Clackmannanshire Council

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

Meeting of Clackmannanshire Council

Thursday 9 February 2017 at 10.00 am.

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

Date	Time

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 monthly 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 Committee Services by e-mail at customerservice@clacks.gov.uk or by telephone on 01259 452106 or 452004.

1 February 2017

A MEETING of the CLACKMANNANSHIRE COUNCIL will be held within the Council Chamber, Kilncraigs, Greenside Street, Alloa, FK10 1EB, on THURSDAY 9 FEBRUARY 2017 at 10.00 am.

Signed: Elaine McPherson

ELAINE McPHERSON
Chief Executive

B U S I N E S S

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.

**Clackmannanshire
Council**

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**MINUTES OF MEETING of the CLACKMANNANSHIRE COUNCIL held within the Council
Chamber, Kilncraigs, Greenside Street, ALLOA, FK10 1EB, on THURSDAY 12 JANUARY
2017 at 10.00 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 Craig Holden
Councillor Kathleen Martin
Councillor George Matchett, QPM
Councillor Bobby McGill
Councillor Tina Murphy
Councillor Les Sharp
Councillor Jim Stalker
Councillor Graham Watt
Councillor Gary Womersley

Rev Sang Y Cha, Appointed Member (Church of Scotland) (Items 1-5)

IN ATTENDANCE

Elaine McPherson, Chief Executive
Nikki Bridle, Depute Chief Executive
Garry Dallas, Executive Director (Item 7)
Stephen Coulter, Head of Resources and Governance
Stuart Crickmar, Head of Strategy and Customer Services
Gordon McNeil, Head of Development and Environment
Ann Pearson, Chief Education Officer
Michael Boyle, Education Business Manager
Eileen Turnbull, Asset Manager
Andrew Wyse, Acting Legal Services Manager (Clerk to the Council)
Gillian White, Committee Services Officer

CC(17)001   APOLOGIES

Apologies for absence were received from Councillor Walter McAdam and Father Michael
Freyne.

CC(17)002   DECLARATIONS OF INTEREST

None.

CC(16)003   MINUTES OF MEETING HELD ON 15 DECEMBER 2016

The minutes of the meeting of the Clackmannanshire Council held on 15 December 2016 were submitted for approval.

The minutes of the meeting of the Clackmannanshire Council held on 15 December 2016 were agreed as a correct record of proceedings and signed by the Depute Provost.

CC(16)004   COMMITTEE MEETINGS CONVENED SINCE THE PREVIOUS COUNCIL MEETING ON 10 NOVEMBER 2016

The Council agreed to note the Committee meetings that had taken place since the last ordinary meeting on 15 December 2016 as:

(i)   Scrutiny Committee on 20 December 2016

CC(16)005   UPDATE OF TULLIBODY SOUTH CAMPUS DEVELOPMENT

A report was submitted by the Chief Education Officer which updated the Council on progress in relation to the consultation on the design and build of the new Abercromby and St Bernadette's primary schools and nursery. It outlined the current timetable for completion of this project and the occupancy of the schools.

Motion

That Council notes the information set out in the report.

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

Decision

The Council agreed to note the progress to date on consultation around the campus and the planned activities for early 2017. The Council also noted that a further progress report will be brought forward to Council in April 2017.

CC(17)006   SCHEME FOR THE ESTABLISHMENT OF COMMUNITY COUNCILS

A report submitted by the Head of Strategy and Customer Services sought approval to review the Scheme for the Establishment of Community Councils to allow for revisions in keeping with changing circumstances.

Motion

To agree the recommendations as set out in the report.

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

Decision

The Council agreed :

1. To propose a new Scheme for the Establishment of Community Councils; and

2. To give public notice of its intention to revoke the existing scheme and make a new scheme, inviting the public, within a period of not less than eight weeks from the date of the notice, to make suggestions as to the areas and composition of the community Councils in Clackmannanshire.

Action

Head of Strategy and Customer Services

EXEMPT INFORMATION

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

CC(17)007   PROPOSED SALE OR LEASE OF THE FORMER GARTMORN DAM VISITOR CENTRE

A report was submitted by the Head of Development and Environment which considered the various offers received to lease or buy the former Gartmorn Dam Visitor Centre following the closing date on 7th December 2016.

Motion

That Council agrees the recommendations set out in the report.

Moved by Bobby McGill. Seconded by Councillor Graham Watt.

Amendment

To insert a five year break clause into the agreement.

Moved by Councillor Les Sharp. Seconded by Councillor Craig Holden.

The Provost adjourned the meeting at this point in the proceedings (1124 hrs). When the meeting resumed at 1130 hrs, seventeen (17) members were present.

Voting on the Amendment

For the amendment   8
Against the amendment   9

The amendment was defeated by 9 votes to 8.

Decision

The Council unanimously agreed the recommendations as set out in the report.

Action

Head of Development and Environment

Ends 11:52 hrs

CLACKMANNANSHIRE COUNCIL

Report to: Clackmannanshire Council

Date: 9 February, 2017

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 recommendations which have been made by the Audit and Finance Committee on 19 January, 2017 and Regulatory Committee on 31 January, 2017.

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 **19 January, 2017** in relation to the report entitled *"Consortium Audit Arrangements"*

    - Approves the development of consortium Internal Audit arrangements with Falkirk Council

2. from the **Regulatory Committee** of **31 January, 2017** in relation to the report entitled "*Approval of Statutory Post and Role of Civic Licensing Standards Officer*"

    - Agrees that paragraph 13.1 of the Council's Scheme of Delegation in relation to the statutory appointment of officers be amended to include the entry detailed in paragraph 3.2 of the report.

2.2 The minutes and reports relating to these items 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 19 January, 2017.
b) Agenda, together with Minute of the Regulatory Committee of 31 January, 2017

Author(s)

NAME	DESIGNATION	SIGNATURE
Elaine McPherson	Chief Executive	Signed: E McPherson

CLACKMANNANSHIRE COUNCIL

Report to Council

Date of Meeting: 9 February, 2017

Subject: Promoting Financial Sustainability – Severance & Redeployment

Report by: Chief Executive & Depute Chief Executive

1.0 Purpose

1.1. The purpose of this report is to brief Council on issues of financial sustainability in the context of its immediate and longer term budget strategy and to propose a change in its approach to employee severance to mitigate the pressures faced.

1.2 The report covers matters which were considered at three all member briefings held over December, 2016, and January, 2017.

2.0 Recommendations

2.1 It is recommended that Council:

a) notes the issues of financial sustainability set out in section 4 of this report;

b) in light of these issues and in order to progress a managed contraction of the organisation's workforce, agrees that compulsory redundancy can be used as a last resort once alternative approaches to severance have been exhausted as set out in section 5 of this report;

c) subject to the approval of recommendation b) above, agrees to change its policies on severance and redeployment as also set out in section 5 of this report; and

d) notes consequential changes to associated procedures will be made to reflect these policy decisions.

3.0 Background

3.1 Council is regularly updated on financial planning assumptions. The Budget Strategy reports submitted to the majority of Council meetings include details of:

- relevant developments in national and UK policies which might affect the Council's budget
- indicative funding gaps in the immediate and medium terms
- financial planning scenarios (low, median and high)

- progress in managed contraction of the workforce using voluntary severance and voluntary redundancy.

3.2 The persistence of a large funding gap has been noted by Council over a sustained period and regular MCB and other member briefings have provided background information on the position.

3.3 This report provides an overview of the various factors which continue to impact on financial sustainability and asks Council to change its approach to employee severance to assist the organisation realign its operations within the budget envelope which is available to it going forward.

4.0 Financial Sustainability

4.1 Council was updated of revised financial planning assumptions and their impact on the indicative funding gap at its meeting in December, 2016. At that time, notice was also given that following announcement of the Scottish Government's Draft Budget for 2017/18, revisions would be made to these assumptions for 2018/19 and 2019/20. Table 1 below, details the revised assumptions flowing from the settlement.

Table 1: Financial Planning Scenarios: Assumptions for 2017/18, 2018/19 and 2019/20

Assumptions	2017/18	2018/19	2019/20
Reduction in General Revenue Grant	3.5%	5%	5%
Pay award (teaching and non-teaching staff)	1.25%	1.25	1.25
Council tax Income increase	3%	1%	1%
Contract Inflation	£1.3m	£600K	£600k
General Pressures	£1.2m	£1.9m	£2.4m

4.2 The key changes to the revised assumptions detailed in Table 1 are:

- a reduction in the General Revenue Grant of 5% in 2018/19 and 2019/20 (previously 3.5%) on the basis that the 2017/18 is anticipated to represent the 'best' settlement year for the public sector over the period;

- council tax increases of 1% given that the scope for, and of, potential council tax increases for future years is not yet confirmed;

- a reprofiling of the assumed amounts in respect of contract inflation and general demand pressures in line with new trends over the last few years;

- an increase in the assumed level of general demand pressures reflecting the increasing levels of bids evident over the last few years.

4.3 Additional assumptions are:

- continuation of the Council's share of the additional £250 million funding in respect of HSCI;

- an additional £2million within Social Services core funding;

- 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 in 2017/18.

4.4 Table 2 below sets out the revised indicative funding gap on the basis of these refreshed assumptions. This suggests a cumulative indicative funding gap of £10.6 million in 2017/18 and a cumulative indicative gap of £25.8m over the three year period to March 2020. The underpinning assumptions will be kept under regular review, and elected members updated accordingly, as further information is available.

Table 2: Revised Indicative Funding Gap 2017/18 to 2019/20

Year	2017/18	2018/19	2019/20
Net expenditure	124,007	128,472	133,214
Net funding	113,374	110,302	107,387
Annual Indicative funding gap	10,633	18,170	25,827
Cumulative Indicative funding gap	10,633	7,537	7,657

Reserves

4.5 Over the past five years, Council has utilised reserves, in part, to defray its annual net expenditure. This position is summarised in the table below which quantifies both approved savings (i.e. recurring reductions in net expenditure) and the sums utilised from reserves (i.e. one-off defrayal of expenditure for a year).

Table 3: Analysis of Savings & Use of Reserves 2012/13 to 2016/17

Year	Budget Gap £000	Approved savings £000	Reserves Used £000	Reserves as % of Required Savings per year
2012/13	4.640	1.886	2.754	59
2013/14	7.073	3.970	3.103	44
2014/15	7.345	4.312	3.033	41
2015/16	6.754	3.017	3.737	55
2016/17	9.024	7.645	1.379	15
TOTAL	**42.904**	**28.898**	**14.006**	

4.6 The breakdown of the £14 million of reserves summarised in the table above is set out in the following table over the three principal sources utilised:

Table 4: Principal Sources of Reserves Utilised 2012/13 to 2016/17

Breakdown of Use of Reserves			
	Capital Receipts Reserves for PPP £000	Uncommitted Reserves £000	Earmarked Reserves for PPP
2012/13	1.362	1.392	
2013/14	1.562	1.482	0.059
2014/15	1.714	1.319	
2015/16	1.936	1.801	
2016/17	0	1.379	
Total	**6.574**	**7.373**	**0.059**

4.7 This approach to reserve utilisation was adopted by Council with the intention of managing the transition to a redesign of Council service delivery. This approach was viewed as acceptable given future budget savings had been anticipated from planned change activity.

4.8 However, the financial benefits of the planned change activity have not been fully achieved and in the short term the Council's approach has had the impact of increasing the following year's indicative funding gap equivalent to the level of reserves utilised. Given anticipated future demand pressures and reserve levels, this approach is not considered sustainable.

4.9 This has been highlighted by the Council's external auditors who have criticised the Council's pace of change and who reported in September, 2015, that: *The Council has been heavily reliant on reserves for a prolonged period of time. With demographic changes and ongoing demand pressures, we do not believe this approach is financially sustainable in the short to medium term.*

4.10 When considering the budget setting strategy, management seeks to maximise the options provided to elected members to deliver the necessary reductions in the Council's net expenditure. In respect of 2017/18 budget setting, at the time of writing (and as reported to the all member briefing held on 24 January, 2017), the following potential savings had been identified by officers:

- policy savings - £2.3m
- management efficiencies – £2.3m
- managed contraction of staffing establishment – £1.3m
- 16/17 approved year 2 savings - £1.1m

4.11 Even should Council agree all of those proposals, this would still leave a residual gap of circa £3.5m to be closed. The current level of uncommitted reserves above minimum level of 3% (£2m) would not close the projected gap and if utilised to defray net expenditure, would leave the Council below minimum reserve level and not able to provide a contribution from reserves in future years. And while the Council has an ear-marked revenue reserve of £2.3m in its Employment Fund, utilising this to reduce or close the funding gap would compromise or remove Council's capacity to fund managed contraction of its workforce now and in the future.

Achievability of Savings

4.12 Regular reports are submitted to Council monitoring the achievement of budget savings in-year. The most significant element of the Council's General Revenue Budget is employment costs so reducing these costs is key to reducing net expenditure. The Council's interim Workforce Strategy agreed in October, 2015, set out the need for the Council to retain its focus on a managed contraction of its workforce to reduce its establishment to sustainable levels.

4.13 To date, however, planned reductions in the Council's head count through voluntary means have not been achieved in 2016/17, with the take-up rate for voluntary redundancy being just under a third of that needed to deliver planned savings this financial year.

4.14 The low take up is in part due to the limitations of the Council's current approach to severance whereby staff occupying posts which are targeted for voluntary redundancy are not obliged to consider redeployment opportunities if they do not accept voluntary redundancy (since this would represent a compulsory

redundancy). The effect of this is that staff can remain indefinitely occupying a post which could otherwise be deleted while still allowing statutory and priority discretionary services to be delivered.

4.15 In addition, there have been many applications for voluntary severance from staff in posts which would require to be filled. However, as there is no capacity within the current framework to actively redeploy staff at risk of redundancy to posts which better reflect Council priorities, these severance applications cannot be accepted.

4.16 While other measures such as:

- vacancy management
- restrictions on recruitment
- voluntary reductions in hours
- reductions in overtime
- career breaks and sabbaticals
- discontinuing temporary employees
- natural turnover

are being actively used by management to reduce employment costs, there are limits to the extent to which these various opportunistic measures can reduce headcount.

4.17 Also fundamental to achieving an effective and managed reduction in workforce is the Council being explicit about its priorities in terms of service delivery and service standards and then pursuing an organisational design to implement those priorities. This is essential to provide direction as to where to target the headcount reductions and is considered in a separate report to Council.

Income Generation

4.18 Considerable effort is invested in maximising the Council's income and a specific priority has been to focus on collection rates for Council Tax and Non Domestic Rates, as well as aiming to maximise the recovery of arrears/debts. This effort will continue to be a priority in the future given ongoing economic pressures.

4.19 However, the potential for the Council to raise income to cover, or to contribute to covering, its funding gap is significantly less than the potential to reduce its expenditure.

4.20 Fees and charges as a proportion of the Council's total revenue funding represent only 7% and the Council does not have complete discretion over the levels of all fees and charges.

4.21 While there may be additional potential sources of grant income (aside from fees and charges), these need to be pursued with caution as such income is usually for a fixed time period and cannot/should not be relied upon to sustain core expenditure on a long term basis.

4.22 Taking into account future financial projections and the existing limitations on the

Council's capacity to achieve the required reduction in its net expenditure, it is proposed that the Council makes certain policy changes in order to promote financial sustainability.

5.0 Promoting Sustainability - Severance & Redeployment

5.1 The voluntary nature of the Council's approach to severance means that it cannot be certain to achieve the potential savings from the managed contraction of its workforce for the reasons set out in the previous section of this report.

5.2 As well as not allowing the Council to make the savings which are required, this prevents effective organisational redesign more widely and risks lower priority services taking resources away from higher priority areas.

5.3 The Council, therefore, needs the facility to have certainty over its planned savings and to implement its desired models and levels of service delivery.

5.4 It is recommended, therefore, that Council agrees that compulsory redundancy based on statutory provisions can be utilised as a last resort once alternative approaches to severance have been exhausted in order to progress a managed contraction of the organisation's workforce and effectively implement service and organisational redesign.

5.5 In addition, as the Council wishes to maintain the employment of as many people as it realistically can, it is further proposed that in tandem with utilising compulsory redundancy as a last resort, some enhancements are made to the existing policy on redeployment. Principally, it is proposed that to maximise opportunities for staff to remain in employment, as well as seeking to redeploy staff into '*suitable alternative employment'*, the Council will also seek to redeploy staff into '*reasonable alternative employment.*'

5.6 Suitable alternative employment is built into employment legislation and is a post which is similar to the employee's current post taking into account:

- duties and responsibilities,
- the terms of the job being offered,
- skills, abilities and circumstances in relation to the job,
- pay (including benefits), status, hours and location.

5.7 Suitable alternative employment does not automatically include vacant posts that have a higher grade or salary than that which the employee currently holds.

5.8 In recognition of the fact that there may be circumstances where suitable alternative roles do not become available whilst an employee is on the redeployment register, it is proposed that staff on redeployment can also consider reasonable alternatives to maintain employment within the Council.

5.9 Reasonable alternative employment could include posts that could:

- require similar skills
- be of a different grade,

- offer different hours of work,
- have a different working environment.

5.10 As well as offering reasonable alternative employment options, the Council will also provide support to employees in preparing application forms for jobs and interview skills and by providing reasonable and appropriate training.

5.11 The redeployment period would be the employee's contractual notice period plus 2 weeks. In addition, employees who moved to redeployment could volunteer to take a voluntary redundancy package at any point up to and including the day before their employment is due to end.

5.12 If, however, despite best efforts there is no post for someone to be redeployed into and the employee does not accept voluntary redundancy, then the employee's employment would be terminated by the authority. The Appendix to this report sets out an overview of the proposed process.

6.0 Conclusion

6.1 The Council's financial challenge is such that significant reductions in its workforce are required.

6.2 In order to be able to progress those reductions in a managed way and at a pace which will promote financial sustainability, it is recommended that the changes to severance and redeployment set out in this report are agreed.

6.3 Together with the change in approach to severance, this report also proposes more opportunities for those on redeployment. The Council already offers relatively generous terms and conditions to its employees and the proposals in this report aim to ensure that every practical opportunity is provided to staff to secure an alternative position within the Council and maintain productive employment should their existing posts become at risk of redundancy.

7.0 Sustainability Implications

7.1. The recommendations contained in this report aim to promote the financial sustainability of the Council and its priority services.

8.0 Resource Implications

8.1 *Financial Details* - there are no specific budgetary implications as a direct result of the proposals in this report. However, the proposals seek to offer certainty to the Council in the achievability of any savings it intends to make from reducing its establishment and organisational redesign.

8.3 *Staffing* – there are no specific implications for the number of posts on the Council's establishment as a direct result of this report. However, the proposals seek to facilitate a general managed reduction in the size of the Council's workforce.

9.0 Exempt Reports - this report is not exempt.

10.0 Declarations

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

(1) Council Policies (Please detail)

Financial Strategy
Workforce Strategy

11.0 Equalities Impact

11.1 Equality issues are part of employment legislation which governs severance and redundancy.

11.2 The trade unions have been consulted on these proposals and enhancements. While they have been broadly supportive of the principle of redeployment, they remain opposed to terminating employment at the end of a specified period on the redeployment register.

12.0 Legality

12.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. All processes and procedures related to redundancy and severance will follow the requirements of employment law.

13.0 Appendices

1 – Flow Chart

14.0 Background Papers

14.1 Have you used other documents to compile your report?

Workforce Strategy, Financial Strategy, Severance Policy & Procedures, Redeployment Policy

Author(s)

NAME	DESIGNATION	TEL NO / EXTENSION
Elaine McPherson	Chief Executive	01259 452002
Nikki Bridle	Depute Chief Executive	01259 452373

Approved by

NAME	DESIGNATION	SIGNATURE
Elaine McPherson	Chief Executive	Signed: E McPherson

Appendix – Flow Chart
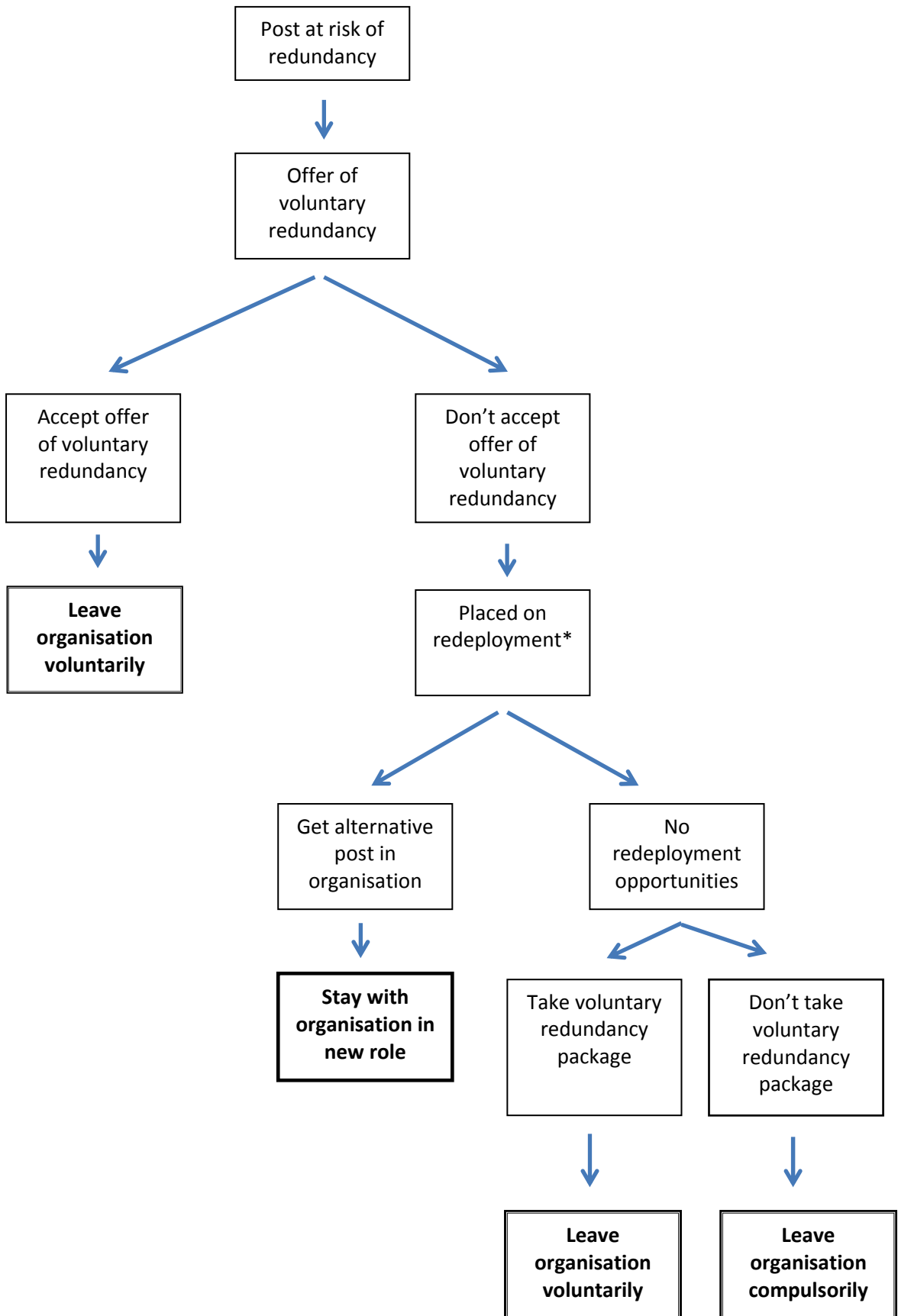
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CLACKMANNANSHIRE COUNCIL

Report to Council

Date of Meeting: 9 February, 2017

Subject: Promoting Financial Sustainability – Organisational Redesign

Report by: Chief Executive

1.0 Purpose

1.1. The purpose of this report is set out for Council the rationale for a whole organisation redesign in the context of ongoing budget pressures, future financial projections and other matters of financial sustainability which have been outlined in a separate report to Council titled, *Promoting Financial Sustainability – Severance & Redeployment.*

2.0 Recommendations

2.1 It is recommended that Council agrees to:

a) take forward a whole organisation review based on the strategic change framework and within the parameters set out at section 3 of this report;

b) commission external capacity to undertake that review as set out at section 3 of this report; and

c) fund the review from the Spend to Save Fund.

3.0 Background & Considerations

The Need for Change

3.1 The Council's Workforce Strategy, agreed in October, 2015, noted the need for the Council to lose in the region of 320-350 fte posts over the period 2016-19. (A separate report to this Council meeting sets out the financial context for this.)

3.2 As well as having at its disposal technical mechanisms to reduce the establishment's headcount (e.g severance, non-filling of vacancies etc), it is vital that Council is clear on its priorities for service provision and that it puts in place an organisational model which best promotes the implementation of these so that there is direction for the necessary managed contraction of the workforce.

3.3 However, while there is a need for the Council to take proactive and targeted action to reduce its overall establishment, it will not be sustainable simply to

continue to scale down existing operations as there would not be sufficient capacity to continue current service provision. Rather, the Council needs to review and redesign the organisation as a whole based on an agreed set of priorities for outcomes and service delivery.

3.4   Council has already agreed a broad strategic change framework for this based on a number of principles and objectives which provide a good foundation for now taking forward and implementing a whole organisation redesign. This strategic change framework is summarised overleaf.

Progressing Redesign

3.5   In order to progress such a redesign, the political Administration of the Council wish to commission externally to provide capacity and bring objectivity to the initial stages of the redesign process. Accordingly, it is proposed that a commission with the following overall brief is openly tendered for (see fuller brief at Appendix):

In the context of the strategic change framework set out by Council, prepare a written report which includes:

a) options for a Council-wide model of service delivery;

b) organisational and management designs and associated structures which would most effectively implement those options;

c) a proposed implementation approach which would enable Council to incorporate savings into its 2018-19 budget.

3.6   It is proposed that this contract for external support would be funded from the Spend to Save Fund which currently has £354,000 uncommitted, which would mean there would not be a draw on existing or future general revenue budgets. Comparable commissions have cost between £80,000 to £500,000.

3.7   It is anticipated that significant savings in employee costs will be proposed as part of the review and it is the intention that implementation of these would impact positively on the 2018-19 revenue budget.

3.8   As the value of the contract could exceed £164,000, it would be subject to European Union procurement directives. The timescales associated with tendering under those directives are such that a contract would not be able to be awarded prior to the local government elections in May. Accordingly, it would be for the newly elected Council to consider tenders received and make the contract award.

3.9   The political Administration propose that the commissioning process for the tender and the monitoring of the implementation of the contract are overseen by a panel of elected members. This panel would be based on the political balance which prevails in the Council at the time.

3.10   The Chief Executive would be responsible for managing the contract and supporting the elected member panel.

STRATEGIC CHANGE FRAMEWORK

Why ▸ How ▸ What ▸ Who

Why
- better service performance
- more effective service contributions to meeting outcomes
- improved customer satisfaction
- affordability and financial sustainability

How
- prioritising statutory and specified discretionary services
- building services around customers and communities
- having easier and more efficient access to services
- having more local presence and delivery
- empowering communities and increasing local influence

What
- having more integrated services
- removing organisational silos and barriers
- having a collective, corporate (and multi-agency) approach to service design and delivery
- focusing on fewer, more integrated processes

Who
- providing clearer managerial focus on outcomes and performance
- redesigning officer roles at all levels to facilitate integration
- increasing performance oversight

3.11 On the basis outlined in paragraph 3.8, an indicative overall timeline for whole organisational redesign would be as follows:

- 9 February – Council approval
- Mid February - Commission tender on the procurement portal
- End March – Deadline for responses to call for competition
- Early April – Technical checking of response
- Mid April – Suitable bidders invited to provide full tender
- End May – Tenders returned
- June – Panel interviews with tenderers
- July - Contract awarded (further to required standstill period)
- Start August - Contract start
- End October – Redesign report received
- November - Report submitted to Council
- February 2018 – 2018-19 Budget
- April 2018 – Implementation of redesign begins
- October 2018 – Implementation completed

4.0 Conclusions

4.1 The environment of local government is constantly changing - given the financial context, it is likely that that environment will be subject to further change in the coming years.

4.2 The Council's financial challenge is such that significant reductions in the Council's workforce are required. This needs to happen within the context of a wider organisational redesign to ensure that the Council is fit for purpose and financially sustainable going forward. Without that direction, workforce reductions will not be effectively targeted, the Council will risk creating significant issues of capacity and its resources risk being skewed to non-priority areas of business.

5.0 Sustainability Implications

5.1. The recommendations contained in this report aim to promote the financial sustainability of the Council and its priority services.

6.0 Resource Implications

6.1 *Financial Details*

It is proposed that the commission be funded from the Spend to Save Fund which currently holds £354,000. While exact contract costs will not be known until tenders are received, comparable commissions have cost between £80,000 to £500,000, which should offer a guide to Council. It is anticipated that significant savings in employee costs will be proposed as part of the review and it is the intention that implementation of these would impact positively on the 2018-19 revenue budget.

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

6.3 *Staffing* – there are no specific implications for the number of posts on the Council's establishment as a direct result of this report. However, the proposals seek to facilitate a general managed reduction in the size of the Council's workforce through organisational redesign.

7.0 Exempt Reports

7.1 Is this report exempt?   No

8.0 Declarations

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

(1) Council Policies(Please detail)

Budget Strategy
Workforce Strategy

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

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.

11.0 Appendices

1 – Commission Brief

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)

a) Making Clackmannanshire Better Booklet
b) Report to Council of 11 August, 2016, Putting Customers First

Author(s)

NAME	DESIGNATION	SIGNATURE
Elaine McPherson	Chief Executive	Signed: E McPherson

Appendix – Whole Organisation Redesign – Contract Specification

> *OUTLINE BRIEF*
>
> *In the context of the strategic change framework set out by Council:*
>
> *a) develop options for a Council-wide model of service delivery;*
>
> *b) develop organisational and management designs and associated structures which would most effectively implement those options;*
>
> *c) propose an implementation approach which would enable Council to incorporate savings into its 2018-19 budget.*

A - Background

B - Approach to Organisational Redesign

C - Redesign Principles & Objectives

D - Commission Objectives

A - Background

Clackmannanshire Council is a multi-million pound business which delivers a wide range of services for communities across Clackmannanshire.

The contexts which the Council operates in are ever-changing: the Council of today is not the same as the Council of five years ago and the Council in five years time will be different to how it is today. As contexts change, the Council must change with them to make sure that it is doing everything it can to improve people's quality of life and to make Clackmannanshire a better place.

Changes in public sector funding have been a key issue facing local councils for a number of years and will continue to impact on what councils do and how they do it. Balancing the financial challenges there are also opportunities for real improvement if the Council and its partners work in a more integrated way and pool their resources better. Similarly, changes in legislation are making it easier for communities to become more involved in service delivery.

The Council's Workforce Strategy, agreed in October, 2015, noted the need to lose in the region of 320-350 fte posts over the period 2016-17 to 2018-19. Given the financial challenges, the Council needs to be clear on its priorities for service provision and to put in place an organisational model which best promotes the implementation of these priorities so that there is direction for the managed contracted of the workforce.

While there is a need for the Council to take proactive and targeted action to reduce its overall staffing establishment, it will not be sustainable simply to continue to scale down existing operations as there would not be sufficient capacity to continue current service provision. The Council, therefore, wishes to review and redesign the organisation as a whole based on an agreed set of priorities for outcomes and service delivery.

Council has already agreed a broad strategic direction based on a number of principles and objectives which provide the basis for taking forward and implementing a whole organisation redesign.

B - Approach to Organisational Redesign

The Council needs to get maximum benefit from all its available resources. Its approach is to:

- focus on clear priorities and target resources to greatest effect

- transform services so that they best meet user needs, which may mean having different models of delivery and doing things in different ways

- be as efficient and effective as possible in everything it does

- make the best use of its substantial assets

- make sure that it collects all income owed and has an appropriate approach to charging for services

- get better value for the money spent on goods and services.

This approach is necessary so that the Council can have a **sustainable cost base** going forward, **sustainable service delivery** and, most importantly, **achieve its priority outcomes** which are shared with its community planning partners, viz:

- Clackmannanshire has a positive image and attracts business and people
- Communities are more inclusive and cohesive
- People are better skilled, trained and ready for learning and employment
- Communities feel, and are, safer
- Vulnerable people and families are supported
- Substance misuse and its effects are reduced
- Health is improving
- Our environment is protected and enhanced
- Public services are improving

C - Redesign Principles & Objectives

The Council wishes to redesign its organisation to achieve:

- Financial sustainability
- Affordable services
- Better service performance
- Improved customer satisfaction
- More effective contributions to meeting outcomes

Its future organisational design needs to:

- Prioritise statutory and specified discretionary services
- Have easier and more efficient access to services
- Empower communities and increase local influence

The organisation needs to:

- have more integrated services
- remove organisational silos and barriers
- have a collective, corporate (and multi-agency) approach to service design and delivery
- focus on fewer, more integrated processes

It needs its employees to:

- provide clearer managerial focus on outcomes and performance
- facilitate integration in redesigned roles at all levels
- increase performance oversight

D - Commission Objectives

In the context of the strategic change framework set out by Council in this brief, contractors are required to prepare a written report which includes:

a) options for a Council-wide model of service delivery;

b) organisational and management designs and associated structures which would most effectively implement those options;

c) a proposed implementation approach which would enable Council to incorporate savings into its 2018-19 budget.

The report should include:

a) assessment/demonstration of the pros/cons and costs/benefits of potential options, particularly in relation to improved service performance and cost efficiency

b) detailed description of the main options and associated designs and structures including:

- scope of services covered
- financial and budget implications (current operational cost profile, indicative costs associated with the proposed model, designs and structures)
- Workforce implications
- Any legal implications
- Any other technical implications (e.g. technological)

c) transition and implementation plans and associated suggested timelines

d) risk assessment of the proposals

These deliverables could be informed by case studies of innovative and/or best practice from elsewhere.

The completed report needs to be available to the Council by the end of October, 2017.

CLACKMANNANSHIRE COUNCIL

Report to:	Council
Date of Meeting:	9th February 2017
Subject:	Housing Revenue Account (HRA) Financial Business Plan 2013 – 2018
Report by:	Head of Housing & Community Safety

1.0 Purpose

1.1. To set the budget and rent levels for the Housing Revenue Account for 2017/18, based on the Housing Revenue Account (HRA) Financial Business Planning Model 2013 – 2018, and the consultation that has been completed with tenants and their representatives.

2.0 Recommendations

2.1. Members are asked to approve:

2.1.1 the revenue budget set out at appendix 1 based on the HRA business plan

2.1.2 the capital budget as detailed at appendix 2.

2.1.3 a 2% rent increase for 2017/18 to be applied across all HRA stock, including residential properties, lockups and garage sites.

2.1.4 a 2% increase for 2017/18 to be applied to all HRA related service charges.

2.2. Members are also asked to note:

2.1.5 the responses received following HRA Business Plan consultation activity (appendix 4)

2.1.6 that the balance of HRA uncommitted reserves will be maintained at 4% of rental income in line with the Business Plan.

2.1.7 That a new financial business plan will be prepared during 2017 to cover the period 2018-2023.

3.0 Rent setting

3.1. 2017-18 is the final year of the five year business plan approved in 2013. Every year since then the annual budget review has followed the recommendations made in that plan. To assist with this year's review a new financial modelling tool was developed by Capita, the treasury management

consultants. This model will ensure that the budget decisions made support the long term viability of the Council's housing revenue account.

3.2. Various scenarios were tested using the model. On the basis of that scenario planning, and the consultation, it is recommended that to support the revenue (appendix 1) and capital (appendix 2) expenditure a 2% increase based on the current retail price index (RPI) is applied. This is in line with the original business plan projection. It is felt that this strikes a balance between ensuring long term strategic objectives can be met, whilst keeping rents affordable.

3.3. Using the Scottish Housing Regulator's comparison tool, current rents have been compared to those of local Registered Social Landlords (RSLs) and neighbouring authorities. This comparison is shown at appendix 3. It can be seen that the rents tend to be slightly ahead of those of the neighbouring local authorities but lower than the RSLs.

3.4. This increase results in an average 48 week rent of £77.36; or £71.41 when calculated over 52 weeks. The full schedule of rent charges is set out in table 1.

Table 1: Current and Proposed Rents

House	2016/17	2%Increase	2017/18
1 Apartment	£72.47	£1.45	£73.92
2 Apartment	£74.23	£1.48	£75.71
3 Apartment	£76.03	£1.52	£77.55
4 Apartment	£77.56	£1.55	£79.11
5 Apartment	£79.49	£1.59	£81.08
6 Apartment	£81.43	£1.63	£83.06
Flat			
1 Apartment	£71.15	£1.42	£72.57
2 Apartment	£72.84	£1.46	£74.30
3 Apartment	£74.65	£1.49	£76.14
4 Apartment	£76.27	£1.53	£77.80
5 Apartment	£78.17	£1.56	£79.73
Average rent	£75.84	£1.52	£77.36
Lock up	£7.20	£0.14	£7.34
Lock up plus VAT	£8.64	£0.17	£8.81
Garage site (annual)	£81.69	£1.63	£83.32

3.5. Work will begin soon on a new HRA Financial Business Plan to cover the next five year period. It is intended to fully consult with tenants and the Clackmannanshire Tenants' and Residents' Federation on this and it is expected that the Federation will engage independent professional advisers to assist them review the new plan proposals. The intention is to submit the new plan to the Council in the autumn of 2017.

4.0   Consultation

4.1. Consultation on the proposed rent levels was undertaken during December using a variety of methods.   A summary of the results is included as appendix 4. As well as a postal survey sent to every tenant, callers to the

office were asked for views. In total 400 responses were received. From that survey: -

- 70% agreed the rent they pay represents good value for money

- 65% agreed the proposed rent charged is affordable

4.2.   The budget was also discussed with the Clackmannanshire Tenants and Residents Federation (CTRF) and it supports the proposed rent structure.

5.0   Variances against Business Plan.

5.1.   The main variations against the current business plan are set out in table 2, below.

Table 2: Variations on Business Plan Projections.

	Business Plan to Out-turn 2016-17	Business Plan v budget 2017-18	Comments
	£'000	£'000	
Repairs & Maintenance	402	680	Repairs and maintenance costs increased following the integration of the former PCU into the housing service. The craft agreement added additional wage costs. For 2017/18 projected void expenditure has been returned to 2015/16 levels reflecting actual costs incurred this year.
Supervision & Management	(651)	(12)	Wage costs have been running well below budget due to the holding of vacancies pending the restructuring of the service. Costs for the coming year have allowed for completion of that restructuring, including the reintegration of revenues staff to the service (and so reducing the central recharge costs). An additional allowance has been included to develop expanded services should these be required, following appropriate consultation and the necessary approvals.
Capital Financing Costs	(110)	(312)	Financing charges have reduced due to increased surplus funding the capital investment, resulting in a lower borrowing requirement.
Total Expenditure	**(374)**	**384**	
Income	260	237	The business plan projected a loss of only 45 houses through RTB sales, and an increase of 125 through new build and acquisitions. However 142 properties were sold, with a further 11 lost to demolition / remodelling. That was offset by the 156 properties added to stock over the business plan. This has resulted in a net gain of 3 properties.
(Surplus) / Deficit	**(114)**	**621**	The financial modelling that has been undertaken confirms that this increase over projected costs can be supported.

6.0   Capital Programme

6.1.   The HRA Capital investment programme is detailed at Appendix 2

6.2.   During 2017/18, the focus is again on ensuring ongoing compliance with the Scottish Housing Quality Standard, (SHQS), as well the requirements of the new Energy Efficiency Standard for Social Housing (EESSH) to be achieved by 2020. The total proposed capital spend is £9.9M including a carry forward budget of £1.5M from 2016/17. It should be noted that the majority of the capital programme is funded from revenue (CFCR), and that there is no borrowing drawdown in advance of requirements.

6.3.   Major investment is proposed in the external fabric of the properties, in particular roofs and render. The budget for this work is £2.627M, including £0.527M carried forward from 2016/17. This carry forward is required due to delays caused by negotiations required with owner occupiers and private landlords.

6.4.   It is intended that a further £1.8M will be invested in the window replacement programme. Another £1.365m is required for a kitchen replacement programme. The replacement heating programme will continue with 350 new systems being installed in 2017/18, at a cost in the region of £ £0.8M. £0.8M will also be invested in a programme of electrical safety checks.

6.5.   A £0.125m budget has been allocated to replace fencing, gates and paths, to continue to meet the 'Heathy, Safe and Secure' component of the SHQS. A budget of £0.125m has also been allowed for common entrance door and communal area upgrades. All such works will involve consultation with colleagues and residents. The tenant improvement fund is also continued to allow Housing Officers to identify and recommend work required to improve their areas, and a capital budget for roads and footpaths has been set to contribute to any works required to HRA owned roads and footpaths.

6.6.   As well as investment in the housing stock, budgets have been identified to continue to continue to add units to the stock. It is proposed that the forecast of £0.987M residual budget available from the 2016/17 Off the Shelf acquisition programme be carried forward for additional purchases this year. This budget was identified to ensure that the Council met its affordable housing grant spend target, but was not all required in 2016/17 due to the considerable increase in RSL activity.

6.7.   It is further proposed to transfer into 2018/19 the budget allocation for the development of The Orchard, Tullibody. This will allow consideration to be given as to how this site can contribute fully to the corporate redevelopment proposals for this area.

6.8.   The HRA Capital Programme will be funded by the budgeted surplus from revenue of £5.103m, and £4.837m of borrowing. This will leave the HRA unallocated reserve balance of £736k (4%) at the end of 2017/18.

6.9.   Due to the increased surpluses in recent years, the borrowing required to support this programme is less than the £35M ceiling set out in the business plan, as shown in chart 1, below.

Chart 1: HRA projected borrowing

HRA borrowing

- - - 2013 Bplan (adjusted with Jan 17 Outturn) —— 2017 model
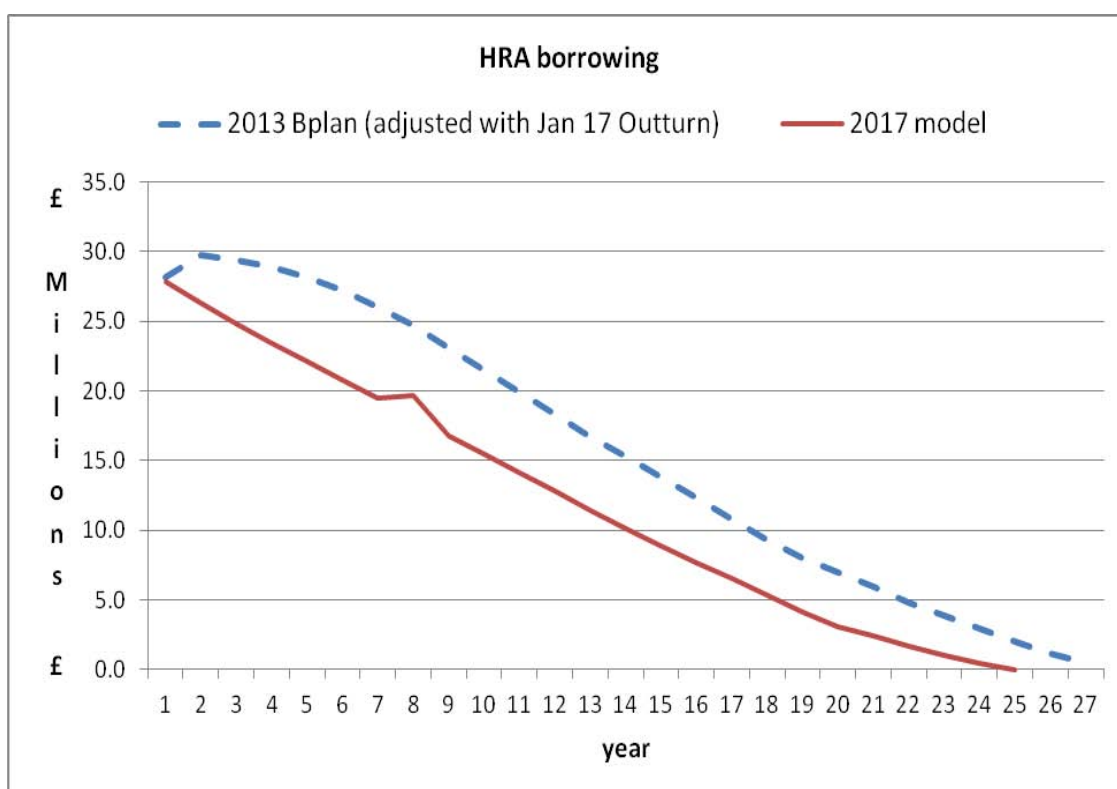
7.0 Conclusions and Business Plan 2018-23

7.1. It can be concluded that the business plan for 2013-18 will be successfully delivered. The main commitments with regard to stock maintenance and improvements have been met, in particular the Clacks standard and the Scottish Housing Quality Standard. Significant steps have also made towards meeting the new 2020 EESSH. More units have been added to the housing stock than projected, although this was more than offset by the unforeseen rise in right to buy sales. Tenant satisfaction is at the highest levels recorded. A major staff restructuring is nearing completion and improvement in most of the key indicators can be demonstrated.

7.2. Projected revenue expenditure of £13.9m at the end of the five year period is likely to be within 3% of the business plan projection of £13.5M. Income is within 1.5% of the projected figure. (£18.997m compared with £19.234m in the Business Plan).

7.3. Projections for the five year period from 2018-19 are likely to be more uncertain. Whilst right to buy has ended, restrictions to benefits, and the roll out of universal credit planned from 2017 are likely to adversely affect income collection and possibly increase staffing costs.

8.0 SUSTAINABILITY IMPLICATIONS

8.1. The sustainability implications of this report are comprehensively positive in terms of community participation, the local economy, energy efficiency, the environment, asset management and human resources.

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9.0   RESOURCE IMPLICATIONS

9.1.   Financial

- As set out in the report.

9.2.   Staffing

- As set out in the report.

10.0   DECLARATIONS

10.1.   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)

11.0   EQUALITIES IMPACT

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

Yes ☐   No ☑

12.0   LEGALITY

**13.0   In adopting the recommendations contained in this report,
Yes ☑
the Council is acting within its legal powers**

14.0   Appendices

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

1. Revenue budget

2. Capital Budget

3. Rent comparisons

4. Consultation responses

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 **X** (please list the documents below)   No ☐

*Housing Revenue Account (HRA) Financial Business Planning Model for Clackmannanshire Council Housing 2013 – 2018 (*June 2013)

Author(s)

NAME	DESIGNATION	TEL NO / EXTENSION
E McCaffery	Team Leader	4573
O Munro	Team Leader	

Approved by

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

Appendix 1: Summary HRA 2017/208 Budget

COST CENTRE SUMMARY	Original Business Plan	2016-2017 Forecast	2017-2018 Budget	Variance Original v Budget
Repairs & Maintenance				
Private Contractors	377,000	178,000	295,000	(82,000)
Void Houses	1,142,000	36,000	42,000	(1,100,000)
General Maintenance	2,320,000	(15,000)	(14,000)	(2,334,000)
Cyclical Maintenance	732,000	0	0	(732,000)
Property Factors	0	(19,000)	(25,000)	(25,000)
Gas Contract	388,000	11,000	11,000	(377,000)
Property Contracts	0	5,120,000	5,352,000	5,352,000
Minor SW Repairs	22,000	0	0	(22,000)
	4,981,000	**5,310,000**	**5,661,000**	**680,000**
Supervision & Management				
Employee Related Expenditure	1,860,000	1,847,000	2,411,000	551,000
Premises, Transport, Supplies & Services	265,000	162,000	176,000	(89,000)
3rd Party Payments	464,000	66,000	83,000	(381,000)
Central Support	1,176,000	978,000	1,084,000	(92,000)
Democratic Core	106,000	110,000	105,000	(1,000)
	3,871,000	**3,163,000**	**3,859,000**	**(12,000)**
Capital Financing Costs				
Interest Payments	1,564,000	1,461,000	1,457,000	(107,000)
Loans Fund Expenses	36,000	31,000	29,000	(7,000)
Principal Repayments	1,730,000	1,636,000	1,533,000	(197,000)
	3,330,000	**3,128,000**	**3,019,000**	**(311,000)**
Other Expenses				
Insurance, Stair Lighting, Voids & Council Tax	996,000	899,000	960,000	(36,000)
Garden Aid Scheme + Land Maintenance	172,000	179,000	180,000	8,000
Special Uplifts	124,000	167,000	167,000	43,000
Pest Control	14,000	26,000	26,000	12,000
	1,306,000	**1,271,000**	**1,333,000**	**27,000**
TOTAL EXPENDITURE	**13,488,000**	**12,872,000**	**13,872,000**	**384,000**
INCOME				
Rents & Interest on Revenue Balances	**(19,234,000)**	**(18,416,000)**	**(18,997,000)**	**237,000**
NET EXPENDITURE	**(5,746,000)**	**(5,544,000)**	**(5,125,000)**	**621,000**

Appendix 2: Housing Revenue Capital Budget

Housing Revenue Account Capital Programme Budget	Amended Budget 16/17	Carry forward from 16/17	Amended Budget with C/F 17/18	Amended Budget 18/19
Scottish Housing Quality Standard				
Primary Building Elements				
Structural Works	150,000		150,000	150,000
Total Primary Building Elements	**150,000**	**0**	**150,000**	**150,000**
Secondary Building Elements				
Damp Proof Course and Rot Works	100,000		70,000	70,000
Roof, Rainwater & External Walls	2,527,000	527,000	2,627,000	2,590,000
External Doors	10,000		10,000	20,000
Windows	1,819,000		1,800,000	1,800,000
Total Secondary Building Elements	**4,456,000**	**527,000**	**4,507,000**	**4,480,000**
Energy Efficiency				
Fuel Efficient Central Heating	1,854,000		800000	1,000,000
Bowmar Community Energy Savings Programme	183,000		0	0
Home Energy Efficiency Programme Area Based 2015-16 (HEEPS)	355,000			
Home Energy Efficiency Measures	250,000		500,000	0
Total Energy Efficiency	**2,642,000**	**0**	**1,300,000**	**1,000,000**
Modern Facilities & Services				
Kitchen Renewal	263,000		1,365,300	65,000
Bathroom Renewal	50,000		50,000	65,000
Total Modern Facilities & Services	**313,000**	**0**	**1,415,300**	**130,000**

Housing Revenue Account Capital Programme Budget	Amended Budget 16/17	Carry forward from 16/17	Amended Budget with C/F 17/18	Amended Budget 18/19
Health Safe & Secure				
Safe Electrical Systems	300,000		800,000	350,000
External Works: Fencing, Gates & Paths	125,000		125,000	125,000
Secure Door Entry Systems	205,000		125,000	145,000
Total Health Safe & Secure	**630,000**	**0**	**1,050,000**	**620,000**

NON SHQS ELEMENTS				
Disabled Adaptation Conversions	50,000		50,000	50,000
Construction Design Management	20,000		20,000	20,000
The Orchard, Demolition	0			0
New Build Tilly Community Centre Phase 1a	119,000		0	0
New Build Tilly Community Centre Phase 1b/OTSP Refurbishment	193,000			
New Build Tilly Community Centre Phase 2	20,000			
Hallpark, Sauchie 25 Units	35,000		0	0
Fairfield, Sauchie 19 Units	516,000	31,000	31,000	0
Demolition - The Orchard	2,000			
The Orchard, Tullibody 12 Units	828,000		0	828,000
Off the Shelf Purchase	1,300,000	987,000	987,000	0
Off the Shelf Refurbishment	230,000			
Tenant Community Improvement Fund	268,000		200,000	200,000
Miscellaneous Conversions & Adaptations	50,000		50,000	50,000
HRA Roads & Footpath Improvements	112,000		100,000	100,000
External Lead Pipe Replacement			20,000	20,000
Housing Business Management Enhancements	60,000		60,000	0
	0		0	0
Total non-SHQS elements	**3,803,000**	**1,018,000**	**1,518,000**	**1,268,000**
TOTAL CAPITAL PROGRAMME	**11,994,000**	**1,545,000**	**9,940,300**	**7,648,000**
Income				
House Sales	(240,000)		0	0
Scottish Government Housing Supply Grant				
Total Income	**(240,000)**	**0**	**0**	**0**
NET CAPITAL PROGRAMME	**11,754,000**	**1,545,000**	**9,940,300**	**7,648,000**

Appendix 3 – rent comparisons 2015/16

Scottish Housing Regulator

Landlord Report — How your landlord told us it performed in 2015/2016

2015/2016 Response

Indicator Click graph to open	Clackmannanshire Council	Average of compared landlords	Difference from this average	Select up to 4 landlords to compare			
				Ochil View Hous ▼	Paragon Housin ▼	Stirling Council ▼	Falkirk Council ▼
Homes and rents							
Total number of homes	4,968	6,186	1,218	1,355	1,396	5,626	16,369
Total rent due to be collected	£16,777,089	£19,504,649	£2,727,560	£5,283,169	£5,188,664	£17,645,831	£49,900,933
Percentage average weekly rent increase to be applied	3.5 %	2.3 %	1.2 %	2.6 %	2.0 %	1.0 %	3.6 %
Total number of 1 apartments	27	27	0	7	8	25	69
Average weekly rent for 1 apartments	£63.81	£42.28	£21.53	£61.97	£55.70	£53.65	£35.32
Total number of 2 apartments	1,344	1,100	244	349	152	1,293	2,605
Average weekly rent for 2 apartments	£65.53	£53.51	£12.02	£68.88	£61.68	£60.63	£47.70
Total number of 3 apartments	2,227	3,054	827	570	678	2,308	8,659
Average weekly rent for 3 apartments	£67.22	£60.11	£7.11	£75.31	£68.43	£62.79	£57.74
Total number of 4 apartments	1,236	1,798	562	402	515	1,739	4,534
Average weekly rent for 4 apartments	£68.92	£67.56	£1.36	£81.06	£78.49	£65.31	£65.98
Total number of 5 apartments	134	208	74	27	43	261	502
Average weekly rent for 5 apartments	£70.85	£73.90	£3.05	£83.28	£92.36	£67.01	£75.40

Appendix 4: Tenant consultation

Background

1. During November and December 2016 tenants were consulted on the proposed rent increase. Over 400 responses were received. A survey was posted to every Council Tenant. It was also shared with Tenant groups, and made available on Clacksweb. Officers also asked callers to Home@Clacks and offices in Alva and Clackmannan to complete the consultation questions. The use of the offices also allowed for prospective tenants to give their opinion.

2. 96% of respondents were Council tenants, which represents approximately 8% of the tenant base. Other respondents were a mix of private sector tenants, Housing Association tenants and owner occupiers.

Results

3. The results of the consultation are set out in the table below:

Question	Strongly Agree / Agree	Strongly Disagree /Disagree	No preference	Not answered
We propose that rent is increased by 2%. On average, this means an increase of £1.52 per week. Do you think the rent you pay represents good value for money?	70%	22%	7%	1%
Do you think the rent charged by Clackmannanshire Council is affordable?	65%	25%	9%	1%
Currently, we charge rent over 48 weeks with 4 charge free weeks during the year. If rent is charged over 52 weeks, this would result in a lower weekly rent charge. Would you like to pay your rent over 52 weeks?	33%	58%	-	9%
We do not currently have a large variation in rent charges, no matter the size of the property. We would like you to tell us if we should review the way we charge rent for different sizes of properties. Do you think the Council should review how we charge rent for different sizes of properties?	67%	27%	-	6%

CLACKMANNANSHIRE COUNCIL

Report to Council

Date of Meeting: 9 February 2017

Subject: **SEStran – Consultation on Proposal to Move to a Model 3 Regional Transport Partnership**

Report by: Head of Development & Environment

1.0 Purpose

1.1. The purpose of this report is to set out a response to a consultation by SEStran on moving from a Model 1 Regional Transport Partnership to a Model 3 Regional Transport Partnership.

2.0 Recommendations

It is recommended that Council :

2.1. Responds to the consultation stating that the Council reserves its position on moving to a Model 3 Partnership as the case for a Model 3 Regional Transport Partnership has not been made, at this time and seeks a detailed business case to enable the Council to make an informed decision.

2.2. Notes that Council will be updated on the outcome to the consultation after the SEStran Board Meeting in March 2017 and that a further report will be brought to Council to consider a detailed appraisal of model options available to the Council, including moving to a Model 3 Partnership, remaining as model 1 partner and joining or creating another Regional Transportation Partnership.

3.0 Background

3.1. SEStran is a Regional Transport Partnership (RTP) created in 2005 under the Transport (Scotland) Act 2005. On becoming a statutory body, SEStran was tasked with producing a Regional Transport Strategy for the South East of Scotland. It is made up of eight member Councils (Clackmannanshire, Falkirk, Fife, Edinburgh, East Lothian, Midlothian, West Lothian and Scottish Borders).

3.2. There is a legal requirement for every Local Authority to be part of a Regional Transport Partnership. Currently SEStran is a Model 1 RTP. Model 3 is an enhanced method of partnership such as Strathclyde Partnership for Transport (SPT). SPT is the only Model 3 partnership in Scotland. Among other functions they procure local bus services for the partnerships.

3.3. Every RTP has, as its base function, the requirement to produce and monitor a Regional Transport Strategy which is supported by Delivery Plans where the RTP sets out when and how projects and strategy will be delivered. At present local authorities hold a wide range of transport powers and duties and transferring some of these to the regional level is possible and would require the RTP to move to a Model 2 or 3.

3.4. In terms of the Transport (Scotland) Act 2005 (Section 10(6)) SEStran must consult its constituent Councils on the content of a proposed s.10 order before applying to the Ministers for Model 3 status. The Act outlines as examples some of the functions which may be the subject of an order under Section 10(4) including bus services, road user charging, management or maintenance of a bridge, traffic regulation orders, regulation of use of roads by public service vehicles and securing the provision of passenger transport and related consultation and publicity.

3.5. If a level 3 model was to be created the functions that could transfer to a Model 3 Partnership from Councils (or operated concurrently) would be :

- plan and fund socially necessary bus routes;
- work in partnership with private operators to improve bus services through bus priority schemes or quality partnerships;
- plan and implement investment in local public transport networks including new bus or active travel stations/hubs;
- provide comprehensive public transport information services or regional integrated ticketing schemes; and
- manage and maintain bus interchanges, bus stops and shelters.

3.6. From the Census (2011), the number of people commuting from Clackmannanshire to Stirling and Falkirk is significantly in excess of those commuting to Edinburgh with others commuting to Glasgow.

3.7. Clackmannanshire delivers its public transport function in partnership with Stirling Council through the Public Transportation Unit. This provides economies of scale and resilience to manage public transport functions. Stirling Council is part of the Tayside & Central Transportation Partnership.

3.8. Clackmannanshire currently funds a number of public transport functions within the local area, these include the following :

- Supported Bus (C1) - £88,635 per annum
- Supported Bus (C2) - £84,575 per annum
- Taxicard - £12,000 per annum
- Dial-a-journey - £44,000 per annum
- Demand Responsive Transport (Muckhart area) - £3,300 per annum
- School Transport – £479,450 per annum
- Special Education Needs Transport - £405,320 per annum
- Joint Public Transport Unit (Stirling) - £35,000 per annum
- Maintenance of 256 bus stops with 135 shelters – £7,460 per annum
- SEStran Membership - £20,000

4.0   Considerations

4.1.   In June 2016, the SEStran Board discussed the possibility of moving from a Model 1 to a Model 3 RTP and becoming a Passenger Transport Authority (PTA). This was in the context of the Scottish Government's Planning Review and the emerging Programme for Government. It has also been stated that the proposals for the Edinburgh City Deal might benefit from such a transition in terms of impact on the labour market, long term enterprise trends, accessibility to more and better quality of jobs and ensuring that all have the opportunity to contribute to all sectors of the economy.

4.2.   The Board of SEStran commissioned and considered a report by Professor Tom Rye of Napier University into the potential for SEStran to move to a Model 3 partnership on 2 December 2016. Professor Rye's report and a covering report to the Board are available as a background paper. The Board agreed to consult its constituent Councils on the possibility of moving to a Model 3 Partnership as set out in the letter attached at Appendix 1.

4.3.   Professor Rye's report provides an overview of regional transportation partnerships in the UK and within Europe. This is predominantly a *research* report and is not directly comparable to a Model 3 RTP in Scotland due to different legislation and regulation of bus markets. SPT is the closest example in Scotland of a Model 3 RTP comparable to that proposed by SEStran. The majority of Model 3 RTP analysed by SEStran are for much larger populations than SEStran's 1.5 million people. The Edinburgh city region area is projected to be the largest growth area in Scotland over the next 30 years.

4.4.   Professor Rye's report discusses the various merits of Passenger Transport Authorities (PTA's) including capacity governance and finance. The report also looks at economies of scale, resilience, pricing, fairer integration, connectivity and accessibility. At this stage the report is predominantly research based and has not demonstrated a clear business case for SEStran to move to a Model 3 partnership. There is some limited evidence from SPT that PTA's can offer a wider range of transport solutions including multi model ticketing, busway, subway and suburban rail network. In England, PTA's were able to deliver better or new schemes, pricing and fares. There was also evidence of higher spending per head of population on tendered bus services.

4.5.   It is not clear from SEStran proposals or the research report what powers SEStran would be looking to take from local authorities and associated budgets which could include the following :

   - Transfer of whole Council public transport budget to SEStran which could be spent outwith Clackmannanshire. Loss of local control over the public transport network.

   - Increased costs to operate existing services leading to additional funds being sought from councils or reduced levels of service.

   - Central procurement could deter local operators from competing, leading to either larger operators winning contracts at higher costs or other operators with no local knowledge of area.

- Possibility of a two tiered system developing with some services e.g. supported bus services procured and operated by SEStran and others remaining with the local authority e.g. school transport. This could lead to increased staff costs due to existing staff with less work for the same contractual hours/costs as a result of some job elements transferring to SEStran.

- SEStran may chose to expand public transport functions that have not previously been undertaken by local authorities e.g. bus quality contracts, which would require additional funding be sought – possibly from the local authorities.

4.6   Professor Rye's report details the opportunities for Clackmannanshire & Falkirk Council's in particular as they are not part of the Edinburgh City Deal as "The principal benefit to these authorities . . . would be to be part of a larger organisation . . . with the organisational knowledge, capacity, skills and resilience that this could bring". It can be argued through the existing joint public transport unit with Stirling that these benefits are being realised.

4.7.   In considering the SEStran proposals, reassurance and confirmation would be required on how local concerns would be addressed, these include loss of control, local knowledge, stakeholder engagement, bus routing, access to employment, governance and what the added value would be to local authorities outwith the Edinburgh City Deal area.

4.8.   Annex 2 to the letter received on 9 December from the Chair of SEStran, under the heading *Potential costs of moving to a Model 3 RTP,* states "A very robust mechanism would need to be developed to ensure that these resources were distributed across the region in a way that would maximise their impact on a set of pre-agreed outcomes."

4.9.   Professor Rye states in his summary that "there is limited evidence that Model 3 RTPs and CAs [Combined Authorities] necessarily provide much better performance against outcomes than do their unitary counterparts. They are not necessarily more efficient in what is delivered per £ spent or person employed".

4.10.   If the six Councils involved with the potential Edinburgh City Deal were to favour Model 3 RTP status, one option which appears to be available to Ministers would be to transfer to SEStran the desired functions but only for those six Council areas, thus leaving Clackmannanshire Council (and potentially Falkirk) as a Model 1 member.

5.0   Conclusions

5.1.   The SEStran report to support the consultation does not satisfactorily identify sufficient and concrete benefits to the Clackmannanshire Council area from a proposed move to a Level 3 Model. Edinburgh is not the main destination for people commuting from Clackmannanshire. However, the expected growth and potential benefits to Clackmannanshire's proximity should be considered in future economics of our area. It is not proven that there would be economies of scale for the functions based on revenue funding and there is a

risk that there would be diseconomies of scale in regard to loss of local knowledge and distance from bus service issues.

5.2. In conclusion, there has been no detailed business case produced to stake the benefits and risks of moving all SEStran members to a Model 3 Partnership and the Council should reserve it's decision on any potential change to the Regional Transportation Partnership until such evidence can be presented.

6.0 Resource Implications

6.1. *Financial Details*

6.2. There are no financial implications associated with this paper.

6.3. 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 ☑

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

6.5. Staffing

6.6. There are no staffing implications associated with this paper.

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)

9.0 Equalities Impact

9.1 SEStran would need to carry out an equality impact assessment at the appropriate stage.

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 ☐

Moving from a Model 1 to a Model 3 Transport Partnership requires consultation with all the constituent Councils and must be agreed by the Scottish Ministers.

11.0 Appendices

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

SEStran Consultation Letter of 9 December 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 ☐

SEStran Board Report – 2 December 2016

Professor Tom Rye's Report - PTA Models of Organisation for Regional Transport Governance

Transport (Scotland) Act 2005

Scotland's Transport Future : Proposals for Statutory Regional Transport Partnerships

Author(s)

NAME	DESIGNATION	TEL NO / EXTENSION
Lesley Deans	Principal Transportation Planner	Extension : 2597

Approved by

NAME	DESIGNATION	SIGNATURE
Gordon McNeil	Head of Development & Environment	Signed: G McNeil
Garry Dallas	Executive Director	Signed: G Dallas

Council Leader
Address

9th Friday 2016

Dear Councillor

Consultation in respect to transfer of functions pursuant to Section 10 of the Transport (Scotland) Act 2005

Further to recent discussions at the September and December 2016 South East of Scotland Transport Partnership (SEStran) Board meetings. I write to inform you that at the meeting on Friday 2 December, the Board agreed to undertake a consultation under Section 10(6) of the Transport (Scotland) Act 2005 ("the Act") in regard to SEStran moving from a Model 1 to a Model 3 Regional Transport Partnership. Further information on the process is contained in annex 1.

At the meeting the Board of SEStran collectively viewed it to be in the best interests of the partnership to undertake this consultation. I have included a copy of the Board report and associated research report by Professor Tom Rye on the proposal tabled at the 2 December meeting for your reference.

The benefits from the Board's standpoint is focussed on the need to connect more people to jobs, promote greater inclusion, sustainability and integration of public transport and the potential improvements to services by having a combined transport authority for the SE of Scotland.

The fuller potential benefits of making SEStran in to a Model 3 RTP are laid out in annex 2 which is a summary of Professor Rye's report.

I'm aware that discussions and correspondence have been undertaken with your Chief Executive on this matter either within the context of the Edinburgh Region City Deal or separately and your Head of Service/Chief Officers over recent months. I have copied this letter to your Chief Executive and Head of Transportation for information. I, the Vice Chairs and Partnership Director would be happy to meet with you and your Chief Executive to discuss matters further if helpful.

I would be grateful if you could consider the request and the functions your council would wish to consider for transfer to SEStran so that at either the 2 March SEStran Board meeting or if possible a special meeting before or after that date, we can consider and seek to agree a request to Scottish Ministers to support the request from some or all constituent councils. I realise that this decision may require a decision by your full Council and/or Executive body.

Yours sincerely

Cllr Lesley Hinds
Chair of SEStran

Annex 1

Section 10 (6) of the Act outlines that the first stage of consultation is required to be with constituent councils around the proposed contents of the request to Scottish Ministers to support an order transferring wholly or concurrently a function/functions.

Currently SEStran is a Model 1 Regional Transport Partnership (RTP), with a primary duty to produce a Regional Transport Strategy. A Model 3 RTP is an enhanced method of partnership delivery with the collective delivery of some or all the functions listed in section 10 of the Act. Section 10 (4) outlines the main functions which may be subject of such an Order, albeit this is not an exclusive list:

• Part 2 of the Transport (Scotland) Act (bus services) and Part 3 of that Act (road-user charging)

• Management or maintenance of a bridge;

• Section 1 to 4 of the Road Traffic Regulation Act 1984 (c.27) (traffic regulation orders) and local traffic authorities by section 19 of that Act (regulation of use of roads by public service vehicles);

• Sections 63 and 64 of the Transport Act 1985 (c.67) (securing the provision of passenger transport and related consultation and publicity)

 The Act also outlines as examples some of the functions which may be the subject of an order under Section 10 (4):

➢ entering into quality partnership schemes;

➢ entering into quality contract schemes;

➢ entering into ticketing arrangements and ticketing schemes;

➢ providing information about bus services;

➢ installing bus lanes; providing subsidised bus services;

➢ making and implementing road user charging schemes;

➢ operating ferry services;

➢ managing tolled bridges;

➢ operating airports and air services; and

➢ entering into public service contracts.

The Chief Officers group of SEStran's constituent councils have agreed to consult member councils on the transfer of all functions listed in section 10 to SEStran. Section 14 of the Act also provides for arrangement for performance by RTPs of certain transport functions etc., on behalf of local authorities, albeit this part of the Act does not provide an exhaustive definition of statutory functions relating to "transport." This route offers an opportunity for SEStran to deliver functions and services on behalf of local authorities and others without having to undergo the full process of a Parliamentary Order under section 10. Alternatively, the two routes could be used in combination.

Accordingly, officers of SEStran's constituent councils have agreed to consider as part of this consultation to seek your views on the potential for collaborations around the Audit Scotland proposals for wider network maintenance/management and other transportation functions, in terms of section 14.

If there were appropriate levels of support for a request to Scottish Ministers to support a Transfer of Functions Order and subsequent support from Scottish Ministers, the detail of the functions to be transferred would need to be set out in a letter outlining in clear legal terms the specific of the requests for a wholly or concurrently transfer of functions. This would then form the basis for support from Ministers. Then there would be a further 3 month parliamentary consultation period on a statutory instrument laid in Parliament which if passed would allow SEStran moving from a Model 1 to a Model 3 RTP. Your council would be consulted again at that stage.

Annex 2

Potential Benefits of making SEStran into a Model 3 Regional Transport Partnership

A Model 3 partnership would take on powers and functions from its constituent local authorities and exercise these functions either exclusively, or in parallel with those authorities. If it were to be funded in a similar way to existing Model 3 RTPs then its funding would come from levies on its constituent authorities. Its governance would be similar to that of the current SEStran Model 1 RTP. Likely benefits, based on a review of existing Model 3 RTPs and similar Combined Authority/PTE organisations in the English metropolitan regions, could be as follows:

• Improved cross-regional mobility for regional labour, education and training, and employability; and improved community connectivity, due to higher levels of subsidised socially necessary bus services and demand responsive transport.

• This could then open up more and better employment opportunities to the region's communities that currently have high unemployment, by ensuring that key employment sites are well connected regionally; by providing bus services that correspond with working patterns; and providing more integrated information and advice that may encourage people to look for job opportunities across a wider area.

• Reduced/free bus fares for those attending job interviews and then for the first month in employment, in order to reduce this barrier to getting into work. This is a typical service in English CA areas, but not in comparable unitary authority areas.

• Planning and delivering transport solutions for all modes of transport across the region: English combined authorities have consistently delivered more transport investments such as new busways, new light rail and statutory quality partnerships compared to their unitary council counterparts. They have also delivered multi-modal ticketing over many years at a scale not found in other areas of England or outside the SPT area in Scotland.

• As advocates for improved public transport on behalf of a greater level of population and an entire region, Model 3 authorities tend to have more effective engagement with national agencies and, often major operators.

• TfGM, the transport arm of the Greater Manchester Combined Authority, is delivering transport investments worth £1.5 billion over 10 years funded from the GM Transport Fund. It is likely that its ability to secure permission from central government to borrow this additional money was in part because of its status as an organisation with sufficient capacity to be able to deliver these schemes. It is more difficult for smaller unitary authorities to demonstrate this.

• A larger regional public transport authority has more organisational resilience in general than single unitary authorities delivering the same services individually. SEStran and council expertise and resources could be pooled and shared with clear benefits arising. The procurement process could also benefit from being centralised and from large scale tenders.

• Better integration of land-use planning with existing public transport networks, walking and cycling routes and encouraging town centre locations is a probable benefit of a stronger RTP due to the integration of strategic public transport planning and strategic land use planning at the city region level.

• Research by KPMG (2015) indicates that every £1 spent on investment in bus priority measures delivers an average of £3.32 of net economic benefit. A Model 3 RTP would be better placed to lobby for and plan region wide bus priority measures to deliver these benefits.

• Passenger transport authorities in other EU countries are able to limit fare increases and set fares in relation to affordability or in comparison with motoring costs. (It should be noted that in the Scottish context new primary legislation would be needed to bring this about.)

 Potential costs of moving to a Model 3 RTP

The primary disbenefit of moving to a Model 3 RTP would be the organisational costs of moving services currently provided by individual unitary authorities to a single organisation. This organisational change would require very careful planning and management in order to minimise any discontinuities in service delivery.

Secondly, debates about the correct spatial distribution of limited resources to support socially necessary bus services that occur now within individual authorities would move to the regional level. A very robust mechanism would need to be

developed to ensure that these resources were distributed across the region in a way that would maximise their impact on a set of pre-agreed outcomes.

Councillor Ellen Forson
Ward 4 Clackmannanshire South (Multi Member Ward)
Kilncraigs, Greenside Street, Alloa, FK10 1EB
Telephone: 01259 452281 Mobile: 07854 374 386
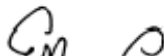Email: eforson@clacks.gov.uk

**Motion 1 to Clackmannanshire Council
Meeting of Thursday 9th February 2017**

That Council welcomes the recent figures from VisitScotland showing that, in 2015, the number of people employed in the tourist industry rose by 11% and that the sector made up 9% of the total jobs in Scotland, making it a key employer for many areas; notes that the figures show that employment in this sector decreased by 8 per cent in Clackmannanshire at the same time our neighbours in Stirling saw a 12 per cent increase, Falkirk saw an 8 per cent increase and Fife saw a 10 per cent increase; is concerned that in fact Clackmannanshire is the only local authority in Scotland where the number of people employed in the tourist industry fell; recognises that Clackmannanshire has much to offer visitors from home and abroad and that the City Deal offers an opportunity to maximise our tourism potential; and instructs the Chief Executive to engage, as a matter of urgency, with VisitScotland to address this issue.

Councillor Ellen Forson
Ward 4, Clackmannanshire South

24th January 2017

Rec'd 24-01-17: 1438: MS

Councillor Ellen Forson
Ward 4 Clackmannanshire South (Multi Member Ward)
Kilncraigs, Greenside Street, Alloa, FK10 1EB
Telephone: 01259 452281 Mobile: 07854 374 386
Email: eforson@clacks.gov.uk

**Motion 2 to Clackmannanshire Council
Meeting of Thursday 9th February 2017**

That Council notes recent correspondence from the Clydesdale Bank announcing its intention to close branches in Alloa and Tillicoultry; expresses concern that this will leave Clackmannanshire without a branch of the Bank; understands that customers affected will have to travel into Stirling for their nearest branch; recognises the considerable impact that this will have on local businesses, older people, those with mobility issues and those who are unable to use the internet to access online banking facilities; instructs the Chief Executive to urgently open a dialogue with the Clydesdale Bank to determine whether a solution can be found to retain access to vital banking services for local people.

Councillor Ellen Forson
Ward 4, Clackmannanshire South

24th January 2017

Rec'd 24-01-17: 1438: MS