3.11. The final report should be reported to Council no later than December 2016.
- 3.12. Progress should be reported to the Resources & Audit Committee in October 2016.

Conclusions

- 3.13. The Resources and Audit Committee has been requested by the Housing, Health & care Committee to undertake a scrutiny review of the circumstances impacting on the Social Services budget position and report its findings to Council.
- 3.14. This report proposes objectives, scope, approach, resources and reporting arrangements to enable the review to be completed by December 2016.

4.0 Sustainability Implications

- 4.1. There are no direct sustainability implications arising from this report.

5.0 Resource Implications

5.1. *Financial Details*

5.2. 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

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

5.4. *Staffing - staff resource implications are set out within the body of the 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)

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?

Yes No Not considered applicable in this context.

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)

Yes (please list the documents below) No

Housing, Health & Care Committee of 28 January 2016: Report prepared by the Head of Social Services entitled, Social Services Finance Report 01/04/15 to 30/11/15

Author(s)

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Approved by

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Garry Dallas	Executive Director	Signed: G Dallas

Report to Council

Date of Meeting: 15 December 2016

Subject: City Deal

Report by: Head of Development & Environment

1.0 Purpose

- 1.1. This report seeks to update Council on City Deal following the Chancellor of the Exchequer's announcement of a Clackmannanshire and Stirling City Deal and seeks Council approval to allocate financial resource to support development and to establish steering arrangements to take forward City Deal activities.

2.0 Recommendations

It is recommended that Council:

- 2.1. Welcome the UK and Scottish Government's support for a Clackmannanshire and Stirling City Deal.
- 2.2. Agree to allocate £500,000 in 2017/18 capital programme for City Deal development.
- 2.3. Agree to earmark up to £100,000 from Council's General Fund uncommitted reserves to support City Deal development in 2016/17 financial year.
- 2.4. Agree to establish an Officer/Member Steering forum as set out in this report to take forward City Deal developments.
- 2.5. Agree to establish a Clackmannanshire City Deal Advisory Board as set out in this report.

3.0 Background & Considerations

- 3.1. In September 2016 Council agreed to work in partnership with Stirling in support of a City Deal for the Clackmannanshire and Stirling region.
- 3.2. On the 23 November 2016 the Chancellor of the Exchequer stated "I can announce today we begin negotiations for a City Deal for Stirling". The UK and Scottish Government Civil Servants and respective Ministers with

responsibility for City Deal have confirmed that this is a City Deal for Clackmannanshire and Stirling.

- 3.3. The next steps for Clackmannanshire and Stirling are to hold joint discussions with the UK and Scottish Governments to progress the City Deal forward. This is expected to follow the arrangements that Edinburgh and the South East region City Deal is going through, which consists of workshops to refine economic proposals.
- 3.4. The Officer/Members Steering Forum would act as a Project and Steering Group to take forward collectively City Deal proposals. Financial and policy decisions will be referred to Council along with a regular updates on City Deal development.
- 3.5. The forum will be made up of Officer leads for themes and projects, the CEO, Executive Director and Head of Development & Environment.
- 3.6. The forum would seek representation from 6 Members, 3 from the Administration, 2 from the Opposition Group and 1 other. The forum would meet at least monthly commencing in January 2017.
- 3.7. The City Deal Advisory Board would seek to appoint City Deal Advisers to support, shape and champion City Deal developments and would consist of Officers, 2 Elected Members being the Leader of the Council and a member of the Opposition Group, business, public bodies, youth representatives and the third sector. The Advisory Board would also seek to meet monthly, commencing in January 2017.
- 3.8. All Services within the Council will have a role to play with key roles for Education, Housing, Development and Environment Services. A Programme Manager has been seconded to lead the coordination and development of proposals. Scottish Government through the Scottish Future Trust have also committed to providing a dedicated resource between January – April 2017 to guide and undertake work for Clackmannanshire.
- 3.9. There will be specific work that the Council shall commission and business case development. The Council will also resource and develop a communication programme and ensure appropriate officer resource is allocated to support proposal development. In order to resource this Council is asked to earmark up to £100,000 if required of revenue funding to be drawn down in 2016/17 and allocate £500,000 of capital funding to support City Deal development in the 2017/18 capital programme. Revenue requirements for 2017/18 will be set out in the Council's budget for 2017/18.
- 3.10. A programme of communication and engagement activities for residents, staff and businesses is being developed, to commence fully in January 2017. A website has been developed and will support communication and engagement activities.

4.0 Sustainability Implications

- 4.1. City Deal developments will support the sustainability of the economy and support positive climate change activities.

5.0 Resource Implications

5.1. *Financial Details*

5.2. £500,000 will be built into the 2017/18 capital programme to support City Deal development.

5.3. Up to £100,000 will be drawn from General Fund uncommitted reserves in 2016/17 financial year. Any further City Deal revenue requirements will be built into 2017/18 budget.

5.4. *Staffing*

A number of officers and chief officers will take forward City Deal developments supported by external resources as appropriate.

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

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

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?

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

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)

Yes (please list the documents below) No

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