Clackmannanshire Council

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

Meeting of Clackmannanshire Council

Thursday 31 August 2017 at 9.30 am

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

Resources & Governance, Legal & Democratic Services, Clackmannanshire Council, Kilncraigs, Greenside Street, Alloa, FK10 1EB
Phone: 01259 452106/452004 E-mail: customerservice@clacks.gov.uk Web: www.clacksweb.org.uk

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 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

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23 August 2017

A MEETING of the CLACKMANNANSHIRE COUNCIL will be held within the Council Chamber, Kilncraigs, Greenside Street, Alloa, FK10 1EB, on THURSDAY 31 AUGUST 2017 at 9.30 am.

ELAINE McPHERSON
Chief Executive

B U S I N E S S

		Page No.
1.	Apologies	--
2.	Declaration of Interests Elected Members are reminded of their obligation to declare any financial or non-financial interest which they may have in any item on this agenda in accordance with the Councillors' Code of Conduct. A Declaration of Interest form should be completed and passed to the Committee Services Officer.	--
3.	Confirm Minutes of Meeting held on Wednesday 28 June 2017 (Copy herewith)	07
4.	Tullibody South Shared Campus – report by the Chief Education Officer (Copy herewith)	21
5.	Member Representation on CoSLA Policy Boards – report by the Chief Executive (Copy herewith)	37
6.	Budget Strategy Update – report by the Depute Chief Executive (Copy herewith)	41
7.	Stirling and Clackmannanshire City Region Deal – report by the Executive Director (Copy herewith)	57
8.	Appointment of Council Directors to CSBP Clackmannanshire Investments Limited – report by Acting Legal Services Manager (Copy herewith)	87

EXEMPT INFORMATION/

Contact Resources & Governance (Legal & Democratic Services) Clackmannanshire Council, Kilncraigs, Greenside Street, Alloa, FK10 1EB
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EXEMPT INFORMATION

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

		Page No.
9.	Annual Property Review 2017/18 – report by the Development Services Manager (Copy herewith)	91

Clackmannanshire Council – Councillors and Wards (From 4th May 2017)

Councillors		Wards		
Provost	Tina Murphy	1	Clackmannanshire West	SNP
Councillor	Darren Lee	1	Clackmannanshire West	CONS
Councillor	George Matchett, QPM	1	Clackmannanshire West	LAB
Councillor	Les Sharp	1	Clackmannanshire West	SNP
Councillor	Donald Balsillie	2	Clackmannanshire North	SNP
Councillor	Martha Benny	2	Clackmannanshire North	CONS
Councillor	Dave Clark	2	Clackmannanshire North	LAB
Councillor	Archie Drummond	2	Clackmannanshire North	SNP
Councillor	Phil Fairlie	3	Clackmannanshire Central	SNP
Councillor	Derek Stewart	3	Clackmannanshire Central	LAB
Councillor	Mike Watson	3	Clackmannanshire Central	CONS
Councillor	Chris Dixon	4	Clackmannanshire South	CONS
Councillor	Kenneth Earle	4	Clackmannanshire South	LAB
Councillor	Ellen Forson	4	Clackmannanshire South	SNP
Councillor	Craig Holden	4	Clackmannanshire South	SNP
Councillor	Graham Lindsay	5	Clackmannanshire East	SNP
Councillor	Kathleen Martin	5	Clackmannanshire East	LAB
Councillor	Bill Mason	5	Clackmannanshire East	CONS

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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THIS PAPER RELATES TO ITEM 3 ON THE AGENDA

MINUTE OF MEETING of the CLACKMANNANSHIRE COUNCIL held within the Council Chamber, Kilncraigs, Greenside Street, ALLOA, FK10 1EB, on WEDNESDAY 28 JUNE 2017 at 1.00 PM

PRESENT

Councillor Tina Murphy (Provost)
Councillor Donald Balsillie
Councillor Martha Benny
Councillor Dave Clark
Councillor Chris Dixon
Councillor Archie Drummond
Councillor Kenneth Earle
Councillor Phil Fairlie
Councillor Ellen Forson
Councillor Craig Holden
Councillor Darren Lee
Councillor Graham Lindsay
Councillor Bill Mason
Councillor Les Sharp
Councillor Derek Stewart

IN ATTENDANCE

Elaine McPherson, Chief Executive
Nikki Bridle, Depute Chief Executive
Garry Dallas, Executive Director (From Item CC24)
Stephen Coulter, Head of Resources and Governance
Richard Saunders, Senior Auditor
Lindsay Sim, Chief Accountant
Derek Barr, Procurement Manager
Murray Sharp, Service Manager, Revenues and Strategy
Andrew Wyse, Acting Legal Services Manager (Clerk to the Council)
Gillian White, Committee Services

CC.11 APOLOGIES

Apologies for absence were received from Councillor Kathleen Martin, Councillor George Matchett, QPM and Councillor Mike Watson.

CC.12 DECLARATION OF INTERESTS

None.

CC.13 MINUTES OF STATUTORY MEETING OF CLACKMANNANSHIRE COUNCIL – 18 MAY 2017 AND RECONVENED 1 JUNE 2017

The Minutes of the Statutory Meeting of Clackmannanshire Council held on 18th May 2017 and reconvened on 1 June 2017 were submitted for approval.

Decision

The Minutes of the Statutory Meeting of Clackmannanshire Council held on 18th May 2017 and reconvened on 1 June 2017 were agreed as a correct record and signed by the Leader of the Council, Councillor Les Sharp.

CC.14 MINUTES OF REGULATORY COMMITTEE – 31 JANUARY 2017

The Minutes of the Regulatory Committee held on 31 January 2017 were submitted for approval.

Decision

The Minutes of the Regulatory Committee held on 31 January 2017 were agreed as a correct record and signed by Councillor Kenneth Earle, former Chair of the Regulatory Committee.

CC.15 MINUTES OF SCRUTINY COMMITTEE – 2 MARCH 2017

The Minutes of the Scrutiny Committee held on 2 March 2017 were submitted for approval.

Decision

The Minutes of the Scrutiny Committee held on 2 March 2017 were agreed as a correct record and signed by the Leader of the Council, Councillor Les Sharp.

CC.16 MINUTES OF AUDIT AND FINANCE COMMITTEE – 16 MARCH 2017

The Minutes of the Audit and Finance Committee held on 16 March 2017 were submitted for approval.

Decision

The Minutes of the Audit and Finance Committee held on 17 March 2017 were agreed as a correct record and signed off by Councillor Archie Drummond, former Chair of the Audit and Finance Committee.

CC.17 MINUTES OF MEETING OF CLACKMANNANSHIRE COUNCIL – 13 APRIL 2017

The Minutes of the Meeting of Clackmannanshire Council held on 13 April 2017 were submitted for approval.

Decision

The Minutes of the Meeting of Clackmannanshire Council held on 13 April 2017 were agreed as a correct record and signed off by the Leader of the Council, Councillor Les Sharp.

CC.18 MINUTES OF PLANNING COMMITTEE – 27 APRIL 2017

The Minutes of the Planning Committee held on 27 April 2017 were submitted for approval.

Decision

The Minutes of the Planning Committee held on 27 April 2017 were agreed as a correct record and signed off by the Leader of the Council, Councillor Les Sharp.

CC.19 APPOINTMENTS TO COMMITTEES

The report, submitted by the Chief Executive, set out the requirement to fill a number of positions on its standing committees. The recommendations reflected the political balance agreed by Council and took into account the appointments of Chairs and Vice Chairs which had already been made to the standing committees.

Motion

Councillor Sharp provided a list on behalf of the Council which set out the proposed membership of Committees:

Planning Committee:
Councillor Tina Murphy
Councillor Archie Drummond
Councillor Kenneth Earle
Councillor Derek Stewart
Councillor George Matchett QPM
Councillor Bill Mason
Councillor Chris Dixon
Councillor Martha Benny

Regulatory Committee:
Councillor Les Sharp
Councillor Kenneth Earle
Councillor Kathleen Martin
Councillor Chris Dixon
Councillor Mike Watson
Councillor Martha Benny

Audit and Finance Committee[1]:
Councillor Les Sharp
Councillor Dave Clark
Councillor Kenneth Earle
Councillor Martha Benny[2]
Councillor Darren Lee

Scrutiny Committee:
Councillor Ellen Forson
Councillor Archie Drummond
Councillor Phil Fairlie
Councillor Derek Stewart
Councillor Bill Mason
Councillor Darren Lee
Councillor Chris Dixon

[1] Subsequent to the meeting, Councillor Clark, Leader of the Labour Group, confirmed that Councillor Derek Stewart would be the third Labour member on the Audit and Finance Committee.

[2] Subsequent to the meeting, the Leader of the Conservative and Unionist Group, confirmed that Councillor Mike Watson, not Councillor Martha Bennie, is a member of the Audit and Finance Committee.

Decision

The Council agreed to the membership of the Committees as noted above.

Action

Chief Executive

CC.20 MEMBER APPOINTMENTS AND RESPONSIBILITY ALLOWANCES

The report, submitted by the Chief Executive, sought appointments to the positions of spokespersons and confirmation of the member posts which would receive senior responsibility allowances.

Councillor Forson joined the meeting during questions on this item.

Motion

To agree the recommendations as set out in the report with the following members nominated as spokespersons:

Spokesperson for Health and Social Services	Councillor Ellen Forson
Spokesperson for Environment and Housing	Councillor Craig Holden
Spokesperson for Education	Councillor Graham Lindsay
Spokesperson for Partnership and Third Sector	Councillor Phil Fairlie

Moved by Councillor Les Sharp. Seconded by Councillor Archie Drummond.

Amendment

That Councillor Kenneth Earle is nominated as Spokesperson for Partnership and Third Sector.

Moved by Councillor Dave Clark. Seconded by Councillor Derek Stewart

Voting

For Councillor Fairlie	8 votes
For Councillor Earle	3 votes
Abstain from voting	4 votes

Councillor Fairlie was duly appointed Spokesperson for Partnership and Third Sector.

Decision

The Council agreed:

a) To approve the undernoted appointments as Spokespersons:

- Spokesperson for Health and Social Services Councillor Ellen Forson
- Spokesperson for Environment and Housing Councillor Craig Holden
- Spokesperson for Education Councillor Graham Lindsay

b) To reinstate the role of spokesperson for Partnership and Third Sector;

c) To appoint Councillor Phil Fairlie as the Spokesperson for Partnership and Third Sector;

d) That the members appointments which should receive responsibility allowances, are :-

- Chair of Audit and Finance Committee
- Chair of Scrutiny Committee
- Chair of Planning Committee
- Spokesperson for Education
- Spokesperson for Health and Social Services
- Spokesperson for Environment and Housing
- Spokesperson of Partnership and Third Sector

e) To note that consequential changes to Standing Orders and the Scheme of Delegation will be made to reflect the Council's decisions.

Action

Chief Executive

CC.21 ELECTED MEMBER REPRESENTATION ON OUTSIDE BODIES

The report, submitted by the Chief Executive, set out requests for elected member representation on a range of outside bodies. It sought Council's view on whether it wished to be represented on these bodies and, if so, asked Council to appoint members to the relevant organisations.

Motion

To move the recommendations set out in the report and identify a list of bodies seeking representation and proposed nominations to these bodies as set out below.

Name of Outside Body	Number Of Reps	Councillor Nominated
Association for Public Service Excellence (APSE)	1	Councillor Les Sharp
Children's Hearing Scotland	1	Councillor Ellen Forson
Clackmannanshire Alliance	4	Councillor Les Sharp Councillor Archie Drummond Councillor Bill Mason Councillor Kenneth Earle
Clackmannanshire and Stirling Environmental Trust	3	Councillor Les Sharp Councillor Martha Bennie Councillor Derek Stewart
Clackmannanshire Business Ltd	2	Councillor Les Sharp Councillor Chris Dixon
Dollar Academy Trust	1	Councillor Bill Mason
Dollar Museum	1	Councillor Graham Lindsay
Edinburgh Airport Consultative Committee	1	No Appointment
Highland Reserve Forces & Cadets Association	1	Provost - Councillor Tina Murphy Substitute: Councillor Chris Dixon
Integrated Joint Board (Health & Social Care)	3	Councillor Ellen Forson Councillor Bill Mason Councillor Dave Clark

NHS Forth Valley Board	1	Councillor Ellen Forson
Order of Malta Dial-a-Journey	1	No appointment
Pensions Committee	1	Councillor Archie Drummond
Scotland Excel Committee	1	Councillor Les Sharp
Scottish Schools Equipment Research Centre (SSERC)	1 plus 1 substitute	No Appointment
Tullibody Healthy Living Initiative	4	Councillor Les Sharp Councillor Tina Murphy Councillor Darren Lee Councillor George Matchett QPM
University of Stirling Conference Committee	1	Councillor Graham Lindsay
TRUSTS		
Alloa Day Home Trust	5	Councillor Tina Murphy Councillor Ellen Forson Councillor Phil Fairlie Councillor Derek Stewart Councillor Mike Watson
Clackmannan District Brass Band Trust	4	Councillor Craig Holden Councillor Phil Fairlie Councillor Kenneth Earle Councillor Derek Stewart
Clackmannan District Charitable Trust	4	Councillor Tina Murphy Councillor Archie Drummond Councillor Ellen Forson Councillor Derek Stewart Councillor Bill Mason (4 required from pool of 5)
Comrie Trust	4	Councillor Tina Murphy Councillor Archie Drummond Councillor Donald Balsillie Councillor Martha Bennie
Spittal Trust	5	Councillor Tina Murphy Councillor Craig Holden Councillor Phil Fairlie Councillor Derek Stewart Councillor Chris Dixon

Moved by Councillor Les Sharp. Seconded by Councillor Archie Drummond.

Amendment

To propose nominations to those bodies set out below:

Name of Outside Body	Number Of Reps	Councillor Nominated
Association for Public Service Excellence (APSE)	1	Councillor Dave Clark
Children's Hearing Scotland	1	Councillor Kathleen Martin
Highland Reserve Forces & Cadets Association	1	Councillor Derek Stewart
NHS Forth Valley Board	1	Councillor Dave Clark
Order of Malta Dial-a-Journey	1	Councillor Derek Stewart

Moved by Councillor Dave Clark. Seconded by Councillor Kenneth Earle. Councillor Clark confirmed that Councillor Martin was happy to be nominated in absentia.

Voting on the Amendment

For the amendment 3 votes
Against the Amendment 12 votes

The amendment was defeated by 12 votes to 3.

Decision

The Council agreed to provide representation on the undernoted outside bodies and confirmed those members appointed as set out below:

Name of Outside Body	Number Of Reps	Councillor(s) Appointed
Association for Public Service Excellence (APSE)	1	Councillor Les Sharp
Children's Hearing Scotland	1	Councillor Ellen Forson
Clackmannanshire Alliance	4	Councillor Les Sharp Councillor Archie Drummond Councillor Bill Mason Councillor Kenneth Earle
Clackmannanshire and Stirling Environmental Trust	3	Councillor Les Sharp Councillor Martha Bennie Councillor Derek Stewart
Clackmannanshire Business Ltd	2	Councillor Les Sharp Councillor Chris Dixon
Dollar Academy Trust	1	Councillor Bill Mason
Dollar Museum	1	Councillor Graham Lindsay
Edinburgh Airport Consultative Committee	1	No Appointment
Highland Reserve	1	Councillor Tina Murphy

Forces & Cadets Association		Substitute: Councillor Chris Dixon
Integrated Joint Board (Health & Social Care)	3	Councillor Ellen Forson Councillor Bill Mason Councillor Dave Clark
NHS Forth Valley Board	1	Councillor Ellen Forson
Order of Malta Dial-a-Journey	1	No appointment
Pensions Committee	1	Councillor Archie Drummond
Scotland Excel Committee	1	Councillor Les Sharp
Scottish Schools Equipment Research Centre (SSERC)	1 plus 1 substitute	No Appointment
Tullibody Healthy Living Initiative	4	Councillor Les Sharp Councillor Tina Murphy Councillor Darren Lee Councillor George Matchett QPM
University of Stirling Conference Committee	1	Councillor Graham Lindsay
TRUSTS		
Alloa Day Home Trust	5	Councillor Tina Murphy Councillor Ellen Forson Councillor Phil Fairlie Councillor Derek Stewart Councillor Mike Watson
Clackmannan District Brass Band Trust	4	Councillor Craig Holden Councillor Phil Fairlie Councillor Kenneth Earle Councillor Derek Stewart
Clackmannan District Charitable Trust	4	Councillor Tina Murphy Councillor Archie Drummond Councillor Ellen Forson Councillor Derek Stewart Councillor Bill Mason (4 required from pool of 5)
Comrie Trust	4	Councillor Tina Murphy Councillor Archie Drummond Councillor Donald Balsillie Councillor Martha Bennie
Spittal Trust	5	Councillor Tina Murphy Councillor Craig Holden Councillor Phil Fairlie Councillor Derek Stewart Councillor Chris Dixon

Action

Chief Executive

CC.22 BUDGET STRATEGY UPDATE

The report, submitted by the Depute Chief Executive, maintained the Council's regular update on the approved budget strategy. The report also provided an update on the fiscal outlook, the UK Chancellor's March budget, medium term financial planning forecasts and implementation of the 2017/18 Budget, agreed in March 2017.

Motion

To agree the recommendations as set out in the report.

Moved by Councillor Les Sharp. Seconded by Councillor Archie Drummond.

Decision

The Council agreed to note:

a) The fiscal outlook and information on the UK and Scottish Budgets set out in Section 3 of the report;

b) The refreshed financial planning assumptions and resulting High, Median and Low financial planning scenarios (set out in Exhibits 3 to 6 of the report);

c) Progress with implementation of 2017/18 Budget savings (set out in Appendices A to C and paragraphs 4.5 to 4.8 of the report)

d) Progress with regards the implementation of workforce related savings in 2017/18 in respect of Targeted Voluntary Redundancy (set out in paragraphs 4.9 to 4.11 of the report); and

e) Budget preparation activity (set out in paragraph 4.12 of the report).

CC.23 DRAFT FINANCIAL STATEMENTS 2016/17

The report, submitted by the Depute Chief Executive, indicated that Council is required by law to prepare a statement of accounts in accordance with 'proper practices' which sets out its financial position at the end of each financial year.

Motion

To agree the recommendations as set out in the report.

Moved by Councillor Les Sharp. Seconded by Councillor Archie Drummond.

Decision

The Council agreed to:

1. Approve the 2016/17 draft Financial Statements;

2. Approve the 2016/17 Clackmannanshire Council Sundry Trust Funds draft Report and Financial Statements;

3. Approve the submission of these draft Financial Statements to the Controller of Audit no later than 30th June 2017;

4. Note that the finalised audited financial statements will be presented to the Audit and Finance Committee in September 2017; and
5. Otherwise note the contents of the report.

Action

Depute Chief Executive

CC.24 ANNUAL REVIEW OF DEBTORS 2016-17 AND HOUSING BENEFIT BUDGET PROFILING

The report, submitted by the Head of Housing and Community Safety, updated Council on income collection and to propose the "write off" of those arrears considered irrecoverable of "bad debts". The report also discussed the Housing benefit budget in relation to roll out of the Universal Credit (UC) full digital live service in Clackmannanshire during 2017.

The Service Manager, Revenues and Strategy advised a number of amendments to the report post publication:

Page 88, Paragraph 3.5 Billing for the year 2015/16 should be £75.244m (Not £72.899m)

Page 89, Paragraph 4.8 The collection rate for sundry debtors has increased from 73.84% to 80.12% (Not 91.13%). Remove the word "significant" from sentence two.

Page 93, Paragraph 5.5 There are consequential adjustments to write off figures which are proportionate in terms of the total charges raised:

- Council tax write off represented 0.48% of the total charges raised
- Non Domestic Rates represents 0.16% of the total charges raised
- Sundry Debt represents 0.07% of the charges raised
- Housing Benefit Overpayment represents 0.28% of the total charges raised

Page 97, Paragraph 1.1 Should read "an increase from £75.244 million in 2015/16" (Not £72.899m)

Page 97, Paragraph 1.2 Should read "increased by £2.345m" (Not 12.751m)

Page 97, Paragraph 4.1 Should read "In 2016/17 £10.406 million" (Not £20.813 million)

Page 98, Paragraph 4.2 Should read "from £3.318m to £2.515m in 2016/17" (Not £2.491m)

The Provost asked the Service Manager to provide a print out of any changes in future.

Motion

To agree the recommendations as set out in the report.

Moved by Councillor Les Sharp. Seconded by Councillor Archie Drummond.

Decision

Having noted and commented on other matters raised in the report, the Council agreed to:

1. Note the trends in income collection levels;

2. Approve the proposed write-off of £788,931 as detailed in Table 6 of the report;

3. Approve the write-off of £211,503 of housing benefit overpayments (as set out in paragraph 5.4 and Table 7 of the report);

Action

Head of Housing and Community Safety

CC.25 ANNUAL TREASURY REPORT 2016/17

The report, submitted by the Chief Accountant, detailed the Treasury Management activities for the Council for 2016/17.

Motion

To agree the recommendations as set out in the report.

Moved by Councillor Les Sharp. Seconded by Councillor Archie Drummond.

Decision

Having considered the Annual Report 2016/17 on the Council's Treasury Management activities, the Council agreed to note the report.

CC.26 EXTERNAL AUDIT: INTERIM AUDIT REPORT

The report, submitted by the Depute Chief Executive, set out the findings of the early systems and control testing work undertaken by the External Auditors, Audit Scotland, in respect of the 2016/17 financial year.

Mr Gordon Smail from Audit Scotland was in attendance to present the report.

Motion

To agree the recommendations as set out in the report.

Moved by Councillor Archie Drummond. Seconded by Councillor Les Sharp.

Decision

Having considered External Audit's findings and the management responses provided by Council management, the Council agreed to note the report.

CC.27 CHARITABLE TRUSTS

The Report, submitted by the Depute Chief Executive, sought Council approval for the transfer of two Charitable Trusts to Tillicoultry, Coalsnaughton and Devonside Community Council

Motion

That Council agrees the recommendations as set out in the report

Moved by Councillor Archie Drummond. Seconded by Councillor Donald Balsillie

Decision

The Council agreed to:

1. Note the background information set out in paragraphs 3.1 to 3.5; and

2. Approve the transfer of the two Charitable Trusts in respect of the Old Folks Annual Outing and the Old Folks Welfare Fund to Tillicoultry, Coalsnaughton and Devonside Community Council.

Action

Depute Chief Executive

CC28 SCHEME FOR THE ESTABLISHMENT OF COMMUNITY COUNCILS

The report, submitted by the Head of Strategy and Customer Services, sought approval to initiate the second phase of the process to consult on a new draft Scheme for the Establishment of Community Councils.

Motion

To agree the recommendations as set out in the report.

Moved by Councillor Archie Drummond. Seconded by Councillor Donald Balsillie.

Decision

The Council agreed to:

i. Note the conclusions from the public consultation on community council boundaries and composition (set out in Appendices 1 and 2 of the report); and

ii. Approve for public consultation the new draft Scheme for the Establishment of Community Councils (set out in Appendix 4 of the report).

Action

Head of Strategy and Customer Services

The Provost adjourned the meeting for 10 minutes at this point in the proceedings (2.30 pm).

When the meeting resumed at 2.40 pm, fifteen (15) members remained present.

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 item of business on the grounds that it involved the likely disclosure of exempt information as detailed in Schedule 7A, Part 1, Paragraphs 6 and 12.

CC.29 ARBITRATION AWARD

The report, submitted by the Head of Resources and Governance, presented the report undertaken by the Council's Senior Auditor.

Motion

That Council agrees the recommendation 2.1 as set out in the report.

Moved by Councillor Archie Drummond. Seconded by Councillor Craig Holden.

Councillor Drummond gave notice of an amendment which was accepted by his seconder, Councillor Holden, and incorporated into the motion.

Decision

The Council agreed the recommendation as set out in paragraph 2.1 of the report, as amended.

Action

Depute Chief Executive

CC.30 CONTRACT MATTERS AND FINANCIAL SUPPORT

The report, submitted by the Chief Executive, alerted Council to and briefed Council on an emerging situation which may impact on service provision and a request for financial assistance. The Chief Executive also gave a verbal update on further information which had been received.

Councillor Graham Lindsay withdrew from the meeting during questions to this item.

The Provost adjourned the meeting for 10 minutes at this point in the proceedings (4.50 pm).

When the meeting resumed at 5.00 pm, fourteen (14) members remained present.

Motion

That the Council agrees the recommendations as set out in the report at 2.1(a) to 2.1(d) and agrees to take the actions set out by the Leader of the Council.

Moved by Councillor Les Sharp. Seconded by Councillor Archie Drummond.

Decision

The Council noted the recommendations as set out in the report at 2.1(a) to 2.1(d) and agreed a range of actions to promote service continuity.

Action

Chief Executive

Ends 5.15 pm

THIS PAPER RELATES TO ITEM 04

ON THE AGENDA

CLACKMANNANSHIRE COUNCIL

Report to: Clackmannanshire Council

Date of Meeting: 31st August 2017

Subject: Tullibody South Shared Campus

Report by: Chief Education Officer

1.0 Purpose

1.1. To update the Council on the progress of a shared campus incorporating Abercromby Primary School, St Bernadette's Primary School, a Nursery and shared facilities.

1.2. To seek agreement of the outline design for the campus building.

2.0 Recommendations

2.1. It is recommended that Council note the following :-

a) Appointment of Hub East Central Scotland (Amber Blue) to develop a design and build project for the Tullibody South Campus

b) Appointment of the Design Team:

Tier 1: Robertson's Construction

Tier 2 : Keppie's Architects,

Baker Hicks, Mechanical &Electrical Engineers and Civil and Structural Engineers.

c) Appointment of Consultants to undertaken the following duties:

1. Kirk & Marsh, Principal Designer and Construction Design Management (CDM).
2. AECOM – Building Information Modelling (BIM).

2.2. It is recommended that Council agree the proposed programme, site layout, accommodation schedule and floorplans for the building contained within Appendices 1-4.

2.3. It is recommended that Council agree that the Council's capital budget is realigned for the Tullibody South project to reflect the phasing of the programme.

2.4. It is recommended that Council agree that the land formally occupied by the flats known as The Orchard be transferred from the HRA to the General Fund to facilitate the new campus development in compliance with the relevant regulations and subject to a valuation to be determined in consultation with the District Valuer's Service.

2.5. It is recommended that Council agree to the partial demolition of the existing Abercromby Primary School to enable the advanced works to be undertaken, noting the requirement for temporary teaching accommodation.

3.0 Background

3.1. At the Council meeting on 12 January 2017, it was agreed to update the Council on the development of the Tullibody South Campus.

3.2. A series of workshops have been held with staff from Abercromby Primary, St Bernadette's Primary and Abercromby Nursery. Meetings have been held with both Abercromby and St Bernadette's Parent Council and Tullibody Community Council. An initial meeting of a Stakeholder's Group has been held, incorporating representatives from the aforementioned groups and representatives from Tullibody Action Group, Tullibody History Group and the Roman Catholic Church. A Working Group representing officers from a range of services meets monthly to progress the works at Tullibody South.

3.3. Visits to other shared campus establishments in Fife and Stirling have been undertaken. Future visits are planned to Dundee and Perth and Kinross. This has given an opportunity for questions to be answered and ideas to be added to the design brief.

4.0 Considerations

4.1. The proposed design reflects the fact that St Bernadette's RC Primary School Abercromby Primary School and the nursery will continue to exist as separate entities within the campus each having their own staff, management teams, budgets, ethos and visions. They will share facilities such as outdoor learning space, toilets, meeting rooms, games hall and dining facilities. Details of the floorplans are contained in Appendix 4.

4.2. The Nursery will enable provision of 1140 hours to be delivered in August 2019 ahead of the Scottish Government implementation date in 2020.

4.3. The shared campus will include meeting rooms, a library, IT facilities and sports facilities which will be available for community use.

4.4. Following an initial topographical survey an abnormally large amount of excavation and disposal was identified on the grassy area to the north of the existing school. This would have taken costs above the agreed budget so the proposal is that the building should be located on the flatter part of the site as shown in the image contained in Appendix 2.

4.5. The development of the campus will involve decanting seven classrooms and ancillary spaces from the east wing of the existing Abercromby Primary school

into temporary accommodation. The cost of the temporary accommodation is within overall project costs.

4.6. To allow the advanced works outlined in section 4.4 to progress the capital budget projections for 2017 -2021 need to be realigned to reflect the alteration in cash flow. A site start for construction is targeted for April 2018 and a handover of the new campus in July 2019. A revised cash flow of £1.7M in 2017/2018. £10.7M in 2018/2019, £2.7M in 2019/2020 and £0.22M in 2020/2021 aligns with the current programme. The overall budget allocated for this project remains the same.

4.7. The area formally occupied by flats known as The Orchard allows for a full mobilisation area and construction compound to be created minimising the impact on the constrained school site. This area will be designed as the new access to the campus separating vehicle access for visitors/disabled parking and deliveries from pupil entrances and playground spaces. Further details are illustrated in the attached Appendix 5.

Consultation

4.8. A monthly project working group has been established with representatives from; Roads, IT, Education, Capital Projects Team, Customer Services, Repairs and Maintenance, Development and Environmental and Communications

4.9. A quarterly meeting project stakeholder's group has been established with representatives from; teaching staff, pupils, parents, RC Church, Community Council, Tullibody Action Group, Tullibody History Group, Education and Customer Services dates have been agreed for these meetings to continue throughout the building programme.

4.10. Fortnightly design team meetings are ongoing with Hub.

4.11. As part of the Pre- Planning Application, the views of all stakeholders regarding the design and configuration for this development will be sought. The Proposal of Application Notice (PAN) was lodged on the 17th of July 2017. As part of this process the contractors are consulting with officers in other services, particularly Roads. The full planning application will be submitted later in the year and will be considered by the Council's Planning Committee. If planning permission is granted then it is intended that work on site will commence in April 2018 and that the school will be ready to be occupied in August 2019. In order to give the local community an opportunity to view the plans and find out more about the traffic management plans and the school travel plan there will be an information evening in Abercromby Primary School on 14th of September 2017.

4.12. Housing colleagues consult regularly with the Tullibody Residents Association.

5.0 Sustainability Implications

5.1. It is expected that the new campus will be more energy efficient than the buildings it replaces and that there will therefore be a significant reduction in CO2 emissions.

5.2. Targets for carbon reduction will contribute to the overall Council Carbon Management Plan targets. Recommendations from Resource Efficient Scotland will be incorporated in the output specifications for the project.

6.0 Resource Implications

6.1. The indicative costs including the temporary teaching accommodation and any potential road works remain within the £15.3 million budget.

6.2. As no decision has been made as to the future of the existing St Bernadette's Primary School site, the figures outlined above do not include any potential capital receipts.

In terms of affordability, the revised Capital Programme (factoring in other carry forwards projected this year) is still within our limits on a cumulative basis, however, 2019/20 shows an increase in the debt mainly due to the grant income now being received in 17/18 instead of 19/20.

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

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) **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	√
Vulnerable people and families are supported	√
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)

Making Clackmannanshire Better

9.0 Equalities Impact

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

10.0 Legality

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

11.0 Appendices

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

Appendix 1 – Indicative Programme

Appendix 2 - Proposed Site

Appendix 3 - Accommodation Schedule

Appendix 4 - Proposed floorplans

Appendix 5 - Temporary Accommodation and Construction Compound

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)

Report to Council March 5th 2015 - "Abercromby Primary School Development – Option Appraisal"

Report to Education Sport and Leisure Committee 10th September 2015 - "Consultation Process for Tullibody South Proposal"

Report to Council 11th August 2016 - "Outcome of Consultation on Tullibody South Campus Development"

Report to Council 12th January 2017 - "Update of Tullibody South Campus Development"

Local Government Scotland Act 1973 – Section 74

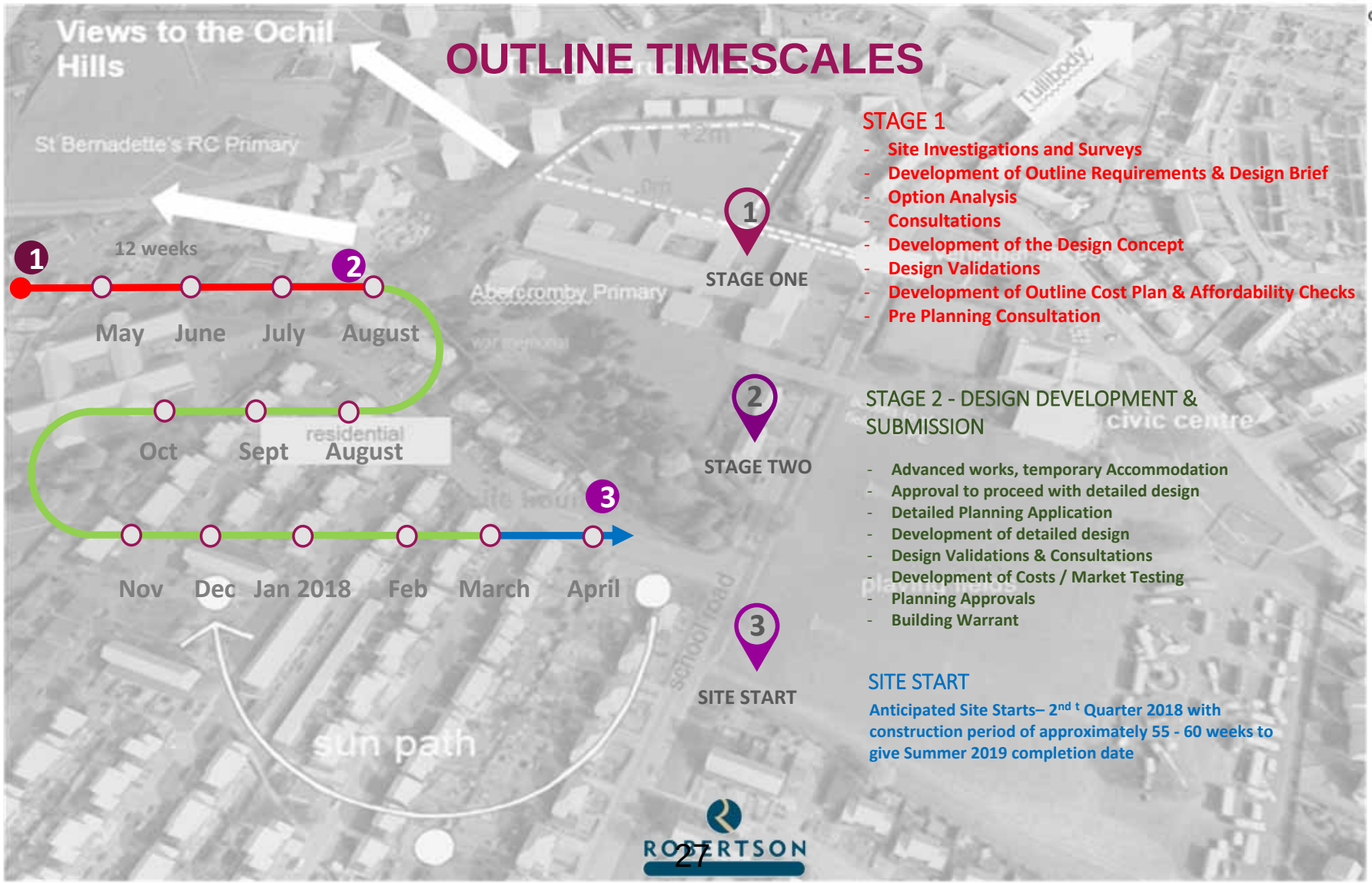
Disposal of Land by Local Authorities (Scotland) Regulations 2010

Author(s)

NAME	DESIGNATION	TEL NO / EXTENSION
Eileen Turnbull	Service Manager	01259 452460

Approved by

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



OUTLINE TIMESCALES

STAGE 1

- Site Investigations and Surveys
- Development of Outline Requirements & Design Brief
- Option Analysis
- Consultations
- Development of the Design Concept
- Design Validations
- Development of Outline Cost Plan & Affordability Checks
- Pre Planning Consultation

STAGE 2 - DESIGN DEVELOPMENT & SUBMISSION

- Advanced works, temporary Accommodation
- Approval to proceed with detailed design
- Detailed Planning Application
- Development of detailed design
- Design Validations & Consultations
- Development of Costs / Market Testing
- Planning Approvals
- Building Warrant

SITE START

Anticipated Site Starts– 2nd t Quarter 2018 with construction period of approximately 55 - 60 weeks to give Summer 2019 completion date

N

0 5m 20m 30m

EX. NURSERY SDM RETAINED.

NEW NURSERY GARDEN

NURSERY PLAY

SCHOOL GARDEN AREA

SOFT PLAY GRASS GAMES AREA

TANK & PUMP HSE

NEW ACCESS

SERVICE/DELIVERIES

BINS

SUMMER

SUMMER

BD

BD

NURSERY

MAIN

PUPIL ACCESS

PLAYGROUND

MUGA

HARD GAMES AREA (REQUIREMENT TBC)

MUGA

STAFF ACCESS

AMPHITHEATRE

CYCLES

EX. TRIM TRAIL KIT RE-USED

NATURAL HABITAT / WOODLAND AREA

SCHOOL ROAD

STAFF CAR PARK 30 SPACES

IN

OUT

PUPIL ACCESS

TULLIBODY PRIMARY SCHOOL
SITE LAYOUT SKETCH
1443 SK03
1:1000 @ A3 03.08.17

Appendix 3 Accommodation Schedule

Proposed Abercromby Primary School Accommodation

Pupil Roll 440

Room Number	Room Name	Number of rooms	Room Area	Total Area
			Apr-17	
	Teaching Areas			
1	Classrooms (58m2)	16	58	928
2	Flexible Learning Zones (10m2/ classroom)	16	10	160
3	General Resource Stores (2m2/classroom)	16	2	32
30	Nurture Room	1	30	30
33	Safe Space	1	8	8
	Department Total Area (m2)			**1158**
	Other Areas			
4	Head Teacher Office	1	15	15
5	Depute Head Teacher	2	8	16
6	Central Resource Room	1	40	40
37	Staff Workbase	1	70	70
	Department Total Area (m2)			**141**
	Toilets/cloaks/ancillary spaces			
7	Pupil Cloakrooms	16	10	160
8	External storage	2	10	20
9	Pupil Toilets (Unisex)	26	3	78
10	Disabled Toilets	4	4	16
	Department Total Area (m2)			**274**
	Total Net Area (m2)			**1573**

Proposed St Bernadettes Primary School Accommodation

Pupil Roll 120

Room Number	Room Name	Number of rooms	Room Area	Total Area
	Teaching Areas			
1	Classrooms (58m2)	6	58	348
2	Flexible Learning Zones (10m2/ classroom)	6	10	60
3	General Resource Stores (2m2/classroom)	6	2	12
30	Nurture Room	1	30	30
33	Safe Space	1	8	8
	Department Total Area (m2)			**458**
	Other Areas			
4	Head Teacher Office	1	15	15
37	Staff Workbase	1	20	20
6	Central Resource Room	1	20	20
	Department Total Area (m2)			**55**
	Toilets/cloaks/ancillary spaces			
7	Pupil Cloakrooms	6	10	60
8	External storage	1	10	10
9	Pupil Toilets (Unisex)	10	3	30
10	Disabled Toilets	2	4	8
	Department Total Area (m2)			**108**
	Total Net Area (m2)			**621**

Proposed Nursery Accommodation

Pupil Roll 140

Room Number	Room Name	Number of rooms	Room Area	Total Area
	Teaching Areas			
11	Reception/Admin Office	1	15	15
12	Baby Room 0-2 (3.7m2/ pupil) 10 pupils	1	37	37
13	Nursery Playroom 2-3 (2.8m2/ pupil) 30 pupils	1	84	84
14	Nursery Playroom 3-5 (2.3m2/ pupil) 100 pupils	1	230	230
15	Internal Storage	3	10	30
16	External Play Storage	2	8	16
17	Kitchen/ Food Prep	1	15	15
18	Nappy Change area	2	4	8
19	Potty Wash Area	1	4	4
	Department Total Area (m2)			**439**
	Staff/Admin Areas			
20	Manager's Office	2	12	24
21	Staff Base/ Meeting space	1	30	30
	Department Total Area (m2)			**54**
	Toilets/cloaks/ancillary spaces			
22	Children's Toilets	14	2.5	35
23	Cloaks/ Pram Store	2	20	40
24	Cloakroom to external	1	50	50
25	Laundry	1	7	7
26	Drying room	1	8	8
27	Staff Toilets (Unisex)	3	2.5	7.5
10	Disabled/Visitor WC	1	4	4
29	Accessible Toilet/ Hygiene	1	8	8
	Department Total Area (m2)			**160**
	Total Net Area (m2)			**653**

Proposed Shared School Accommodation

Room Number	Room Name	Number of rooms	Room Area	Total Area
	Flexible Teaching Areas			
31	General Purpose Room	1	60	60
32	General Purpose Room	1	45	45
32	General Purpose Room	3	15	45
	Department Total Area (m2)			**150**
	Other Shared Areas			
34	Reception Desk	1	25	25
35	Admin Office	1	45	45
36	Reprographics	1	15	15
	Department Total Area (m2)			**85**
	Toilets/cloaks/ancillary spaces			
27	Staff Toilets (Unisex)	4	2.5	10
10	Staff Disabled Toilet	1	4	4
	Department Total Area (m2)			**14**
	Total Net Area (m2)			**249**

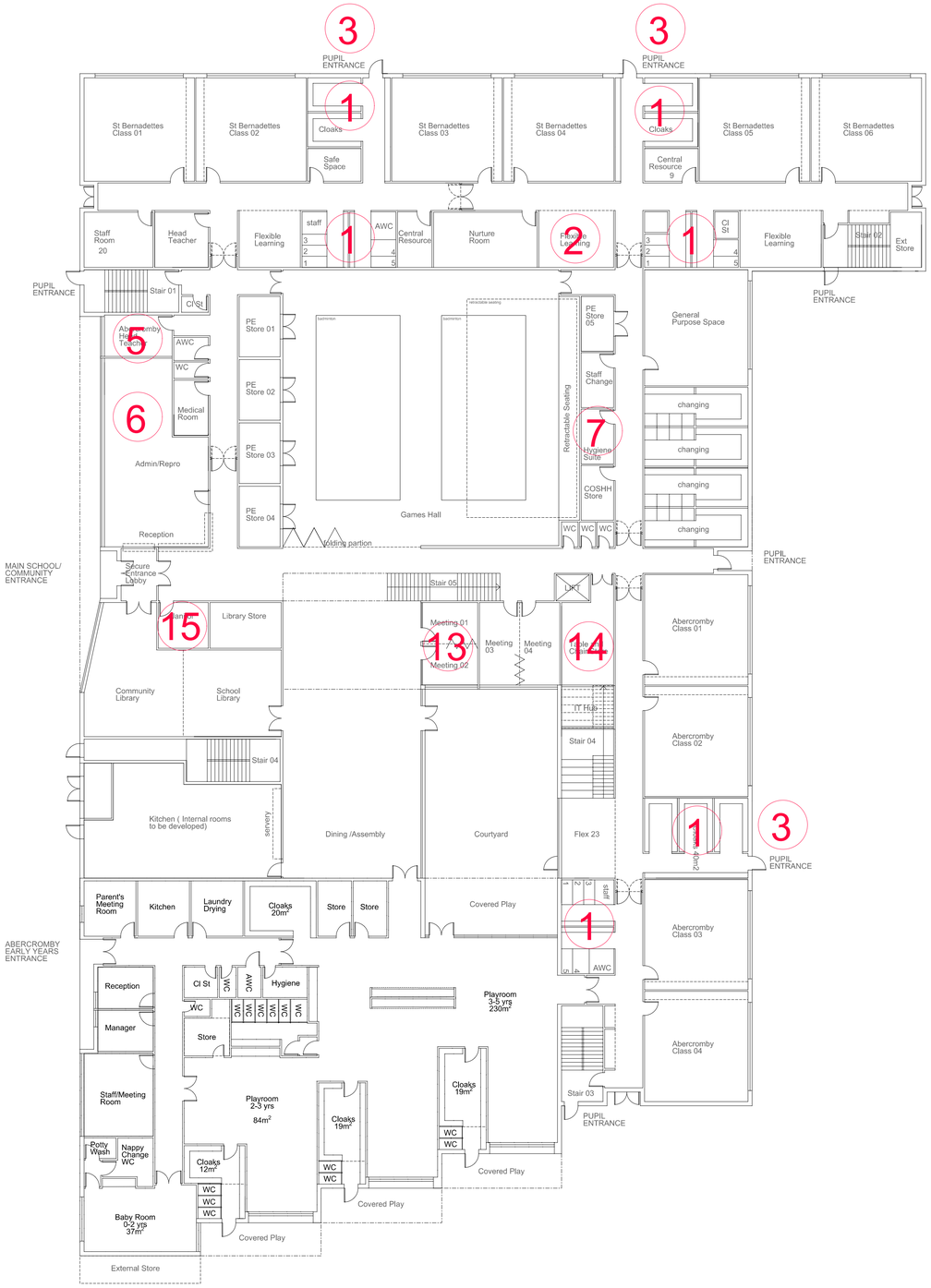
Proposed Shared Community Accommodation

Room Number	Room Name	Number of rooms	Room Area	Total Area
	Shared spaces			
34	Community Reception Desk	1	5	5
38	Library/ Learning Resource	1	100	100
39	Library Store	1	20	20
40	Games Hall - 2 badminton court	1	400	400
41	Games Hall/ Sports Stores	3	varies	73
45	Small Gymnasium	1	115	115
46	Dining and Assembly	1	200	200
44	Bleacher Seating	1	25	25
45	Table/ Chair Storage	1	20	20
46	Stores	2	10	20
47	Janitor/ FM	1	12	12
48	Immersive room	1	50	50
49	Medical Room/First Aid	1	10	10
50	Meeting Rooms large	2	18	36
51	Meeting Rooms small	2	12	24
52	Kitchen	1	82	82
53	Catering Office	1	4	4
54	Cold Room	1	4	4
55	Dry Store	1	4	4
56	Staff Change/WC	1	6	6
	Department Floor Area (m2)			**1210**
	Toilets/cloaks/ancillary spaces			
57	Changing Rooms	4	25	100
58	Staff Changing	1	10	10
28	Adult WCs (Unisex)	9	2.5	22.5
10	Disabled WC	1	4	4
60	Hygiene Suite	1	10	10
59	IT/ Comms Room	1	20	20
61	Cleaner's Stores	6	3	18
62	COSHH Store	1	10	10
	Total Area (m2)			**194.5**
	Total Net Area (m2)			**1404.5**

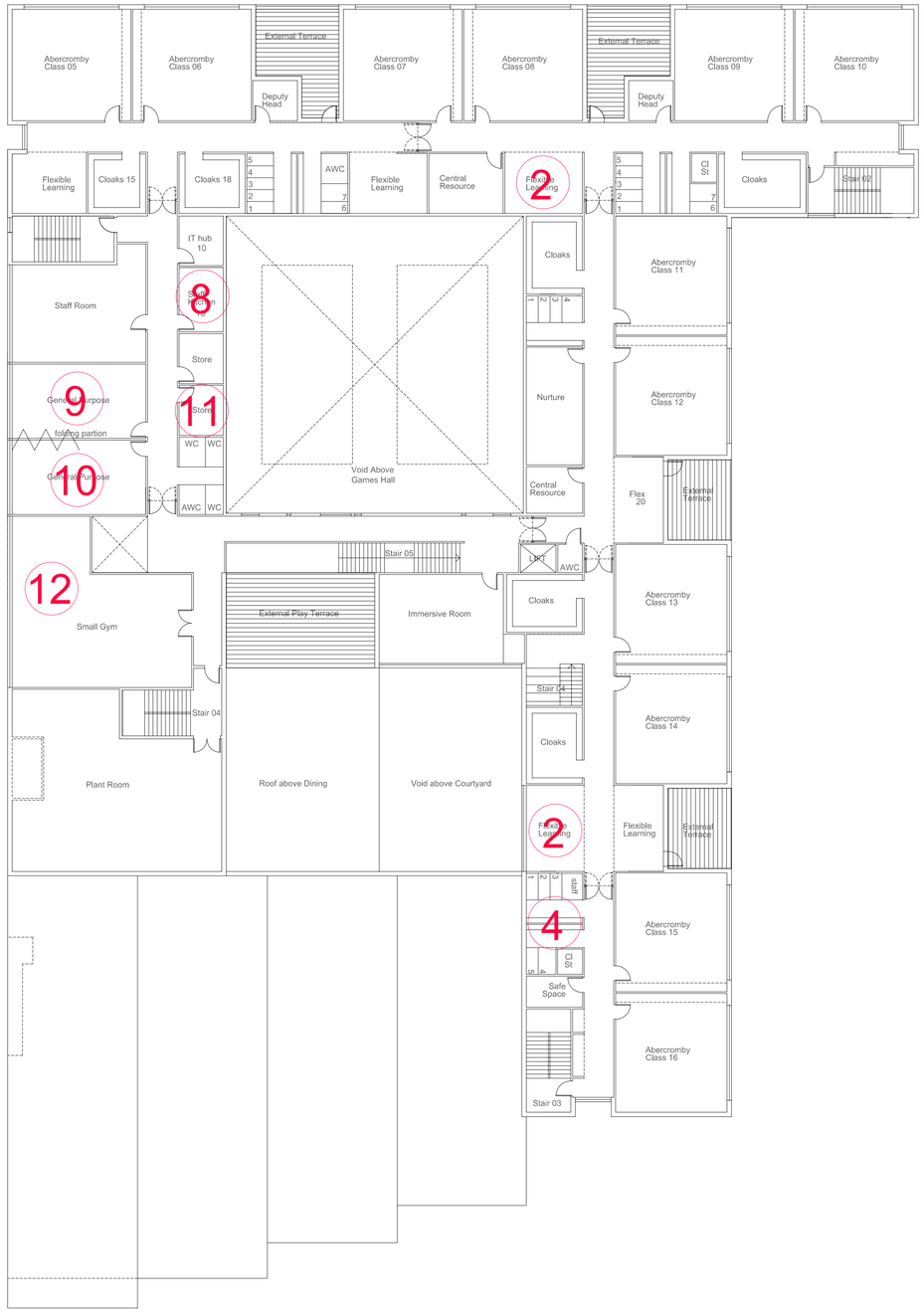
Proposed Abercromby Primary School Accommodation Summary	
Total Net Area (m2)	**1573.0**
Proposed St Bernadettes Primary School Accommodation Summary	
Total Net Area (m2)	**621.0**
Proposed Nursery Accommodation Summary	
Total Net Area (m2)	**652.5**
Shared School Spaces	
Total Net Area (m2)	**249.0**
Shared Community Spaces	
Total Net Area (m2)	**1404.5**

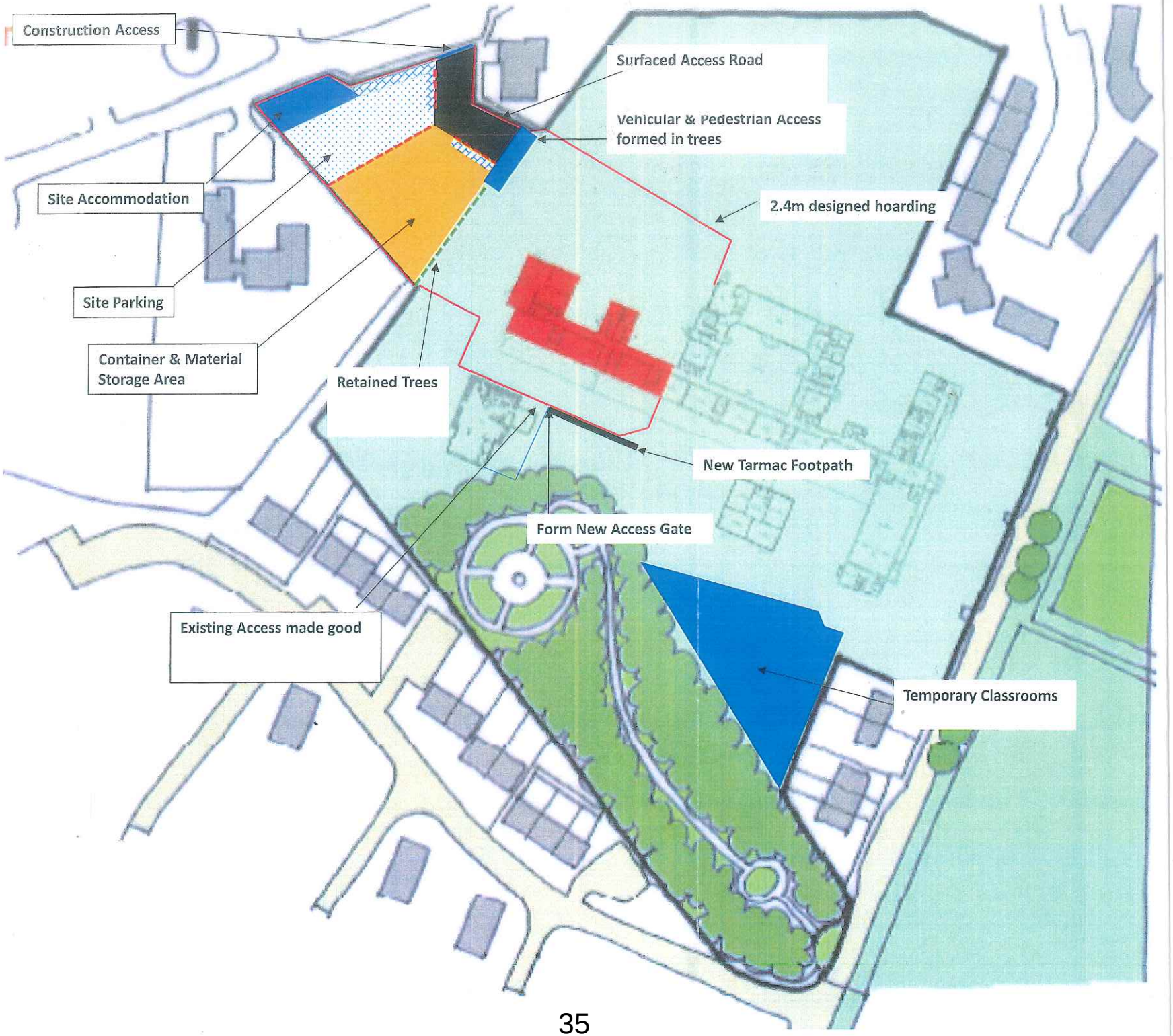
Total Net Area (m2)			**4500.0**
Circulation (% of net)	15	15	**675.0**
Plant (% of net)	5		**200**
Internal Walls (% of net)	5	5	**225.0**
Gross Internal Floor Area (m2)			**5600.0**

GROUND FLOOR PLAN 14.08.2017



FIRST FLOOR PLAN 14.08.2017




Construction Access
Surfaced Access Road
Vehicular & Pedestrian Access formed in trees
Site Accommodation
2.4m designed hoarding
Site Parking
Container & Material Storage Area
Retained Trees
New Tarmac Footpath
Form New Access Gate
Existing Access made good
Temporary Classrooms

THIS PAPER RELATES TO ITEM 05

ON THE AGENDA

CLACKMANNANSHIRE COUNCIL

Report to: Clackmannanshire Council

Date of Meeting: 31 August, 2017

Subject: Member Representation on CoSLA Policy Boards

Report by: Chief Executive

1.0 Summary

1.1 This report asks Council to nominate members to represent the Council on four CoSLA Policy Boards.

2.0 Recommendation

2.1. It is recommended that Council appoints an elected member and a substitute member to sit on each of the four CoSLA Policy Boards.

3.0 Background

3.1 CoSLA established four Policy Boards at its Convention in June. Each Board is chaired by a Spokesperson appointed by Convention and comprises a representative from each member Council. The four Boards are:

- Health and Social Care Board
- Community Wellbeing Board
- Children and Young People Board
- Environment and Economy Board

3.2 The undernoted policy areas are covered by the individual Boards and each Board will also have responsibility for considering workforce and funding issues relevant to these areas.

Health and Social Care Board	**Community Wellbeing**
• Charging Policies for Social Care • Integration of Health and Social Care • Older People's Care and Support/NCHC and Care Home Provision • Public Health and Health Inequalities • Reform of Adult Social Care • Social Care Workforce • Supporting Carers	• Community and Criminal Justice • Community Empowerment and Engagement • Community Safety and Resilience • Consumer Protection • Employability • Equalities and Human Rights • Housing & Homelessness • Migration and Refugee Issues • Poverty • Social Security and Welfare Reform • Sports, Culture and Leisure

Environment and Economy	Children and Young People
• Broadband and Mobile Policy • Climate Change and Energy • Crown Estate • Economic Development • Islands Bill • Planning • Regeneration • Transport • Unconventional Onshore Oil and Gas • Waste	• Additional Support Needs • Child Poverty • Child Protection • Children's Hearings • Children's Services • Developing the Young Workforce • Early Years • Education • GIRFEC and Named Person • Looked After Children • Secure Care • Unaccompanied Asylum Seeking Children • Workforce Planning and Development • Youth Justice

3.3 The Boards will report to Leaders' meetings on relevant matters arising, and refer issues of significant political and budgetary implication to Leaders.

3.4 Each Board has responsibility for discharging the following functions:

- Engage with and focus on member Councils' priorities in relation to its terms of reference.
- Act as the key network through which all member Councils create policy, examine legislative or other developments, agree lobbying positions, and investigate options for future direction in relation to its terms of reference.
- Take forward work that delivers the strategic priorities set by Convention including campaigns, research, improvement support, public statements and other steps as appropriate.
- Work with CoSLA's Resources Spokesperson to scrutinise and address the financial, human, and other resource implications for Local Government associated with its terms of reference, making recommendations to Leaders as appropriate.
- Involve members, Councils and other appropriate stakeholders in the delivery of its work through a varied mix of events, presentations of advice and evidence, networks, debate, and other means of engagement.
- Draw on the expertise of key advisors from the sector, including SOLACE and other local government professional associations. Professional advisers attending meetings will not have voting rights.
- Contribute to reforms, efficiencies and improvements in the delivery of local services, and identify and share good practice and ideas to stimulate innovation and improvement.
- Provide a mandate to the Spokesperson in their interactions with Ministers and legislatures, and hold them accountable in progressing CoSLA's mandated policy positions.

4.0 Considerations

4.1 The Boards will each meet six times a year and the Spokesperson may call extraordinary meetings of the Board as appropriate.

4.2 Individual Members will be expected to:

- Represent their Council through regular attendance at Board meetings, providing a channel of communication and engagement between their Council and the work of the Board.
- Come to the Board with an informed view of the papers, reflective of their Council position.
- Report back the decisions of the Board to their respective Councils and take responsibility for any agreed actions.
- Promote the work and role of CoSLA.

4.3 Board members unable to attend a meeting should arrange a suitable substitute.

5.0 Sustainability Implications - n/a

6.0 Resource Implications

There are no budget implications as a result of this paper.

7.0 Staffing Implications – n/a

8.0 Exempt Reports

8.1 Is this report exempt? No

9.0 Declarations

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

(1) Our Priorities

The Council is effective, efficient and recognised for excellence

(2) Council Policies n/a

10.0 Equalities Impact - n/a

11.0 Legality

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

12.0 Appendices

12.1 None

13.0 Background Papers

13.1 Email dated 14/7/17 from CoSLA re Policy Board Nominations

NAME	DESIGNATION	SIGNATURE
Elaine McPherson	Chief Executive	Signed: E McPherson

THIS PAPER RELATES TO ITEM 06 ON THE AGENDA

CLACKMANNANSHIRE COUNCIL

Report to Council

Date of Meeting: 31 August 2017

Subject: Budget Strategy Update

Report by: Depute Chief Executive

1.0 Purpose

1.1. The purpose of this report is to maintain Council's regular update on the approved Budget Strategy. This report provides an update on the fiscal outlook and focuses on the Budget 2018/19 preparation process and timetable.

1.2 Importantly, at the start of the new Council, the report summarises some key financial planning messages, it details the progress made to date, alongside plans and areas for improvement and aims to facilitate Council decision making for the future.

2.0 Recommendations

2.1 It is recommended that Council notes:

a. the fiscal outlook and information on the UK election outcome impacts set out in paragraphs 3.1 to 3.4

b. the key messages from the three CIPFA Insight papers on medium term financial planning, financial resilience and balancing local authority budgets set out in paragraph 3.7, 3.10 and 3.14

c. Council's progress in implementing initiatives in support of medium term financial planning and financial resilience (paragraphs 3.8, 3.11 and 3.12)

d. key next steps/actions required to further refine and develop key corporate and financial strategies in support of medium term planning (paragraphs 3.9 and 3.12)

e. the high level budget preparation timetable based on a budget being agreed during February 2018

f. the arrangements in respect of elected member, trade union representative, stakeholder and staff consultation (paragraphs 4.3 to 4.5)

g. the updated *Taking Clackmannanshire Forward Framework* which further develops the approved *Making Clackmannanshire Better* approach (Appendix B).

3.0 Fiscal outlook

3.1 The June 2017 Fiscal Affairs Scotland briefing focuses mainly on the Brexit, economic and fiscal implications of the UK election result.

3.2 The paper suggests that a 'soft' Brexit now seems more likely than pre election. Additionally concerns over prospective staff shortages in areas like the NHS may lead to a softening in the UK Government's immigration approach. For example, new figures show a decline of 96% in the number of nurses from the EU, registering to practice in the UK in 2016.There are currently almost 40,000 EU nurses on the UK register, which is up from 10,000 in 2010, and the Health Foundation estimate is that there is already a shortage of 30,000 nurses in England alone.

3.3 Following the UK General Election, the value of Sterling initially fluctuated before settling with an overall slight fall in value. However, other key economic indicators such as inflation have shown more movement. In the 12 months to April 2017, there was a rise in UK inflation to 2.7% and this is partly attributed to Brexit. This led to the Bank of England's Monetary Policy Committee (MPC) only narrowly voting against raising interest rates. Such a close vote suggests that caution is required as City analysts had recently predicted that it was unlikely that the MPC would raise rates before 2019.

3.4 Most commentators have reacted to the election result by suggesting that future UK fiscal plans will be looser than at present. However, the degree to which this materialises remains uncertain. At present, some future UK budget cuts remain undefined and it has been suggested that these may be dropped. In order to continue budget rebalancing, future increases in taxation may be required.

3.5 The Chartered Institute of Public Finance and Accountancy (CIPFA) regularly produces its Insights reports which aim to provide detailed commentary and analysis on current issues and developments affecting public sector financial management and governance. As Council steps up its Budget preparation arrangements for 2018/19 budget setting, the key messages from three key papers have been summarised to provide context and assistance to Council in the next budget setting round. An indication of the Council's progress against some of these issues is also provided. The three CIPFA Insight papers are as follows:

- **Looking Forward**: Medium-term financial strategies (MTFS) in the public sector
- **Building Financial Resilience**: managing financial stress in local authorities
- **Balancing Local Authority Budgets**.

These papers have been provided as background papers to all elected members ahead of this meeting.

3.6 The **Looking Forward** paper describes the now familiar public sector context of reductions in funding settlements since 2010 and the ever increasing challenge that is now evident in respect of balancing council budgets.

3.7 CIPFA recognises the following key attributes of effective medium term financial planning:

- both revenue and capital investment should be driven by the MTFS and aligned with clearly stated strategic planning ambitions and priorities

- whilst the timescale for MTFS will to some extent be dependent on the operating environment of the individual organisations, they are typically 3 years with a detailed annual budget and/or three year rolling budget plans

- the budget will be balanced, in that expenditure matches resources plus any planned borrowing or use of reserves

- stakeholder consultation is a key aspect of strategic planning

- the underlying demand for services is forecast within the context of currently agreed policies and reflected in clear service plans

- effective public financial management is one part of good governance by which financial resources are planned and controlled to enable and influence the efficient and effective delivery of public service goals.

3.8 The Council is making progress with embedding its medium term financial planning approach. This progress is summarised against some of the key factors highlighted by CIPFA as follows:

- a three year medium term strategy is regularly refreshed for Council using scenario planning based on a range of key financial planning assumptions

- the indicative gap for each financial year is presented alongside options for redesign, budget efficiencies and the current reserves position

- each Council meeting receives a report updating on the latest position

- aligned revenue and capital budgets have been prepared in respect of both General Services and the Housing Revenue Account for a number of years with the aim of providing a more holistic approach to financial planning for services and guiding decisions about savings and investment priorities

- significant investment has been made in improving stakeholder consultation over a number of years using different approaches. The outputs of the consultation exercises are provided to all elected members ahead of taking decisions at budget setting. Consultation feedback has also been used to tailor proposed options submitted to Council, for instance the development of the hub model

- a key focus of attention has been on improving forecasting for significant services such as Social Services which has experienced significant overspends. A one off zero based exercise was undertaken to realign the budget with forecast demand. However, work is also in hand to procure a new Social Work Case Management system to improve the management information and reporting facilities available to the service and accountants in supporting the service. It is anticipated that this will improve the ability to track and forecast demand in the service

- work continues with the aim of improving financial governance across the Council with the support of elected members through the Committee system. A new finance system has been implemented which improves many historic

control environment weaknesses with respect to the purchase and authorisation of goods and services. With the establishment of the new Council, all major financial policies are also scheduled for refresh which will also allow for the changes in arrangements made as a consequence of the new system implementation, to be reflected.

3.9 The key action/next step for the Council is to refine and develop plans already approved by Council to undertake a corporate redesign. As the details of this are further developed and agreed, it will be possible to populate key plans such as the MTFS and the Workforce Strategy with the explicit objectives, priorities and structures required to operationalise the Council's ambitions. These plans have the aims of developing better, more integrated and cost effective services within the available resources. This is a critical step for the Council, requiring potentially challenging decisions about the relative priority of individual services and options for new ways of delivering services. It is intended that the developing plans and priorities will also be reflected into the planned refresh of the Council's Corporate Plan, *Taking Clackmannanshire Forward.*

3.10 CIPFA's **Building Financial Resilience** paper reaffirms the local government operating context and the need for difficult decisions to be made. Additionally, it indicates that these decisions will be taken locally and that these difficult choices are facing every local authority. The paper also highlights:

- the warning signs of financial stress as: running down reserves; failure to plan and deliver savings; a reduction in the medium-term planning horizon; greater 'still to be found gaps' on savings plans; a growing tendency for unplanned overspends and/or carry forward of undelivered savings
- the need to focus on delivering medium term savings rather than the 'annual gap'
- the importance of aligning capital and revenue to ensure the impact of decisions is known and understood
- the need to plan savings over at least three years to allow for policy decisions to be agreed and delivered
- the need for 'honesty' about the organisational capacity and capability to deliver transformative results, including project management capacity
- the potential for an 'optimism bias' around the terminology of transformation and the need for clear communication with local people about the nature of changes and what it will mean for them.

3.11 The Council is exhibiting many of the warning signs of financial stress as defined by CIPFA. These have been regularly reported to Council and Committees, for instance failing to deliver planned savings, unplanned overspends, carrying forward undelivered savings and an increasing future years' funding gap.

3.12 Critical to the management of this position, is the development of the detailed proposals supporting organisational redesign which will provide corporate priorities and the detailed programme of activity from which key strategic plans such as the

MTFS can be further refined. A key part of this programme is the need to involve and engage service users, communities, partners and our staff in the identification and implementation of the changes required.

3.13 CIPFA's paper on **Balancing Local Authority Budgets** suggests that a prudent definition of a sustainable balanced budget for local government would be:

"A financial plan based on sound assumptions which shows how income will equal spend over the short and medium term"

The paper is based on round table discussions with many local government chief financial officers who have been highlighting increasing concerns about the ability to fund services in the coming year(s).

3.14 The paper reflects many of the messages of the two previously quoted papers. Additionally CIPFA states that:

- the best local budget plans are those owned and articulated by the whole council and its senior leadership, not simply the CFO…..everyone has a role to play
- Financial crises do not appear overnight. What may start as a small problem, can worsen as a result of a combination of factors including:
    - Denial
    - overly short term tactics
    - overly optimistic longer term solutions
    - insufficient monitoring
- There are over 1,000 statutory duties for a local authority to carry out ……some of these duties are purely administrative and would have little impact on the lives of the ratepayers but provide important functions around governance, accountability and transparency. Others, such as the provision of care for children, are high risk and form the basis of citizen's expectations of the state
- ….very few of these statutory duties are prescribed in detail in the legislation and this is where there is flexibility for local authorities to consider how local services are delivered
- A lower cost service does not always equate to the minimum level of provision for statutory services
- In….local government, it may be the robustness of the cost savings plan that will ultimately determine a balanced budget. For some councils income generation plays a more important role, although the amount of income that is generated can vary.

3.15 These messages are not new- they have been presented and debated many times by

Council and in elected member forums and briefings. However, at the start of the new Council, summarising these key messages, and the progress made to date alongside plans and areas for improvement aims to better support the critical decision making which is likely to be undertaken by Council in the near future.

4.0 Budget Strategy Implementation

4.1 At the June meeting of Council, refreshed financial planning assumptions and scenarios were presented. There has been no new information since that update, therefore, the forecast remains as previously reported. Exhibit 1 shows the median scenario which indicates a funding gap of £13.6m for 2018/19 and £28.9m for the three years cumulatively to March 2021.

Exhibit 1: MEDIAN SCENARIO: Indicative funding gap 2018/19 to 2020/21

Year	2018/19	2019/20	2020/21
Net expenditure	124,624	129,447	134,286
Net funding	111,006	108,059	105,289
Annual Indicative funding gap	13,618	7,770	7,609
Cumulative Indicative funding gap	13,618	21,388	28,997

Budget preparation 2018/19

4.2 Work is also progressing to develop the Council's proposed Budget for next year. Appendix A sets out the high level budget preparation timetable. Based on the experience of recent years, the timetable is based on a budget being presented to Council for approval in February 2018.

4.3 The Budget timetable also includes a significant range of consultation activity. It is proposed that monthly member meetings will take place as in previous years. The first of the substantive meetings is scheduled for the end of September. At this point a first tranche of feedback will have been collated from services in respect of:

- compensating savings for 2017/18 where previously approved savings have been identified as unachievable
- confirmation of 2017/18 'year 2' savings which will deliver a benefit in 2018/19 budget alignment efficiencies
- budget efficiencies based on current and forecast activity
- areas for potential redesign/ options appraisal.

4.4 In addition to the routine meetings which start in September, an initial *Taking Clackmannanshire Forward* briefing took place prior to this Council meeting on the 29th August. This meeting summarised the TCF objectives, priorities and processes which are based on, and further develop, the agreed *Making Clackmannanshire Better* Framework (Appendix B).

4.5 Consultation meetings are also scheduled to take place on a bi-monthly basis with trade union representatives. Staff and stakeholder engagement will be scheduled on a case by case basis i.e. as early as possible in the formulation of options to ensure that consultation is specific, targeted and relevant.

5.0 Conclusions

5.1 This report provides an update on the fiscal outlook following the recent UK election. Commentators are currently forecasting a potential softening of the UK Government's approaches to both Brexit and austerity, though this has yet to crystallise.

5.2 The report is focused on the work that is required to prepare the Council Budget for 2018/19 and beyond. To assist and support the new Council in this process, a range of key messages have been summarised in respect of CIPFA recommendations on effective financial planning and resilience. A brief summary of how the Council compares with these recommendations is also provided, alongside detail on the key actions and next steps that are required to improve on current approaches and arrangements.

5.3 The report also provides details of the key consultation forums to take forward Budget preparation. These arrangements largely reflect those in place in previous years.

6.0 Sustainability Implications

6.1. N/A

7.0 Resource Implications

7.1 *Financial Details*

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

8.0 Exempt Reports

8.1 Is this report exempt? No

9.0 Declarations

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

(1) Council Policies(Please detail)

Budget Strategy

10.0 Equalities Impact

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

11.0 Legality

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

12.0 Appendices

Appendix A Budget 2018/19 Key milestones, timeline and outputs

Appendix B Taking Clackmannanshire Forward Framework

13.0 Background Papers

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

Council Budget 2017/18	March 2017
Fiscal Affairs Scotland	June briefing
CIPFA Insights	Looking Forward
CIPFA Insights	Building Financial Resilience
CIPFA Insights	Balancing Local Authority Budgets

Author(s)

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Approved by

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

APPENDIX A

Budget 2018/19 Key Milestones, timeline and outputs

Task/ milestone	Timing	Stakeholders/ attendees	Output
Ts&Cs consultation	ongoing	TUs, Management. Led by Head of Resources & Governance	Proposals for efficiency/ redesign linked to MCB Ts& Cs proposals
2017/18 savings implementation	Outturn monitoring ongoing	Administration, Executive Team; Heads of Service; Service Management Teams/ Budget holders; Chief Accountant, Team Leader (Accountant)	2017/18 Outturn position Compensatory savings as required
Administration vision and political priorities	July and August 2017	Administration; Executive Team; CMT	Vision Political and priorities
Collation of tranche 1 efficiencies and redesign options	July and August 2017	Executive Team; Chief officers; Service Management Teams; Chief Accountant, Team Leader (Accountancy)	Tranche 1 Efficiency savings Tranche 1 Budget realignment Tranche 1 areas for Business cases
Corporate Management Team Strategic Workshops	August 2017	CMT	Redesign options and models Vision and values refinement
Making Clackmannanshire Better briefing	August 2017	All elected members, Executive Team	Reaffirmation of objectives, principles and processes
HSCP Strategic Plan: Review of Priorities and Funding	September 2017	HSCI Chief Officer, IJB, Chief Executive, Leader and Depute Chief Executive, Chief Accountant	HSCI Strategic Plan priorities linked to resource transfer and savings requirement Demand pressures Service/ locality impact assessment
Elected Member Forum	September 2017 (monthly)	Elected members, Executive Team, Chief Accountant, Service representatives	Change Proposals, Business cases Elected member feedback

Task/ milestone	Timing	Stakeholders/ attendees	Output
Trade Union Forum	September 2017	TU reps, Executive Team, Chief Accountant	Change Proposals, Business cases Feedback from TUs
Capital Bid process	September 2017	Capital Investment Group (officer operational group)	Draft capital bid preparation
Budget consultation: Outline approach internally and externally	September 2017	Head of Strategy & Customer Services, Depute Chief Executive, Team Leader (Communications), Chief Accountant	Consultation outline approach and action plan
Business case development	September 2017	Executive Team; Chief officers, Chief Accountant, Team Leader (Accountancy)	Business cases incorporating options appraisals; saving proposals, investment requirements and timescales.
Elected Member Forum	October 2017 (monthly)	Elected members, Executive Team, Chief Accountant, Service representatives	Change Proposals, Business cases Capital Bid development Elected member feedback
Capital Bid process	October 2017	Capital Investment Group	Draft capital bid schedule
HSCP Resource Transfer	October 2017	HSCI Chief Officer, IJB, Leader of the Council and Depute Chief Executive, Chief Accountant	Completion of draft resource transfer figure linked to agreed Strategic Plan priorities
External consultation and engagement	October-December 2017 and January 2018	Head of Strategy & Customer Services, Chief Officers, Team Leader (Communications), Chief Accountant	Areas of business case development and emerging options Feedback
Capital Bid Corporate Round Table	Mid November 2017	CMT, Executive Team, Chief Accountant	Draft Capital bids
Income and Charging Strategy Refresh	Mid November 2017	Chief Accountant, Accountancy Team Leader, Chief Officers/ services	Income and Charging Strategy proposals/revisions
Demand Pressures	Mid November 2017	Chief Accountant, Accountancy Team Leader,	Collate draft demand pressures

Task/ milestone	Timing	Stakeholders/ attendees	Output
		Chief Officers/ services	
Member dialogue on budget preparation (detailed evaluation)	September 2017 onwards	Administration and political grouping as appropriate	Indicative budget including necessary savings proposals, policy decisions and prioritisation
Elected Member Forum	November 2017 (monthly)	Elected members, Executive Team, Chief Accountant, Service representatives	Change Proposals, Business cases Capital Bid development Elected member feedback
Trade Union Forum	November 2017	TU reps, Executive Team, Chief Accountant	Change Proposals, Business cases Capital Bid development Elected member feedback
Draft Demand pressures review	Start December 2017	Executive Team	Refined schedule of demand pressures, clarification query schedule
Income and Charging Strategy Refresh	Start December 2017	Chief Accountant, Team Leader (Accountancy)	Refreshed Income and Charging Strategy scenarios
Elected Member Forum	December 2017 (monthly)	Elected members, Executive Team, Chief Accountant, Service representatives	Change Proposals, Business cases Capital Bid development Elected member feedback
Capital Bids: Consultation	Mid-December 2017	Capital Investment Group and Elected Member and Trade Union Forum	Finalised capital bids
HSCP Resource Transfer	January 2017	HSCI Chief Officer, IJB, Leader of the Council and Depute Chief Executive, Accountant	Resource transfer position consolidated for integration with Council budget
Elected member Forum	January 2017	Elected members, Executive Team, Chief Accountant,	Indicative potential savings Draft capital bid

Task/ milestone	Timing	Stakeholders/ attendees	Output
		Service representatives	proposals Elected member feedback
Trade Union Forum	January 2017	TU reps, Executive Team, Chief Accountant	Indicative potential savings Draft capital bid proposals Feedback from TUs
Finalise demand pressures	Early January 2017	Executive Team	Finalised demand pressures to incorporate within budget
Income and Charging Strategy	Early January 2017	CMT, Chief Accountant	Finalised schedule of charges and refreshed Strategy.
Consultation	January- early February 2017	Head of Strategy & Customer Services, Depute Chief Executive, Team Leader (Communications), Chief Accountant	Aggregated Consultation responses from stakeholders for inclusion in the Budget
Pre consultation draft Budget	January 2017	Administration, Depute Chief Executive, CMT, Chief Accountant	Draft Budget subject to consideration of consultation responses.
Budget setting	**By end of February 2017**	**Special Council**	**Final Budget**

Key			
Green	Consultation	Aqua	Income and charging refresh
Pink	Capital bid development	Yellow	Demand Pressures
Purple	Budget challenge	Red	Budget
Light green	HSCP		

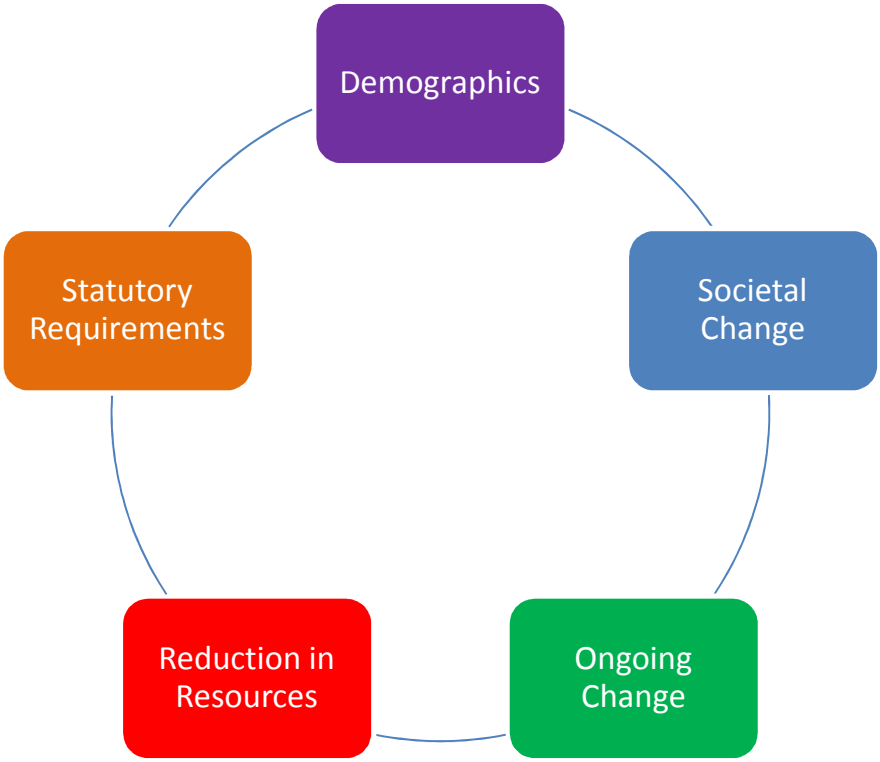
TAKING CLACKMANNANSHIRE FORWARD

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

The Council wants Clackmannanshire to be a great place to live, work and visit; a place where:

- children and young people have the best possible start in life
- the most vulnerable people are supported
- communities are resilient and empowered
- the environment is healthy and attractive.

The contexts which the Council operates in are ever-changing but characterised by greater demands for services and increasing budget gaps:

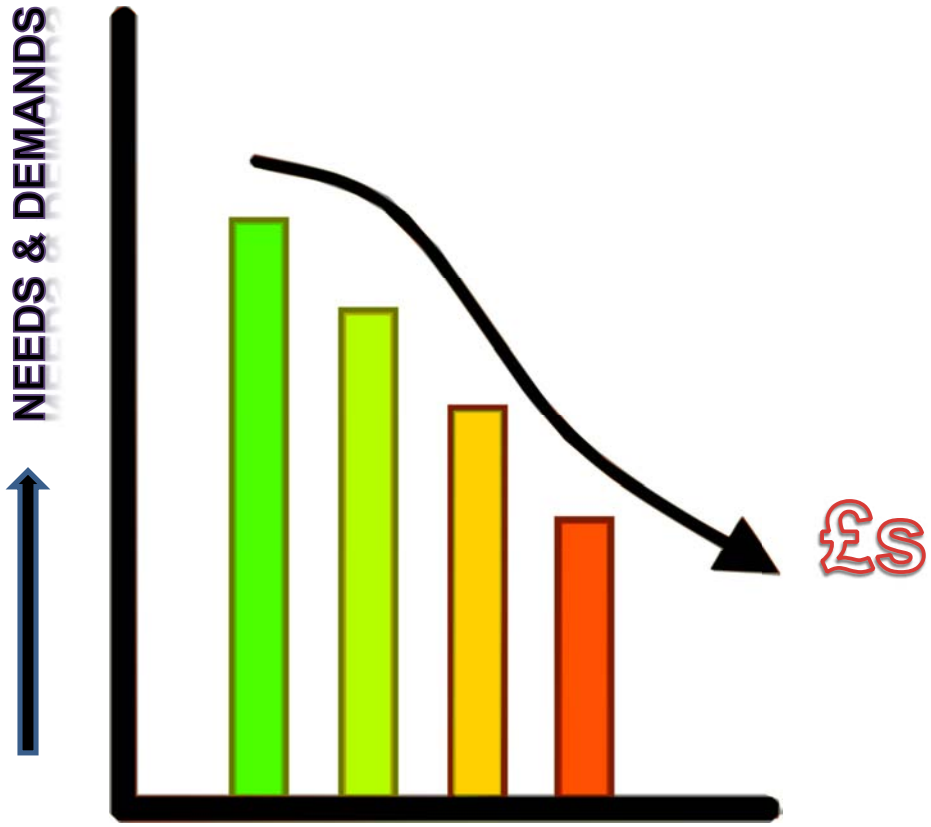


As contexts change, the Council has to change with them to make sure that it is providing the best services it can within available resources.

Clackmannanshire Council
www.clacksweb.org.uk

Reductions in public sector funding have been a key issue facing all local councils for a number of years and will continue to impact on what councils do and how they do it going forward.

Since 2011-12, Clackmannanshire Council has had to make savings of £52 million to its base budget and it is projected that a further £28 million will need to be found over the next 3 financial years.



The combination of increased demand for services and reductions in public spending means that the Council can't carry on doing everything it currently does in the same way it currently does.

To get maximum benefit from available resources and to have a sustainable cost base, the Council's approach to ***Taking Clackmannanshire Forward*** is to:

- focus on **clear priorities** and **target resources** to greatest effect
- **transform services,** to improve their responsiveness and accessibility
- be as **efficient and effective** as possible in everything that we do.

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Clear Priorities

Target resources on defined statutory requirements and priority discretionary services

Focus on prevention and early intervention

Have defined service standards which are well communicated

Transforming Services

Focus on integration and take a corporate and partnership approach to all customers

Introduce different models of delivery

Support communities which want to provide services or take over assets

Use digital solutions

Effectiveness & Efficiency

Get things right the first time and do things once

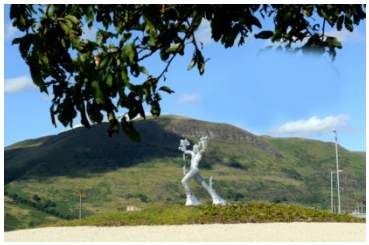
Have high standards of customer service

Make sure we get value for money for the goods and services we buy and the assets we have

While there are significant financial challenges, there are also opportunities to protect and improve service if the Council and its partners work in a more integrated way and pool their resources better.

New opportunities also exist for voluntary and community groups to take over Council assets and to have an active role in planning and delivering services.

There is a lot to be proud of in Clackmannanshire and lots of ambition. ***Taking Clackmannanshire Forward*** is what we want to do in partnership with all those who have a commitment to making the area a great place to live, work and visit.



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THIS PAPER RELATES TO ITEM 07

ON THE AGENDA

CLACKMANNANSHIRE COUNCIL

Report to: Clackmannanshire Council

Date of Meeting: 31st August 2017

Subject: Stirling & Clackmannanshire City Region Deal

Report by: Executive Director

1.0 Purpose

1.1. In Autumn 2016, Clackmannanshire Council was invited by the Scottish and UK Governments to become part of the Stirling City Region Deal negotiations. In September 2016, the Leaders of Stirling and Clackmannanshire Councils made a joint commitment to supporting a City Region Deal for the region. This report describes the background to the Stirling and Clackmannanshire City Region Deal arrangements as well as the progress made in developing our bid.

2.0 Recommendations

2.1. It is recommended that the Council:

1. notes the progress being made in developing a City Region Deal bid for Stirling and Clackmannanshire, and
2. supports the local priorities and the package of strategic projects outlined in section 3.15, many of which have already been approved by the Council in the adopted Local Development Plan.

3.0 Considerations

3.1. A City Region Deal provides a mechanism to bring additional funding to support economic growth. It offers the potential for new collaborative regional partnerships focused on long term strategic approaches to improving regional economies. It should deliver positive outcomes in line with Scottish and UK Government policy.

3.2. In developing City Region Deals, Local Authorities are expected to operate strategically at the regional level and to play their part in delivering the priorities underpinning Scotland's Economic Strategy and the UK Industrial Strategy. Each Deal should reflect locally developed priorities and opportunities with each element contributing to a wider regional vision and strategy. An approved City Region Deal bid provides additional funding to

improve the local economy over a 10-20 year period. It is an opportunity to achieve transformational change.

3.3. To date deals in Scotland have been agreed with Glasgow & Clyde Valley, Aberdeen, Inverness & Highland and Edinburgh. Alongside formal City Region Deal arrangements other parts of Scotland are taking forward related initiatives. The three Ayrshire Local Authorities are negotiating on the basis of an Ayrshire Growth Deal and Falkirk is looking to build on their TIF (Tax Incremental Financing) initiative with parallel discussions focusing on a similar approach to Ayrshire.

3.4. The Scottish Government has set out core principles underpinning City Region Deal discussions:

- Any deal must fit within the overall framework of Scotland's Economic Strategy - making a clear and measurable significant long-term contribution to both prosperity and fairness
- Any deal must operate at a functional economic geography and be underpinned by robust governance at the regional level that includes key stakeholders (eg the wider public sector, business and industry).
- The starting point for discussion should be a regional strategic vision for economic development
- Any deal would not diminish the requirement for individual projects to be appraised using established appraisal tools, including Green Book, Scottish Transport Appraisal Guidance Assessment, Environmental Impact Assessment, as appropriate
- Discussions about a possible City Region Deal do not constitute a commitment to agree a deal

3.5. Three discrete stages underpin the City Region Deal process:

1. Budget statement announcement confirming the principle of a Deal (made in Autumn 2016)
2. Heads of Terms agreed with the Scottish and UK Governments (covering overall objectives, timescales, themes and projects). Target date for this is late 2017
3. Business cases developed and approved

Economic Baseline

3.6. As part of the bidding process it is important to evidence the economic issues and challenges faced by the area. To this end an economic baseline has been produced. This looks at data under the headings of: Population & Area, Housing, Economic Performance, Health, Qualifications & Attainment and Transport.

Key findings include:

- Gross Value Added (GVA[1]) data shows Clackmannanshire lagging behind Stirling and Scotland. GVA per employee however shows Clackmannanshire outperforming Stirling and Scotland. This, combined

[1] A measure of the value of goods and services produced.

with some good transport infrastructure, makes this a good place to do business.

- The gap between GVA per capita and GVA per job is exacerbated by the low jobs density of just 0.5 jobs per individual of working age compared to around 0.8 for both Stirling and Scotland.
- Women in Clackmannanshire face economic and social exclusion to a greater degree than those in other parts of Scotland. They are less likely to be employed and those who do work on average earn 27% less than the Scottish average. Women travel shorter distances to find work, possibly as a result of childcare responsibilities or a higher propensity to provide unpaid care than men, this limits their opportunities and is further compounded by the low jobs density in Clackmannanshire. Women make up a larger proportion of those identified as disabled than men; have a poorer life expectancy ranking than men and the highest incidence of pregnancy amongst women under 20 in Scotland.
- An overall population decline relative to Stirling and Scotland and a projected decline in the proportion of working aged residents.
- Like all areas our elderly population is growing. In Clackmannanshire however our working aged population isn't growing as well as it is in other areas meaning we could face particular challenges in delivering social care. Housebuilding in Clackmannanshire has slowed significantly in recent years leading to a relative lack of housing options for families.
- Clackmannanshire residents have lower levels of qualifications than their neighbours in Stirling and our young people do not access higher education to the same degree.

Consultation

3.7. Clackmannanshire Council approved the development of a regional bid in December 2016. Stirling Council had been working on their City Region Deal projects well before this date and had produced and submitted business cases to the Scottish Government prior to Clackmannanshire Council's involvement. Due to their relative advancement Stirling also established a City Commission to advise and support the development of a bid.

3.8. The Scottish Futures Trust (SFT) has worked with the Council to support the development of the Clackmannanshire elements of a City Region Deal bid. Workshops, facilitated by SFT, were held in November 2016 with Council members and officers and key partners, such as Skills Development Scotland, Clackmannanshire Business and Scottish Enterprise to begin to outline the key economic issues and potential development opportunities.

3.9. Theme workshops have also been held bringing together officials from the Council and key agencies. Workshop themes included were: Tourism; Business Parks; Employability, Skills and Social Innovation; Energy and Health and Wellbeing.

3.10. More recently a series of workshops took place bringing together the Scottish and UK Governments and Stirling and Clackmannanshire Councils. Each Workshop was themed and provided an opportunity to discuss and explore emerging priorities and projects. The following workshops have taken place:

- Development of a Regional Vision

- Innovation
- Tourism
- Infrastructure (Digital, Energy, Town Centre)
- Infrastructure (Transport, Housing, Business Parks)

3.11. As part of the development of the bid there has been an emphasis on the following:

- There is an expectation of one clear and consistent Regional bid with Business Cases being developed on that basis
- City Region Deal projects should have impacts at the Scottish and UK levels. This has implications in terms of scale of projects and how they are presented
- City Region Deal is an opportunity to achieve transformational change. This has particular implications for socio-cultural aspects of any bid
- Inclusive Growth principles must underpin any bid

3.12. An approach for further engaging with key local business sectors and communities should be agreed. It is proposed that this engagement should be targeted at key businesses and communities and should be carried out once agreement on strategic project priorities has been agreed.

3.13. Strategy and Customer Services are providing resource support for baseline analysis; communications, web, design and social media and engagement and consultation.

Emerging Clackmannanshire Priorities

3.14. Initial priorities for Clackmannanshire were identified at 2 stakeholder workshops facilitated by the Scottish Futures Trust late in 2016. These have been further informed by the series of stakeholder workshops that took place in the period January to May 2017. Over 80 individuals from a range of organisations have participated in this process.

3.15. This process generated a range of potential projects. Officers have been working to present the projects as a coherent package, superimposed on the established developmental priorities already approved by Council and Government within the local development plan. These are outlined below and covered in more detail in Appendix 2:

- **'Investor Confidence'** will increase the level of private sector investment in the area. We need to do this because of fundamental structural and economic barriers making it difficult to grow the local economy and spreading the benefits of this growth throughout local communities. The principal components are:
  - the removal of constraints to bring forward *business park and premises* opportunities at key locations;
  - new school provision and support for ground remediation and site servicing at key housing growth areas to *unlock housing development*;
  - the regeneration of *Alloa Town Centre*;
  - access to enhanced *digital infrastructure and digital skills* to create a Smart County and
  - the provision of enabling *transport infrastructure*.

- **'Inclusive Growth'** will "invest in our people at all stages of life to ensure that we have a well skilled, healthy and resilient population and an innovative, engaged and productive workforce" (paraphrased from Scotland's Economic strategy, March 2015). It recognises that the economic benefits from economic development initiatives do not always 'trickle down' to those most disadvantaged in society and that these people and communities will need targeted support to take advantage of them. The principal components are:
  - The development of an *'Achievement Campus'* in Sauchie which will act, not only as a school, but as a 'smart centre' for family learning and skills development, utilising technology innovatively and creatively.
  - The development and delivery of an *innovative learning system* that builds on the attainment challenge and tackles the question: How could education across the region feel different in response to the specific issues and needs that are being identified locally and in the context of a rapidly changing job market?
  - *Support to families* to address poverty and exclusion from learning, employment and training opportunities and increase parenting skills. Key among this will be increasing *child care provision* in a way that is accessible, economically viable and sustainable.
  - *Skills and employability* will be key to ensuring we capitalise on the transformative opportunity of the City Region Deal. It will ensure that all people, regardless of age, ability, gender or life chances are equally able to gain meaningful skills and enter and progress to fair work.

- **'Sustainable Place'** supports the broader aims of the City Region Deal through investment in the green sector: green jobs, green infrastructure and green energy, although the benefits apply across the economic and social fields as well as the environmental field. The principal components are:
  - an *Alloa Marina Development* incorporating a creative community campus will make a contribution to building the health, wellbeing and confidence of the community and will provide a focus for regeneration in the Alloa South and East area,
  - a *coastal realignment* project creating wildlife habitat and flood defence,
  - a *community energy network* across the programme area using sustainable energy sources, such as solar, and exploiting the potential for heat generation within the local geology through geothermal energy.

3.16. A focus on the geographical areas of Alloa, Sauchie and Forestmill (as set out at Appendix 2) has been identified on the basis of both a need for regeneration and economic investment and where there is practical opportunity to deliver projects. The 'people' aspects of the projects such as employability, health & well-being and attainment will also be available to residents who need them across the whole county. In addition the positive economic impacts on these geographies will have wider impacts across the county and the region, for example increased job opportunities.

3.17. Across the City Region the ambition is to deliver inclusive growth, increase investor confidence and create a sustainable place for residents, businesses and visitors. A matrix showing the contribution of each programme element to both the projects and the geographies is shown at Appendix 1.

Governance

3.18. Scottish Government officials have stated that the City Region Deal will only get to 'Heads of Terms' stage with formal governance between Stirling & Clackmannanshire Councils being in place. Governance arrangements will need to be in line with the Enterprise and Skills review's regional partnerships recommendations, briefly outlined below, which were published at end of June.

3.19. Partnerships seeking Scottish Government support for investment will provide clear evidence of all of the following: strong leadership which fosters a culture of genuine trust and deep collaboration, develops a vision for the region, drives action and rallies support; a clear and compelling economic vision; a deep understanding of the regional economy; a plan for the regional partnership derived from this and a measurement framework which allows progress to be tracked; and a commitment to achieve greater benefit for the regional economy by aligning partnership assets and investment.

3.20. Scottish Government will expect the prioritisation process to have been informed by an assessment using their recently devised Inclusive Growth Diagnostic assessment process and will give weight to activities which score well in inclusive growth terms.

3.21. The partnership will be expected to have carefully considered its legal structure and to demonstrate that this enables clear governance and clarity of roles. Until now most regional partnerships have taken the form of a Joint Committee under the Local Government (Scotland) Act 1973.

3.22. In the Edinburgh City Region partners have, for example, committed to developing a new model of regional governance reflecting the regional partnership's work stream of phase 2 of the Enterprise and Skills Review outlined above. It is anticipated that this will include an integral role for the private and third sectors as well as key partners.

3.23. A further report on Governance will be prepared and brought to both Clackmannanshire and Stirling Councils to agree the way forward.

Bid Development Process

3.24. Both Scottish & UK Governments have advised that they are expecting one coherent regional bid for Stirling and Clackmannanshire. In addition bids submitted have to be done so using the UK Treasury approved model for public sector business cases. The Five Case Business Model or 'Green Book' as it is known is designed to ensure that spending decisions are taken on the basis of highly competent professionally developed spending proposals.

3.25. All centrally funded public spending proposals including those subject only to departmental approval are required to use the Treasury approach. The business case in support of a new policy, new strategy, new programme or new project must evidence :

1. That the intervention is supported by a compelling **case for change** – the "strategic case";
2. That the intervention represent best **public value** – the "economic case";
3. That the proposed Deal is attractive to the market place and is **commercially viable** – the "commercial case";
4. That the proposed spend is **affordable** – the "financial case";
5. That what is required from all parties is **achievable** – "the management case".

3.26. The most recent session with Scottish and UK Government Officials in developing the bid, took place on the 29th August to review the regional outline programme.

4.0 Sustainability Implications

4.1. The City region Deal is likely to have a number of positive impacts on sustainability, particularly in terms of the economy, energy use, landscape and natural habitats. Appropriate assessments will be undertaken as part of business case development.

4.2. It is a Council Priority to take forward developments in relation to the use of sustainable energy to alleviate fuel poverty. The deal offers opportunities through its sustainable place project to make a positive impact in both affordable homes and homes built through the Housing Capital Plan.

5.0 Resource Implications

5.1. £500k of capital budget was allocated for 2017/18. It is likely that a portion of this will be required to roll forward in line with the timing of the programme development process. Once Heads of Terms are agreed a procurement exercise for resources to develop full business cases will be undertaken.

5.2. Both capital and revenue budgets which can be identified as a contribution to the City Region Deal will need to be ascertained.

5.3. It should be noted that not all major projects taking place in the County over the next 10 to 15 years will be funded through the deal. The Council will continue to prioritise other projects through its Capital Plan, the Housing Capital Plan and applications to other sources of funding.

5.4. Staffing: there are no current staffing implications arising from this report.

6.0 Exempt Reports

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

7.0 Declarations

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

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

The area has a positive image and attracts people and businesses	✓
Our communities are more cohesive and inclusive	✓
People are better skilled, trained and ready for learning and employment	✓
Our communities are safer	☐
Vulnerable people and families are supported	✓
Substance misuse and its effects are reduced	☐
Health is improving and health inequalities are reducing	✓
The environment is protected and enhanced for all	✓
The Council is effective, efficient and recognised for excellence	✓

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

8.0 Equalities Impact

8.1 Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations?
Yes ☐ No ✓

These will be required at a later stage when fuller project detail is available to allow for a meaningful assessment.

9.0 Legality

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

10.0 Appendices

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

Appendix 1: Programme Matrix

Appendix 2: Project Specific Detail

11.0 Background Papers

11.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)
Yes ☐ (please list the documents below) No ✓

Author(s)

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Approved by

NAME	DESIGNATION	SIGNATURE
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Stirling & Clackmannanshire City Region Deal - Programme Matrix (Clackmannanshire Elements)

	Projects			Geographical Impact			
Project Components	**Investor Confidence**	**Inclusive Growth**	**Sustainable Place**	**Sauchie**	**Alloa**	**Forestmill**	**County Wide**
Business Parks & Premises	✓✓✓	✓	✓	✓✓✓	✓✓✓	✓	
Unlocking Housing Development (school estate)	✓✓✓	✓	✓✓	✓✓✓	✓✓	✓✓✓	
Alloa Town Centre Regeneration	✓✓	✓	✓✓		✓✓✓		
Digital Infrastructure & Skills	✓✓✓	✓✓	✓✓				✓✓
Achievement Campus	✓✓	✓✓✓	✓	✓✓✓			
Alloa Marina Development		✓	✓✓		✓✓✓		
Innovative Learning System	✓	✓✓✓					✓✓✓
Family Support & Childcare	✓	✓✓✓	✓				✓✓
Coastal Re-alignment			✓✓✓		✓✓✓		

Regional Enablers	**Investor Confidence**	**Inclusive Growth**	**Positive Place**	**Sauchie**	**Alloa**	**Forestmill**	**County Wide**
Energy Networks	✓	✓✓	✓✓✓	✓✓	✓✓	✓✓	✓
Employability & Skills	✓✓	✓✓✓					✓✓✓
Transport Infrastructure (inc. river & public transport).	✓✓	✓✓	✓✓	✓✓	✓✓	✓	✓✓

The number of ticks against a particular item indicates the level of importance of a project to the relevant theme or geography.

STIRLING AND CLACKMANNANSHIRE CITY REGION DEAL
PROJECT SPECIFIC DETAIL

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August 2017

Investor Confidence

The overall aim of this project is to increase the level of private sector investment in the area. We need to do this because of fundamental structural and economic barriers making it difficult to grow the local economy and spreading the benefits of this growth throughout local communities.

What opportunity or issue the project is seeking to address

The Investor Confidence project has been designed to:

- Address challenges arising from a shrinking and ageing population and the consequent demands this will put on public sector services
- Address the issue of plummeting private sector house building levels in the county
- Increase the number and diversity of job opportunities through the removal of development constraints on key employment sites
- Provide access to world class digital infrastructure
- Ensure that enabling transport infrastructure is available

Clackmannanshire faces a perfect storm of projected demographic changes with a shrinking, ageing population projected to emerge in the years to 2039. This will put pressure on public services, including the social care cost of supporting an elderly population set to grow by over 30% in the next two decades. The problem of an ageing population exists in Stirling and across Scotland, but in both instances, population levels overall, including the number of working age individuals, is set to rise. This is not the case for Clackmannanshire.

At the same time house-building rates in Clackmannanshire have plummeted by 70% since 2008 with little signs of recovery, particularly in the private sector. Some major proposals supported through the Local Development Plan, have stalled. Capacity within the area's schools is a major contributory factor to this trend but other significant infrastructure barriers also exist. Developers stress that building houses in Clackmannanshire is now less viable/non viable compared to elsewhere.

Clackmannanshire also has a higher percentage of economically inactive population who are seeking a job in an area where the job density is significantly lower than both Stirling and Scotland. The third strand we are seeking to address, then, is to increase the number and diversity of job opportunities in Clackmannanshire through the removal of development constraints on key sites.

Clackmannanshire tends to be at the end of the queue in terms of programmes to upgrade digital connectivity. As part of a wider programme to support investment in the area, there is an opportunity to provide digital infrastructure that is recognised as being the best available for our businesses, residents, visitors and communities.

The provision of transport infrastructure will be an important element in enabling and supporting investment and ensuring that benefits are spread throughout our communities.

The overall aim of this project, therefore, is to address market failure by supporting private sector investment in order to address population decline and to support the growth of more jobs in the area.

The projected outputs and impacts

The Investor Confidence project is designed to achieve the following:

- The removal of constraints to bring forward Business Park and Premises opportunities at three key locations (Alloa West, Alloa East and Alloa Town Centre)
- The removal of constraints through new school provision and support for ground remediation and site servicing at four key housing growth areas (Forestmill, Sauchie West, Sauchie East/Carsebridge)
- Regeneration of Alloa Town Centre
- Access to enhanced digital infrastructure, including broadband improvements, to create a Smart County
- Provision of enabling transport infrastructure

This will be achieved initially through:

- Feasibility/Option Appraisal studies for key employment sites
- Financial Appraisal, taking account of infrastructure requirements, to assess viability of key housing development sites
- Feasibility/Option Appraisal for key development opportunities in Alloa Town Centre
- Scoping Smart County projects and development of Smart Strategy
- Developing City Region Transport Strategy

The overall aim is increased private sector investment in the area to support the regional vision. In doing this it will achieve wider economic and social benefits such as direct and indirect jobs, an increased tax base for local services and stronger local communities with a more balanced age structure.

How project sits within the overall City Region Deal and other regional strategies and plans

The Regional Vision Statement looks to unlock the economic potential of the area with a specific focus on infrastructure investment. The Investor Confidence project is central to the delivery of inclusive growth as it the means by which job opportunities will be created and plays a key role in driving population growth. It will make possible the realisation of developments already identified as those required for this growth in the Local Development Plan and make possible multi million pound private investment. One opportunity, as part of any major residential development, includes exploring the case for a veteran's village.

How it fits with SG policy particularly around Scotland's Economic Strategy

The Investor Confidence Project directly addresses three of the four broad priority area highlighted in Scotland's Economic Strategy.

In terms of **Investment** it focuses on the provision of the physical and digital infrastructure to enable Clackmannanshire to play its part in the national and global economies; promotes the growth of businesses and job opportunities; and promotes resilience of local communities

In terms of **Innovation** it supports the development of innovative businesses through improved digital connectivity.

In terms of **Inclusive Growth** it will support the development of sustainable and well paid jobs; provide greater opportunities to access jobs; and assist in tackling inter-generational inequality as well as more equal growth

How it fits with UKG policy particularly around the draft Industrial Strategy

The Investor Confidence Project will directly address the following pillars of the draft industrial strategy;

- Upgrading infrastructure
- Supporting businesses to start and grow
- Driving Growth across the whole country

Linkages and dependencies

The Investor Confidence project is central to the delivery of inclusive growth. It is what creates the economic growth opportunities for residents to access with the support of people based projects.

The Transport Enabler project will also be key. Consultation has highlighted transport as a key factor in social and economic exclusion, particularly when journeys to work need to be combined with transporting children to and from childcare and education settings.

SG ask / UKG ask £: TBC

Local contribution £: TBC

Third party £: TBC

Total £: TBC

Inclusive Growth

The Inclusive Growth project will "invest in our people at all stages of life to ensure that we have a well skilled, healthy and resilient population and an innovative, engaged and productive workforce" (paraphrased from Scotland's Economic strategy, March 2015). It recognises that the economic benefits from economic development initiatives do not always 'trickle down' to those most disadvantaged in society and that these people and communities will need targeted support to take advantage of them.

What opportunity or issue the project is seeking to address

Whilst Clackmannanshire held off the industrial decline at the end of the 20th Century for longer than some, it was hit deeply and has never fully recovered. In particular it lost a volume of jobs that sent it to the bottom of the jobs density figures and there it remains (at 0.5, the 3rd lowest in Scotland). Residents had to make a transition from having plenty of local jobs, with benefits such as employer provided transport, to a lack of local jobs and a need to look beyond Clackmannanshire's borders for work. Many residents have made this transition very successfully. At the last census, over half of all residents who worked did so outwith the County.

Those who didn't succeed in this transition have suffered long-term, sometimes intergenerational worklessness, and the associated poverty and exclusion that follows. Clackmannanshire faces challenges of poor health & wellbeing, alcohol use, low attainment, low aspiration, and an associated culture of 'helplessness and hopelessness'. There is a striking gender disparity in much of the data (against Scottish averages) which shows that women are less likely to be in employment, when employed are some of the lowest paid workers in Scotland and the UK (at 2016 earning female full-time resident workers earn £353 compared to £482 for Scotland and £481 for the Great Britain), are more likely to be disabled, to have teenage pregnancies and to suffer domestic violence. In addition they are more likely to have caring responsibilities which impact on the how, where and when they work. These issues for women are of a concern in themselves but have the additional dimension of the impact they have on their children and families.

Young people, additionally, face ongoing challenges. Youth unemployment remains persistently high and our young people do not participate in Further & Higher Education to the same degree as those in other areas. The claimant rate for 18-24 at June 2017 year olds was 6.0% compared to 3.5% for Scotland and 2.8% for Great Britain).

The projected outputs and impacts

We aspire to deliver sustainable change for people and families who face a range of social and economic challenges, including gender disparities, and to prevent these issues arising for others in the future. We want the young people leaving school at the end of the City Region Deal programme to enter a world of opportunity with the skills, attitudes and self-belief to build a better future for them, their families and their communities. The projects are designed to address specific local issues and use innovative solutions as well as those tried and tested approaches which have been shown to deliver sustainable change. This will include:

1. The development of an 'Achievement Campus' in Sauchie which will act, not only as a school, but as a 'smart centre' for family learning and skills development, utilising technology innovatively and creatively. It will act as a mechanism to bring the Public, Private and Voluntary sectors together to deliver positive outcomes for individuals and communities, through effective cross sector collaboration.
2. The development and delivery of an innovative learning system that builds on the attainment challenge and tackles the question: How could education across the region feel different in response to the specific issues and needs that are being identified locally and in the context of a rapidly changing job market? Specific approaches will be devised in the first phase.
3. Support to families to address poverty and exclusion from learning, employment and training opportunities and increase parenting skills. Key among this will be increasing child care provision in a way that is accessible, economically viable and sustainable through community based initiatives and social enterprise.
4. Skills and employability, as an enabler, will be key to ensuring we capitalise on the transformative opportunity of the City Region Deal. It will ensure that all people, regardless of age, ability, gender or life chances are equally able to gain meaningful skills and enter and progress to fair work. It will also ensure that current and future employers will have the work force matched to their needs, flexibly and locally delivered.

How project sits within the overall City Region Deal and other regional strategies and plans

The project is fundamental to the delivery of Inclusive Growth. Whilst other projects will build the economy and create opportunities, this project, along with the Skills and Employability enabler, will prepare residents both to take these up. In addition residents will be encouraged and supported to create opportunities of their own, e.g. self-employment, through greater personal achievement and aspiration.

The project additionally is consistent with the draft priorities identified in the Local Outcome and Improvement Plan for Clackmannanshire. In particular these include its focus on: women experiencing inequality and, people living in Alloa South & East who experience disproportionately poorer outcomes compared with the remainder of Clackmannanshire and the City Region.

How it fits with SG policy particularly around Scotland's Economic Strategy

The strategic approach is based on two key pillars: increasing competitiveness and tackling inequality. The Inclusive Growth project contributes to increasing competitiveness by ensuring business has available an 'innovative, engaged and productive workforce'. Its main focus is, however, on tackling inequality by delivering a 'well skilled, healthy and resilient population'.

The project supports the delivery of Scotland's Labour Market Strategy in particular in delivering: a labour market where there is; a skilled, productive and engaged workforce capable of meeting the needs of employers; equality of opportunity to access work and to progress to ensure everyone is able to maximise their potential; and, low unemployment and high employment.

In addition, by tacking the wider personal barriers and inequalities the project makes a contribution to other priorities for Scottish Government such as: equality (in particular around gender), health & wellbeing and attainment.

How it fits with UKG policy particularly around the draft Industrial Strategy

The project supports the aspiration of the Industrial Strategy "to improve living standards and economic growth by increasing productivity and driving growth across the whole country". Enabling a supply of productive labour helps create the conditions for business to flourish and invest in the long term.

Linkages and dependencies

The Skills and Employability Enabler project is critical to the delivery of inclusive growth. It is what ties the development and Investor Confidence projects together with the people based projects. It is what links employers with the pool of people resources that were previously excluded.

The Transport Enabler project will also be key. Consultation has highlighted transport as a key factor in social and economic exclusion, particularly when journeys to work need to be combined with transporting children to and from childcare and education settings.

The Alloa Marina Development at Alloa will make a contribution to building the health, wellbeing and confidence of the community. It will provide a focus for regeneration in the Alloa South and East area which includes 4 datazones in the 5% most deprived areas in Scotland (SIMD).

SG ask / UKG ask £: TBC

Local contribution £: TBC

Third party £: TBC

Total £: TBC

Sustainable Place

The Sustainable Place strand of the City Region Deal plan supports the broader aims of the City Region Deal through investment in the green sector: green jobs, green infrastructure and green energy, although the benefits apply across the economic and social fields as well as the environmental field.

What opportunity or issue the project is seeking to address

The sustainable place project embraces the opportunities offered by Clackmannanshire's natural assets, in particular the River Forth and the areas distinctive geology. With changing climate and rising sea levels we are experiencing "coastal squeeze" that threatens the productivity and biodiversity of low lying land.

In addition to the inequalities outlined in the Investor Confidence and Inclusive Growth projects, Clackmannanshire suffers significantly high levels of fuel poverty: 1 in 3 households are affected including 49% of pensioners.

This project identifies opportunities that aspects of our natural and built heritage offer to address these issues. Investing in these projects represents investment in a climate-ready Clackmannanshire with improved health and equalities and twenty first century skills that make it a positive place to live, work, invest and visit.

The project has three principal components:

1. the Alloa Marina Development, in addition to regenerating the harbour infrastructure for river traffic, will create an eco building on the old harbour site at Alloa which would be a flagship for tourism and the arts in Clackmannanshire, bringing together professionals, volunteers and offer a range of apprenticeships.
2. the Coastal Realignment project will transform flood-threatened agricultural land with decreasing productivity into a beacon for tourism, habitat creation and climate change protection for both Scotland and the UK. This will be achieved by proactively breaching the currently deteriorating sea wall, allowing estuarine waters to inundate the land on each tidal cycle with a smaller secondary seawall built further back to protect infrastructure.
3. in Community Energy Networks, a range of projects has been identified, with Alloa, Forestmill and Sauchie currently being recognised as primary areas of development where heat density from both industry and natural sources is sufficiently high to develop District Energy Networks. We will do this by building on our ecological and mining heritage (geothermal) along with solar, heat from waste and hydro sources to provide secure and affordable energy supplies for homes and businesses along with skills development and associated business opportunities.

The projected outputs and impacts

- Iconic building as part of the Alloa Marina Development functioning as a magnet for creative development
- The largest coastal realignment in Scotland, creating 80ha intertidal zone offsetting 10% of national intertidal loss
- Flood protection and climate change adaptation for community safety, business continuity and investor confidence

- Spaces for nature and for people or all abilities and a range of interests which have the potential to deliver improved health outcomes in the Forth Valley area.
- Demonstration project and tourism development attracting thousands of visitors annually, potential National Wetlands Centre
- Secure, affordable and accountable energy for people and businesses, reduced fuel poverty
- Smart low carbon energy networks linking resources with demand, supporting the draft Industrial Strategy and revised climate emission targets
- Business and investment opportunities in green energy and green skills

How the project sits within the overall City Region Deal and other regional strategies and plans

The Forth based components of the Sustainable Place project form part of a necklace of developments across the City Region Deal through Stirling and Clackmannanshire. These, collectively, will greatly enhance the offer for leisure, tourism, low-carbon energy along the north coast of the Forth and will provide links to popular assets of our neighbours such as the Fife coastal path and the Kelpies. The infrastructure around the Forth will be enhanced for all and support the delivery of a healthy, sustainable Scotland.

The project supports a number of policies and strategies including:

- Clackmannanshire Council's Sustainability & Climate Change Strategy
- Forth Flood Risk Plan
- Forth Valley Community Risk Register

How it fits with SG policy particularly around Scotland's Economic Strategy

The Sustainable Place Project directly addresses broad priority areas highlighted in Scotland's Economic Strategy.

- In terms of **Investment** it focuses on the development of physical and green low carbon infrastructure that supports and protects communities and provides investor confidence in a climate-ready region.
- In terms of **Innovation** it supports the development of innovative businesses through developing green skills and networks, and innovation in land and environmental management.
- In terms of **Inclusive Growth** it will contribute to addressing fuel poverty and support the development of sustainable and well paid jobs in the green and creative and leisure sectors.
- In terms of **Internationalisation** the Coastal Realignment project will enhance Scotland's global standing in engineering for the international challenge of climate change adaptation.

Additionally it supports the Scottish Government's Climate Change Plan, Energy Efficiency Plan, Draft Energy Strategy, Biodiversity Strategy and Land Use Strategy

How it fits with UKG policy particularly the draft Industrial Strategy

Sustainable Place links strongly to the pillars of the Industrial Strategy through:

1. **Investing in science, research and innovation** particularly through innovation in land management and energy networks
2. **Developing skills** especially in the creative and green sectors

3. **Upgrading infrastructure**: the Industrial Strategy makes specific reference to energy and flood defence infrastructure
7. **Delivering affordable energy and clean growth**: Community Energy Networks exemplifies this

Linkages and dependencies

Key linkages are with the Skills and Employability enabler, Alloa Regeneration and Investor Confidence.

SG ask / UKG ask £: TBC

Local contribution £: TBC

Third party £: TBC

Total £: TBC

Alloa Regeneration

What Opportunity/Issue is the Project Seeking to Address?

Alloa is the principal centre in Clackmannanshire and is the key focus for economic activity, providing shopping, services and community facilities for Alloa and beyond. Alloa suffered significant economic decline in the 1980s and 1990s with the loss of key traditional industries and its current economic profile highlights a shortage of jobs. Alloa needs a catalyst to facilitate increased investment in the local economy with the promotion of high quality modern business/employment opportunities, together with innovative community development and the promotion of new housing around the town centre, which together will secure a range of positive economic, environmental and social projects which will transform Alloa and regenerate the centre and wider Clackmannanshire. We need to do this to improve economic activity levels. Sites that have been allocated in the adopted Local Development Plan have increasingly limited potential for development as Clackmannanshire generally represents a poor viability prospect for Developers compared to neighbouring areas. Essential infrastructure to unlock sites is required. Complementary innovative projects to attract investment and visitors will further support improved economic activity.

The projected outputs and impacts

The Alloa Regeneration Project is multi-faceted and focusses on three areas in Alloa to best achieve the outcomes that are necessary for the significant step change that will secure transformational change:

1. ***Alloa Town Centre***

- Provide a realignment of the main strategic route through Alloa to incorporate a key development site within the town centre which will provide high profile business development opportunities as well as town centre housing development. The Council undertook land assembly of this site to safeguard land for such potential development. There is also an opportunity to create an integrated transport hub in conjunction with other proposals.

- Deliver development of town centre housing and business sites in close proximity to the train station. This can provide for around 300 homes and 2 hectares of business land.

- Facilitate the redevelopment of key leisure facilities with the potential to provide modern co-located leisure/sport provision (see 2. Alloa West).

- Enable the development of modern commercial leisure/hotel development in the town centre.

2. ***Alloa West Business Park***

- Deliver a new strategic access road to the west of Alloa to secure a new Business Park and access the existing main industrial area to the south of Alloa, reducing industrial traffic in Alloa itself.

- Deliver a 52 hectare high profile modern Business Park which will provide a high quality environment for range of business uses, including an opportunity for a centre for sport. Land

will be safeguarded within the Business Park Masterplan for a rail halt to plan for future light rail transit opportunities. The Council is currently pursuing a couple of significant active proposals.

3. ***Forth Riverside***

- Deliver the projected outputs and impacts outlined in the 'Sustainable Place' project specific detail, including;
  - An iconic building for creative development as part of the regeneration of Alloa harbour,
  - Coastal realignment and flood protection and the development of a national wetlands centre
  - Low carbon energy
  - Green energy, green skills and business investment opportunities.

This will be achieved initially through:

- Masterplan for business park sites
- Feasibility/option appraisal studies for key development opportunities in Alloa Town Centre
- Feasibility/option appraisal studies for public transport hub
- Feasibility/option appraisal studies for road realignment and strategic new access/relief road at Alloa West business park.

How the Project Sits Within the Overall City Region Deal and Other Regional Strategies and Plans

The project is integrated with other City region deal priorities in terms of delivering inclusive growth, increasing investor confidence and Making Alloa town centre and its wider area a sustainable place. It will deliver key adopted local plan proposals that require intervention to be achieved.

How it fits with SG policy particularly around Scotland's Economic Strategy

The Alloa Regeneration project directly addresses broad priority areas highlighted in Scotland's Economic Strategy.

In terms of **investment**, it focuses on investment in our under developed infrastructure and this will directly address the factors holding the wider Clackmannanshire economy back.

By aligning central government infrastructure investment with local growth priorities, major investment opportunities will be created while promoting **inclusive growth** through supporting sustainable job creation and allowing Clackmannanshire to capitalise on its unique natural assets to provide a quality and healthy environment accessible to all.

In terms of **innovation**, the project supports the development of innovative business particularly through developing green skills and innovation in land and environmental management and the Alloa Marina Development.

How it Fits with UK Government Policy Particularly the Draft Industrial Strategy

The Alloa Regeneration project particularly addresses the following pillars of the draft Industrial Strategy:

UK Government Pillars	*Project Examples*
3. **Upgrading infrastructure**	• Strategic road realignment in Alloa town centre • Alloa Business Park new strategic access road
4. Supporting business	• Alloa West Business Park site facilitation to provide development opportunity • Town Centre Business sites
6. Encouraging trade and inward investment	• Alloa West Business Park new high profile site availability
7. Delivering affordable energy and clean growth	• Forth Riverside Green Energy/skills
9. Driving growth across the whole country	• All project areas reinforcing Alloa as a sustainable place

Linkages and Dependencies

In particular, the Alloa Regeneration Project needs to be considered alongside the 'Sustainable Place' project. It also has strong linkages with 'Increasing Investor Confidence' and 'Delivering Inclusive Growth'.

SG ask / UKG ask £: TBC

Local contribution £: TBC

Third party £: TBC

Total £: TBC

Sauchie Development Land Release

What Opportunity/Issue is the Project Seeking to Address?

The overall aim of this project is to enable the release of substantial areas of allocated development land for housing, business and associated educational facilities. We need to do this because house completion levels in Clackmannanshire have collapsed by 80% since the wider economic crisis in 2008 (e.g. 450 completions in 2006 to 84 in 2015). Sauchie, in particular, has had two large housing development sites allocated in the adopted Local Development Plan for many years (tbc) with no prospect of any development taking place on either in the foreseeable future. Over 77 hectares of housing development land with the capacity for over 1200 new homes is involved. In the case of Clackmannanshire, the broken housing market is contributing to projected population decline (3% from 2014 – 2039) in contrast to Stirling and Scotland as a whole where increases of 11% and 6.5% are expected over the next 25 years. The demographic impact is also matched by associated poor economic activity levels in the local economy.

Both strategic housing sites in Sauchie (Sauchie East & West) are privately owned with apparently willing sellers and housebuilder interest in one of the sites. However, beyond the wider economic circumstances, both sites lack essential infrastructure due to insufficient primary and nursery school accommodation in the town and the absence of suitable roads infrastructure. In the case of Sauchie East, a 30.7 ha brownfield site currently owned by Diageo, a masterplan has been prepared and the multi-national business is looking to sell the site once its use of remaining bonded warehouses and laboratories on the site has ceased. Discussions with the company suggest they may be willing to invest the proceeds of any sale in the expansion of their other business operations in Clackmannanshire near Tullibody and Menstrie. Part of this site (6 ha) is also allocated in the Local Development Plan for business development and following the recent sale of the final speculative development plot at Dumyat Business Park, Tullibody the Council is very keen to assist Diageo to release its vacant site in order that a new speculative Business Park can be serviced and marketed. This would provide a stimulus to business growth in the east of Clackmannanshire adjoining Sauchie and Alloa and near Clackmannan which is currently the subject of economic regeneration activities following the premature closure of nearby Longannet Power Station.

In the case of Sauchie West, a 53 ha development site with housebuilder interest, there are significant obstacles preventing the release of land for housing. Firstly, ground consolidation (following past mining) has been hampered due to the recent loss of Longannet Power Station as a local market for shallow coal deposits. Equally, with an approved allocation of some 800 houses, there is currently no available primary or nursery school capacity which otherwise needs to be funded entirely by the landowner/developer.

Beyond these two strategic sites the Council is also exploring the possibility of a third site which would essentially provide a medium-longer term second phase to Sauchie East. In doing so the Council is also exploring the possibility of acquiring a relatively central site to accommodate a major school consolidation project whereby the existing two local primary schools and a separate nursery school could be replaced following the construction of a new and fully integrated educational establishment at Sauchie East. The development of this 'Achievement Campus' is considered to be a flagship development as part of the Council's wider 'Inclusive Growth' project.

The Projected Outputs and Impacts

The Sauchie Development Land release project will deliver a complementary set of outputs and impacts:

1. New school infrastructure through the Achievement Campus which will effectively address the absence of educational provision for Sauchie which serves to unlock current and likely future strategic housing sites in Sauchie and support the delivery of inclusive growth. This will unlock significant private sector investment in housing.
2. New integrated roads and transport infrastructure to provide roads, public transport and active travel options. Crucially, these will provide sustainable connections between people and businesses.
3. The school and roads infrastructure will unlock the development of 1200 homes. This along with the Achievement Campus will make the area more attractive to families and help address the projected decline in the working aged population. We aim to work in partnership with the current landowners/housebuilder to enable the release of both sites for housing by 2020 or earlier.
4. The creation of employment opportunities through the development of business land.

How the Project Sits Within the Overall City Region Deal and Other Regional Strategies and Plans

The project is integrated with other City Region Deal priorities in terms of delivering inclusive growth, increasing investor confidence and making Sauchie a sustainable place. Crucially, both strategic housing sites and the proposed business park are approved as part of the Clackmannanshire Local Development Plan (Adopted August 2015). Intervention to release housing land in Sauchie will help reverse projected population decline by increasing the towns citizens from approximately 6,000 to over 8,500 and potentially nearer 10,000.

How the Project Fits with Government Policy

The project most closely fits with two key priorities in **Scotland's Economic Strategy**, namely **Investment** and **Inclusive Growth**. We are determined to ensure Sauchie contributes effectively to making the City Region and Scotland more successful. By investing in our under-developed infrastructure we will directly address the factors holding the wider Clackmannanshire economy back. By aligning central government infrastructure investment with approved local growth priorities we aim to create major investment opportunities while promoting inclusive growth. Investment in new homes, business development and a major new 'Attainment Campus' will create opportunities for everyone in Sauchie and the wider Clackmannanshire community. Indeed, working with Diageo as the owner of the Sauchie East site creates the opportunity to assist the company to invest throughout Clackmannanshire while supporting one of Scotland's main exporters to grow.

Of course, the supply of new homes remains a key priority for both Central and Local Government. Together with its enabling infrastructure the major housing projects are estimated to create over £275 million of speculative development based on current LDP allocations and potentially open up a further £140 million of phased growth in the medium-longer term. The project equally supports the relevant **infrastructure, business start up and growth, cultivating world leading sectors and inclusive growth pillars** of the **UK Governments draft Industrial Strategy**. As such, we consider that this is a major opportunity within the City Region to close the gap between some of our most productive places and people and the rest.

Linkages and Dependencies

In particular, the Sauchie Development Land Release Project needs to be considered alongside the Delivering Inclusive Growth Project and the flagship 'Attainment Campus' development which is planned to be an essential part of the enabling infrastructure in Sauchie. The project also has key linkages with the 'Increasing Investor Confidence' and 'Sustainable Place' projects.

SG ask / UKG ask £: TBC

Local contribution £: TBC

Third party £: TBC

Total £: TBC

Forestmill Development Land Release

The project aims to facilitate the commencement of a development in Forestmill incorporating a Community Energy Network, digital infrastructure and affordable housing. In the current financial climate, the circumstances surrounding Forestmill mean that it would be unlikely to go ahead without intervention. The worst case scenario would be that a 'watered down' development may be proposed, which would not include the opportunities to incorporate a local energy network or digital infrastructure, and would result in an unambitious, standardised urban development which would not be 'future proofed' if it did not incorporate the technologies proposed. This was not deemed a desirable outcome as the vision for Forestmill is of an exemplar development which would take advantage of the site's characteristics and location.

What opportunity or issue the project is seeking to address

Delivering this development will enable the vision for Forestmill to be achieved and be used to demonstrate that the principles and techniques can be applied to other proposed and existing developments in Clackmannanshire and beyond. What Polnoon did for layout and design, Forestmill can do for District Energy and Digital connectivity.

The unique aspects of a development of this calibre in Clackmannanshire will attract in-migration and halt or reverse the projected population decline and age imbalance forecast in recent years. It will also address education capacity issues and provide opportunities for new types of business reliant on high speed, reliable digital infrastructure.

The projected outputs and impacts

The Forestmill development will:

- Demonstrate the feasibility of a Community Energy Network and allow the Council and developers to understand the processes involved in developing and implementing such a scheme for future incorporation in new and existing developments, and develop future policy and guidance for wider implementation. In doing so it will provide secure and affordable heat and power to all properties, including affordable housing, businesses and public buildings in Forestmill.
- Equip all properties with digital infrastructure to allow homes, businesses, public buildings and home-based businesses to compete on a par with other areas served by state of the art digital infrastructure.
- Deliver a choice of homes and services for those wishing to relocate within Clackmannanshire, or move to the area from elsewhere, in a location which does not put more pressure on established residential areas and communities. This will help to address the declining, ageing population forecast for Clackmannanshire. Commencing housebuilding at Forestmill may have the knock on effect of encouraging confidence for others to start developing other sites.
- Deliver a new primary school, thereby increasing capacity in the school estate and creating capacity elsewhere for other development which may previously have been stalled due to school capacity issues.
- Allow business opportunities to establish in Clackmannanshire, where previously this would have been impossible, as the digital infrastructure was not in place to compete with the cities and larger settlements.

How project sits within the overall City Region Deal and other regional strategies and plans

Delivery of this development will contribute to Inclusive Growth through new housing, social infrastructure, digital infrastructure provision and the incorporation of a secure, affordable, renewable energy supply. Through innovative design it will create a Sustainable Place and a commitment to incorporating new technologies will increase Investor Confidence.

How it fits with SG policy particularly around Scotland's Economic Strategy

The project represents sustainable inclusive and economic **growth** underpinned by **investment** in people, infrastructure and assets and based on **innovation**.

This will be achieved through the provision of physical and digital connectivity to create a strong, successful, resilient community. Access to this infrastructure will reduce the disparities in economic performance between Scotland's regions and local areas and address the accessibility and connectivity challenges faced by areas outwith the main cities.

How it fits with UKG policy particularly around the draft Industrial Strategy

The project will directly address the following pillars of the draft industrial strategy;

- **Upgrading infrastructure**
  Improvements to digital infrastructure will be felt most in rural areas. The average download speed in urban areas is at least three times faster than in rural communities, limiting people's ability to seize the opportunities of the digital economy. Supporting the rollout of fast broadband in rural areas removes barriers to entrepreneurship and enables new business to locate and grow there.
- **Supporting businesses to start and grow**
  By building on the local business base we can make it easier for more people to access new job opportunities closer to them.
- **Delivering affordable energy and clean growth**
  In the years ahead two important areas of energy policy require a higher priority: the affordability of energy for households and businesses; and securing the industrial opportunities for the UK economy of energy innovation.

Linkages and dependencies

This project will contribute to achieving the overall vision of the City Deal by creating jobs and educational opportunities, reducing energy costs for businesses and households, helping to eliminate fuel poverty and associated social inequalities and establishing Clackmannanshire as a leading authority on innovative district heating networks.

SG ask / UKG ask £: TBC

Local contribution £: TBC

Third party £: TBC

Total £: TBC

THIS PAPER RELATES TO ITEM 08

ON THE AGENDA

CLACKMANNANSHIRE COUNCIL

Report to Council

Date of Meeting: 31 August 2017

Subject: Appointment of Council Directors to CSBP Clackmannanshire Investments Limited

Report by: Acting Legal Services Manager

1.0 Purpose

1.1 The purpose of this report is to enable the Committee to appoint two council Directors to the joint venture company CSBP Clackmannanshire Investments Limited in which the Council is a 50% shareholder, in accordance with the company's memorandum and articles.

2.0 Recommendations

2.1 It is recommended that Council:

a) confirms the appointment of Councillor Les Sharp as a Council Director in his capacity as Leader of the Administration; and

b) appoints either the Leader of the Conservative group or the Leader of the Labour group as the other Director.

3.0 Background.

3.1 The Council is a 50% shareholder in CSBP Clackmannanshire Investments Limited which is an offshoot of one of several companies originally set up by Central Regional Council to promote and develop business parks in the then Central Region, primarily in Stirling and Clackmannanshire. Re-organisation of the companies took place after local government reorganisation and the developments in Clackmannanshire were transferred to CSBP Clackmannanshire Developments Limited and CSBP Clackmannanshire Investments Limited, the principal purpose of the former being to secure the development of business units on the Clackmannanshire sites with the completed units being transferred to the latter company following occupation and leasing of the units.

3.2 Subsequently as a result of a division within the Scarborough Group (the Council's joint venture partner) the joint venture interest was split and the interest in the development company transferred to Valad Group whilst the interest in the investment company remained with the Scarborough Group.

3.3 As members will be aware from more recent reports to Council, the remaining undeveloped land at Dumyat Business Park was transferred back to the Council and the Council has secured the development of the remaining land there within the business park. As a result the development company is now in the final stages of being wound up and as liquidators have been appointed there is no requirement to appoint new directors to the development company.

3.4 CSBP Clackmannanshire Investments Limited still owns a business unit on Dumyat Business Park currently being marketed for sale by the joint venture company. When the remaining unit is sold, arrangements will be put in place to wind up the investment company in accordance with the previous Council decision to that effect. Until that point is reached it remains a requirement for the Council to appoint two Council Directors to the investment company.

4.0 Considerations

4.1 As a result of the recent local government election, it now falls to the Council to confirm whether it wishes to adhere to the previous Council practice of the Council Directors of CSBP Clackmannanshire Investments Limited being the Leader of the Administration and the Leader of the main Opposition party.

4.2 If the previous basis is to be followed councillor Les Sharp, as Leader of the Administration will be confirmed as one of the two Council Directors.

4.3 As there are now two Opposition parties of equal strength, Council is asked to consider and appoint the second Council Director from either the Leader of the Conservative group or the Leader of the Labour Group. Whilst the Council could consider rotation of the second Director (as has been agreed in respect of the Vice Chair of Scrutiny Committee), given that the intention of the Council is to have the company wound up at the earliest appropriate opportunity such a recommendation would not carry the same merit.

5.0 Sustainability Implications

5.1 There are no direct sustainability implications arising from this report.

6.0 Resource Implications

6.1 Financial Details

6.2 There are no direct financial implications arising from this report. Finance have been consulted and have agreed the financial implications as set out in the report.

6.4 Staffing - 6.5 There are no staffing implications arising from this report

7.0 Exempt Reports

7.1 Is this report exempt? No

8.0 Declarations

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

9.0 Our Priorities (Please double click on the check box ☑)

9.1 The area has a positive image and attracts people and businesses ☑
The Council is effective, efficient and recognised for excellence ☑

10.0 Council Policies (Please detail)

10.1 None

11.0 Equalities Impact

11.1 n/a

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. Yes ☑

13.0 Appendices

13.1 None

14.0 Background Papers

14.1 None

Author(s)

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Approved by

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