



**Clackmannanshire
Council**

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Comhairle Siorrachd
Chlach Mhanann

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

Special Meeting of Clackmannanshire Council

Thursday 27 February 2020 at 9.30 am

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



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 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.

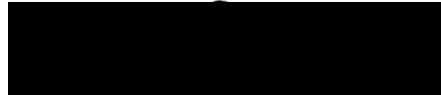
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19 February 2020

A SPECIAL MEETING of the CLACKMANNANSHIRE COUNCIL will be held within the Council Chamber, Kilncraigs, Greenside Street, Alloa, FK10 1EB, on THURSDAY 27 FEBRUARY 2020 at 9.30 AM



**NIKKI BRIDLE
Chief Executive**

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1.0 Apologies	--
2.0 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.	--
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Clackmannanshire Council – Councillors and Wards

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	Helen Lewis	2	Clackmannanshire North	SNP
Councillor	Jane McTaggart	3	Clackmannanshire Central	SNP
Councillor	Derek Stewart	3	Clackmannanshire Central	LAB
Councillor	Mike Watson	3	Clackmannanshire Central	CONS
Councillor	Chris Dixon	4	Clackmannanshire South	IND
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
Vacancy		5	Clackmannanshire East	

Report to Clackmannanshire Council

Date of Meeting: 27 February 2020

Subject: Treasury Management Strategy Statement 2020/21

Report by: Chief Finance Officer

1.0 Purpose

1.1 The purpose of this report is to present the Council's Treasury Management Strategy Statement for 2020/21 and Prudential Indicators for 2020/21 to 2024/25.

1.2 CIPFA defines treasury management as:

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

2.0 Recommendations

2.1 It is recommended that Council:

2.1.1 Approve the Treasury Management Strategy Statement for 2020/21 and prudential indicators for the years 2020/21 to 2024/25 in compliance with the Prudential Code requirements attached as Appendix A.

2.1.2 Note that there will be a fundamental review of the agreed General Fund Capital programme and any impact on borrowing will be reported to Council. (Appendix A, paragraph 1.1)

2.1.3 Approve the changes to the accounting policies for the Loans Fund (Appendix A, paragraph 1.3)

2.1.4 Note that future investment decisions will consider ethical investment opportunities. (Appendix A, paragraph 5.1)

2.1.5 Note the investment portfolio position (Appendix B)

3.0 Considerations

Background

- 3.1 The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available to meet spending commitments as they fall due either on day-to-day revenue operations or for larger capital projects. Treasury activities will balance the interest costs of debt and the investment income arising from cash deposits. Surplus monies are invested in low risk counterparties commensurate with the Council's low risk appetite, initially providing adequate liquidity before considering investment return.
- 3.2 The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer term cash flow planning to ensure that the Council can meet its capital spending obligations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses. On occasion any debt previously drawn may be restructured to meet Council risk or cost objectives.
- 3.3 The Prudential Indicators included in Appendix A have been determined based on the budget proposals contained in the Capital Programme 2020/21 to 2024/25, the General Services Revenue and Capital Budget 2020/21 and the Housing Revenue Account (HRA) Budget 2020/21 on the agenda for approval at this meeting.

Reporting Requirements

Treasury Management Reporting

- 3.4 The Council is required to receive and approve, as a minimum, three main reports each year, which incorporate a variety of policies, estimates and actuals.

Prudential and treasury indicators and treasury strategy (this report) - The first and most important report covers:

- the capital plans (including prudential indicators);
- a policy for the statutory repayment of debt (how residual capital expenditure is charged to revenue over time);
- the treasury management strategy (how the investments and borrowings are to be organised) including treasury indicators; and
- an investment strategy (the parameters on how investments are to be managed).

A mid year treasury management report – This will update members with the progress of the capital position, amending prudential indicators as necessary, and whether the performance of the treasury function is in line with the strategy or whether any policies require revision.

An annual treasury report – This provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

Capital Strategy

- 3.5 The CIPFA 2017 Prudential and Treasury Management Codes require all local authorities to prepare a capital strategy report, which will provide the following:
- a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services;
 - an overview of how the associated risk is managed; and
 - the implications for future financial sustainability.

The aim of this Capital Strategy is to ensure that Council fully understands the overall long-term policy objectives and resulting capital strategy requirements, governance procedures and risk appetite.

The Capital Strategy will include capital expenditure, investments and liabilities and treasury management in sufficient detail to allow all members to understand how stewardship, value for money, prudence, sustainability and affordability will be secured.

Treasury Management Strategy for 2020/21

- 3.6 The strategy for 2020/21 covers two main areas:

Capital

- the capital plans and the prudential indicators; and
- the loans fund repayment policy.

Treasury Management

- the current treasury position;
- treasury indicators which limit treasury risk and the activities of the Council;
- prospects for interest rates;
- the borrowing strategy;
- policy on borrowing in advance of need;
- debt rescheduling;
- statutory repayment of loans fund;
- the investment policy;
- creditworthiness policy;
- country limits; and
- the investment strategy.

These elements cover the requirements of the Local Government in Scotland Act 2003, the revised CIPFA Prudential Code and CIPFA Treasury Management Code (2017 editions) and the Local Government Investment Regulations (Scotland) 2010 and the Local Authority (Capital and Financing and Accounting) (Scotland) Regulations 2016.

Training

- 3.7 The CIPFA Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. Regular training is held for members in the form of briefings on specific changes and reports. Link Asset Services, our Treasury Management Advisors, also hold training sessions with members with the last refresher held on the 6 December 2017. Further training is arranged as required.

The training needs of treasury management officers are periodically reviewed. Treasury management officers attend regular meetings with the Council's Treasury management advisors, benchmarking meetings with representatives from other Scottish local authorities and specific training events arranged by the Council's treasury management advisors.

Treasury Management Consultants

- 3.8 The Council uses Link Asset Services as its external treasury management advisors. The Council recognises that responsibility for treasury management decisions remains with the Council at all times and will ensure that undue reliance is not placed upon our external service providers.

It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review. Following a recent procurement exercise, Link Asset Services have been retained as the Council's external treasury management advisors until 31 July 2025.

4.0 Conclusion

- 4.1 The Treasury Management Strategy for 2020/21 builds on and consolidates the Council's existing Investment Strategy and Prudential Borrowing framework.
- 4.2 The strategy supports the delivery of the Council's capital investment plans but also remains intent on minimising the Council's overall relative level of external debt compared to Scottish Local Authority averages.

5.0 Sustainability Implications

- 5.1 None.

6.0 Resource Implications

6.1 *Financial Details*

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

Yes

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

6.4 *Staffing*

6.5 None

7.0 Exempt Reports

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

8.0 Declarations

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

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

Clackmannanshire will be attractive to businesses & people and ensure fair opportunities for all

Our families; children and young people will have the best possible start in life

Women and girls will be confident and aspirational, and achieve their full potential

Our communities will be resilient and empowered so that they can thrive and flourish

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

Treasury Management Policy Statement and Practices

9.0 Equalities Impact

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

Yes No

10.0 Legality

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

11.0 Appendices

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

Appendix A – 2020/21 Treasury Management Strategy Statement & Annual Investment Strategy (including prudential indicators)

Appendix B - Investment Portfolio as at 31st January 2020

Appendix C – Loans Fund Revised Policy

12.0 Background Papers

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

Yes (please list the documents below) No

Treasury Management in Public Service; Code of Practice and Cross Sectoral Guidance Notes 2017

The Prudential Code for Capital Finance in Local Authorities 2017

The Local Government Investment Regulations (Scotland) 2010

Local Authority (Capital Finance and Accounting) (Scotland) Regulations 2016

Interest rate forecasts

Economic background

Treasury management practice 1 - credit and counterparty risk management

Treasury management scheme of delegation



The treasury management role of the section 95 officer

Link Asset Services - Clackmannanshire Council Loans Fund Review

Author(s)

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Approved by

NAME	DESIGNATION	SIGNATURE
Lindsay Sim	Chief Finance Officer	
Stuart Crickmar	Strategic Director, Partnership and Performance	

2020/21 TREASURY MANAGEMENT STRATEGY STATEMENT & ANNUAL INVESTMENT STRATEGY (including prudential indicators)

The suggested strategy for 2020/21 in respect of the following aspects of the treasury management function is based upon the Council's views on interest rates, supplemented with leading market forecasts provided by the Council's treasury adviser, Link Asset Services.

The strategy for 2020/21 covers the following areas:

- capital expenditure;
- the loans fund repayment policy;
- the current portfolio position;
- treasury indicators which limit treasury risk and the activities of the Council;
- prospects for interest rates;
- the borrowing strategy;
- policy on borrowing in advance of need;
- debt rescheduling;
- statutory repayment of loans fund;
- the investment policy;
- creditworthiness policy;
- country limits; and
- the investment strategy.

1.0 The Capital Prudential Indicators

1.1 Capital Expenditure

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

The Prudential Code requires the Council to make reasonable estimates of the total capital expenditure that it plans to incur during the forthcoming financial year and the following two financial years. The Code also requires this information to be split between General Fund Services and Housing Revenue Account (HRA).

To provide a longer term view, the estimates of gross capital expenditure to be incurred for the next five years together with the projection for the current year and actual for 2018/19 are as follows:

Table 1: Gross Capital Expenditure

	2018/19	2019/20	2020/21	2021/22	2022/23
	£000	£000	£000	£000	£000
	Actual	Projection	Estimate	Estimate	Estimate
General Fund Services	17,562	16,659	18,806	20,152	17,227
Housing Revenue Account	5,158	7,717	6,885	7,205	6,398
Total	22,720	24,376	25,691	27,357	23,625

The above figures are shown gross of any income and are consistent with the capital programme proposals for General Services contained within the Revenue and Capital Budget report 2020/21 and the Housing Revenue Account (HRA) Budget 2020/21 on the agenda for approval at this meeting. These capital plans take full account of the requirements of the Prudential Code and the levels of expenditure across the years reflect the funding envelope available. The planned spending figure of £25.691m for 2020/21 will be kept under review through the capital monitoring process and regularly reported to Audit Committee through the year.

During 2020/21 it is intended that a full review of the General Fund Capital Programme be undertaken to realign it with new divisional strategic plans incorporating the requirements of City Region Deal and the recently approved Learning Estate Strategy. Availability of funding will be a key consideration of this review to reduce the impact of any revised capital programme on the Council's borrowing requirement. This review will also consider the councils transformation proposal to review the borrowing and investment strategy.

1.2 Borrowing Need (Capital Financing Requirement)

The calculation of the Capital Financing Requirement (CFR) is intended to reflect the Council's underlying need to borrow for a capital purpose and it is used as a key measure in treasury management decisions for this reason. Capital expenditure that is not financed upfront by the use of capital receipts, capital grants or directly from revenue will increase the CFR of the Council.

The CFR does not increase indefinitely as it is reduced by annual repayments of debt. These repayments are calculated to be broadly commensurate with the period and pattern of benefits of the capital expenditure i.e. reflect the useful life of the asset financed from borrowing.

The CFR also includes the long term liabilities the Council has in respect of the PFI contract for three secondary schools and the finance leases for street lighting infrastructure. Whilst this increases the CFR, the Council is not required to borrow for these schemes.

Estimates of the end of year CFR for the Council for the current and future years together with the actual position last year are:

Table 2: Capital Financing Requirement as at:

	31/03/19	31/03/20	31/03/21	31/03/22	31/03/23
	£000	£000	£000	£000	£000
	Actual	Projection	Estimate	Estimate	Estimate
General Fund Services	121,325	122,901	132,977	146,718	157,233
Housing Revenue Account	23,655	23,046	24,573	26,687	27,940
Total	144,980	145,947	157,550	173,405	185,173

The combined GF and HRA CFR is estimated to increase over the period to £185.173m by the end of March 2023. The increase in the General Fund CFR is to accommodate investment in several significant projects in line with the Learning Estate Strategy and Early Learning and Childcare Expansion, including Tullibody South Campus, Alloa South Campus, school developments in Sauchie and Dollar and also the BPRA payment for the Kilncraigs building. It also reflects the revised Scottish Government funding model which removes contributions towards capital spend and focusses on recurring revenue costs and the implementation of the revised accounting policies of the Loans Fund as set out in 1.3 below.

The overall CFR at March 2023 is an increase of £39.2m on the projected level at March 2020. Whilst the approved financial strategy of minimising long term borrowing remains in place, it is anticipated that the level of capital investment may require additional external borrowing to be undertaken in the medium term. However, alternative sources of funding such as grant funding, capital receipts and internal borrowing will be considered to reduce the requirement for external borrowing over the longer term.

The capital financing requirement for the HRA is estimated to increase to March 2025. This reflects the capital investment and funding detailed in the Housing Revenue Account (HRA) Budget 2020/21 on the agenda for approval at this meeting.

1.3 Statutory repayment of loans fund advances

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

A variety of options to account for loans fund advances are permitted within the Local Authority (Capital Finance and Accounting) (Scotland) Regulations 2016 so long as a prudent provision is made each year. A review of the Council's Loans Fund advances by the Councils Treasury Advisors – Link Asset Services has been undertaken, as a result this has reprofiled the net expenditure for both GF and HRA.

The Council is recommended to approve the following policy, applicable from 1 April 2019, on the repayment of loan fund advances as follows;

- a) For loans fund advances made before 1 April 2019, the policy will be to use the Asset Life Method annuity method with all loans being repaid over 35 years at annuity rate of 5%.

- b) For loan advances made after 1 April 2019 the policy will be to use the Asset Life Method annuity method with all loans being repaid over 35 years at annuity rate of 5%
- c) For the assets under construction, the repayment of the first loan fund repayment to be deferred until the financial year following the one in which the asset is first available for use or operational.

Adoption of this policy for advances made before 1 April 2019 will smooth the loans fund repayments and reprofile the revenue requirement over the next 10 years. This is linked into the investment proposals within the Be the Future Programme which apply to both GF and HRA.

This approach has been made on a prudent basis following discussions with the Councils Treasury advisors and in line with a review by Audit Scotland and Scottish Government.

The principal repayments under the previous accounting policy and the revised charge to revenue under the proposed policy for both the General Fund and the HRA are shown in Appendix C.

The annuity rate applied to the Council's loans fund is reviewed annually which is in line with the new regulation 14 (2) of SSI 2016 No 123 - to ensure that it is a prudent application. The annuity rate used provides a fair and prudent approach and generates principal repayments that are closely associated with the use of the assets. The actual annuity rate used for 2018/19 (also referred to as the Pool loan rate) was 4.82%. The rate for 2019/20 is projected to be 4.91%. On this basis the annuity rate has been set at 5%.

The policy will be reviewed on an annual basis and any changes to the assumptions used in the policy will be reported to Council.

1.4 Affordability

Prudential Indicators are required to assess the affordability of capital investment plans. These provide an indication of the impact of the capital investment plans on the Council's overall finances.

1.4.1 Ratio of financing costs to net revenue stream

The Prudential Code requires the Council to make estimates of the ratio of capital financing costs to its net revenue stream.

The indicator is intended to measure the percentage of the Council's total income that it is estimated will be committed towards meeting the costs of borrowing used to fund capital expenditure. For the GF this is the ratio of financing costs of borrowing against net expenditure financed by government grant and local taxpayers. For the HRA the indicator is the ratio of financing costs to gross rental income.

Estimates of the ratio of financing costs to net revenue stream for the current and future years are:

Table 5: Ratio of financing costs to net revenue stream

	2018/19	2019/20	2020/21	2021/22	2022/23
	£000	£000	£000	£000	£000
	Actual	Projection	Estimate	Estimate	Estimate
General Fund	8.41%	5.28%	4.37%	3.82%	4.44%
Housing Revenue Account	14.72%	9.56%	9.07%	7.72%	7.83%

The above figures show that for the GF, the proportion of the budget allocated to loan charges is estimated to reduce which is mainly as a result of the change in loans fund policy. Year on year fluctuations are due to specific projects within the capital programme. The ratios ranging between 3.82% and 5.28% are lower than the 2018 Scottish Average of 7.76%. This is a positive outcome over this period reflecting capital investment against a backdrop of reducing levels of government grant funding partly offset with increases in council tax income and the reduced principal repayments following the change in accounting policy for the loans fund as outlined in paragraph 1.3 above. This demonstrates that capital financing costs are being controlled through the effective implementation of the Council's borrowing and investment strategy.

Capital investment and funding in the HRA is detailed in the Housing Revenue Account (HRA) Budget 2020/21 on the agenda for approval at this meeting. The capital programme is set to achieve the Scottish Government's new Energy Efficiency Standard for Social Housing (EESH) by the 31st May 2020, maintain the Council's excellent Scottish Housing Quality Standard record and achieve the Council's own investment priorities. In line with the GF, the HRA ratio of capital financing costs to rental income is estimated to reduce over the period to 2022/23 mainly due to the change in the Loans Fund policy.

2.0 Borrowing

The treasury management function ensures that the Council's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet service activity and investments through the Capital Programme. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury indicators, the current and projected debt positions and the annual investment strategy.

2.1 Current Portfolio Position

Within the Prudential Indicators there are a number of key indicators to ensure that the Council operates its activities within well defined limits. One of these is that the Council needs to ensure that its gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2020/21 and the following two financial years. This allows some flexibility for limited early borrowing for future years, but ensures that borrowing is not undertaken for revenue purposes or speculative purposes.

The Council's treasury portfolio projected position at 31 March 2019 with forward projection are summarised in the table below. The table shows;

- the cumulative level of external debt held by the Council which represents the total amount of borrowing that has been undertaken to fund the capital programme;
- the expected change in debt which is any repayments of maturing debt less new debt undertaken in the year to fund the in-year capital programme;
- Other Long Term Liabilities which is the total of any Finance Lease or PFI arrangements;
- the expected change in Other Long Term Liabilities which refers to the repayments in the year made against this debt;
- the Capital Financing Requirement which is the cumulative amount of borrowing that the Council required to borrow to fund capital expenditure; and
- the under or over borrowing position which is the difference between the required need to borrow and the actual borrowing undertaken.

The Code requires local authorities to maintain an under-borrowed position in the long term, this means that the total amount borrowed does not exceed the need to borrow. An under-borrowed position can occur where cash balances have been used to fund capital expenditure whereas, an over-borrowed position can occur where borrowing has been taken in advance of need. This is permissible in the short term to take account of timing of cash flows but the Council must return to an under-borrowed position in future years.

Table 6: External Debt

	2018/19 Actual £000	2019/20 Projection £000	2020/21 Estimate £000	2021/22 Estimate £000	2022/23 Estimate £000
External Debt					
Cumulative Debt at 1 April	101,945	96,875	96,804	101,321	111,250
Expected change in Debt	-5,071	-71	4,517	9,929	6,983
Other long-term liabilities (OLTL) at 1 April	41,342	40,374	39,147	37,845	36,672
Expected change in OLTL	-968	-1,227	-1,302	-1,173	-1,237
Actual gross debt at 31 March	137,248	135,951	139,166	147,922	153,668
Capital Financing Requirement	144,980	145,947	157,551	173,405	185,173
Under/(over) borrowing	7,732	9,996	18,385	25,483	31,505

For all years shown in the above table the Council's CFR is forecast to remain below Gross Debt maintaining a consistent under-borrowed position going forward, therefore meeting the requirement of the indicator to be in an under-borrowed position over the medium term.

The capital programme includes expenditure on significant projects and it is anticipated that new external borrowing may need to be undertaken. As a result external debt is forecast to increase in 2020/21, 2021/22 and 2022/23 in order to ensure sufficient cash is available to meet the capital investment within those years.

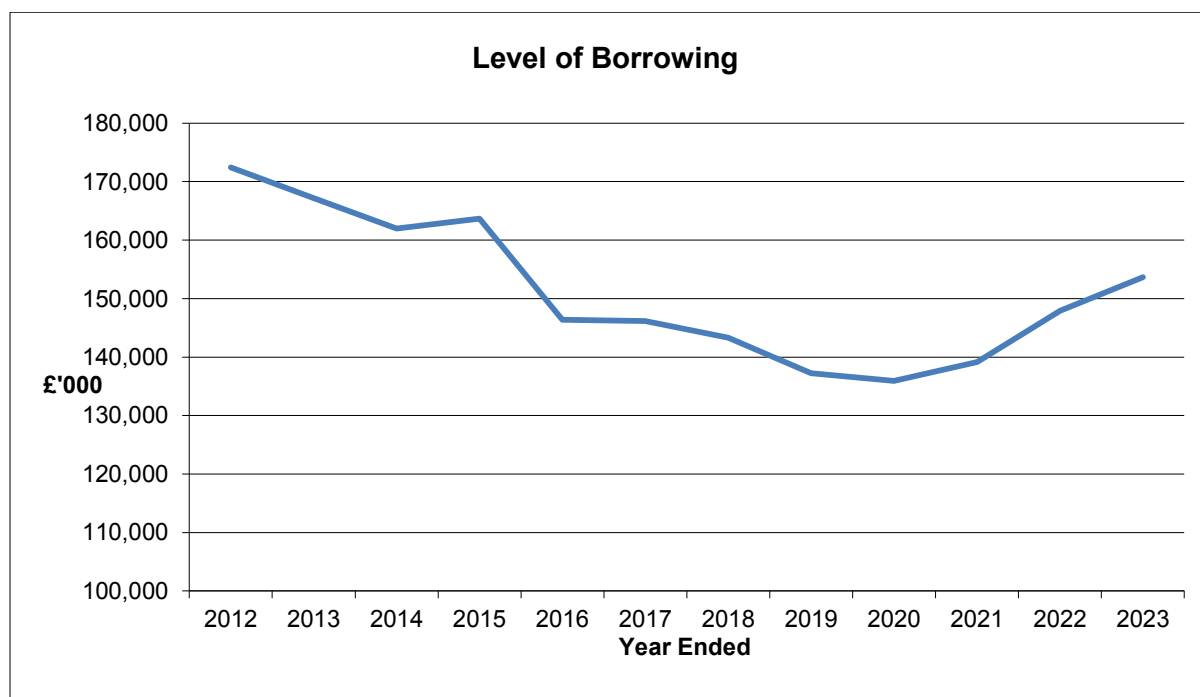
PWLB loan repayments of £3.4m are scheduled in the next five years to March 2023. The new borrowing and the repayment profiles of debt maturity mean there are variations in annual change in debt year on year.

The difference between the level of borrowing and the CFR shows the amount of internal borrowing/utilisation of cash balances to fund capital expenditure.

The steady reduction in other long term liabilities reflects the annual repayments of the PFI debt and street lighting finance lease.

Significant reductions of £36m to March 2020 have been achieved since the policy to minimise external debt was approved in March 2012. This strategy to minimise long term debt remains in place following, however, significant investment in key projects over the next few years means that borrowing may need to increase in the medium term. It is anticipated that once these key projects are complete that borrowing will reduce in line with the strategy. The chart below shows the reduction of external debt to date and estimates the increase over the next few years.

Chart 1: Level of Borrowing



2.2 Treasury Indicators: limits to borrowing activity

2.2.1 Operational Boundary for External Debt

The operational boundary is the limit beyond which the external debt is not normally expected to exceed. This is a key management tool for in-year monitoring and is lower than the Authorised Limit as it is based on an estimate of the most likely level of external borrowing at any point in the year. In comparison, the authorised limit is the maximum allowable level of borrowing.

Table 7: Operational Boundary for external debt

	2019/20	2020/21	2021/22	2022/23
	£000	£000	£000	£000
Borrowing	110,000	122,000	138,000	152,000
Other long term liabilities	40,000	39,000	38,000	36,000
Total	150,000	161,000	176,000	188,000

This indicator is consistent with the Council's plans for capital expenditure and financing with Treasury Management policy and practice. It is sufficient to facilitate appropriate borrowing during the financial year and will be reviewed on an on-going basis.

2.2.2 Authorised Limit for External Debt

The authorised limit for external debt is required to separately identify external borrowing (gross of investments) and other long term liabilities such as finance lease obligations. This is a key prudential indicator and is the maximum figure that the Council could borrow at any given point during each financial year.

Table 8: Authorised limit for external debt

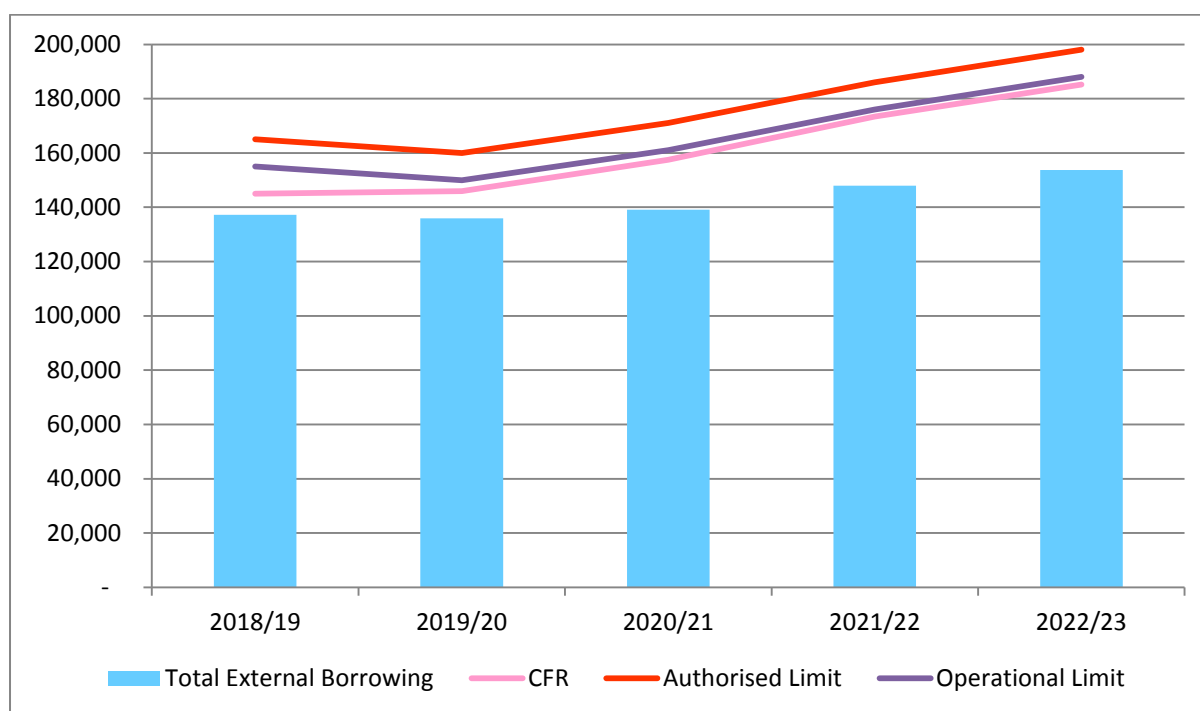
	2019/20	2020/21	2021/22	2022/23
	£000	£000	£000	£000
Borrowing	115,000	127,000	143,000	157,000
Other long term liabilities including PFI	45,000	44,000	43,000	41,000
Total	160,000	171,000	186,000	198,000

The authorised limit set out above is consistent with approved capital investment plans and Treasury Management policy and practice but allows sufficient headroom for unanticipated cash movements. The limit increases towards 2022/23 in line with increased expenditure on specific capital projects and the related forecasted external borrowing. The limit is reviewed on an annual basis in line with revisions to the approved capital programme.

If the authorised limit is liable to be breached at any time, the Chief Finance Officer (Section 95 Officer) will report to the Audit Committee. It will then be open to Committee to raise the authorised limit or to take measures to ensure the limit is not breached.

The following chart shows the forecasted level of external borrowing, CFR, authorised limit and operational boundary to March 2023.

Chart 2: Borrowing and Capital Financing Requirement



3.0 Prospects for Interest Rates

The Council has appointed Link Asset Services as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. The following table gives Link's central view.

Table 9: Forecast Interest Rates

Quarter ended	Bank Rate %	PWLB Borrowing Rates (including certainty rate adjustment)		
		5 year	25 year	50 year
March 2020	0.75	2.30	3.00	2.90
June 2020	0.75	2.30	3.00	2.90
Sept 2020	0.75	2.40	3.10	3.00
Dec 2020	0.75	2.40	3.20	3.10
March 2021	0.75	2.50	3.30	3.20
June 2021	1.00	2.60	3.40	3.30
Sept 2021	1.00	2.70	3.50	3.40
Dec 2021	1.00	2.80	3.60	3.50
March 2022	1.00	2.90	3.70	3.60
June 2022	1.25	2.90	3.80	3.70
Sept 2022	1.25	3.00	3.80	3.70

Quarter ended	Bank Rate %	PWLB Borrowing Rates (including certainty rate adjustment)		
Dec 2022	1.25	3.00	3.90	3.80
March 2023	1.25	3.10	3.90	3.8

The Bank Rate was increased from 0.50% to 0.75% on 2nd August 2018 by the Monetary Policy Committee (MPC) and has remained steady. The next increase in Bank Rate is forecast for the June 2021, followed by a further increase to 1.25% in June 2022.

Economic and interest rate forecasting remains difficult with so many external influences in the UK. The above forecasts have been based on an assumption that there is an agreed deal on Brexit, including agreement on the terms of trade between the UK and EU, at some point in time. The forecasts and MPC decisions will be liable to further amendment depending on how economic data and developments in financial markets transpire over the next year. Forecasts for average investment earnings beyond the three-year period will be heavily dependent on economic and political developments.

The current economic outlook and structure of market interest rates and government debt yields have key treasury management implications:

- The overall trend in the longer term will be for gilt yields and PWLB rates to gradually rise. However they can be subject to exceptional levels of volatility due to geopolitical developments, sovereign debt crisis, emerging market developments and sharp changes in investor actions. Such volatility could occur at any time during the forecast period.
- Investment returns are likely to remain low during 2020/21 with little increase in the following two years. However, if major progress was made with an agreed Brexit, then there is upside potential for earnings.
- Borrowing interest rates fell during the first half of 2019/20 but were subject to a 1% increase in October 2019 by the UK Government. The policy of avoiding new borrowing by running down surplus cash balances has had a positive impact over the last few years. However, this needs to be carefully reviewed to avoid incurring higher borrowing costs in the future when borrowing is required to finance new capital expenditure and/or to refinance maturing debt, and
- There remains a cost of carry (the difference between higher borrowing cost and lower investment returns) for any new borrowing. New borrowing causes an increase in cash balances which will, most likely, be invested at a rate lower than the borrowing therefore incurring a revenue loss between borrowing costs and investment returns.

4.0 Borrowing Strategy

Over the medium term the Council is forecasted to maintain an under-borrowed position. This means that the capital borrowing need (CFR), has not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash

flow has been used as a temporary measure. This strategy is prudent as investment returns are low and counterparty risk is relatively high.

Against this background and the risks within the economic forecast, the Chief Finance Officer, supported by the Treasury team, will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:

- *if it was felt that there was a significant risk of a sharp FALL in long and short term rates (e.g. due to a marked increase of risks around relapse into recession or of risks of deflation), then long term borrowings will be postponed, and potential rescheduling from fixed rate funding into short term borrowing will be considered.*
- *if it was felt that there was a significant risk of a much sharper RISE in long and short term rates than that currently forecast, perhaps arising from an acceleration in the rate of increase in central rates in the USA and UK, an increase in world economic activity or a sudden increase in inflation risks, then the portfolio position will be re-appraised with the likely action that fixed rate funding will be drawn whilst interest rates are still lower than they will be in the next few years.*

Any decisions will be reported to the Audit Committee at the next available opportunity.

4.1 Policy on borrowing in advance of need

The Council will not borrow more than, or in advance of, its needs purely in order to profit from the investment of the extra sum borrowed. Any decision to borrow in advance will be within the approved CFR estimates, and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.

Risks associated with any borrowing in advance of activity will be subject to prior appraisal and subsequent reporting through the mid-year or annual reports.

4.2 Debt Rescheduling

As short term borrowing rates will be considerably cheaper than longer term fixed interest rates, there may be potential opportunities to generate savings by switching from long term debt to short term debt. However, these savings will need to be considered in the light of the current treasury position and the size of the cost of debt repayment (premiums incurred).

The reasons for any rescheduling to take place will include:

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

Consideration will also be given to identify if there is any residual potential for making savings by running down investment balances to repay debt prematurely as short term rates on investments are likely to be lower than rates paid on current debt.

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

4.3 Types of Borrowing

Following the decision by the PWLB on 9 October 2019 to increase their margin over gilt yields by 1% to 1.8% on loans to local authorities, consideration may need to be given to sourcing funding at cheaper rates. Options available include:

- Local authorities (primarily shorter dated maturities), and
- Financial institutions (primarily insurance companies, pension funds and banks)

At the time of undertaking any borrowing, a full appraisal will be carried out to identify the most cost effective type of borrowing in line with the councils risk appetite.

4.4 Borrowing Requirement

The Council's borrowing requirement shown in the table below is based on the in-year borrowing estimated to be needed to fund the net expenditure in the proposed General Services Revenue and Capital Budget 2020/21 and the Housing Revenue Account (HRA) Budget 2020/21 on the agenda for approval at this meeting.

The actual timing of any borrowing will be influenced by prevailing interest rates and expectations for future movement on rates.

Over the longer term, repayments towards maturing debt should be higher than any new borrowing being undertaken to fund the capital programme. However, this may not be possible on a year by year basis depending on the maturing loans within that year. The table below shows variations in the external borrowing requirement for years to 2024/25.

Table 10: Total Borrowing Requirement / Movement on CFR

	2020/21 Estimate £000	2021/22 Estimate £000	2022/23 Estimate £000
Net New External Borrowing Requirement	15,185	18,124	14,417
Repayment of Maturing Debt	-3,581	-2,269	-2,650
Total Borrowing Requirement / Movement on CFR	11,604	15,855	11,767

4.5 Interest Rate Exposure and Maturity Structure of Borrowing

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

- Upper limits on fixed interest rate exposure - this identifies a maximum limit, expressed as a % of the total debt and investment, of fixed interest rates borrowing and investments;

- Upper limits on variable interest rate exposure - this is similar to the previous indicator and covers a maximum limit on variable interest rates, and
- Maturity structure of borrowing - these gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing, and are required for upper and lower limits.

The Council is asked to approve the following treasury indicators and limits:

Table 11: Treasury Management Limits

	2020/21	2021/22	2022/23
Interest rate exposures			
	Upper	Upper	Upper
Limits on fixed interest rates based on			
• Debt	100%	100%	100%
• Investments	75%	75%	75%
Limits on variable interest rates based on			
• Debt	25%	25%	25%
• Investments	75%	75%	75%
Maturity structure of fixed interest rate borrowing 2020/21			
	Lower	Upper	
Under 12 months	0%	25%	
12 months to 2 years	0%	25%	
2 years to 5 years	0%	50%	
5 years to 10 years	0%	75%	
10 years and above	0%	100%	
Maturity structure of variable interest rate borrowing 2020/21			
	Lower	Upper	
Under 12 months	0%	25%	
12 months to 2 years	0%	25%	
2 years to 5 years	0%	50%	
5 years to 10 years	0%	75%	
10 years and above	0%	100%	

5.0 Investment Strategy

5.1 Investment Policy

The aim of the strategy is to generate a list of highly creditworthy counterparties which will also enable diversification and thus avoidance of concentration risk. The intention of the strategy is to provide security of investment and minimisation of risk

Opportunities for investment arise naturally through Treasury Management activity and in particular the management of cash flows which can result in peaks and troughs in the amount of cash required during the year. As at 31st January 2020, the Council held cash balances of £15.8m, of which £13.8m was immediately available and £2m held in short term deposits.

During 2020/21 the Council will continue to invest surplus cash balances of which the return contributes to reducing the net expenditure of the Council. As part of the councils Be the Future Programme we will look for opportunities to invest ethically which fit within the remit of our strategy.

The Council's investment policy has regard to the Local Government Investment (Scotland) Regulations 2010 (and accompanying Finance Circular 5/2010) and the CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2017 ("the CIPFA TM Code"). The Council's investment priorities will be security first, liquidity second and then return.

In accordance with guidance from the Scottish Government and CIPFA, and in order to minimise the risk to investments, the Council has adopted a prudent approach and defines its risk appetite by the following means:

- Minimum acceptable credit criteria are applied in order to generate a list of highly creditworthy counterparties which also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the Short Term and Long Term ratings.
- The Council's officers will use ratings and other information provided by Link Asset Services to ensure creditworthiness as detailed below.
- The Council's officers will also use other information sources which include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.
- Investments will be place with counterparties from countries with a specified minimum sovereign rating.
- Limits will be set for the amount of principal sums invested for longer than 365 days.
- All investments will be denominated in sterling.

5.2 Creditworthiness Policy

This Council applies the creditworthiness service provided by Link Asset Services. This service employs a sophisticated weighted modelling approach utilising a wide array of information sources including credit ratings from the three main credit rating agencies - Fitch, Moody's and Standard and Poor's.

This approach produces a series of colour coded bands which indicate the relative creditworthiness of counterparties. These colour codes are used by the Council to determine the suggested duration for investments. The Council will therefore use counterparties within the following durational bands:

- Yellow 5 years
- Purple 2 years
- Blue 1 year (only applies to nationalised or semi nationalised UK Banks)
- Orange 1 year
- Red 6 months
- Green 100 days
- No colour not to be used

The Council will consider the ratings (Fitch or equivalents) in conjunction with other topical market information to support their use

All credit ratings of counterparties currently used will be monitored monthly. The Council is alerted to changes to ratings of all three agencies through its use of the Link Asset creditworthiness service.

In the case where an investment is outwith the scope of the ratings agencies the Council will analyse the financial information available for that organisation such as annual accounts to assess the financial viability of the investment. Joint Venture arrangements, contractual agreements and financial guarantees from the Scottish Government are some of the elements that are used for the Council's current investments to ensure a minimal level of financial risk. For the investments listed in Appendix B, these all fall outwith the scope of the ratings agencies.

5.3 Country limits

The Council has determined that it will only use approved counterparties registered to take deposits in the United Kingdom or approved counterparties registered in other countries who have a similar sovereign credit rating as the UK (currently AA).

5.4 Investment Returns

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

Investment returns expectations - Bank Rate is forecast to rise very gradually over the next few years. The next increase is expected in June 2021 and again in June 2022 to 1.25%. Bank Rate forecasts for financial year ends (March) are:

- 2019/20 0.75%
- 2020/21 0.75%
- 2021/22 1.00%
- 2022/23 1.25%

Taking account of the current investment returns, the suggested budgeted investment earnings rates for returns on investments placed for periods up to 100 days during each financial year for the next five years are as follows:

- 2019/20 0.65%
- 2020/21 0.65%
- 2021/22 0.90%
- 2022/23 1.15%
- 2023/24 1.15%

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

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

Maximum principal sums invested > 365 days			
£m	2020/21	2021/22	2022/23
Principal sums invested > 365 days	£12m	£12m	£12m

For its cash flow generated balances, the Council will seek to utilise its bank instant access and notice accounts in order to benefit from the compounding of interest. The Council may seek to invest sums in money market funds, ultra short dated bonds funds and Environmental, Social and Governance (ESG) investments.

The Markets in Financial Instruments Directive (MIFID II)

These regulations govern the relationship financial institutions conducting lending and borrowing transactions will have with local authorities. The effective date of the new regulations was 3 January 2018 and all local authorities are now classified as retail counterparties which determines the types of investments that they can undertake. Local authorities have the ability to apply for Professional status which extends the range of investments that are available but must meet certain qualifying criteria. The requirement to apply for Professional Status will be considered as part of the on going treasury management reviews.

On-lending to Registered Social Landlords (RSL's)

Under powers granted by the Scottish Government, Scottish Local Authorities can on-lend to Registered Social Landlords in order to assist in the development of affordable housing. Any plans to utilise these powers will be reported for appropriate Council approval.

End of year investment report

At the end of the financial year, the Council will report on its investment activity as part of its Annual Treasury Report.

Appendix B

Investment Portfolio as at 31st January 2020

Cash and Cash Equivalents	Principal (£000)	Interest Rate	Account Type
Bank of Scotland PLC	2,000	0.95%	32 day call
Bank of Scotland PLC	7,028	0.65%	Instant Access
Royal Bank of Scotland PLC	6,808	0.15%	Instant Access
Total Cash and Cash Equivalents	15,836		

Short Term Investments	Principal (£000)
Clackmannanshire Regeneration	4,906
Total Short Term Investments	4,906

Long Term Investments	Principal (£000)
CSPB Investments	1
Coalsnaughton NHT Project	4,358
Total Long Term Investments	4,359

TOTAL INVESTMENTS	25,101
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**Loans Fund Revised Policy
Impact on Principal Repayments**

	General Fund		HRA	
	Original Repayment	Revised Repayment	Original Repayment	Revised Repayment
	£000	£000	£000	£000
2019/20	5,733	2,733	1,582	610
2020/21	5,620	1,620	1,568	596
2021/22	5,729	729	1,276	304
2022/23	5,466	966	1,356	384
2023/24	5,460	1,460	1,453	481
2024/25	4,859	1,359	1,540	568
2025/26	4,726	1,726	1,649	677
2026/27	4,455	1,455	1,726	754
2027/28	4,470	1,970	1,851	1,699
2028/29	4,564	2,564	1,995	2,361
Total	51,082	16,582	15,996	8,434

CLACKMANNANSHIRE COUNCIL

Report to: Clackmannanshire Council

Date of Meeting: 27 February 2020

Subject: Housing Revenue Account Budget 2020/21 and Capital Programme 2020/21

Report by: Strategic Director (Place)

1.0 Purpose

- 1.1. This report presents the Housing Revenue account budget and Housing Capital Programme for the financial year 2020/21 and highlights the key factors influencing the budget.

2.0 Recommendations

- 2.1 It is recommended that Council:
- 2.1.1. Approves the summary revenue budget based upon the Council approved HRA financial Business Plan, as set out in Appendix 1;
- 2.1.2. Approves the Housing (HRA) capital programme 2020/21 and indicative programmes for the next four years, as set out in Appendix 2;
- 2.1.3. Approves a rent increase of 1.5% for Council houses for the financial year 2020/21, as set out in Appendix 6;
- 2.1.4. Approves the same level of increase (1.5%) to rental of lock-up garages, garage pitch-site rentals and associated tenancy charges, as set out in Appendix 6;
- 2.1.5. Approves that the forthcoming review of the HRA financial business plan should assess the financial viability and affordability of the Council building new build Council houses, together with a review of rental strategy and policy.

3.0 Considerations

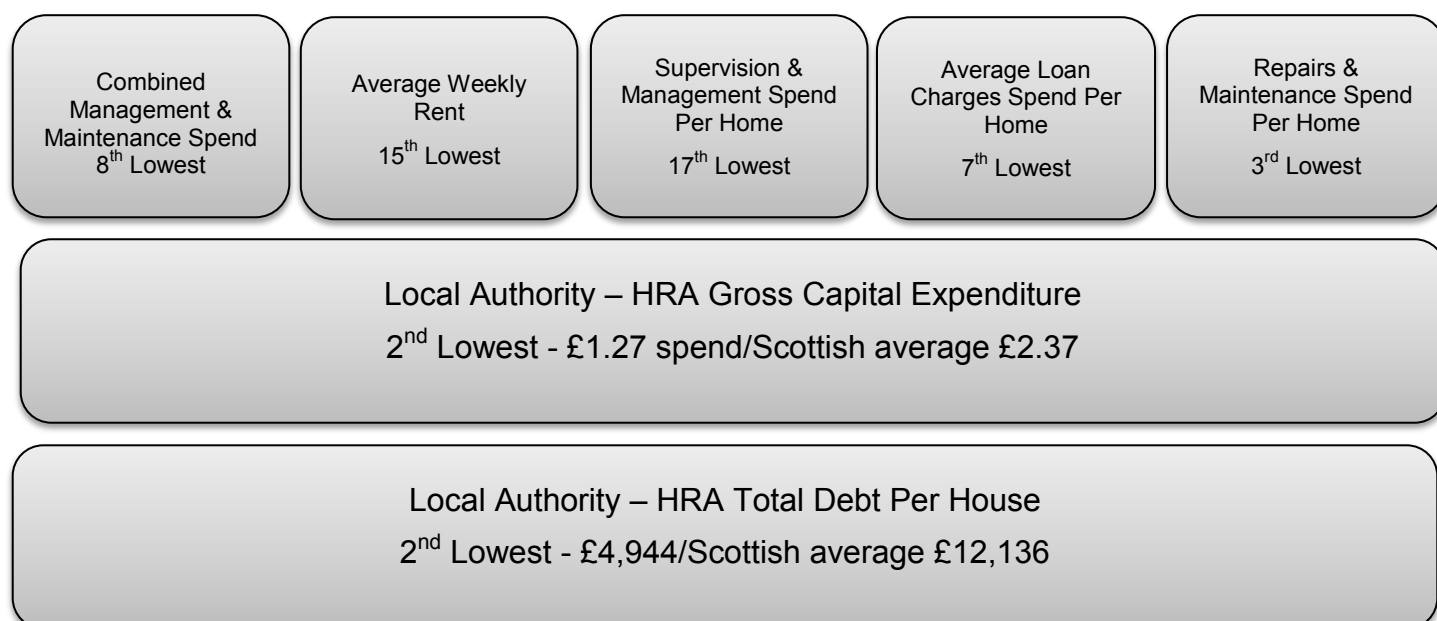
Comparative Information

- 3.1. The Housing Revenue Account (HRA) budget setting process is subject to statutory, regulatory and governance requirements. This report requests approval for the 2020/21 HRA Income and Expenditure

revenue budget and rent levels, as defined within the Housing (Scotland) Act 1987.

- 3.2. As reported to Council in October, the Scottish Housing Regulator adjusted its regulatory framework for social housing in Scotland during the financial year, with landlords now required to submit an Annual Assurance Statement of compliance by the end of October each financial year. The development, approval and actions taken from this budget are a key process in meeting the legislative requirements.

Figure 1: Housing Revenue Account, Local Authority Landlords (26 out of 32) cost comparisons, 2018-19 (actuals)¹



- 3.3. The table above provides a cost comparison of local authority HRA spend in 2018/19 from the 26 Councils who retain housing stock. As can be seen from this snapshot, Clackmannanshire rent is mid table and around £1.45 above the average (£72.84 versus £71.39). Whilst our Supervision and Management is slightly above average, this is probably accounted for by the repairs staff and DLO being part of the HRA and thus our repairs costs being some of the lowest (3rd lowest) in the country. Therefore, the combined management and maintenance cost is most appropriate for comparison purposes with Clackmannanshire Council at 8th lowest out of the 26 local authority landlords.
- 3.4. Clackmannanshire does have fairly low spend in comparison to other local authorities in relation to Capital spend at the 2nd lowest. Our stock is in very good condition in relation to national standards relating to SHQS and the work to meet EESH. This position reflects the huge amount of work that has been invested in our stock, the successful bids for and substantial grant funding received, the catch up works of other

¹ Scottish Government HRA Statistics 2018/19

local authorities in making their stock compliant, and by not recently building our own Council homes.

- 3.5. The Council's HRA debt has reduced by almost a third since 2012 (£35m peak). This low debt level is also attributable to the Council not having built its own stock recently, unlike other Councils. Recommendation 2.1.5 recognises the requirement to assess the financial viability of the Council building its own homes, should members express a desire to do this.

3.6. **Outline HRA Budget 2020/21**

<i>Description</i>	<i>Annual Budget for 2019/20 £'000</i>	<i>Forecast to March 2020 £'000</i>	<i>Annual Budget for 2020/21 £'000</i>
Employee Related Expenditure	7,674	6,960	7,979
Premises Related Expenditure	1,558	1,330	1,547
Transport Related Expenditure	370	357	373
Supplies and Services	1,717	1,831	2,161
Third Party Payments	1,028	1,296	1,244
Support Services	1,204	1,204	1,204
Capital Financing Costs	2,871	2,855	1,988
Total Gross Expenditure	16,422	15,833	16,495
Income			
House Rents	-19,561	-19,453	-19,841
Lockups/Garage Sites/Shops	-62	-69	-62
Other Income	-1,693	-1,479	-1,765
Income Total	-21,316	-21,002	-21,668
Net Expenditure	-4,894	-5,169	-5,173

- 3.7. The above table highlights the main expenditure items in the housing revenue account, compared with the annual budget for 19/20 and the current outturn projection. The report details the savings and growth applied to the budget and the outline approach to the service in the next financial year.

3.8. **Rent Strategy & Proposed Increase**

- 3.9. Clackmannanshire Council approved the 2018/23 HRA Financial Business Plan in February 2018, which established a rental strategy of pegging the rent increase to CPI, without specifying which month this was to be taken from. Inflation (CPI) was 1.7% (September 2019), the inflation figure generally used for benefit uprating, and forms part of the state pension 'triple lock'². Due to further expected falls in inflation and reflecting on comments from the tenants' survey regarding affordability,

² The UK State pension will increase by 3.9% in April 2020, the higher of wage growth, inflation or 2.5%

it was decided to consult on an increase of 1.5%. Moreover, during the period of consultation, CPI inflation has dropped back to 1.3%.

- 3.10. The results of the consultation are summarised in Appendix 3. One of the key factors highlighted through consultation (as well as through our recently undertaken tenant satisfaction survey) is that some tenants have expressed affordability concerns. The results show that around 20% of tenants agree that the rent which they pay represents value for money, with 79% disagreeing. A little under 31% of tenants think that the rent charged by Clackmannanshire Council is affordable whilst just over 66% do not agree with this statement. It is important to note that the consultation drew only 68 responses in total, the consultation information therefore reflects the views of a very small number of our tenants.
- 3.11. The affordability of housing rents will of course depend on the circumstances of individual tenants. However, the uptake of Housing Benefit and housing costs assistance via Universal Credit by Council tenants provides important information about affordability. Currently, around 3,368 (68%) of 4,960 Council households are claiming Housing cost assistance, either via Housing Benefit (1,957) or via Universal Credit (1,411), with assistance either covering the full rent charge of partial award for those on low and moderate incomes.
- 3.12. For those tenants not receiving cost assistance (1,591), the National Living wage and National Minimum wage rates are due to increase from April 2020. A person working 37.5 hours on the National Living Wage will see a weekly increase in income of £19.13 from 01/04/2020. Applying a 1.5% rent increase takes the average 52 week rent to £75.56 per week in 2020/2021. The weekly rent increase would equate to £1.12 or 6% of their increased weekly income and would therefore be considered to be within the limits of affordability.
- 3.13. A full review of the HRA 30-year business plan will be carried out during the coming year and this will assess issues of rent affordability alongside other considerations. It is anticipated that a new rental strategy and associated policy will flow from this review.

3.14. Proposed HRA Budget Savings/Adjustments 2020-21

Savings	2020-21 £'000	Description
Bad Debt Provision	(100)	Review of amount and type of Arrears allows for a reduction. This will continue to be monitored.
Computer Costs	(15)	Following intensive negotiations with suppliers a reduction can be made to the budget for 2019-20.
Costs of Borrowing	(883)	Reduced interest as Loans repaid and not replaced by new borrowing. Review by Council's treasury Advisors as a result of revised flexibility on how loans fund advances are accounted.

Other Income	(72)	The trades team have been operating successfully on the Kitchen programme allowing the capital programme to increase.
House Rents	(280)	Proposed 1.5% increase on Rents
Savings Sub Total	(1,350)	
Pressures	2020-21 £'000	Description
Pay Award and Increments	261	Agreed 3% increase
Apprentices	37	Appointment of 4 Trades and 2 Office Apprentices from August.
Staff Training & other staff costs	8	Assessment of requirements has identified investment required in upskilling staff.
Repairs by Private Contractors	60	Demand has increased for specialist trades that are not carried internally (i.e. blacksmith, bricklaying/stonemasonry, damp works)
Other Property Costs	29	Current expenditure on Utilities and charges from other Place Services require a budget increase.
Materials	172	A move to increase the capital kitchen and social work adaptation programmes undertaken by in-house trades has increased the need to spend on associated materials.
Direct Materials	250	A planned increase in works being undertaken in house brings increased need for materials purchase. Supply chain arrangements will be scrutinised to ensure value for money
Professional Fees	12	Changing the five yearly revaluation of all assets to a rolling five year programme.
Payments to Sub Contractors	174	A move to increase the capital kitchen programme undertaken by in-house trades has increased the need to spend on associated sub-contractor works. Social Works Adaptations require similar sub-contractor input
Other Council Accounts	41	Introduction of Brown Bin permits.
Other Expenses	27	Mainly in respect of scaffold hire
Pressures Sub Total	1,071	
Grand Total	(279)	

3.15. HRA Expenditure 2019/2020

3.16. The Total Gross Revenue Expenditure is estimated at £17.3M.

3.17. Repairs and Maintenance

- 3.18. The budget for reactive repairs and maintenance to tenants has been set at the level required to meet historical service demand. There has been significant capital investment in improving stock condition in recent years, however a number of factors beyond stock condition can lead to a need for repair works.
- 3.19. The vast majority of repairs, maintenance and void property works are undertaken by the Council's own direct labour organisation currently working within the housing service and based at Kelliebank.
- 3.20. Allocated appointments for repairs have provided tenants with improved levels of service delivery, and a planned improvement to a new housing business management system (incorporating repairs) will provide for a streamlined, robust and modern repairs system moving forward. Funding for a replacement cloud based system has been provided for in the proposed budget.
- 3.21. Satisfaction with the repairs service is high. From the formal independent tenant consultation survey carried out during summer 2019, 92% of tenants were either very or fairly satisfied with the repairs service.

3.22. HRA Other Expenses

- 3.23. As part of last year's budget the Council agreed to introduce charges for brown bin permits and Council agreed the pricing structure in January 2020 at £36 per permit. Council has agreed that the HRA will cover the cost of permits for tenants with a responsibility for greenspace maintenance, with those without such responsibility being able to opt out of receiving a permit. Housing Officers have now engaged with all tenants who have a brown bin and some 3,896 tenants will be issued with a permit, with some 300 tenants opting out, largely as a result of having fully hard landscaped gardens. The cost of providing the permits will be £140k, which overall represents a growth of £41k in this budget heading, compared with last year's approved budget.

3.24. Supervision and Management

- 3.25. The supervision and management charge centres upon the direct cost of mainly front line Housing staff in the delivery of day-to-day services for tenants and collection of rent. It also includes indirect costs mostly charged as overheads to the HRA. In accordance with the Housing Charter and regulatory framework, work has been carried out to review charges to the HRA by other services such as IT, HR, Legal etc. Updates where appropriate have been built in to both the HRA and the General Services Budgets. For example, the HRA has provided additional budget of £75k per year to P&P General Fund budget to cover additional legal services work that is being carried out.

During 2019, over 1,000 tenants engaged in an independent survey on their experience of the housing service. The results of the survey highlight that overall satisfaction with Clackmannanshire Council's housing service is very good, with over nine in ten respondents (91%) either very or fairly satisfied with the overall service provision. The areas of the service tenants want the Council to continue to prioritise are repairs and maintenance, improvements to the stock and improvements to the neighbourhood.

3.26. HRA Income 2019/20

3.27. The projected base rental charges with the proposed 1.5% rent increase and other income is estimated to generate income of £21.7m.

3.28. With Gross Expenditure of £17.3m, this means that £4.4m is budgeted and available to transfer to the Capital Investment fund for tenant priorities. This reduces the Council's requirement to borrow.

3.29. Capital programme Plan 2020 – 25

3.30. An update for members on the HRA capital spend to the end of Quarter 3 of 19/20 is attached as Appendix 4.

3.31. Key investment priorities over the short to medium term continue to be external building fabric such as roof replacement & external wall upgrade, central heating upgrade and window replacement. This will enable us to achieve the Scottish Government's new Energy Efficiency Standard for Social Housing (ESSH) by the 31st of May 2020. Furthermore, existing priorities also focus on common area enhancement such as security to close areas including lighting, controlled accesses and fencing replacement. Investment within these areas will sustain the Councils excellent SHQS record and our currently favourable ESSH position.

3.32. Structural Works – In 2019-20 spend on structural works was increased to £250k per year as structural issues came to light through our stock conditions surveys. Items such as stairwells in tenement properties (Victorian) and more recently, stairwells to property archetypes such as shared stairwells (Quarry Place Sauchie and Ochilview Devonside) required additional investment. It is suggested this financial commitment is sustained for the foreseeable future. A brickwork contract was awarded for 4 years to a locally based supplier in October 2019. The additional budget will support our stock condition programme and address any inspection findings which is good practice moving forward. Items such as garden walls and boundary walls within our estates will be maintained using this fund.

3.33. Damp Proof Course and Rot Works – A new contract was agreed for 4 years in September 2019 with MAB Preservations. Having a Term Contract will continue to deliver year on year savings as opposed to the pre-2015 arrangements, where average spend on damp and rot related works was in the region of £250K. By having an agreed schedule of rates in place projected spend is now £120k for 2019-20. As this work

is reactive it can be difficult to project spend, however given the projected outturn this year it is prudent to set aside £120k per year over the next 5 years.

- 3.34. Roof/Rainwater/External Walls – This remains a significant priority for the HRA assets as much of this was back programmed in order to focus on delivering the “Local Clacks Standard” for 2015. Officers have considered whether the programme could be increased in capacity as there is extensive demand, however, taking into account internal resources a larger programme would not be manageable. Given this the £1m per year, as based on previously agreed spend, is much more deliverable.
- 3.35. Windows – Good progress has been made with this programme in 2019-20 and we are working to a programme of £1.360m spend per year. We propose that the previously agreed programme remains. Window replacement with heat reflective glass and to the specification we have in the programme will further sustain EESSH compliance and reduce heat loss for tenants.
- 3.36. Full/Efficient Central Heating- The Council is in a good position in terms of having SEDBUK “A” Rated boilers in most of the properties within the HRA Asset portfolio. These are being replaced on a 15 year rolling programme. In the last 10 years, April 2009 to April 2019, some 4,133 heating systems were upgraded. We therefore recommend that the budget for Heating Replacement is set at £300,000 per year over the next 5 years, which will finalise the 15 year programme up to 2025. We are well placed to achieve the EESSH standard due to the Energy Efficiency works undertaken since 2009. The properties anticipated to fail the standard are mostly refusals within our programme. We have already started to explore alternative heating to our stock post 2025 to fit into the Governments aim for low carbon heating.
- 3.37. Alva Weir Multicon – It is anticipated that £88k spend will be achieved by April 2020. Work to the pilot houses being undertaken commences on site in January 2020. We will review the findings of the pilot homes to work up a full scope of works, and the remaining agreed budget will be carried forward.
- 3.38. Kitchen Renewal – There has been excellent progress in our 20 year rolling kitchen programme in 2019/20 being delivered using our own trade resource at the Kelliebank Depot. Costs have been reviewed and are averaging £4,100 per property. This is benchmarked against the costs for kitchen upgrade in our multi trade contract, and “in-house” costs are consistent with what we would be paying externally. This is ensuring continuity of work for trades resources and the KPI’s for this work in terms of customers being “Very Satisfied “ is currently at 96%. Having an established “rolling” programme in turn will reduce revenue repairs costs and in particular void maintenance costs.
- 3.39. Bathroom Renewal – No further budget required as programme ended in 2016. The £50k is for failures and previous refusals.

- 3.40. Safe Electrical Systems – A new four year term contract was agreed with AC Gold in March 2019, and progress is now where it should be with this after a slow start. We are working towards having our stock fully compliant with the Scottish Government Changes and Technical Standards, which require all smoke detectors to be interlinked and hard wired. However, to meet the March 2021 deadline an additional £200k is required. This is an area that we are working towards having our own trades undertake on a rolling 5 year testing programme as opposed to contracting this requirement out. Business Cases for additional trades are being developed. In terms of the programme for Smoke Alarm Compliance, on a comparison with other Scottish Councils at the NICEIC electrical forum, Clackmannanshire Council were in a far superior position to other Councils in the group in terms of meeting the new standard. This has been a priority item for the newly appointed Electrical Project Coordinator. In addition, this is another area where Place are considering bringing and delivering more work in-house, this be subject to a further business case and if further governance is required it will be sought at the appropriate time.
- 3.41. Fencing – The reactive fencing costs are substantial with a spend of £167k projected for 2019/20. Once again our planned works are very much a “catch –up” programme as items such as external and common upgrades were back programmed to allow the Council to fund the Local Clacks Standard pre-2015. It is therefore not surprising that there are considerable reactive costs involved in maintaining existing fencing. It is proposed to increase this budget to £180k per year to increase the planned fencing programme, and in turn reduce the spend on reactive maintenance. Areas undertaken since 2015 have had a marked improvement and this has made a difference to the ongoing management of areas. Examples of this are Clackmannan, Tillicoultry and Hutton Park, Alloa.
- 3.42. Secure Door Entry Systems – As programme agreed, no changes. Challenges remain with negotiating with private owners in common blocks to agree costs. Officers are exploring solutions to this issue. The current contract expires in the summer of 2020 and we are seeking to re-tender this to include CCTV upgrades and encompass all common area upgrades in one contract.
- 3.43. Disabled Adaptations Conversions – Budget as previously agreed. We have a disabled adaptation extension at Building Warrant stage for a property in Newbiggin Crescent, Tullibody following a Social Work Referral. The demand for level access showers has been considerable and is increasing at 40% per year, HRA tenants are the only group who pay for their own adaptations and this has been raised with the Government.
- 3.44. Westhaugh Site – On 21 February, the Council agreed to transfer this site from the General Fund to the HRA. The implementation of this decision is the subject of a separate paper to Council on 5th March 2020. The site was valued at £493,000 in the summer of 2015 with a revaluation due during March 2020. Guidance has been sought on the current value and little change is anticipated. There is ongoing

consultation with residents into the options for improvement. An initial assessment of the works required to the site, inclusive of energy efficiency measures, indicates that a budget of approximately £490,000 is required. This has been factored into the HRA capital budget and it is proposed that the cost of these works will be offset against the value of the site. In effect, therefore, the site will transfer to the HRA at zero (£0) cost. There is an indication that Scottish Government funding may be available which would reduce the level of capital investment required.

4.0 Capital Investment and prudential borrowing

- 4.1. The HRA financial plan approved in February 2018 had a reduced reliance upon borrowing. Investment in our stock is therefore focused on capital financed from current revenue (CFCR) and on limited borrowing. The HRA will have an in year projected surplus of around £5.1m in 2019/20, added to an existing reserve of £3.7m. The expected capital programme in 2019/20 is projected at £7.7m, which means that the HRA will end the financial year with £1.2m in reserves.
- 4.2. Returning the reserves back to 4% of rental income in 2020/21 (£794k), will mean the Council will use £5.6m of CFR and £3.0m of borrowing to fund next years capital investment in the housing stock.
- 4.3. The HRA Debt from stock acquisition, new build, initial loan notes and stock investment is currently £22.1m. Clackmannanshire Housing finances have been well managed resulting in the debt per house being the 2nd lowest of all local authority landlords. The balance of debt, rent levels and investment including subject to Council approval the financial viability of Council new build will be examined as part of the review of the HRA financial business plan.
- 4.4. Following a review of the Councils Loans Fund in line with revised regulations, the policy for the accounting treatment of the Loans Fund has been revised. This change simplifies the accounting approach based on average asset life and smooths the repayment of debt. This has allowed greater capacity within the HRA capital programme reducing the need to borrow. This will also allow us to invest in transformation activities set out in the Be the Future programme that will benefit council tenants. Further detail of the change to the policy and the impact for HRA is set out within the Treasury Management Strategy Statement also on the agenda for this meeting.

5.0 Sustainability Implications

- 5.1. The sustainability implications of this report are comprehensively positive in terms of financial resilience, community participation, the local economy, energy efficiency, climate change, asset management and human resource.

6.0 Resource Implications

6.1. *Financial Details*

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

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

6.4. *Staffing*

6.5. Staffing requirements will require to be updated in line with progression of the Council's Place directorate restructure, including locality based initiatives. Additional staffing as the paper outlines will be required to manage the transition to a new Housing and Property business management system, estimates have been budgeted for this requirement. As reported to Council in October 2019, the Council is exploring with the tenants information services (TIS) actions to enhance and ensure compliance with tenant engagement statutory requirements. This includes recruitment of a dedicated Tenant Participation worker and administrative support to work with registered tenant organisations including CTRF, has been budgeted for. The HRA is also looking to augment potential future locality initiatives and resources to support this work are included within the staffing budgeted compliment. Where possible the HRA will seek, within its budgeted vacancies to support any staff displaced from any General Fund reorganisation.

7.0 Exempt Reports

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

8.0 Declarations

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

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

Clackmannanshire will be attractive to businesses and people and ensure fair opportunities for all

Our families, children and young people will have the best possible start in life

Women and girls will be confident and aspirational, and achieve their full potential

Our communities will be resilient and empowered so that they can thrive and flourish

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

9.0 Equalities Impact

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

- Appendix 1 – HRA Revenue Budget Summary 2020/21
- Appendix 2 – HRA Capital Programme 2020-2025
- Appendix 3 – Rent Consultation responses
- Appendix 4 – Housing Investment Team Performance Update 2020/21
Quarter 3 - HRA Capital Programme & SHQS
- Appendix 5 – Local Authority Average Weekly Rent Levels in Scotland
- Appendix 6 – Proposed Rent Increase Illustration 2020/21
- Appendix 7 – HRA Reserve 2019-20 to 2020-21

12.0 Background Papers

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

Clackmannanshire Council Tenant Satisfaction and Aspiration Survey Report 2019

Author(s)

NAME	DESIGNATION	TEL NO / EXTENSION
Murray Sharp	Senior Manager (Housing)	5113
Owen Munro	Team Leader (Housing)	5172
Craig Dickson	Accountant	2037

Approved by

NAME	DESIGNATION	SIGNATURE
Pete Leonard	Strategic Director (Place)	

Place Division
HRA Revenue Budget 2020-21

<i>Description</i>	<i>Annual Budget for 2019/20</i>	<i>Forecast to March 2020</i>	<i>Annual Budget for 2020/21</i>
Chief Officers Gross Salaries	57,091	0	23,968
Chief Officers Employers Superann	16,675	0	5,273
Chief Officers Employers NIC	2,600	0	2,996
Single Status Gross Salaries	5,586,366	4,808,446	5,791,841
Single Status Employers Superann	1,193,527	1,014,399	1,265,690
Single Status Employers NIC	508,223	490,175	534,148
Single Status Overtime	222,220	295,998	260,000
Single Status Absence Pay	0	77,623	0
Agency Staff Costs	0	8,307	0
Long Service Awards	900	1,350	2,350
Childcare Vouchers Admin Costs	2,160	2,220	2,160
Employee Management Costs	1,000	5,000	3,000
Conference Expenses And Subsistence	2,000	0	0
Superannuation Lump Sums	0	174,268	0
Severance Payments	0	11,025	0
Staff Training	81,060	71,060	88,000
Employee Related Expenditure Total	7,673,822	6,959,872	7,979,426
Premises Related Expenditure			
Annual Maintenance External Providers	240,000	90,000	300,000
Grounds Maintenance	0	50	0
Service Charge	0	525	0
Cleaning & Hygiene Materials	1,500	1,500	1,500
Gas	4,000	5,600	6,000
Electricity	17,250	20,189	20,000
Void Rent Loss	450,000	376,170	450,000
Non Domestic Rates	2,736	2,736	3,000
Council Tax	10,000	10,000	10,000
Property Insurance	203,000	170,930	203,000
Bad Debt Provision	500,000	500,000	400,000
Building Costs - Recharges Internal	87,620	103,040	103,000
Land Services - Internal Recharges	41,500	49,000	50,000
Premises Related Expenditure Total	1,557,606	1,329,740	1,546,500
Transport Related Expenditure			
Short Term Vehicle Hire	2,500	4,000	4,000
Staff Travel Mileage Expenses	23,500	8,681	23,500
Vehicles - Maintenance Recharges	344,430	344,430	345,000
Transport Related Expenditure Total	370,430	357,111	372,500
Supplies and Services			
Purchase Of Equipment	23,070	22,550	23,070
Purchase Of Furniture	500	909	500
Storage & Removal Charges	2,000	0	2,000
Materials (issued from Stock)	657,620	802,350	830,000
Materials - Direct purchases from suppliers	500,550	517,775	750,000
General Consumables (small items)	35,500	35,500	35,500
Equipment Maintenance	10,000	10,500	10,000
Equipment Rental/Leasing	20,000	20,000	20,000
Scaffold Hire	25,000	50,000	50,000
Medical Supplies	1,100	300	1,100
Hospitality	100	60	100
Uniforms & Clothing	6,280	2,050	6,280
Office Equipment - Purchases	3,650	3,030	3,650
Printing & Photocopying	7,800	5,265	7,800
Stationery	6,260	7,510	6,260

Description	Annual Budget for 2019/20	Forecast to March 2020	Annual Budget for 2020/21
Publications	500	500	500
Insurance	32,120	28,607	32,120
Professional Fees	40,145	29,565	52,150
Performing Rights	300	(0)	300
Postages	8,000	4,100	8,000
Legal Expenses	32,000	30,895	32,000
Subscriptions	20,587	13,243	20,600
Telephones	150	150	150
Mobile Telephones	33,810	16,886	33,810
Computer Hardware Purchase	3,400	0	53,400
Computer Software Purchase	150,000	150,000	150,000
Computer Software Maint.	96,450	78,902	32,000
Supplies and Services Total	1,716,892	1,830,647	2,161,290
Third Party Payments			
Other Council Accounts	511,420	478,100	552,620
Voluntary Organisations Payment	67,370	67,370	67,730
Payments To Contractors	98,200	47,400	98,200
Payment To Subcontractor	351,500	698,600	525,000
Bank Charges	0	900	0
Third Party Payments Total	1,028,490	1,292,370	1,243,550
Transfer Payments			
Payments To Individuals (no service provision to the Council)	0	4,030	
Transfer Payments Total	0	4,030	0
Support Services			
Central Support Allocation	1,204,000	1,204,000	1,204,000
Support Services Total	1,204,000	1,204,000	1,204,000
Capital Financing Costs			
Loans Fund Interest	1,359,000	1,238,704	1,196,050
Debt Management Expenses	25,000	34,773	23,370
Principal Repayments	1,487,000	1,581,630	768,410
Capital Financing Costs Total	2,871,000	2,855,107	1,987,830
Total Gross Expenditure	16,422,240	15,832,876	16,495,096
Income			
Charges for Services Standard VAT	(61,408)	(44,500)	(61,400)
Charges for Services Exempt VAT	0	(20)	0
Subscriptions	0	205	0
Other Income	(5,740)	(7,360)	(5,740)
Housing Rents	(19,560,998)	(19,452,792)	(19,840,760)
General Rents	(62,342)	(69,350)	(62,350)
Interest(Revenue Balance)	(43,148)	(47,580)	(47,580)
Internal Trading Contract	(1,582,370)	(1,350,000)	(1,650,000)
Capitalisation of Salaries	0	(30,000)	0
Income Total	(21,316,006)	(21,001,397)	(21,667,830)
Net Expenditure	(4,893,766)	(5,168,521)	(5,172,734)

HRA Capital Programme 2020-25**Excluding Carry Forward**

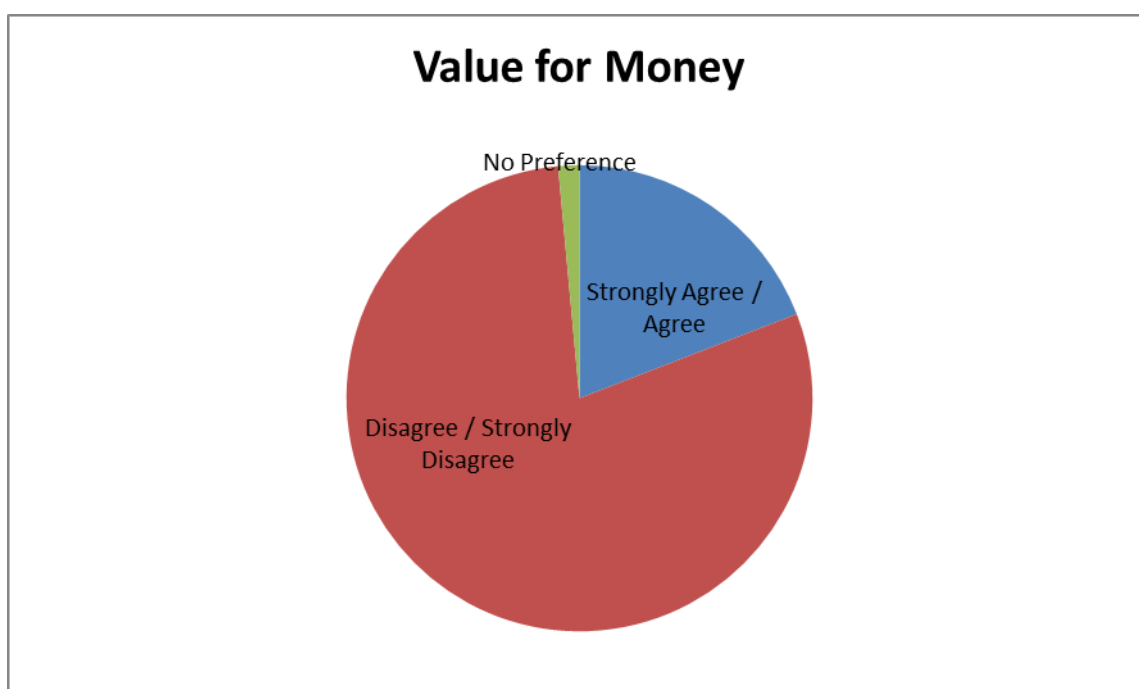
Year	Forecast 2019-20	Budget 2020-21	Budget 2021-22	Budget 2022-23	Budget 2023-24	Budget 2024-25
Project						
Structural Works	250	250	256	262	269	276
Damp Proof Course and Rot Works	100	120	123	126	129	132
Roof/Rainwater/External Walls	1,500	1,000	1,025	1,051	1,077	1,104
Windows	1,936	1,360	1,394	1,429	1,465	1,502
Full/Efficient Central Heating	325	300	308	316	324	332
Alva Weir Multi Con	100	0	0	0	0	0
Kitchen Renewal	750	1,050	1,076	1,103	1,131	1,159
Bathroom Renewal	50	50	51	52	53	54
Safe Electrical Systems	1,000	1,200	1,000	1,025	1,051	1,077
External Works: Fencing, Gates	125	180	185	190	195	200
Secure Door Entry System & CCTV	196	200	205	210	215	220
Disabled Adaptation Conversions	100	100	103	106	109	112
Construction Design Management	20	20	21	22	23	24
Westhaugh Redevelopment	0	165	200	50	0	0
Tenant Community Improvement Fund	366	200	205	210	215	220
Misc Conversions & Adaptations	80	50	51	52	53	54
Demolitions	0	150	0	0	0	0
Lock Ups	40	100	103	106	109	112
Housing Business Management System	64	225	125	10	0	0
New Build Housing	20	0	0	0	0	0
Off The Shelf Purchase & Refurbishment	591	100	700	0	0	0
IT Infrastructure	20	20	21	22	23	24
HRA Roads & Footpaths Improvements	100	100	103	106	109	112
House Sales	-16	0	0	0	0	0
Total Capital Programme	7,717	6,940	7,255	6,448	6,550	6,714
Carry Forward identified October 2019	1,625					
Alva Weir Multicon	650					
Westhaugh	75					
Off The Shelf Purchases and Refurbishment	900					

Rent Increase Consultation 2020/21

The following details the results of the consultation published on Citizen Space in relation to the Rent Increase Consultation 2020/21, which was open from 17th December 2019 to 24th January 2020.

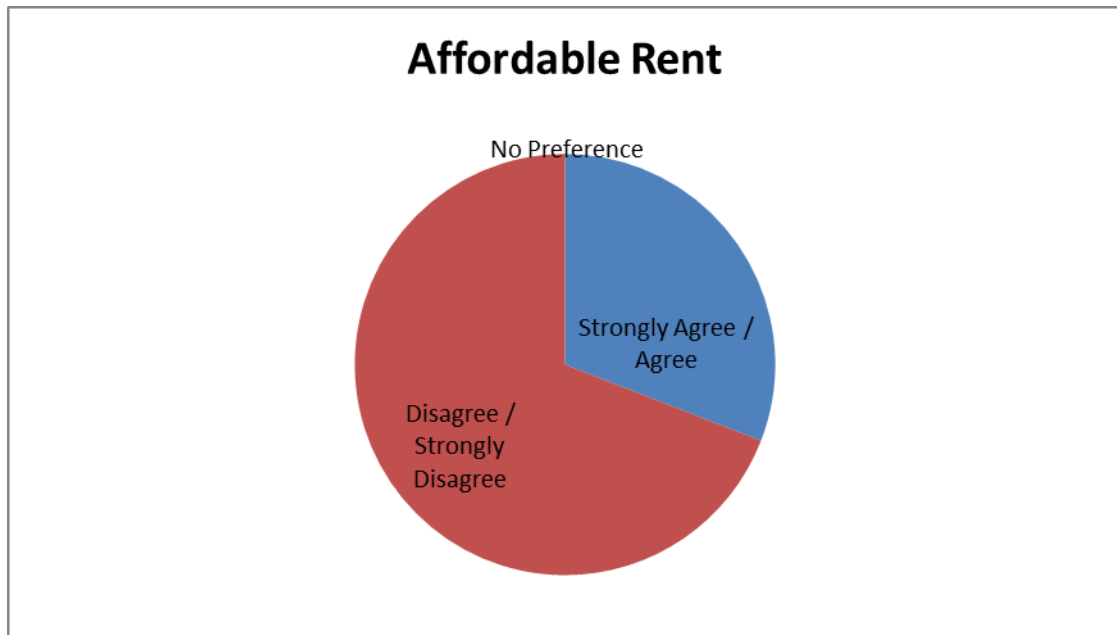
68 responses were received, a summary of the responses are detailed below:

In order to continue investment in council housing, a rent increase of 1.5% is proposed for 2020/21. This increase was below the September rate of inflation which was 1.7%. We currently charge rent over 48 weeks. On average, this means an increase of £1.21 per week over 48 weeks. Do you think the rent you pay represents good value for money?



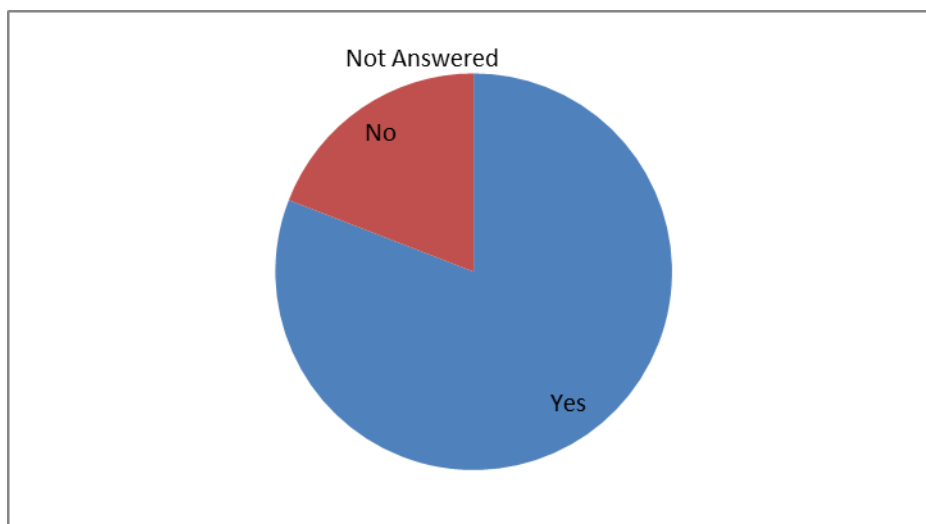
	Strongly Agree	Agree	Disagree	Strongly Disagree	No Preference
Value for Money	10	3	15	39	1
	14.71%	4.41%	22.06%	57.35%	1.47%

It is important that we take account of what current and prospective tenants and other customers are likely to be able to afford. Do you think the rent charged by Clackmannanshire Council is affordable?



	Strongly Agree	Agree	Disagree	Strongly Disagree	No Preference
Affordable Rent	10	11	23	24	0
	14.71%	16.18%	33.82%	35.29%	0%

Clackmannanshire Council does not currently build new Council housing for rent. Do you think the Council should consider building new Council housing as part of the HRA business plan review?



	Yes	No	Not Answered	%Yes	%No
Council New Builds	55	13	0	80.88%	19.12%

Housing Investment Team Performance Update 2019-20
Quarter 3 - HRA Capital Programme & SHQS

Completed Works to 31st December 2019

Project	Number of Houses Completed
Window Replacement Programme	395 houses upgraded to date
Bathroom Replacements - PCU	12 houses
Kitchen Replacement – PCU	177 houses completed
Disabled Bathroom Adaptations	43 completed
Hard Wired Smoke Detection	764 houses upgraded
Central Heating Upgrades	102 houses upgraded
Safe Electrical Tests & Upgrades	275 houses completed
Roof Replacements	16 houses
Roughcast /Cladding Replacement	7 houses
Roof and Render	38 houses completed
Secure Door Entry Upgrades	17 common closes have had new controlled entry systems and common area upgrades. An additional 4 blocks have been enhanced.
Fencing Replacements	125 houses have had garden fencing upgraded
Asbestos Testing	47 surveys
Asbestos Removal Works	78 jobs
Stock Condition Surveys	111 external property surveys and 23 full internal surveys
Completed Damp/ Rot Works	52
"Off the Shelf" refurbishments to SHQS	Full SHQS upgrades carried out to 1 property purchased with a further 5 programmed to be enhanced
Structural Works	Retaining walls at 1 house in Alloa have been replaced
External Thermal Wall Upgrade / Energy Efficiency Programme	2 Properties have been completed to date. (Hawkhill Road Alloa)
Energy Performance Surveys	108 surveys have been completed

HRA Capital Programme Update to Quarter 3

Overall, there has been good progress on many of the Housing Services key priorities within the Capital Programme up to December 2019. Excellent progress can be reported particularly within key projects such as Kitchen Replacement, Window Replacement, Roof & Render, Central Heating and also the Safe Electrical Programme. Work is still to progress with some other priorities including the Westhaugh refurbishment and the Lock-Up Strategy. We are confident our current excellent Scottish Housing Quality Standard position will be sustained. There has also been significant progress on our EESSH related works (Energy Efficiency Standard for Social Housing).

Key progress updates to the end of quarter three are as follows -

Window Replacement Programme

Our term contractor, SIDEY LTD, has completed a total of 395 window replacements in the following areas in Clackmannanshire up to December 2019 -

- Alloa
- Clackmannan
- Dollar
- Sauchie
- Tillicoultry
- Tullibody

Progress this year has been excellent with customer satisfaction returns producing a 'very satisfied' rate of 92.55%. This is a slight increase on last years score.

The additional carry forward budget from previous financial year is now fully committed with the programme of works on track to spend £1,960,000 in 2019/20.

The window replacement programme is a key factor in our energy efficiency plan to achieve the EESSH standard by December 2020.

Our window replacement programme initially commenced in 2015.

Fencing Programme

Our fencing contractor, A&B Reid, have completed 125 garden fencing replacements within Alloa, Sauchie, Tullibody and Tillicoultry.

We have been working closely with our Tenancy Management colleagues and reviewing stock condition survey information to ensure that all properties have appropriate fencing, and that areas of sub-standard fencing are identified and programmed for upgrade. We are also discussing priority areas with Tenancy Management staff for 2020/21 to ensure that the budget is utilised. The

programme will also focus on defective fencing in Alva as part of a larger programme of works to regenerate common areas within Westercroft.

The fencing programme has been well received as it addresses long standing issues within gardens and common areas for our customers. Better value is being achieved through carrying out this work on a programmed basis using a fixed long term contract instead of on an ad-hoc basis. Fencing and common area enhancement works are very much a “catch up” programme as this work was not prioritised in the lead up to the SHQS deadline in 2015.

The fencing specification includes galvanised steel posts to ensure longevity and reduce the pressures on reactive maintenance. The Fencing Replacement Programme is now in its 4th term.

Damp/Rot Management

Our term contractor, M.A.B Preservations, have completed 52 jobs to the end of December 2019. Most of these were rising dampness and condensation related issues with the majority of work being ventilation upgrade and Damp Proof Course injections.

Having a specialist contractor and placing internal expertise at the front end of our processes to identify any damp or rot issues through our maintenance inspections delivers the best value and service for both our customers and the council. This approach has produced an annual saving of between £100-£150k.

The contract is fixed over a 4 year period and this allows the council to accurately budget and programme key works.

We have begun including redecoration within our upgrade specification to minimise inconvenience for our customers. Rot and damp treatment are key works, particularly given the age profile of some of our HRA Assets. However due to heating enhancements, particularly to previous non-gas areas and increased ventilation within the specifications of the kitchen and bathroom replacement programmes, there has been a marked reduction in cases of condensation damp.

Kitchen Replacement Programme

We have successfully installed 177 new kitchens to properties up to the end of December 2019.

This programme has been delivered using our own internal trade’s resources at Kelliebank and once again is delivering excellent progress.

The standard of kitchen being fitted helps us maintain a positive SHQS position whilst meeting our customer’s expectations. The unit cost achieved is in line with private sector and by utilising lean management techniques we are achieving increased cost savings.

This year is the third year of our rolling kitchen replacement programme, which will schedule kitchen replacements on a rolling 20 year cycle for our

customers. This is key work for our joinery trades at Kelliebank, and our Key Performance Indicator shows 96.1% customer satisfaction.

By securing this work in-house, rather than using an external provider, it is sustaining local jobs, providing continuity in the workflow for our trades, upskilling and delivering a great product for our customers.

External Wall Insulation Programme & Energy Efficiency Upgrade

Work carried out under this programme consists of the installation of external thermal wall insulation (EWI) and associated loft insulation measures to help improve energy efficiency to our non-traditionally built housing stock.

This phase of work completes our upgrade programme to all our non-traditional build houses. This programme has addressed fuel poverty, ensured our HRA assets are energy efficient, delivers savings for our customers, increases the longevity of the asset and improves the overall aesthetics of our estates.

Since 2012 an extensive upgrade programme has been delivered to properties council wide resulting in over 1000 properties being enhanced.

This year, two properties have been completed in Hawkhill, Alloa. The remaining non-traditional build housing stock properties to be upgraded are at Alva. (17 Weir Multicon homes). A great deal of preparatory works and engineering assessments have been completed and the initial pilot properties are due to commence in February 2020.

Disabled Adaptations

Bathroom adaptations have been carried out in 43 homes to the end of December 2019. Demand for this work is rising, however, a further programme of works using our own trades is scheduled for February and March 2020. This is consistent with most other councils with an increased demand for internal property adaptations.

Both design and installation are carried out “in house” with Asset staff completing the design layout drawings and working closely with our trades in the delivery of this service.

Stock Conditions Survey Programme

The stock condition surveys have been reviewed to ensure we are gaining key information for repairs/maintenance to domestic properties. This information is invaluable as it allows to foresee problems and react in a timely manner, it is key in moving forward our HRA capital planning, while demonstrating good practice and satisfying our commitment to the Scottish Housing Regulator.

Carrying out internal rolling stock condition surveys programme avoids the reliance of external consultant's costs and it allows the Council to review its domestic stock, while sustaining key stock information.

Once again we can report good progress on this and our stock is being assessed on a rolling programme based on the 53 elements that encompass the Scottish Housing Quality Standard.

Roof & Render Upgrade

Roof and external wall render upgrade works are ongoing within the following areas–

- Bowmar, Alloa
- Scott Crescent, Alloa
- Thistle Street, Alloa
- Gartmorn Road, Sauchie
- Zetland Street, Clackmannan
- Jamieson Gardens, Tillicoultry
- Branshill Park, Sauchie
- Engelen Drive, Alloa

External roof upgrade uses high quality materials, and the scope of works allows for the renewal of rainwater goods with rainwater gutter protection brushes installed in areas of heavy tree coverage, reducing future maintenance dependency. On-going maintenance is further reduced with installation of UPVC eaves, soffit and fascia boards to replace the previous timber finish.

External wall render upgrades utilises the latest in polymer wall render technology, ensuring improved breathability of the underlying structures. Aluminium oversill installations, bargeboard/fascia renewal and lintel and sill remedial/replacement works are all encompassed within the scope of works as and when required.

Upgrade works have provided not only an aesthetically pleasing finish to some of our oldest stock but also protect the integrity of the underlying building structure, prolonging the lifespan of the housing stock.

A new 3 year contract has been agreed with Ailsa Builders which will allow works in a key priority area of the Capital Investment Programme to move forward.

Secure Door Entry Programme / CCTV

SPIE Scotshield are now in term 4 of their current contract agreement and have completed 17 replacement secure door entry upgrades to date, with a further 4 in progress.

Secure doors have been designed to ensure a high level of security and durability. The doors have achieved PAS 23/24 at a UKAS accredited test centre and achieve the Secure By Design criteria which is the preferred police security standard.

We have a full programme of works prepared for the coming 18 months in liaison with our Tenancy Management colleagues. Challenges remain trying

to secure agreement with sharing private owners in many of our common blocks.

Safe Electrical Testing and Upgrade

Our new 4 year term contract with the supplier AC Gold commenced in June 2019. Up to December 2019 275 full electrical tests and the remedial works following these checks have been completed. There have also been 764 new hardwired smoke alarm enhancements to the required LD2 system as specified by the Scottish Government. This is effectively a multiple smoke alarm systems interlinked including a heat detector within the kitchen areas - lounge, lower and upper stairwells and within 3 metres of a bedroom door and a heat detector in the kitchen.

The electrical rewire programme overall is influenced by the results from electrical testing. Due to the existing condition of the electrics many of our properties will meet the modern standards with a partial upgrade as opposed to a full electrical rewire. This provides significant savings within our Safe Electrical programme and allows the council to upgrade properties with hardwired smoke detection.

Structural Works

A new 4 year term contract with a local supplier was agreed in October 2019 for brickwork/walls enhancement.

A retaining wall at Hillcrest Drive, Alloa has been rebuilt and wall replacement to rectify defective retaining walls at Branshill Park, Sauchie is due to commence shortly.

Once again much of this contract and budget will focus on our Common Areas within our Estates. The new contract will allow the service to programme key upgrades and control costs through an agreed schedule of rates.

Central Heating Upgrade

Significant progress has been made the new Central Heating Contract 2019-23 with PH Jones. To date 102 homes have been upgraded and our central heating replacement programme is on schedule to complete. A total of 120 homes are to have a planned upgrade before the end of March, 2020. Customer satisfaction for this work has been excellent at 93.94% of customer reporting they are "Very Satisfied".

This phase is predominantly boiler upgrade only due to longer life expectancy of existing heating pipes and radiators. Tenant access for the programme continues to be very good. Most of the homes in the programme were previous tenant refusals and a concerted effort has been made to agree access to allow the work to proceed, enhancing our position to meet the EEESH standard by December, 2020.

Overall Scottish Housing Quality Standard Position

Using the charter methodology for assessment of SHQS, the council is currently **97.73%** compliant. Failures are mainly due to sharing private owners failing to agree works within common areas such as Secure Common Entrance Door upgrade programme.

Energy Efficiency Standard for Social Housing (ESSH) - Progress

The Energy Efficiency Standard for Social Housing (ESSH) was launched by the Scottish Government in March, 2014. This is a new energy efficiency rating for all social housing to be achieved by December, 2020, and aims to encourage landlords to improve the energy efficiency of their housing stock. This is an enhancement of the previous Scottish Housing Quality Standard element 35.

As at May, 2019 Clackmannanshire Council was 72.7% compliant with the ESSH standard. This was reported to the Scottish Housing Regulator. Good progress has been made during the year with a further External Wall Insulation programme due along with our window and central heating replacement programmes.

Current failures are mainly due to our remaining non-traditional built housing stock awaiting upgrade within Alva, previous central heating refusals within our programme, coal and electrically central heated properties, and housing with older heating systems replaced prior to 2006.

There has been excellent progress within our Heating Replacement programme this year. Furthermore the council will be applying for exceptions for the properties that have been offered and refused a heating upgrade. Previously we have not done this.

We have carried out full Energy Performance Surveys to a further 108 properties. We now have 78% of our stock with a valid EPC survey.

Pictures of Completed Works – Gallery

Kitchen Replacement



Fencing Upgrade at Clackmannan



Scott Crescent Alloa – Roof and Render Upgrade – December 2019



Fencing Upgrade @ Tillicoultry





Non-Traditionally Built Upgrade – Clackmannan Lochies Road



Secure Door Entry Upgrade – Branshill Park Sauchie



Roof and Render Upgrade Scott Crescent Alloa



Local Authority Average Weekly Rent Levels in Scotland*

Landlord Name	2011/17/18	2018/19	Increase	Change
Scottish Average	76.23	79.07	2.84	3.7%
Highland Council	75.2	75.76	0.56	0.7%
Renfrewshire Council	75.58	76.37	0.79	1.0%
Stirling Council	64.08	65.1	1.02	1.6%
East Ayrshire Council	70.89	72.02	1.13	1.6%
South Ayrshire Council	72.62	73.99	1.37	1.9%
Clackmannanshire Council	71.02	72.45	1.43	2.0%
West Dunbartonshire Council	76.82	78.36	1.54	2.0%
Shetland Islands Council	76.43	78.06	1.63	2.1%
Perth & Kinross Council	66.31	68.02	1.71	2.6%
North Ayrshire Council	68.49	70.24	1.75	2.6%
Dundee City Council	73.16	75.33	2.17	3.0%
Orkney Islands Council	75.55	77.85	2.3	3.0%
Falkirk Council	64.11	66.53	2.42	3.8%
West Lothian Council	69.86	72.32	2.46	3.5%
Moray Council	57.38	59.88	2.5	4.4%
Aberdeenshire Council	75.91	78.56	2.65	3.5%
South Lanarkshire Council	64.78	67.5	2.72	4.2%
East Dunbartonshire Council	72.37	75.25	2.88	4.0%
East Lothian Council	62.47	65.6	3.13	5.0%
North Lanarkshire Council	61.16	64.3	3.14	5.1%
Angus Council	64.64	67.99	3.35	5.2%
East Renfrewshire Council	73.01	76.5	3.49	4.8%
Fife Council	69.62	73.22	3.6	5.2%
Midlothian Council	69.83	73.86	4.03	5.8%
City of Edinburgh Council	99.1	103.83	4.73	4.8%
Aberdeen City Council	73.67	78.69	5.02	6.8%
Comhairle nan Eilean Siar - Western Isles Council	53.48	64.69	11.21	21.0%
Inverclyde Council	62.3	73.73	11.43	18.3%
Glasgow City Council	80.6	108.73	28.13	34.9%

Out of the 29 local authorities listed, Clackmannanshire Council is placed at position 13 in relation to average weekly rent charged.

*These figures have been taken from the ARC data published by the Scottish Housing Regulator who use a formula for calculation which may lead to variances from published rental figures, but provide a like-for-like figure for comparison with other Local Authorities.

Appendix 6

Rent Costs for Houses with effect from 30 March 2020

	£ Rental Charge 2020/21	£ Increase	£ Revised Charge 2020/21
1 Apartment	77.06	1.16	78.22
2 Apartment	78.92	1.18	80.10
3 Apartment	80.84	1.21	82.05
4 Apartment	82.47	1.24	83.71
5 Apartment	84.52	1.27	85.79
6 Apartment	86.58	1.30	87.88

Rent Costs for Flats with effect from 30 March 2020

1 Apartment	75.65	1.13	76.78
2 Apartment	77.46	1.16	78.62
3 Apartment	£9.37	1.19	80.56
4 Apartment	81.11	1.22	82.33
5 Apartment	83.11	1.25	84.36

Average Rent (48 weeks)	£81.85
Average Rent (52 weeks)	£75.56

Rent Cost for Lock-ups with effect from 30 March 2020

Lock-ups		Increase £	Weekly £
Lock-up Rent	7.65	0.11	7.76
Lock-Up with VAT	9.18	0.14	9.32

Garage Pitch Site Annual Cost £88.16 (£105.80 VAT)

The rent charge-free weeks for 2020-21 will be the weeks commencing:

3 August 2020

10 August 2020

21 December 2020

28 December 2020

HRA Reserve 2019-20 to 2020-21

1st April 2019	-3,722,000
2019-20 Surplus	-5,168,000
Minimum Reserve Balance	<u>778,000</u>
	-8,112,000
2019-20 HRA Capital	<u>7,717,000</u>
2019-20 Reserve Contribution	-395,000
1st April 2020	-1,173,000
2020-21 Surplus	-5,173,000
Minimum Reserve Balance	<u>794,000</u>
	-5,552,000
2020-21 HRA Capital	<u>8,565,000</u>
2020-21 Borrowing Requirement	3,013,000
1st April 2021	-794,000

CLACKMANNANSHIRE COUNCIL

Report to Clackmannanshire Council

Date of Meeting: 27 February 2020

Subject: General Services Revenue and Capital Budget 2020/21

Report by: Administration, Chief Finance Officer and Chief Executive

1.0 Purpose

1.1. The purpose of this report is to present the Administration's General Services Budget for 2020/21. This report builds on the regular Budget Strategy Update reports and briefings presented to Council and the Audit and Service Committees throughout the year. The Council's financial sustainability has continued to be the focus of member and trade union briefings held during the year.

2.0 Recommendations

2.1 It is recommended that Council agrees:

2.1.1 the 'Be The Future' Programme (Appendix A)

2.1.2 that the Programme Governance Board is renamed the Be the Future Board in line with its developing remit and focus (paragraph 3.17)

2.1.3 the proposals for demand pressures (Appendix B)

2.1.4 the General Services Revenue Budget for 2020/21 (Appendix C)

2.1.5 the policy savings set out in Appendix D

2.1.6 the 2020/21 Income and Charging Strategy and Register of Charges and the Schedule of Funding to Voluntary Organisations (Appendices E and F)

2.1.7 the 3% increase in the level of Council Tax for 2020/21, resulting in Band D Council tax of £1,304.63, (Appendix H).

2.1.8 the utilisation of £1.160m Capital Receipts from the Capital Receipts Reserve (paragraph 6.10)

2.1.9 to create a revenue Transformation Fund of £1.000m from uncommitted reserves (paragraph 6.7) and top up the existing Transformation Fund by £0.426m from Capital Receipts (paragraph 6.15).

2.1.10 the use of the Transformation Fund for the Health & Safety Management System (£0.011m) (paragraph 6.15)

2.1.11 a net resource transfer of £19.041m for HSCP in respect of 2020/21 (paragraph 6.24)

2.1.12 the continued utilisation of Capital Receipts to fund the permitted element of severance costs (paragraph 6.14)

2.1.13 approve £0.012m additional funding for Security at Kelliebank (paragraph 6.19)

2.1.14 to establish earmarked reserves of £0.175m for 2020/21 to cover contractual repairs and maintenance costs and feasibility studies (paragraph 6.7).

2.2 It is also recommended that the Council notes:

- that progress on the Be the Future Programme and Organisational Redesign will be reported regularly to Council through specific Be the Future update reports
- the feedback from recent budget consultation and engagement activity detailed in section 4
- that there has been no increase to the weekly rent for the travelling persons site (Appendix E)
- the anticipated level of uncommitted reserves of £4.542m by 31 March 2020 prior to setting the 2020/21 budget (paragraph 6.8)
- that £1.160m of Capital Receipts have been applied in setting the 2020/21 budget
- that £0.660m of uncommitted general reserves have been applied in setting the 2020/21 budget
- the balance of £3.882m in uncommitted General Services Revenue reserves after setting this budget which equates to 3% of net expenditure in line with the minimum level set by the Council's approved Reserve Strategy (paragraph 6.10)
- the cumulative indicative gap of £21.226m to 2024 following setting this budget, and a funding gap of £7.916m in 2021/22 (Exhibit 9)
- that the budget proposed for 2020/21 aims to deliver the Scottish Government's settlement package measures (paragraph 6.17)
- the demand pressures for the HSCP totalling £2.006m (Appendix I)
- that the agreed Capital Programme will remain under review and any changes required as a result of City Deal or other priorities will be reported to Council (paragraph 8.3)
- that the Council's regular Budget Strategy and Be the Future Update reports will update Council on progress with implementing agreed proposals

3.0 Strategic Framework

- 3.1 Over the last two years there has been considerable investment in creating the conditions which allow us to now set out ambitious longer term plans to transform the way in which public services are delivered in Clackmannanshire. These ambitions are integrated with the development of our longer term financial planning approach. This year's budget marks a watershed between the historic approach to both service delivery and budgeting and that which we aspire to- it is a transitional budget which aims to create the capacity and planned activity, phased over realistic timescales, and which aims to be underpinned by appropriate levels of investment.
- 3.2 The remainder of this section summarises our strategic planning framework, including our 'Be the Future' Transformation Programme (Appendix A) which is presented to Council for approval as part of this Budget paper.
- 3.3 During 2018, Council refreshed its vision, priorities and values. The work was undertaken in a collaborative way between elected members, officers and with staff and stakeholder consultation.
- 3.4 The Corporate Plan is titled - 'Be the Future' and it sets out our vision focussed on:
- collaboration;
 - inclusive growth, and
 - innovation.
- 3.5 'Be the Future' sets out a streamlined range of corporate priorities and outcomes fully aligned with the Local Outcome Improvement Plan. The vision and streamlined priorities aim to provide a much clearer focus for Council investment and delivery.
- 3.6 'Be the Future' is underpinned by a new set of corporate values which were derived from an extensive staff engagement and consultation activity during the summer and autumn of 2018. The values align closely with the vision and priorities. They aim to acknowledge that to achieve the vision, all staff should feel engaged, motivated and empowered to work in partnership to ensure that the Council's ambitions are realised. Our values are set out in Exhibit 1 below.

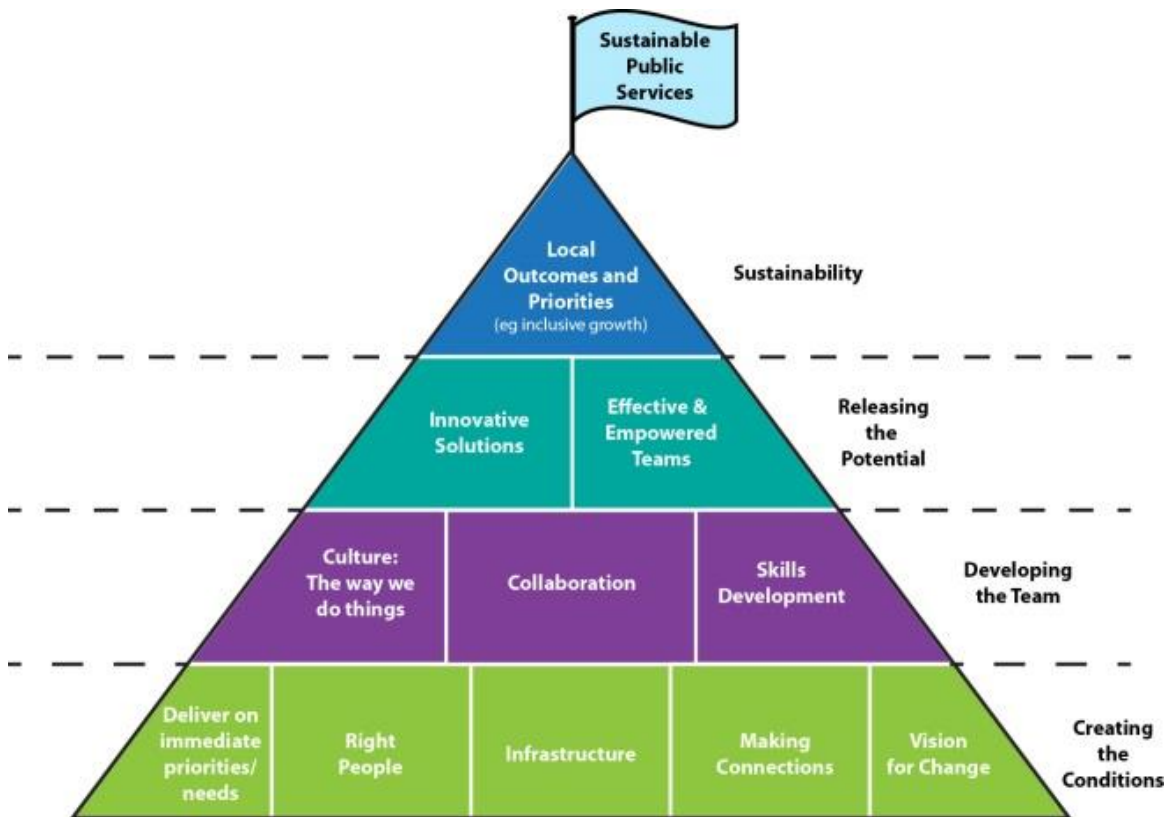
Exhibit 1: 'Be the Future' – Corporate Values

Values	Descriptor
Be the customer	Listen to our customers; communicate honestly and with respect and integrity.
Be the Team	Respect each other and work collectively for the common good.
Be the Leader	Make things happen, focussing always on our vision

Values	Descriptor
	and outcomes, and deliver high standards of people leadership and corporate governance.
Be the Collaborator	Work collaboratively with our partners and communities to deliver our vision and outcomes.
Be the Innovator	Look outwardly, be proactive about improvement and strive always for innovation and inclusive growth.
Be the Future	Work always towards ensuring that we deliver our vision and live our values, so that we become a valued, responsive Council with a reputation for innovation and creativity.

3.7 During 2019, Council agreed its approach to Organisational Redesign (Exhibit 2). This framework and the supporting action plan focusses on how we improve and develop our organisation to support sustainable change. This work was commenced at the earliest opportunity to ensure that our Council is developing into an organisation that is able to embrace change as 'business as usual'. Significant progress has already been made in implementing the action plan which is regularly reported to Council.

Exhibit 2: Organisational Redesign Framework



3.8 The Organisational Redesign Framework provides a clear basis from which Council monitors and evaluates progress and provides the opportunity for the refinement of planned activity based on learning, progress and feedback. The

Framework comprises four key phases which need to be progressed to allow the Council to deliver medium to long term service and financial sustainability. The phases are not designed to be sequential but run concurrently. The four phases are as follows:

- **Creating the conditions:** This phase is about creating the conditions for sustainable change. It focuses on ensuring that alongside delivering business as usual, the Council is investing in its people for the future. It also requires investment in building the Council's internal systems, strategies and frameworks and in building effective stakeholder relationships with local partners, national agencies and our communities. This activity is underpinned by a streamlined and focused vision and priorities which clearly recognises the need for change.
- **Developing the Team:** This phase prioritises embedding a positive and empowering culture which supports the Council's vision for change. Our communities and service users are at the heart of everything we do and our culture embodies this priority. This phase continues to develop effective stakeholder relationships and evidence these through positive collaborative arrangements across the range of services the Council delivers. This phase also recognises the need to continue to support our workforce with focussed leadership and skills development.
- **Releasing the potential:** This phase reflects the establishment of effective and empowered teams which are confident in delivering both operational service delivery and innovative proposals for change. The network of empowered teams is supported by a positive #Team Clacks culture where innovation and learning are embraced and supported.
- **Sustainability:** This phase is characterised by effective delivery of the Council's agreed outcomes and priorities. Over time it is anticipated that, whilst ensuring that the Council continues to meet all of its statutory duties, performance data will show a prioritisation of investment in those areas agreed by Council. The aggregation of the Council's service delivery models will be sustainable in both service delivery and financial terms.

3.9 As stated in Council's previous update reports, the framework and activity set out in Exhibit 2 is complementary to, and aligned with, the development of the Council's Transformation Programme. The Be the Future Programme is focussed on developing a plan of specific functional reviews with the aim of providing better integrated, customer and service user focused models of service delivery which are also financially sustainable.

3.10 Since March 2019 when Council agreed a high level Transformation Strategy, significant activity has been undertaken to refine and develop our planned approach to transformation to ensure that it is fully aligned and integrated with:

- the Local Outcome Improvement Plan (LOIP) outcomes;
- Corporate Plan Priorities;

- City Region Deal investment opportunities;
- development of Regional Economic approaches;
- Capital Investment priorities, and
- Longer Term Financial Planning.

3.11 This work has also required a significant investment in establishing a number of key strategic discussions and/or relationships including those with: Scottish Government, Stirling University, Scottish Enterprise, Scottish Futures Trust, Strathclyde University, Hunter Foundation, Columba 1400, the Robertson Trust, Alliance Partners and neighbouring councils in Falkirk and Stirling. Whilst this will continue to be an area requiring significant investment and development, sufficient progress is now being made to bring forward related Transformation Proposals.

3.12 The proposed Be the Future Programme comprises:

- Aims;
- Programme Themes;
- Principles;
- Framework and Toolkit, and
- Plan.

3.13 The proposed 10 year Be The Future Programme is set out at Appendix A. The Programme incorporates the proposed Be the Future Aims and has distilled our planned LOIP outcomes and Corporate Plan priorities into three Be the Future Programmes of activity:

- Sustainable Inclusive Growth;
- Empowering Families and Communities, and
- Health and Well-being.

Exhibit 3 below summarises the Be the Future Aims and Programme Themes:



Aims and Programme Themes

Aims	We will transform our organisation and approaches
<p>to:</p> <ul style="list-style-type: none"> ● empower people and places to improve their wellbeing, skills and prosperity; <p>and</p> <ul style="list-style-type: none"> ● ensure that environmental, social and financial needs of our people and places are met and that future generations thrive. 	
Sustainable Inclusive Growth	<p>We will take steps to tackle poverty and inequality. We aim to maximise the opportunities for local people and businesses through our improved economic performance. We will also establish standards, delivery models and strategies which allow Clackmannanshire to play a leading role in meeting the climate challenge and protecting our built and natural environment.</p>
Empowering Families & Communities	<p>We will place people at the heart of service delivery. We aim to prioritise service users, family and community participation and leadership in developing and delivering solutions. We will work in partnership to build individual; family and community skills in support of social and financial independence.</p>
Health & Wellbeing	<p>We aim to improve the environment, quality of life and ease of access to services. Enhanced wellbeing will also provide greater participation opportunities as a consequence of improving economic performance in Clackmannanshire. Delivering increased wellbeing also aims to promote equitable growth.</p>

3.14 Each Programme theme is supported by further sub categories of planned activity. Within each category a range of individual proposals are set out (Exhibit 4 and Appendix A for further detail). The individual proposals set out within the Be the Future Plan reflect a blend of planned; scoped and/or implementation stages of development. This blend reflects the aim of engaging key stakeholders such as communities, staff and partners from an early stage in the design, development and delivery of a range of service delivery proposals, as well as the medium to longer term timescale for the delivery of the Be the Future Aims and the delivery of sustainable public services:

Exhibit 4: Be the Future Programme Themes

Programme Theme	Sustainable Growth	Inclusive	Empowering Families and Communities	Health & Well-being
Sub-themes	<ul style="list-style-type: none"> • Skills Development • Economic Performance • Environmental Sustainability 		<ul style="list-style-type: none"> • Empowering Families • Empowering Communities • Financial Resilience 	<ul style="list-style-type: none"> • Health • Well-being

3.15 The Be the Future Framework is underpinned by four key principles: Customer-focus; Empowerment, Continuous improvement and innovation, and a Locality focus. These principles are aligned with and underpinned by our corporate vision and values. The Framework also highlights the importance of the need to further develop our organisational culture and have a clear sense of our organisational risk appetite. The culture needs to embrace experimentation and learning through the use of pilot approaches if our transformational ambitions are to be realised. Underlying this positive culture, it is critical that at all times robust governance processes remain in place as approaches are developed, transition and/or are developed. It is intended that these operating principles will be systematically applied in the development of business cases and options for change.

3.16 At a practical level, the Be the Future Framework also incorporates a Toolkit which is being developed through the Project Management Office (PMO). Key elements already endorsed by the Programme Governance Board include the Project Management Framework and a business case template, both of which are already in use.

3.17 Subject to Council’s approval of the Be the Future Programme detailed in Appendix A, the PMO is working to develop the monitoring Framework which will form part of the regular Be the Future Update reports to Council alongside the already established Organisational Redesign activity. As far as possible these plans will be streamlined and integrated. As these arrangements become further integrated, it is also proposed that the Programme Governance Board is renamed the Be the Future Board in line with its developing remit and focus.

3.18 The Council's approved Budget Strategy is also regularly reviewed and updates are reported to Council on a regular basis. The Budget Strategy sets out the planning assumptions and indicative savings figures for a rolling four year period. The Strategy focuses on a framework which aims to:

- reduce expenditure;
- maximise income;
- transform service provision, including more joint working, and
- implement other targeted initiatives to deliver high quality services from a sustainable cost base.

This 2020/21 Budget, aims to comply with both the objectives and framework set out within the Council's Financial and Budget Strategies respectively.

3.19 Additionally, this Budget also marks the start of a more integrated and long term financial planning approach, aligned with the development of the Be the Future Programme and individual transformation proposals. Over time, as individual business cases are developed, the Council's medium to long term financial projections will incorporate the impact of approved transformation proposals, providing the opportunity for Council to chart progress towards both service and financial sustainability aims. In the next scheduled Transformation update report, Council will also receive details of the initial profiling of Transformation proposals over the 10 year timeframe.

4.0 Budget engagement process

4.1 An engagement process was launched on 17 December 2019, closing on 24 January 2020. Engagement for 2020/21 represented a transitional approach, with a move away from a one-off major budget engagement to more targeted methods with affected stakeholders and communities of interest year round, particularly within the context of policy and transformational proposals. Engagement with Trade Union representatives on management efficiencies, policy savings and transformation proposals has continued along similar lines to that adopted previously. Feedback from this engagement is summarised below.

4.2 Public feedback was received via a variety of methods:

- An on-line public survey using Citizenspace - 629 responses were received (similar to 2019/20 responses), 60% of which were from females; a majority (40%) aged 35-49 years and almost half (49%) who were in full time employment. 12% of respondees considered themselves to have a disability under the terms of the DDA;
- Written letters and representations, and
- Engagement meetings with Parent Councils and young peoples' groups.

- 4.3 A wide range of communications tools were used to promote engagement and feedback. Communications activity included issue of news releases, a full social media campaign with a total social media reach of 73.8k and permanent presence on the council front web page which generated 260 visits to the consultation pages.
- 4.4 Responses and analysis from all consultation activity have been made available in full to elected members as background information prior to setting this Budget. Full Equality & Fairer Scotland Duty Impact Assessments have also been made available for review by elected members.
- 4.5 **Key themes and impacts highlighted are as follows:**
- Proposal to increase Council Tax by 4% - approximately 75% of respondents expressed dissatisfaction with the proposal. Whilst there are no firm patterns, comments reflect a perception that the Council is charging more for less services; the launch of the garden permit scheme during this period, which was frequently cited as an example, seems to have impacted markedly on this perception. There is also some indication of a perception that Clackmannanshire's Council Tax is already higher than charges elsewhere in Scotland. Whilst the survey responses provide little in the way of information on impacts and potential mitigations, there is some indication within the commentary that increases should not exceed local wage or general inflation rates.
 - Proposal to raise fees and charges by 2% - as with the Council Tax proposal, the survey responses provide little in the way of information on impacts and potential mitigations, however, this proposal appears to more broadly supported. Approximately two thirds of respondents said that the proposal would have no, minimal or some impact on their use of services. One third of respondents said it would have a significant impact on their use of Council services.

Staff & Trade Union Consultation

- 4.6 The process of consultation with Trade Union representatives is longstanding and takes place year round. As in previous years, trade union representatives received the same information on areas for proposed savings as elected members. From October, in line with what was presented to elected members, trade union representatives also received information on proposals through budget briefings and these have formed the basis of this proposed Budget.
- 4.7 In February 2020, as usual a pre budget staff cascade was prepared and cascaded by the Chief Executive and Chief Finance Officer. In addition, four well attended staff engagements roadshows were held by SLG: one for head teachers, and three others open to all staff at Kilncraigs and Kelliebank Depot. Staff have also been encouraged to contact senior managers to discuss proposals. Further cascade messages are planned for staff following the Council meeting.

5.0 Budget funding 2020/21

- 5.1 Based on the Finance Circular 1/2020 issued on the 6 February 2020, the funding assumed for the 2020/21 General Services Revenue Budget is as follows:

Exhibit 5: General Services Funding 2020/21

	£m
General Revenue Grant	79.290
Ring fenced Revenue Grants	6.765
Non-Domestic Rates Income	16.067
Total Grant Funding	102.122
Estimated share of unallocated funds	0.613
Revised Total Grant Funding	102.735
Council Tax Income	23.763
Total Revenue Funding	126.498

Source: Finance Circular 1/2020

- 5.2 Included in the net funding are estimated shares of unallocated funds totalling £0.613m. This includes redeterminations for Teachers Induction and the top up for Criminal Justice taking the total grant funding to £102.735m. This is an increase on 2019/20 of £2.215m in the Council's funding before Council Tax for 2020/21.
- 5.3 This position assumes an increase in Council Tax Income which relates to growth in the council tax base as a consequence of projected increases in the number of properties that will be subject to the tax. For 2020/21, this is estimated to be approximately 65 properties. An assumed collection rate of 97% has also been applied to the income which is a reduction of 0.5% on the previous year.
- 5.4 It is proposed to increase Council tax by 3% which provides additional income of £0.775m on the 2019/20 level. This results in a Band D Council Tax of £1,304.63 for 2020/21 (2019/20 £1,266.63). Full details of the Council Tax Band Charges set out in Appendix H.
- 5.5 Total Government Grant Funding is subject to approval of the Local Government Finance Order which will be laid before Scottish Parliament on 5 March 2020.

Rollover Revenue Budget

- 5.6 Each year, the base budget is reviewed to ensure that any adjustment that is required to meet expected costs and demands is properly considered. Budget strategy reports submitted to Council during the year have provided updates on the budget gap and changes in assumptions. The changes in assumptions and revisions to the indicative budget gap are summarised in the table below:

Exhibit 6: Movement in Indicative Gap during the year

	2020/21 £000
Indicative Gap - June 2019	10,257
Reduction in Demand Pressure Assumption	(1,000)
Revised Gap - October 2019	9,257
Savings Approved December Council	(2,254)
Revised Gap – December 2019	7,003
Settlement & rollover budget adjustments	(4,094)
Revised Gap – February 2020	2,909

5.7 Exhibit 7 below details the budget for 2020/21 compared to the anticipated level of Government Grant and Council Tax Funding. This results in a cumulative budget 'gap' of £14.486 up to March 2023 and £2.909m in 2020/21, after receipt of the funding detailed in paragraph 5.2 above.

Exhibit 7: General Services Budget 2020/21 - 2022/23 Indicative funding gap

	2020/21 £000	2021/22 £000	2022/23 £000
Net expenditure	129,407	133,702	139,631
Net Funding	126,498	125,811	125,145
Cumulative indicative Funding Gap	2,909	7,891	14,486
Indicative Annual Gap	2,909	4,982	6,595

5.8 The main assumptions included within Exhibit 7 are:

- 3% increase in the level of Council Tax for 2020/21 and future years;
- Pay inflation at 3% for each year;
- 2019/20 Teachers pay increase fully funded and Teachers Pension increase partly funded by Scottish Government;
- Demand pressures covering both contract inflation and general pressures of £2.000m in 2020/21 shown in Appendix B. Contract inflation and general demand pressures have been estimated at £2.000m in both 2021/22 and 2022/23 based on historic trend data on bids and approvals;

- Flat cash general fund grant in financial year 2020/21 and 2% reductions in future years;
- recurrent share of the additional social care funding of £160m in 2019/20 and the £100m to support additional investment in social care has been baselined; and
- maintenance of the commitment to implement the Scottish Local Government Living Wage of £9.34 per hour from 1 April 2020, (1 April 2019 currently £9.07 per hour).

6.0 General Services Revenue Budget

6.1 The 2020/21 General Services Revenue Budget is summarised at Appendix C. The budget proposes expenditure of £128.318m against income of £128.318m providing a balanced position.

6.2 Each year demand pressures are advised by services which reflect any increasing demand for mandatory services, new duties and responsibilities, the demographic change affecting the area and specific provisions for inflation. After a stringent review of the total £2.728m bids put forward, the 2020/21 proposed pressures total £2.000m and these are set out in Appendix B for approval as part of this Budget. This sum of demand pressures has been proposed following robust review of bids for growth with a view to minimising additional spend. As the total proposed is significantly lower than what was identified, these pressure areas will need to be closely monitored throughout the year to ensure these don't result in an overspend position. Demand Pressures are also submitted by HSCP and these are considered separately as noted in section 6.24.

6.3 The 2020/21 budget proposes savings of £1.089m. These comprise:

- £0.010m policy savings requiring Council approval (Appendix D), and
- £1.079m management efficiencies (Appendix D).

6.4 These savings of £1.089m add to the £2.254m approved during the year taking the total approved and proposed savings to £3.343m. Exhibit 8 below shows how the combined savings are distributed across directorates:

Exhibit 8: General Services Revenue Budget 2020/21: Distribution of planned savings by service.

Service	Current 2019/20 Budget £000	Service savings Proposals 2020/21 £000	Service savings Approved 2020/21 £000	Total Savings 2020/21 £000	Savings as % reduction in service expenditure
People	71,348	944	401	1,345	1.9%
Place	18,204	52	1,136	1,187	6.5%
Partnership & Performance	10,979	94	717	811	7.4%
TOTAL	100,531	1,089	2,254	3,343	

6.5 Additional detail is provided in respect of the revised Income and Charging Policy (Appendix E) and as agreed with the Council's External Auditors, the Budget also includes a schedule of Funding to Voluntary Organisations in 2020/21 (Appendix F). Appendix F confirms funding for Voluntary Organisations will be maintained at 2019/20 levels.

Balances and reserves

6.6 The Council's approved Finance Strategy is to retain uncommitted non HRA reserves at a minimum of 3% of net expenditure. The un-earmarked reserves at the start of 2019/20 were £4.824m, which is £1.061m above the 3% minimum level. There has been no call on these reserves to-date within the financial year. The current outturn as at October is forecasting an overspend of £0.282m and a further £2.000m is expected as a result of the change in policy in the Loans fund. This will create a contribution to reserves of £1.718m and an anticipated closing balance of unearmarked reserves of £6.542m.

6.7 In 2020/21 it is proposed that new earmarked reserves are created for contractual repairs and maintenance £0.100m and feasibility studies £0.075m and £1.825m is allocated to existing earmarked reserves for the Employment Fund (£0.825m) and Transformation Fund (£1.000m). This reduces the uncommitted balance by £2.000m to £4.542m.

6.8 The anticipated total reserves of £4.542m by 31 March 2020, is £0.660m above the minimum threshold of the Councils approved reserves strategy of £3.882m (based on 2020/21 net expenditure) and equates to 3.5% of net expenditure.

- 6.9 The Capital Receipts Reserve opening balance (including earmarked) at the start of the year was £3.597m. £2.041m of Capital Receipts were earmarked from the Reserve to support the 2019/20 general fund budget and £0.518m was earmarked for the capital element of the Employment Fund. This left a balance of £1.038m. Additional receipts of £0.466m have been received in the year, and an estimated £0.643m are forecast to be received before the end of March 2020. An estimated £0.100m is forecast to be utilised from the capital element of the Employment Fund during the year for severance costs. This results in a total anticipated Capital Receipts Reserve of £2.565m by 31 March 2020, of which £0.418m is earmarked.
- 6.10 After taking account of the planned savings of £1.089m detailed in Appendix D, there is a residual budget gap of £1.820m. It is therefore, recommended that the Council approves utilisation of £0.660m from uncommitted general reserves and £1.160m from the Capital Receipts Reserve resulting in a nil residual budget gap. This would reduce the balance on uncommitted general reserves to £3.882m which equates to the 3% minimum level. After utilising £1.160m of capital receipts the balance at 31 March would be £1.405m of which £0.418m is earmarked.
- 6.11 At the start of 2019/20 the Employment Fund was £1.667m (£0.518m capital, £1.149m revenue). During 2019/20, it is anticipated that £0.700m will have been utilised from the fund leaving a balance of £0.967m (revenue £0.549m and capital £0.418m). On review of the fund it is proposed to increase the revenue element of the fund by £0.825m from uncommitted revenue reserves. This results in an available balance of £1.792m (revenue £1.374m and capital £0.418m) to fund the costs of continuing the managed contraction in staffing. It is considered prudent to retain the Employment Fund Reserve as the Council continues with the redesign programme and seeks to deliver a more sustainable cost base for the future.
- 6.12 Local Government Finance Circular 4/2015 set out the financial flexibilities available to Councils' in the use of Capital Receipts for Severance payments and these had been approved in previous Council Budgets. However, these flexibilities ended on the 31 March 2018.
- 6.13 Since then, revised financial flexibilities have been made available to local authorities with regards the use of capital receipts up to 2021/22. A letter dated 10 December 2018 from Cabinet Secretary for Finance, Economy and Fair Work, enhances the provisions previously set out in Circular 4/2015 and acknowledges the pressure on the public sector, including the need to deliver significant savings through transformation. Whilst there are certain technical restrictions on the use of capital receipts, the new flexibilities make permissible the use of capital receipts to fund certain elements of transformation and support the delivery of revenue savings. Some of these permitted uses include funding costs which have traditionally been revenue in nature.
- 6.14 There is no application or approval process required by the Scottish Government. However, the Council is required to explicitly report and approve the utilisation of capital receipts for this purpose through the Council's Committee reporting structure. External audit will also be looking at the use of capital receipts to ensure the provisions are being followed. Council is, therefore, asked to reaffirm its approval of this proposed treatment.

- 6.15 Included within the revised flexibilities on the use of Capital receipts notified in 2019/20 is a provision to fund the costs of projects to transform service delivery to reduce costs and/or reduce demand for services in future years. On this basis a Transformation Fund of £0.500m was created as part of the 2019/20 approved budget from the reduction in the capital element of the Employment Fund. This Transformation Fund is allocated based on approved bids and reported to the appropriate Committee throughout the year to comply with the transparent monitoring requirements noted above. During 2019/20, £0.415m of this fund was allocated leaving a balance of £0.085m. It is proposed that a further £0.011m is approved to support the business case for a new Health & Safety management system as approved by the Be the Future Board. This would reduce the balance on the capital backed Transformation Fund to £0.074m. Council is also asked to approve a further £0.426m from Capital Receipts to bring this fund back up to £0.500m. This would leave a balance of £0.979m on capital receipts and the total held in the Transformation Fund would then equate to £1.500m when added to the earmarked general reserve (paragraph 6.7).
- 6.16 On 6 February 2020, Local Government Finance Circular 1/2020 was issued setting out the local government settlement for 2020/21. The full details of the offer and the package of measures and benefits is set out in Appendix G.
- 6.17 This budget has sought to make adequate provision for meeting the assumptions set out in the Finance Circular, and aims to deliver the package specified. As the Scottish Budget is being set before the UK Budget, any significant changes may need to be brought back to Council in year.
- 6.18 Subject to the approval of this budget, the indicative funding gap for 2021/22 and beyond is set out in Exhibit 9 below. Council will note that the gap has increased by £2.934m for 2021/22 due to one off cash savings and utilisation of the uncommitted revenue reserves and Capital Receipts used to support the 2020/21 Budget:

Exhibit 9: General Services Budget 2021/22-2023/24 Indicative funding gap

	2021/22	2022/23	2023/24
	£000	£000	£000
Net expenditure	133,727	139,657	145,727
Net Funding	125,811	125,145	124,501
Cumulative indicative Funding Gap	7,916	14,512	21,226
Annual indicative Funding Gap	7,916	6,595	6,714

- 6.19 Council is asked to agree a contribution of £0.012m towards security enhancements at Kelliebank depot. In 2017/18 saving DAE178011 Rationalisation of Council Depots £0.155m was approved. £0.075m of this saving related to the reduction in the staffing establishment at Kelliebank Depot. On a recent review of building security it was identified that there was increased Health and Safety risk that needs to be addressed. It is therefore proposed that Council reverse part of this previously approved saving.

Health and Social Care Integration

- 6.20 Strategic finance meetings have continued to be held with the Chief Officer, Chief Finance Officer of the Integrated Joint Board (IJB), the Director of Finance of NHS Forth Valley and the two Section 95 Officers from Stirling and Clackmannanshire Councils. These meetings have provided the basis for an open and productive dialogue throughout the year.
- 6.21 The Scottish Government has nationally provided additional funding of £100m for Health & Social Care and mental health services as part of the local government grant settlement. This is to fund additional cost pressures, specifically around delivery of the real living wage, uplift for free Personal and nursing care, implementation of the carers act and further support for School Counselling services. For Clackmannanshire this equates to £0.869m to be transferred to the Partnership. This builds on the additional £160m provided within the 2019/20 settlement which resulted in an additional sum of £1.360m to be added to the resource transfer from Clackmannanshire in 2019/20. Over the two years this equates to an additional £2.229m investment in Health & Social Care. The funding for School Counselling is outwith the scope of the HSCP and is retained within the Councils budget to fund these services.
- 6.22 Appendix I summarises the demand pressure bids and indicates that additional funding of £2.006m has been requested to avoid making significant service reductions. This level of pressures would equate to 7.2% growth over the 2019/20 budget. It is anticipated that the additional funding as set out above may go some way to mitigate these pressures. To date, no detailed savings have been identified to mitigate these demands. It is proposed that the Health and Social Care Partnership (HSCP) considers prioritisation of the areas of pressure as set out in Appendix I within the additional funding provided by the Council for 2020/21 (paragraph 6.26).
- 6.23 For 2020/21 the budgets for Business support and payments to voluntary organisations have also transferred to the HSCP. The transfer of the operational control of these functions equates to a financial value of £0.768m. Additionally pay inflation of £0.301m has been added to the resource transfer budget to cover the 3% pay award.

- 6.24 It is proposed that the Council seeks to continue to support the Partnership whilst being mindful of affordability in the wider context of the Council's financial challenges. On this basis it is proposed that the Council allocates the share of the £100m new monies for in-scope services to the Partnership. This along with the transitioned budget for payments to Voluntary Organisations and Business support and the additional contribution for pay inflation would result in a resource transfer of £19.041m (£17.085m 2019/20) subject to confirmation of the Councils share of the £100m new monies. It is assumed that demand pressures will be met within this sum. This sum equates to growth of 11.5% over the agreed sum for 2019/20.
- 6.25 Additionally a notional sum of £250k has been ring-fenced within the £1.500m Transformation Fund for HSCP Transformation proposals. To access this funding, business cases will need to be submitted to the Be the Future Board for approval.
- 6.26 In setting the IJB Budget in March 2020, it is anticipated that the Chief Officer for HSCP and the Chief Finance Officer will set out their proposed approach for managing service delivery within the IJB's available financial resource envelope.

Central Scotland Valuation Joint Board

- 6.27 The Council contributes towards the Central Scotland Valuation Joint Board in partnership with Stirling and Falkirk Councils. For 2020/21 the Councils requisition has increased by £0.059m to £0.454m. This increase reflects additional funding of £0.048m awarded through the Local Government Finance settlement for the implementation for the Barclay recommendations. In addition, £0.011m has also been transferred by the Council from its own funding to mitigate the increase in pay costs as a result of the 3% pay award.

7.0 Participatory Budgeting

- 7.1 In October 2017, COSLA agreed that from the financial year 2020/21, at least 1% of the Local Authority budget would be subject to Participatory Budgeting (PB) which for Clackmannanshire would equate to £1.280m.
- 7.2 PB intends to transfer to communities the decision and the allocation of specified resources for specified purposes. The Council already involves the public in various ways in decision making on the allocation of budgets for specific Councils services and projects. However, the COSLA commitment requires us to formalise this and meet a budgetary target for PB. This principle and commitment is central to the Councils Be the Future Programme detailed in Appendix A and summarised in Exhibit 3.
- 7.3 Members have attended workshops on the principles of PB and how it could be applied by the Council. The Councils two main aims in making a percentage of service budgets available for PB are:
- to strengthen participative democracy by giving people a choice in how mainstream resources are allocated, and
 - to address local need and improve outcomes for communities.

7.4 Following this in December 2019 Council approved the framework within which services should plan their PB exercises. This budget has been set to allow these principles to be applied within existing resources. Over time, as the Be the Future Programme embeds, there will be greater opportunities and greater involvement by and with communities in both service design, delivery and prioritisation of budgets.

8.0 General Services Capital Programme 2020/21

8.1 This section of the report sets out the General Services indicative capital programme and associated budget for 2020/21 which is detailed at Appendix J.

8.2 In setting the Capital Budget for 2020/21 onwards, Council will be reconfirming the following key drivers:

- the Council's approved Investment Strategy to ensure that the programme is affordable and complies with the objective of minimising the Council's overall levels of borrowing
- maximising the revenue benefits of planned capital investments by taking a holistic view of investment across the Council's available resources, and
- Implementation of the capital investment priorities set out in the asset management strategies.

8.3 The financial planning timeframe for this Programme has been set at 5 years due to the ongoing work on the longer term strategic investment priorities. A Capital Strategy is being prepared that will incorporate a 10 year plan which enables the Council to take a longer term view of planning to deliver its stated priorities. This Capital Strategy is also aligned with the Council's Be the Future Transformation Programme and will therefore be regularly reviewed to take account of learning and activity as the programme embeds and recommendations for change are brought forward to Council. Our Be the Future Programme is aligned and integrated with a number of core strategic drivers, including:

- the implementation of the new Corporate Plan, aligned with the approved LOIP priorities;
- a refresh of the Council's significant asset strategies covering learning estate, property, fleet, IT, Roads and Lands, and
- further progress with the Council's City Deal bid.

Borrowing and Investment Strategy

8.4 The current General Services Indicative Capital Programme has been developed in consideration of the financial strategy of minimising new borrowing. This strategy is underpinned by the Council's Treasury Management Strategy Statement (June 2012). Since the Strategy was introduced, there has been a reduction of £36m in the Council's level of debt. The Council's borrowing as a proportion of income is now relatively low compared to other Scottish councils.

- 8.5 The ratio of the cost of borrowing relative to our income stream as at 31 March 2019 was 8.41% compared to the Scottish Average of 7.76%. The total external debt forecast to be repaid by 31 March 2020 is £1.290m which includes scheduled repayments of £1.227m towards PFI Leases and other loan repayments of £0.063m. This will result in a net decrease of £1.290m in external borrowing since the start of the year.
- 8.6 The Treasury Management Strategy Statement, also on this Council meeting agenda, sets out the effect of this strategy in more detail. In terms of the General Services Capital Programme, to maintain the level of debt, the new borrowing requirement should be restricted to under £6.134m for the duration of the programme. Any new borrowing above this level directly impacts the revenue costs budgeted for the annual repayment of debt and any increase may require further external debt and associated revenue costs over the life of the programme.
- 8.7 The level of borrowing in the proposed programme is £51.029m which results in borrowing of £44.895m above the programme level of £6.134m. This position does not yet fully reflect the review of strategic investment priorities detailed in paragraph 8.3. As part of this review the medium to longer term level of borrowing will be a key consideration and alternative funding streams including Capital receipts, grant funding and internal borrowing will be considered to reduce any external borrowing requirement to continue to minimise the Councils overall level of debt.

General Services Capital Grant 2020/21

- 8.8 The general capital grant allocated to Clackmannanshire Council in 2020/21 is £4.362m, this is augmented by additional specific grant income streams totalling £1.384m, resulting in total grant income of £5.746m being available in 2020/21. The £1.384m includes specific capital grant funding for the Expansion of Early Learning and Childcare to meet the 1140 hours commitment of £1.300m and £0.084m for the Cycling, Walking and Safer Streets initiatives. The grant does not include any City Deal funding that may be received in the year.

Exhibit 10: General Services Capital Funding 2020/21-2024/25

	2020/21	2021/22	2022/23	2023/24	2024/25	Total
	£000	£000	£000	£000	£000	£000
Income	(5,746)	(4,446)	(4,446)	(4,446)	(4,446)	(23,530)
Gross Programme Limit	(7,366)	(5,175)	(5,412)	(5,906)	(5,805)	(29,664)
Current Revised Proposed Budgets including C/F from 2019/20 approved programme	18,804	20,151	17,226	9,410	8,968	74,559
Balance (Below)/Above Gross Programme Limit	11,438	14,976	11,814	3,504	3,163	44,895

8.9 Exhibit 10 also indicates that over the period to 2024/25, there is a total of £29.664m available for capital investment without increasing borrowing. The Council's proposed programme (including carry forward from 2019/20) for the period 2020/21 – 2024/25 totals £74.559m, £44.895m above this level.

8.10 The indicative programme is significantly increased in years 2020/21 to 2022/23 taking investment significantly above the gross programme limit. This is due to significant investments in Learning Estate which are anticipated to be fully funded by the Council and compounded by low levels of debt repayment in these years. Investment reduces in years 2023/24 and 2024/25 more in line with the programme limit.

Summary of Programme

8.11 The indicative Capital Programme for 2020/21 is shown in detail at Appendix J and the programme to 2024/25 is summarised by asset plan at Exhibit 11. As indicated in paragraph 8.3, during 2020/21 a fundamental review of the Programme will be undertaken to realign it with new divisional strategic plans and to incorporate the capital requirements of City Deal, which will be finalised once the full City Region Deal has been signed off by both UK and Scottish Governments. Inevitably such a fundamental review could result in changes to previously approved priorities and this will need to be carefully monitored by officers responsible for committing capital spend over this period.

8.12 The Programme highlights the Council's key strategic investment priorities as Learning Estate, including ICT investment in schools; Roads and Footpath Infrastructure and Community Regeneration. Of the capital Budget allocated over the next five years, these priorities account for 88% of the proposed Programme (Learning Estate 66%, Roads 18% and Regeneration 4%).

8.13 Exhibit 11 below summarises the proposed Capital programme by asset plan.

Exhibit 11: General Services Capital Programme by Asset Plan 2020/21 to 2024/25

	2020/21	2021/22	2022/23	2023/24	2024/25	Total
	£000	£000	£000	£000	£000	£000
Corporate	2,397	257	112	122	0	2,888
Fleet	1,415	986	704	1,000	1,000	5,105
IT	1,367	974	434	380	380	3,535
Land	230	110	142	25	25	532
Property including Learning estate	10,850	15,184	13,187	5,157	5,037	49,415
Roads	2,545	2,640	2,647	2,726	2,526	13,084
EXPENDITURE TOTAL	18,804	20,151	17,226	9,410	8,968	74,559
FUNDING TOTAL	(5,746)	(4,446)	(4,446)	(4,446)	(4,446)	(23,530)
BORROWING	13,058	15,705	12,780	4,964	4,522	51,029

9.0 Sustainability Implications

9.1. The Council's budget and its approval will allow services to deliver against sustainable outcomes.

10.0 Resource Implications

10.1. Financial Details

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

Yes

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

Yes

10.4. Staffing

Staffing implications have been considered within individual service savings proposals and there is an ongoing dialogue with HR, Service Managers and trades union representatives as appropriate.

11.0 Exempt Reports

11.1. Is this report exempt? **No**

12.0 Declarations

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

(1) Our Priorities

Clackmannanshire will be attractive to businesses & people and ensure fair opportunities for all	<input checked="" type="checkbox"/>
Our families; children and young people will have the best possible start in life	<input checked="" type="checkbox"/>
Women and girls will be confident and aspirational, and achieve their full potential	<input checked="" type="checkbox"/>
Our communities will be resilient and empowered so that they can thrive and flourish	<input checked="" type="checkbox"/>

(2) Council Policies (Please detail)

Financial Regulations

Scheme of Delegation

13.0 Equalities Impact

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

14.0 Legality

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

15.0 Appendices`

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

Appendix A - 'Be The Future' Transformation Programme

Appendix B - Corporate Demand Pressures

Appendix C - General Services Revenue Budget 2020/21

Appendix D - Policy and Management Efficiency Savings

- Appendix E - Income and Charging Strategy and Register of Charges
- Appendix F - Funding to Voluntary Organisations 2020/21
- Appendix G - Local Government Settlement Letter 1/2020
- Appendix H - Council Tax Charges 2020/21 (All Bands)
- Appendix I - HSCP Demand Pressures
- Appendix J - General Services Capital Budget 2020/21

16.0 Background Papers

- 16.1 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**

Financial Strategy June 2012

Budget Strategy August 2010

Capital Investment Strategy, June 2012

Consultation December 2019 to January 2020

Organisational Redesign Proposals, March, 2018

General Services Revenue Budget 2019/20

General Services Capital Budget 2019/20

Budget Update reports to Council

Finance Circular No 1/2020, February 2020

Letter from the Cabinet Secretary for Finance, Economy and Fair Work – Capital Receipts Flexibility, December 2018

Learning Estate Strategy, December 2019


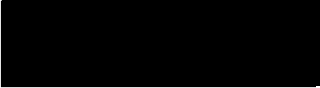
Employment Fund

EQIA

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NAME	DESIGNATION	SIGNATURE
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Nikki Bridle	Chief Executive	

Be the
Future



**Clackmannanshire
Council**

Clackmannanshire Council
Be the Future Programme





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- Appendix 4: Organisational Redesign Framework _____ 13





Change the Future: Be the Future

We are entering a period of significant change for public service delivery over the next decade in Clackmannanshire.

Everyone who lives and works in our area rightly expects high quality, accessible, efficient and joined up public services. There is a clear policy imperative to deliver greater choice, flexibility and responsiveness in what, and how, services are delivered. This is aligned with a strong desire to maximise the value of service user, family and community participation in designing and delivering service delivery models of the future.

These increased expectations are augmented by our individual and collective experiences of technological advances in our homes and how we live our lives. It is important that public service models change to reflect these societal shifts and that public service transformation is aligned with these broader developments, making the most of technological advances wherever relevant.

This context for our transformation coincides with a period of significant challenge within our area. In Clackmannanshire, we are living longer with more complex needs: there are high levels of vulnerability and inequality in some of our towns and villages that require significant and often complex support; our economic performance requires improvement to facilitate the social and financial resilience and independence of our residents; we have a high proportion of our children living in poverty, and we are facing unprecedented challenges to protect our outstanding natural environment within the context of a worldwide climate emergency. At the same time, resources continue to reduce.

Our ambition is to deliver sustainable public services by improving the economic performance of the area and creating the conditions to ensure that our people, places and businesses enjoy the benefits of greater prosperity. We want to build on the strong identities of our town and villages and develop sustainable new models of delivering public services in our communities. This is not a quick fix and represents a significant and challenging programme of longer term transformation activity and investment that will need to be delivered in partnership.

A clear and consistent focus on sustainable inclusive growth, empowering families and communities and health and wellbeing is required to achieve our transformation ambitions.



Councillor Ellen Forson
Council Leader



Nikki Bridle
Chief Executive

By 2030, we aim to deliver:



Improved economic performance with more, better paid jobs and development opportunities for local people



Sustainable health and social care and improved quality of life for our residents



Improved choices and chances as a consequence of raising attainment and skills development opportunities



More services designed, developed and delivered in partnership, including with our communities



Greater integration with our partners



Greater resilience and independence within our communities to minimise the impacts of poverty and inequality



Clear strategies and innovations which place Clackmannanshire in a leading role in meeting climate challenge

We will do this by:

Creating the conditions: We will create the conditions for sustainable change by investing in our people and systems for the future. We will improve arrangements for engaging and involving our stakeholders and prioritise our relationships with local partners, national agencies and our communities.

Developing the Team: We will embed a positive and empowering culture which supports our shared vision for change. Our communities, partners and service users are at the heart of everything we do and our shared culture embodies this priority.

Releasing the potential: We will establish and support the development of effective and empowered teams which are confident in delivering innovative proposals for change.

Sustainability: Service and financial sustainability is the outcome of our shared innovation. Innovation will be targeted in line with LOIP outcomes and Corporate Plan priorities. To deliver innovation, experimentation and learning is embraced.

1 Be the Future Aims and Programme Themes

Our Be the Future Aims (Exhibit 1) are bold and ambitious.

Our Aims are supported by a Programme of activity which will require investment to ensure that the right capacity and conditions exist for new arrangements to flourish and be sustained over the long term.

We anticipate that significant transformation will be implemented and embedded by 2030. This timeframe is also aligned with the delivery of key aspects of the Stirling and Clackmannanshire City Region Deal, the development of Regional Economic approaches, the establishment of our Longer-term Financial Planning and our capital investment priorities, for instance in respect of the Learning Estate Strategy.

Progress will be tracked through the established framework of the Be the Future Board; regular Council and Alliance Be the Future update reports, and committees as appropriate.

Our Be the Future Aims have been developed from the ambitions set out in our Local Outcome Improvement Plan (LOIP) outcomes (Appendix 1) and our Corporate Plan priorities (Appendix 2). These have been consolidated into three key themes: **Sustainable Inclusive Growth; Empowering Families and Communities and Health and Wellbeing.**

The Aims have been consolidated within three Be the Future Programme Themes which we believe reflect the areas which need to be prioritised to transform outcomes and deliver sustainable public services. The Aims and the three Programme Themes are summarised in Exhibit 1.

Further details on the individual areas of planned activity are summarised in Appendix 3. The projects detailed in the Plan reflect a blend of planned; scoped and/or implementation stages of development. This blend reflects the medium to long term timescale for the delivery of our Be the Future Aims and the delivery of sustainable public services. This approach also reflects the importance placed on early stakeholder engagement in the design and development of proposals.

It is intended that this is a dynamic programme of activity which will be regularly refined and updated to reflect our national and local context and our learning from trialling new models.



Exhibit 1 overleaf sets out the Be the Future Aims and three Programme Themes.



Aims and Programme Themes

Aims	We will transform our organisation and approaches
<p>to:</p> <ul style="list-style-type: none"> ● empower people and places to improve their wellbeing, skills and prosperity; <p>and</p> <ul style="list-style-type: none"> ● ensure that environmental, social and financial needs of our people and places are met and that future generations thrive. 	
<p>Sustainable Inclusive Growth</p>	<p>We will take steps to tackle poverty and inequality. We aim to maximise the opportunities for local people and businesses through our improved economic performance. We will also establish standards, delivery models and strategies which allow Clackmannanshire to play a leading role in meeting the climate challenge and protecting our built and natural environment.</p>
<p>Empowering Families & Communities</p>	<p>We will place people at the heart of service delivery. We aim to prioritise service users, family and community participation and leadership in developing and delivering solutions. We will work in partnership to build individual; family and community skills in support of social and financial independence.</p>
<p>Health & Wellbeing</p>	<p>We aim to improve the environment, quality of life and ease of access to services. Enhanced wellbeing will also provide greater participation opportunities as a consequence of improving economic performance in Clackmannanshire. Delivering increased wellbeing also aims to promote equitable growth.</p>

2 Be the Future: Transformation Principles

Our Be the Future Principles are summarised over four key themes:

- 1. Customer-focus:** Our customers, service users, residents and communities and staff are at the heart of everything that we do and critical to our shared success
- 2. Empowerment:** Greater stakeholder leadership, involvement and participation in the design and delivery of transformation and services
- 3. Continuous improvement and innovation:** Public service partners have a duty to secure continuous improvement. This theme additionally sets out four key principles critical to the identification of new and innovative operating models
- 4. Locality focus:** Options will, wherever practicable, be developed in the context of an assessment of place based strengths and needs.

These themes are largely self-explanatory. However, Theme 3 is more complex. This Theme highlights our duty to secure continuous improvement. Additionally, it highlights our ambition to do things differently and develop new approaches. To facilitate this, the core principles have been augmented to include:

Collaboration:

To meet the expectations of our residents and service users and deliver effective, integrated and efficient public services, it is necessary to look beyond Council service delivery responsibilities and consider the opportunities for creating new and better integrated models of public service delivery which focus on our customers. Our Alliance partners are keen to explore such opportunities and work is already being progressed to take this ambition forward, for instance the Safeguarding through rapid intervention pilot (STRIVE) which commenced in February 2020.

Additionally there are further opportunities to improve quality, expertise, resilience and cost effectiveness by reviewing the potential for new collaborative service delivery models for Council services. A number of examples of such reviews are set out within the revised Organisational Redesign Plan.

Integration:

This principle aims to ensure that the provision of services is streamlined and duplication and handovers within and between services are minimised. This applies within council services but is equally applicable between public service organisations.

Service design and delivery is focussed on maximising the effectiveness of the customer experience with issues, as far as possible, being resolved at the first point of contact.



Technology-informed design:

In order to keep pace with expectations in respect of the use of new technologies in accessing and delivering council and public services, it is important that we consistently consider the applicability of existing, new and emerging technological advances throughout all of our transformation activity. The application of such advances can pave the way for innovative new approaches to be established.

Technology will also be used to improve efficiency, for instance to improve the accessibility of public services through the use of enhanced on-line facilities, and to process high volumes of transactional enquiries by automating such systems. These approaches free capacity to spend in supporting more complex needs and enquiries.

Innovation:

There is an implicit duty on public services to deliver continuous improvement in the operation of our business. In many instances this activity focuses on making incremental improvements to existing arrangements which will improve quality and/or effectiveness and efficiency. Operational activity will continue to be reviewed to ensure that such benefits are identified and realised.

The ambition described within this Plan is significant and aims to establish a very different landscape of service delivery models. It is anticipated that a wider range of different models will co-exist in the future.

In order to deliver this ambition, innovation is critical. This means both doing existing things in different ways and doing new things.

Alignment and application of Be the Future Principles

Our Be the Future Principles are aligned with and underpinned by our Corporate Vision and Values (Appendix 2). As part of our work to develop our organisation to be able to deliver on this ambitious transformation agenda, Council has already approved an Organisational Redesign Framework and Plan (Appendix 4). A key feature of this work is the need to establish, sustain and develop our organisational culture to be able to support transformational change on a 'business as usual' basis. This culture will also need to support experimentation/ pilot approaches within our communities and by our stakeholders and staff.

Underlying all of this is the need to ensure that robust governance processes remain in place as approaches are developed, transition and/or are implemented.

It is intended that these operating principles will be systematically evaluated and/or considered in the development of business cases and options for change, thereby consistently informing the development of future service delivery models.

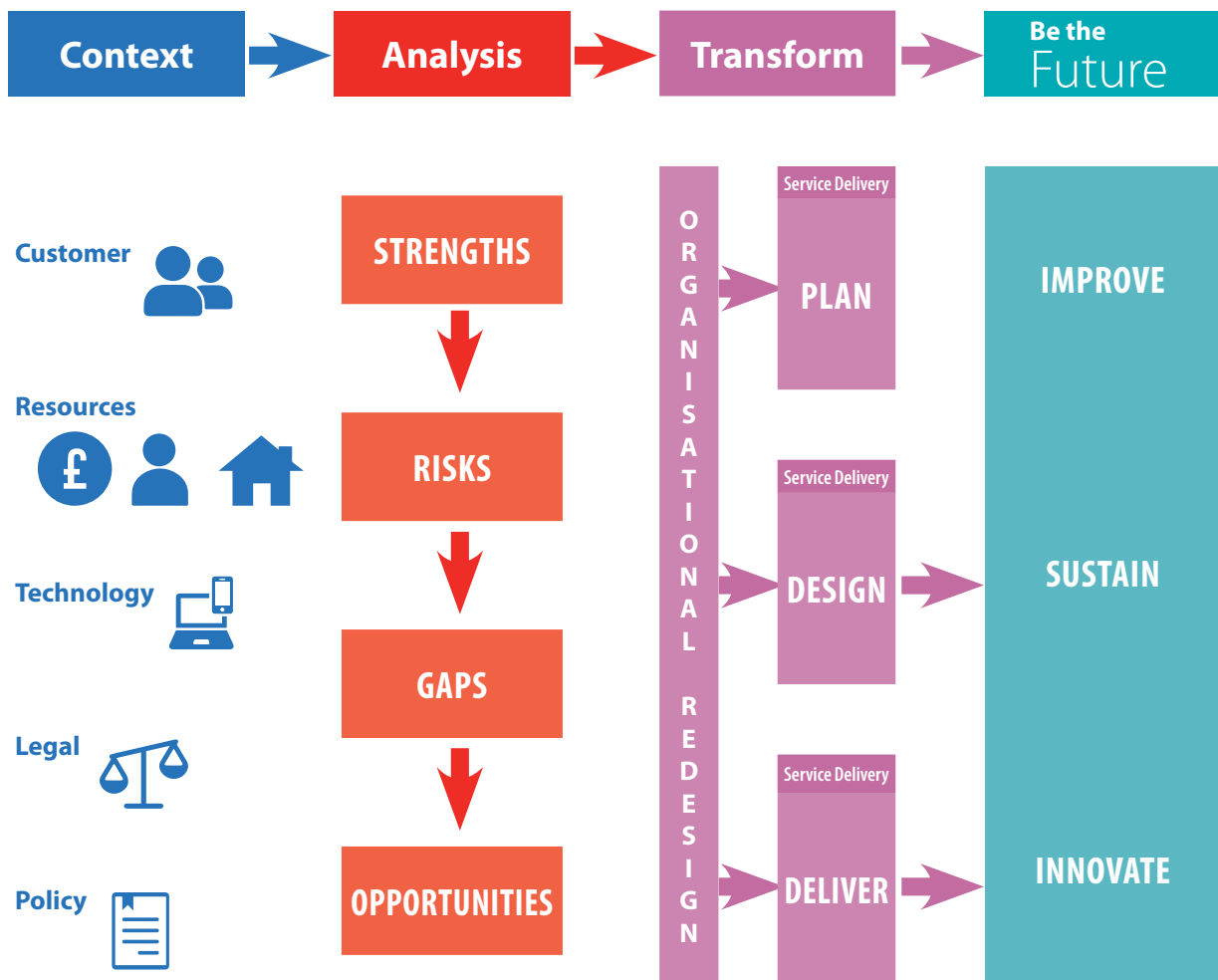


3 Be the Future Framework and Toolkit

In order to deliver our aims, a clear framework needs to be in place for taking forward the identification and delivery of new models.

Exhibit 2 sets out the high level framework.

Clackmannanshire Council Be the Future Framework



The framework summarises activity across four key areas:

- **Context:** Our operating environment needs to be regularly scanned to ensure that the right transformation projects are identified within appropriate parameters for development. For instance proposals need to be developed within current legal, policy and cost parameters; reference the most relevant technological advances; take account of performance standards and requirements, and meet the principles described, in the context of the Be the Future Aims.
- **Analysis:** proposals will reflect an analysis of current strengths, risks, gaps in provision and/or capacity and set out the opportunities for improving efficiency and effectiveness and /or new ways of doing things. These considerations will be presented in the form of a business case, underpinned by full options appraisal, incorporating Equalities Impact Assessment (EQIA) and Fairer Scotland Duty (FSD) assessments.
- **Transformation:** The internal change agenda which ensures that the organisation is able to support the planned transformation activity is set out in the agreed Organisational Redesign Framework. This is already established and regularly reported to each Council meeting.

The Transformation agenda is directly focussed on working with community leaders (elected members, service users, and communities) and our partners to co-design and deliver community-based and/or people centered delivery models. Initial phases of activity will focus on creating the right conditions and capacity for such arrangements to flourish. Progress will also be reported as part of regular Council and Alliance update reports.

- **Delivering the Be the Future Aims:** Achievement of the Aims will be demonstrated in the embedding of a mixed economy of service delivery models, underpinned by a focus on continuous improvement and learning. Our relationships, capacity and approaches will be embedded in the context of a mutually supportive shared culture that embraces change, experimentation, constructive challenge, learning and innovation. Customer focussed services will be sustainable.

Be the Future Toolkit

The Be the Future Framework is supported by a Project Management Office (PMO) and the development of a toolkit of transformation approaches.

To date, there has been a significant emphasis placed on developing the Project Management Framework and a robust business case template. These have been endorsed by the Programme Governance Board and are in use.

It is intended that the PMO works closely with individual project managers to produce the Business Case. This includes providing guidance and support in terms of consultation and engagement.

Appendix 1: LOIP Outcomes

In order to achieve our vision for Clackmannanshire we have developed four long term strategic outcomes which will drive the direction of our strategic partnership working in Clackmannanshire over the next 10 years:

Strategic Outcomes for Clackmannanshire

- 1 Clackmannanshire will be attractive to businesses and people and ensure fair opportunities for all.
- 2 Our families; children and young people will have the best possible start in life
- 3 Women and girls will be confident and aspirational, and achieve their full potential.
- 4 Our communities will be resilient and empowered so that they can thrive and flourish.



Clackmannanshire will be attractive to businesses and people and ensure fair opportunities for all.

Our communities will be resilient and empowered so that they can thrive and flourish.

Our families; children and young people will have the best possible start in life.

Women and girls will be confident and aspirational, and achieve their full potential.

Appendix 2: Corporate Plan Vision and Values

THE CORPORATE PLAN 2018-22,
Be the FUTURE - OVERVIEW

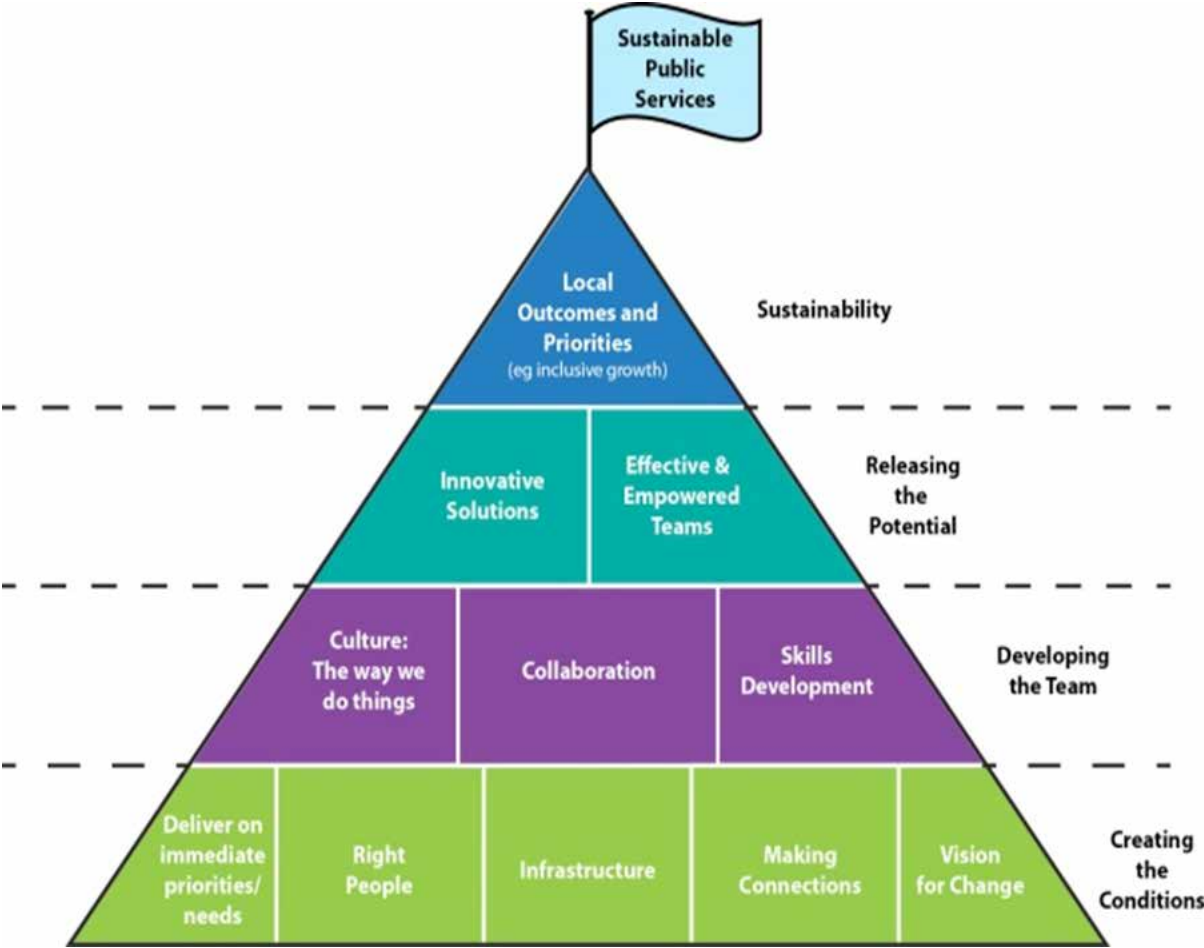
Our Vision	We will be a valued, responsive, creative organisation, through collaboration, inclusive growth and innovation, to improve the quality of life for every person in Clackmannanshire.	
Our Outcomes	<ul style="list-style-type: none"> ● Clackmannanshire will be attractive to businesses and people and ensure fair opportunities for all. ● Our communities will be resilient and empowered so that they can thrive and flourish. ● Our families, children and young people will have the best possible start in life. ● Women and girls will be confident and aspirational, and achieve their full potential. 	
Our Priorities	Inclusive Growth, Jobs & Employability	Reducing Child Poverty
	Raising Attainment	Sustainable Health & Social Care
	Empower Families & Communities	Organisational Transformation
Our Values	Be the CUSTOMER	Listen to our customers, communicate honestly and with respect and integrity.
	Be the TEAM	Respect each other and work collectively for the common good.
	Be the LEADER	Make things happen, focusing always on our vision and outcomes, and deliver high standards of people leadership and corporate governance.
	Be the COLLABORATOR	Work collaboratively with our partners and communities to deliver our vision and outcomes.
	Be the INNOVATOR	Look outwardly, be proactive about improvement and strive always for innovation and inclusive growth.
	Be the FUTURE	Work always towards ensuring that we deliver our vision and live our values, so that we become a valued, responsive Council with a reputation for innovation and creativity.

Appendix 3: Be the Future Plan (by Programme themes)

1 Sustainable Inclusive Growth	2 Empowering Families and Communities	3 Health and Wellbeing
<p>Skills Development</p> <p>CRD¹: Regional Skills and Inclusion Programme</p> <p>Skills Development: Strategic Framework</p> <p>CRD¹: Regional Digital Hubs</p> <p>Transforming Secondary School Curriculum</p> <p>Economic performance</p> <p>Revitalise Business Engagement (Inc. 3rd Sector)</p> <p>Strategic Transportation</p> <p>CRD¹: Scotland’s International Environment Centre (SIEC)</p> <p>Regional Economic Strategy</p> <p>Digital Enablement</p> <p>Environmental Sustainability</p> <p>Energy and Climate Change</p> <p>CRD¹: Energy Masterplan</p> <p>Carbon Budgeting and Ethical Investment</p> <p>CRD¹: Culture, Heritage and Tourism</p>	<p>Empowering families</p> <p>Safeguarding through rapid intervention and risk minimalisation</p> <p>Empowering Individuals, Families and Communities: Strategic Framework</p> <p>Collaborative Family Support Services</p> <p>CRD¹: Alloa Lone Parents</p> <p>Empowering communities</p> <p>Learning Estate: Connecting people, places and learning</p> <p>Transforming Local Democracy and Governance</p> <p>HRA Review of tenant advice and support</p> <p>Community capacity building</p> <p>Thriving Towns and Villages</p> <p>Financial resilience</p> <p>Income maximisation: Review of Revenues Service (incorporating Single Financial Assessment)</p> <p>Strategic Review of Procurement and Commissioning Services (incorporating HSCP strategic commissioning)</p> <p>Contract Administration</p> <p>HRA Business Plan refresh and review of rental policy</p>	<p>Health</p> <p>Transforming Adult Social Care</p> <p>Tackling problematic alcohol and substance use</p> <p>CRD¹ Active Travel</p> <p>Transforming mental health services</p> <p>Wellbeing</p> <p>Scottish Government Wellbeing Economy Pilot/ diagnostic</p> <p>Sustainable Ageing</p> <p>Community wellbeing: Centrestage review</p> <p>Active Living and Wellbeing</p> <p>Transforming approaches to Additional Support Needs</p>

Our Be the Future Programme represents a dynamic schedule of activity. It will be revised and refreshed on a regular basis to reflect developments in our operating context; our learning from implementing and trialling new ways of working and learning from other areas and developments. *City Region Deal (CRD)

Appendix 4 Clackmannanshire Council Organisational Redesign Framework



The four phases are not designed to be sequential but run concurrently.

- **Creating the conditions:** This phase is about creating the conditions for sustainable change. It focuses on ensuring that alongside delivering business as usual, the Council is investing in its people for the future. It also requires investment in building the Council’s internal systems, strategies and frameworks and in building effective stakeholder relationships with local partners, national agencies and our communities. This activity is underpinned by a streamlined and focused vision and priorities which clearly recognises the need for change.
- **Developing the Team:** This phase prioritises embedding a positive and empowering culture which supports the Council’s vision for change. Our communities and service users are at the heart of everything we do and our culture embodies this priority. This phase continues to develop effective stakeholder relationships and evidence these through positive collaborative arrangements across the range of services the Council delivers. This phase also recognises the need to continue to support our workforce with focussed leadership and skills development.

- **Releasing the potential:** This phase reflects the establishment of effective and empowered teams which are confident in delivering both operational service delivery and innovative proposals for change. The network of empowered teams is supported by a positive #Team Clacks culture where innovation and learning are embraced and supported.
- **Sustainability:** This phase is characterised by effective delivery of the Council's agreed outcomes and priorities. Over time it is anticipated that, whilst ensuring that the Council continues to meet all of its statutory duties, performance data will show a prioritisation of investment in those areas agreed by Council. The aggregation of the Council's service delivery models will be sustainable in both service delivery and financial terms.

Be the
Future



**Clackmannanshire
Council**

Demand Pressure Type: Contract/ General	Directorate	Description	Amount £
Contract	Partnership & Performance	Mobile Telephones	13,000
Contract	Partnership & Performance	IT Central Budget Software Charges	15,961
Contract	Partnership & Performance	Apprenticeship Levy	20,000
Contract	Partnership & Performance	Scotland Excel - Requisition Fee	1,448
Contract	Partnership & Performance	Pentanna	1,720
Contract	Partnership & Performance	Perpetual Mobile Iron Licence	3,270
Contract	Partnership & Performance	Symantec Anti Virus	2,000
Contract	Partnership & Performance	Wifi Spark	3,000
General	Partnership & Performance	Digital Membership Office Membership	8,000
General	Partnership & Performance	Security / Cyber Protection	14,000
General	Partnership & Performance	I Connect - Managed pensions data service	11,000
General	Partnership & Performance	DragItIn E-invoicing software TechOne	5,117
General	Partnership & Performance	Managed Contraction of Workforce - Unachievable Saving 17/18 & 18/19	140,631
General	Partnership & Performance	Scottish Certificates Unachievable Income	39,000
Contract	People	Speech & Language Contract	6,522
Contract	People	School Bus Contract	13,110
Contract	People	PPP Contract Inflation	200,000
Contract	People	Stirling Council Transport Management	2,907
Contract	People	School Copyright and Performing rights Licences	4,583
Contract	People	Contract inflation for Alloa leisure Bowl	20,037
General	People	Leisure Income	43,000
General	People	Residential Placements	386,000
General	People	External adoption legal fees	60,000
General	People	Supported Accommodation growth	100,000
Contract	Place	Dry Recyclate Contract	135,000
Contract	Place	Non-Domestic Rates - rate poundage increase	119,781
Contract	Place	Landfill Tax	21,000
Contract	Place	Electricity for street lighting	14,000
Contract	Place	Energy and Water Increases	86,224
Contract	Place	Polmaise Transfer Loading Station	20,000
General	Place	Asbestos Management	90,000

Demand Pressure Type: Contract/ General	Directorate	Description	Amount £
General	Place	Withdrawal of Waste Income (SWF)	53,400
General	Place	St Bernadette's Primary School Utilities	11,754
General	Place	Royal Mail Credits	19,890
General	Place	Winter Maintenance - hire of footway tractors	48,500
General	Place	Janitorial PPE	2,700
General	Place	ELC Compliance	90,000
General	Place	Public building repairs & External contractor	109,000
General	Place	Waste - Bulky Uplifts and assisted collections	65,000
TOTAL			2,000,555

Summary	20/21
People	836,159
Place	886,249
Partnership & Performance	278,147
TOTAL	2,000,555
Contract	703,563
General	1,296,992
TOTAL	2,000,555

General Revenue Budget
2020/21

APPENDIX C

	2019/20	2020/21		2020/21		2021/22		2022/23		2023/24
	Budget at December 2019	Agreed to Settlement	Savings	Pressures	Final budget	Final Budget	Final Budget	Final Budget	Final Budget	Final Budget
	£'000	£'000	£,000	£,000	£'000	£'000	£'000	£'000	£'000	£'000
Service										
Resource & Governance	6,006	5,964	(27)	239	6,176	6,335	6,500	6,671		
Strategy & Customer Services	3,457	3,238	(37)	102	3,303	3,454	3,572	3,694		
	9,463	9,202	(64)	341	9,479	9,789	10,071	10,365		
less allocated to non general fund	(1,305)	(1,305)			(1,305)	(1,305)	(1,305)	(1,305)		
	8,158	7,897	(64)	341	8,174	8,484	8,766	9,060		
Executive Team	544	505			505	516	527	539		
Development & Environmental	14,601	14,690	(10)	477	15,157	15,596	16,004	16,426		
Education Service	55,911	58,941	(774)	227	58,394	60,770	62,762	64,840		
Housing & Community Safety	6,389	5,639	(71)	409	5,977	6,638	6,736	6,839		
Social Services	13,668	13,372	(170)	546	13,748	14,059	14,383	14,722		
Corporate Services	(150)	1,677			(323)	1,677	3,677	5,677		
Misc Services - Non Distributed Costs	1,312	1,312			1,312	1,312	1,312	1,312		
Services Expenditure	100,433	104,033	(1,089)	2,000	102,944	109,051	114,168	119,414		
Central Scotland Valuation	395	454			454	454	454	454		
Health & Social Care Partnership	17,085	19,041			19,041	19,343	19,655	19,980		
	117,913	123,528	(1,089)	2,000	122,439	128,848	134,278	139,848		
Add/Deduct		0			0	0	0	0		
Interest on Revenue Balances	(91)	(91)			(91)	(91)	(91)	(91)		
Loans Fund Contribution	8,773	5,770			5,770	4,770	5,270	5,770		
Contribution to Bad Debt Provision	200	200			200	200	200	200		
	126,795	129,407	(1,089)	2,000	128,318	133,727	139,657	145,727		
Sources of Funding	0	0			0	0	0	0		
General Revenue Funding/Non-Domestic Rates	(96,856)	(102,735)			(102,735)	(101,335)	(99,935)	(98,535)		
Council Tax	(22,990)	(23,763)			(23,763)	(24,476)	(25,210)	(25,966)		
Council Tax Reduction Scheme	(3,626)	0			0	0	0	0		
Contribution from Reserves	0	0			0	0	0	0		
Application of unapplied Capital receipt	(2,041)	0	(1,160)		(1,160)	0	0	0		
Contribution from Earmarked Reserves	(1,282)	0	(660)		(660)	0	0	0		
Contribution from Uncommitted Reserves	0	0			0	0	0	0		
	(126,795)	(126,498)	(1,820)	0	(128,318)	(125,811)	(125,145)	(124,501)		
Projected (Surplus)/Shortfall	0	2,909			(0)	7,916	14,512	21,226		

MANAGEMENT EFFICIENCIES

APPENDIX D

Directorate	Description	Amount £					Total
		20/21	21/22	22/23	23/24	24/25	
Partnership & Performance	Legal & Democracy Efficiencies	6,592	-				6,592
Partnership & Performance	Finance & Revenues Efficiencies	30,000					30,000
Partnership & Performance	Research & Information Officer Vacancy - CASH for 2 years	37,000		- 37,000			-
Partnership & Performance	Shared Cost/Salary Sacrifice Additional Voluntary Contribution (SCAVC) Scheme - savings on Tax & NI contributions	20,000					20,000
People	Transforming Early Years Curriculum	53,600	32,000	-			85,600
People	Criminal Justice alignment with Grant Offer	31,000					31,000
People	Budget realignment within Criminal Justice	84,453					84,453
People	Redesign Independent Reviewing Officer role	35,000					35,000
People	Budget realignment DSM (permanent)	350,000					350,000
People	Budget realignment DSM (CASH)	350,000					350,000
People	Budget Reduction in photocopying charges due to contract changes	20,000					20,000
People	People Services Efficiencies	20,000					20,000
Place	Income generation	41,289					41,289
							-
	TOTAL	1,078,934	32,000	- 37,000	-	-	1,073,934

POLICY SAVINGS

Directorate	Description	Amount £					Total
		20/21	21/22	22/23	23/24	24/25	
Place	Removal of operating budget for Menstrie Castle	2,260					2,260
Place	Community Participation in the Provision of Annual Bedding Schemes	8,000	10,000				18,000
	TOTAL	10,260	10,000	-	-	-	20,260

Summary	
Directorate	Proposed Savings
Place	51,549
Partnership & Performance	93,592
People	944,053
Total	1,089,194



Clackmannanshire Council

www.clacksweb.org.uk

Charging Policy

This policy sets out Clackmannanshire's policy regarding service fees and charges for services for the 2020/21 financial year.

Introduction

Clackmannanshire Council has a statutory duty to provide certain services to the public. There are no charges for these services except where charges are set by statute. (e.g. planning applications, building control, licensing).

The Council provides other, discretionary services, some of which are provided at a cost to the customer.

Principles

1. The Council must provide services which are defined as a statutory duty.
2. The Council may also choose to provide discretionary services, depending on the identified needs of the population of Clackmannanshire.
3. The Council will agree the charges for each discretionary service provided as part of the budget process each year and these are published annually in the Council's Register of Charges.
4. The Council will benchmark the charges it makes against other Scottish Councils to ensure fees and charges are reasonable and affordable. Where a bench mark doesn't exist a commercial rate may be used to set the rate.
5. Services aim to recover the full cost of providing discretionary services to ensure that such costs are covered by the charges made.
6. The Council consults with the public each year through a Budget Engagement process covering the provision of Services incorporating any changes to fees and charges.

7. The Council can choose to provide services through a third party supplier or provider. Any such arrangement will be procured through the agreed procurement arrangements and in compliance with Council Standing Orders.
8. The ability of those in receipt of services, to pay proposed rates is taken into account, as a factor when proposals for increased charges are being considered. Consideration is also given to the competitive environment in which particular services operate.
9. The cost of invoicing and recovering income due is taken into account when considering fees and charges for services. Low volume activity will cost the Council more to process than the income generated. This figure will reduce as more transactions are carried out electronically.
10. The Council encourages customers to pay for services, in advance and electronically or through on-line facilities.
11. Fees are set in advance, for the coming year, however a small number may be subject to mid-year revisions.

Summary

The Council seeks to ensure best value for all residents of Clackmannanshire.

Statutory services will be provided free of charge to residents of Clackmannanshire, except where statute or legislation requires a charge to be made.

Discretionary services will be provided on a full cost recovery basis subject to financial assessment where appropriate.

Fees and charges are reviewed on an annual basis as part of the budget setting process, but may be subject to changes in-year.

The Register of Charges will be available on the Council's website following approval of the Budget and this will set out the charges for fees and services provided from 1st April 2020 to 31st March 2021.

Income and Charging 2020/21

Rationale for changes in 2020/21

The annual review of the Council's Income and Charging Policy has taken place as part of the budget challenge process. All aspects of the Council's income and expenditure were taken into account including comparison with other councils, discussion with Services and consideration of service proposals to introduce a service charge or increase charges in some areas.

The budget engagement process also included the proposal to increase fees and charges by 2% which was considered to have minimal impact in the consultation feedback.

Charges for 2020/21

A general increase in fees and charges of 2% is proposed in line with assumptions around inflation. Some charges have been rounded to simplify the charging process.

Exceptions

Social Services

Charges for Mobile Emergency Care Services continue to be increased by 10% annually to facilitate full cost recovery.

Education

Music tuition charges have not been increased and remain at the same level as 2019/20. The SQA element of lessons continues to be fully funded by the Education Service.

The price of school meals remains at £2.00. This is in attempt to reduce the falling trend in uptake of school meals.

The charge for milk has remained unchanged at £0.15 per carton. The milk is sourced through Scotland Excel.

The charge for a replacement bus pass has been removed. This is to encourage all young people to apply for a replacement pass so that all young people will carry a bus pass.

Early years charges are set to change from September 2020 onwards in line with the completion of the early years expansion rollout. The revised charges are detailed in the register of charges and provide parents / carers with a simpler charging structure. There is a new entitlement to 30 free hours of early learning and childcare for all. Any additional hours will be charged at the increased rate.

The fees for adult Ski lessons have reduced from £15 an hour to £13.50 an hour. This has been reduced as a result of a benchmarking exercise across other local authorities. An additional 10% discount has also been introduced for adults that book a place on the Easter and Summer Ski School along with a child. These reductions and discounts aim to enable more adults and children to access the activity.

Libraries

A consistent charging structure of £0.25 per week for library fines has been introduced. This brings the charging structure in line with the Scottish Authority fine structure. Library fines for children have also been removed.

The replacement charge for lost library cards has been reduced from £2.60 to £0.50.

The charge for requesting books has also been removed

Leisure Services

The pricing strategy combines various approaches to encourage usage and help recover the full cost of the services where appropriate.

Funeral Service Hall Hire

A new hall hire charge for funerals has been introduced for the hire of Alloa Town Hall, Bowmar Centre and Sauchie Hall.

Sports Facilities

Hire charges for indoor and outdoor sports facilities remain at the same level as 2019/20. This is in line with levels of demand and increased competition from other providers.

Environment Health

The shelter for stray dogs is run by Stirling Council who have increased the charge by 3%.

Trading Standards

This service is provided by Stirling Council who have increased the charge by 3%.

Working with Communities

A paper agreed by Council on 22 August 2019, agreed a number of innovations on a trial period. Further to that, the following is proposed for 2020/21:

- (a) That the booking process and associated income from playing fields adjacent to Tullibody Civic Centre and the Dumyat Centre, Menstrie, are transferred to the community groups operating these former Council-run facilities, subject to those groups signing an agreement complying with Council's terms and conditions;

- (b) That the trial period providing discretion to Council officers not to charge a bond for community councils or development trusts running community events is extended until 31 January 2021, at which point it shall be reviewed. Council officers will conduct an inspection before and after the event to ensure no damage has occurred. In the event that damage occurs, it would be a condition of use that the community group ensures any damage is made good to the satisfaction of appropriate council officers, and
- (c) That the previous proposal agreed for trial in August 2019, where officers have discretion to reduce fees up to 50% for a facility which has not already been booked no more than 48 hours ahead of usage is not continued on the basis that it is no longer thought practical to implement. Officers will continue to use other methods of marketing and promotion to maximise the usage of facilities.

Secondary Support Service

Charges to Other Local Authorities will continue to be on a full cost recovery basis.

Development & Environmental

Some fees are set by statute and cannot be increased by the Council. Where this is the case, the Council charges the maximum charge.

Other charges made within Development and Environmental Services will continue to be made on a commercial basis, taking account of affordability and level of demand.

We have introduced a new annual charge of £36 for the collection of domestic garden waste, which is not a statutory service. Many Scottish Local Authorities have already adopted this approach.

Housing

The rent charge for temporary accommodation and support remains at the same level as 2019/20.

There has been no increase to the weekly rent for the travelling persons site.

HRA

Housing rents have increased by 1.5%.

Council Tax

Council tax has increased by 3%.



Register of Charges



1st April 2020 to 31st March 2021



**Clackmannanshire
Council**

www.clacks.gov.uk

Comhairle Siorrachd
Chlach Mhanann

Summary

Clackmannanshire Council's Register of Charges details a list of all Services that the Council provides. The majority of these services incur a statutory fee or charge, but services that are provided free of charge are also listed.

The fees and charges apply from 1st April 2018 to 31st March 2019. The Council reserves the right to apply changes to the charges at any time. Statutory charges are subject to revision if the legislation governing the charge changes.

Where a charge is inclusive of VAT, this is calculated at 20%.

Contents

2	Adult Care
2	Burial Grounds
3	Building Standards
5	Democracy
5	Development Management
5	Development Planning
6	Environmental Health (Pest Control, Animal Welfare, HMOs)
7	Housing (Rent)
8	Leisure Lets
9	Sports Development
11	Library
11	Licensing (Civic)
12	Licensing (Liquor)
12	Licensing (Taxi / Private Hire Vehicles)
13	Early Years and Out of School Care
13	Education
13	Registrars
14	Roads
14	Waste
15	Trading Standards

Adult Care

Day Care	
Day Care	£65.45 ⁺
Care at Home (Formerly Domestic Care)	£13.00
Equipment	No Charge
Minor Adaptations	No Charge
Mobile Emergency Care Service per week	£3.50

Personal Care	
Nursing Care	Assessed
Residential Care	Assessed
Local Authority (over 65s)	Assessed
Local Authority (under 65s)	Assessed
Respite Care	Assessed

+ 5 hours @ £13.09 per hour



Burial Grounds

Advance Purchase of Right of Burial - Coffin Lairs - per lair (Non Residents)	£1,580.00
Advance Purchase of Right of Burial - Coffin Lairs - per lair (Residents)	£1,357.00
Advance Purchase of Right of Burial - Cremation Lairs - per lair (Non-Residents)	£857.00
Advance Purchase of Right of Burial - Cremation Lairs - per lair (Residents)	£733.00
Duplicate Certificate of Right of Burial	£78.00
Exhumation Fee	Total cost recovery
Interment - Child (Up to 18 years)	No Charge
Interment - Stillborn Baby	No Charge
Interment of Cremation Remains	£241.00
Interment - Adult	£867.00
Interment - each additional foot beyond 6 feet	£125.00

Monuments and Memorials - concrete foundation required	£361.00
Monuments and Memorials - locate and excavate for foundations	£205.00
Monuments and Memorials - where no excavation required	£78.00
Purchase of Right of Burial Cremation Lair	£486.00
Purchase of Right of Burial Coffin Lair (including Lair Certificate)	£896.00
Search Fee - search for Burial Ground Records (per occasion)	See Registrars section
Transfer Certificate of Right of Burial	£78.00
Maintenance Cost on Purchase of Right of Burial Coffin Lair	£268.00
Maintenance Cost on Purchase of Right of Burial Cremation Lair	£146.00

Building Standards

Building Warrant and associated fees.

PENALTIES AND DISCOUNTS

Please read the relevant section below to see if your application attracts a penalty for work commenced or if a discount is applicable where a design certificate is submitted or certificate of construction will be submitted.

Where Works have not yet commenced

Cost of Project (£)	Fee (£)
0,000 - 5,000	150
5,001 - 5,500	169
5,501 - 6,000	188
6,001 - 6,500	207
6,501 - 7,000	226
7,001 - 7,500	245
7,501 - 8,000	264
8,001 - 8,500	283
8,501 - 9,000	302
9,001 - 9,500	321
9,501 - 10,000	340
10,001 - 11,000	359
11,001 - 12,000	378
12,001 - 13,000	397
13,001 - 14,000	416
14,001 - 15,000	435
15,001 - 16,000	454
16,001 - 17,000	473
17,001 - 18,000	492
18,001 - 19,000	511
19,001 - 20,000	530

Cost of Project (£)	Fee (£)
20,001 - 30,000	593
30,001 - 40,000	656
40,001 - 50,000	719
50,001 - 60,000	782
60,001 - 70,000	845
70,001 - 80,000	908
80,001 - 90,000	971
90,001 - 100,000	1,034
100,001 - 120,000	1,137
120,001 - 140,000	1,240
140,001 - 160,000	1,343
160,001 - 180,000	1,446
180,001 - 200,000	1,549
200,001 - 220,000	1,652
220,001 - 240,000	1,755
240,001 - 260,000	1,858
260,001 - 280,000	1,961
280,001 - 300,000	2,064
300,001 - 320,000	2,167
320,001 - 340,000	2,270
340,001 - 360,000	2,373

Cost of Project (£)	Fee (£)
360,001 - 380,000	2,476
380,001 - 400,000	2,579
400,001 - 420,000	2,682
420,001 - 440,000	2,785
440,001 - 460,000	2,888
460,001 - 480,000	2,991
480,001 - 500,000	3,094
500,001 - 550,000	3,272
550,001 - 600,000	3,450
600,001 - 650,000	3,628
650,001 - 700,000	3,806
700,001 - 750,000	3,984
750,001 - 800,000	4,162
800,001 - 850,000	4,340
850,001 - 900,000	4,518
900,001 - 950,000	4,696
950,001 - 1,000,000	4,874

Add £253 for each subsequent £100,000 (or part thereof)



Building Standards (continued)

Building Warrant Amendment Fees

Additional work with no increased costs/costs less than £5,000	£100 *
Additional work with costs greater than £5,000	As per fee table above
Amendment for Demolition or Conversion only	£100
Application for Conversion Warrant only	£100
Application for Demolition Warrant only	£150

No fee shall be payable where the application relates to altering or extending a dwelling so that it is made suitable as a dwelling for a disabled person.

Discounts

The Building (Scotland) Act 2003 permits the optional procedure for design or construction work to be certified by qualified, experienced and reputable building professionals and tradesmen as complying with the Building Regulations

Certification. This may only be undertaken by an approved certifier of design or an approved certifier of construction who is registered in an appropriate approved certification scheme and, where relevant, holds the appropriate designation(s) in such a scheme.

Discounts of the fee payable are only valid if the Verifier is informed, in writing, of the intention to use an Approved Certifier of Design and/or Approved Certifier of Construction at the time of application for Building Warrant or when submitting a Late Completion Certificate Where No Building Warrant Obtained.

Where one or more certificates are presented with an application or submission the payable fee is discounted as follows:

Building Standards - Non-Statutory Charges

Confirmation of Completion (minimum charge)	£220
Property Inspection (minimum charge)	£329
Pre-Construction Confirmation of Exemption or Compliance (minimum charge)	£109
Post-Construction Confirmation of Exemption or Compliance - without pre-plan consultation (minimum charge)	£164
Further Site Visits	£109

N.B. The Council reserves the right to increase the above fees subject to the increased complexity of the project involved.

Completion Certificate Submission Where No Building Warrant Granted

Construction of Building/Provision of Services . . . (i.e. BW)	300% of fee from table above
Conversion only	£125
Demolition only	£125

Where Work Has Started

Building Warrant	200% of fee from table above
Demolition Warrant	£150

CERTIFIERS OF DESIGN

Each certificate covering a defined trade or installation	£0
Each certificate covering the construction of the entire building	£0
Maximum discount	£1

CERTIFIERS OF CONSTRUCTION

Each certificate covering a defined trade or installation	£0
Each certificate covering the construction of the entire building	£0
Maximum discount	£0

Building Standards Copy Document Fee Table

Copy of a document - less than 5 years of age	£45
Copy of a document - more than 5 years of age	£55
Copy of a document - prior to 1975	£171
Set of documents - less than 5 years of age	£61
Set of documents - more than 5 years of age	£73
Set of documents prior to 1975	£191
View plans	£35
View plans - prior to 1975	£141

Development Planning

Local Plan	
Adopted Local Development Plan and Maps	£31.10
Supplementary Guidance:	
SG1 Developer Contributions	£3.30
SG2 Onshore Wind Energy	£3.30
SG3 Placemaking	£3.30
SG4 Water	£3.30
SG5 Affordable Housing	£3.30
SG6 Green Infrastructure	£3.30
SG7 Energy Efficiency and Low Carbon Development	£3.30
Future Supplementary Guidance	£3.30
Local Development Plan Action Programme	£10.70

Democracy

Administration	
Freedom of Information Charges (FOI)	Variable full cost recovery

Development Management

Planning	
Application to Display Advertisement	£202.00
Copies of Decision Notices	£20.00
Copies of Approved Plans	£20.00
Certificate of Lawfulness for a Proposed Use or Development * (Min)	£101.00
Certificate of Lawfulness for a Proposed Use or Development * (Max)	£62,500.00
Certificate of Lawfulness for an Existing Use or Development * (Min)	£202.00
Certificate of Lawfulness for an Existing Use or Development * (Max)	£124,850.00
Application for Demolition Consent	£78.00
Application for Planning Permission * (Max)	£124,850.00
Application for Planning Permission * (Min)	£202.00
Application for a High Hedge	£401.00
Planning Permission in Principle (Max)	£62,500.00
Planning Permission in Principle (Min)	£401.00
Notification of Agricultural or Forestry Building	£78.00
Advertising of Application	£45.00

* Indicative charges for 'other buildings'.

Environmental Health

Animal Welfare

Stray Dog Charges (collection on day 1)	£46.70
Stray Dog Charges (collection on day 2) +£11	£66.80
Stray Dog Charges (collection on day 3) +8	£85.90
Stray Dog Charges (collection on day 4) +6	£106.10
Stray Dog Charges (collection on day 5) +6	£125.10
Stray Dog Charges (collection on day 6) +£5	£145.30
Stray Dog Charges (collection on day 7) +£5	£165.50
Purchase of a dog	£158.10
Call Out Fee - Service / Agency	£85.80

Pest Control

Council Tenants - All pests	Free*
Charities and Housing Associations - Rats & Mice	£55.60
Charities and Housing Associations - Other pests	£79.70
Housing Associations - Fleas	£140.60
Housing Associations - Bed Bugs	£140.60
Charities and Housing Associations - Void houses	£100.70
Housing Associations - Ants and Wasps (First visit)	£73.40
Visits for advice	£79.70

* Included as part of rent payment

Food Export Certificates

Standard Certificate for a single product (one week turnaround)	£17.00
Standard Certificate listing multiple products (one week turnaround)	£35.00
Premium Service - certificate produced and dispatched within 24 hours	£48.00

Water

Regulation 2 Supplies	Full cost
Type B Private Water Supply	
Sample Taking	£70.00
Analysis	£48.00
Risk Assessment Preparatory Work	£70.00
Risk Assessment	£50.00
Review of Risk Assessment	£50.00
Lead in Water Sampling (Free through Scottish Water)	£70.00
Swimming Pool Water Sampling	£50.00

Sums stated above are maximum costs



Housing & Land

Registration as a private landlord	£55.00
Each Property	£11.00
Registration - Late Application Fee	£110.00
Contaminated land report	£164.00
Licence for House in Multiple Occupation - Application valid for 3 years (less than 10 occupants)	£554.00
Licence for House in Multiple Occupation - Application valid for 3 years (more than 10 occupants)	£684.00
Requests for professional statements of fact	£73.00
Abandoned vehicles (now Government Controlled)	Full cost

Housing (rent)

Accommodation Letting House 1 Apartment Rent	£78.21
Accommodation Letting House 2 Apartment Rent	£80.11
Accommodation Letting House 3 Apartment Rent	£82.05
Accommodation Letting House 4 Apartment Rent	£83.71
Accommodation Letting House 5 Apartment Rent	£85.79
Accommodation Letting House 6 Apartment Rent	£87.88
Accommodation Letting Flat 1 Apartment Rent	£76.79
Accommodation Letting Flat 2 Apartment Rent	£78.61
Accommodation Letting Flat 3 Apartment Rent	£80.57
Accommodation Letting Flat 4 Apartment Rent	£82.31
Accommodation Letting Flat 5 Apartment Rent	£84.36
Lock Up Garage Rent (Council Tenant Charge)	£7.66
Lock Up Garage Rent (Non Council Tenant Charge)	£9.32
Garage Pitch Site - annual charge	£88.16
Garage Pitch Site - annual charge (with VAT)	£105.80
Rent Charge for Temporary Accommodation and Support (per Week)	£480.00

Tenant Repair Responsibility

Under the terms of the Scottish Tenancy Agreement the Council can charge tenants if it decides to carry out repairs to damage caused by the tenant or anyone living with the tenants or a visitor to the tenancy. If the Council decides to carry out these types of repairs the tenant will be informed of any costs to be charged in as far as practicable prior to the work commencing. This would not apply to damage caused by fair wear and tear and or vandalism which has been reported and investigated by the police.

Price dependent upon work required

Mixed tenure works where the Council factors the block

Under the Property Factors Act the Council factors a number of properties which were sold under the Right to Buy legislation. Those properties which are factored by Clackmannanshire Council will be billed for the upkeep and maintenance of common areas of properties where ownership and responsibility is shared between the council and other private owners. The costs will be shared in accordance with the title deeds or any formal block policy.

Price dependent upon work required

Miscellaneous

Travelling Site (16 pitches at Westhaugh, Alva)

Pitch plus vehicle parking - per week	£93.82
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Factors Fees

Costs will be shared by owners according to title deeds and or rateable value if applicable, therefore charges will vary.

Repair of damage caused by tenant, resident or visitor is charged on full cost recovery basis	Variable dependent on cost
Registration as a private landlord	£66.00
Each Property	£15.00
Registration - Late Application Fee	£132.00

Landlords can receive a 10% discount if they register on-line at www.landlordregistrationscotland.gov.uk

Function Halls and Meeting Spaces

Venue	Small Area	Medium Area	Large Area
Alloa Town Hall	n/a	Meeting Rooms	Main Hall
Alloa Academy	General Classroom/PE Classroom	n/a	Assembly Hall
Alva Academy	General Classroom/PE Classroom	n/a	Assembly Hall
Ben Cleuch Centre, Tillicoultry	Meeting Rooms and Hexagon	n/a	n/a
Bowmar Community Centre, Alloa	Meeting Room	Main Hall	n/a
Sauchie Hall	Lesser Hall and Meeting Room	Main Hall	n/a
Lornshill Academy, Tullibody	General Classroom/PE Classroom	n/a	Assembly Hall

	Standard	Concession
Small Area	£14.00	£11.30
Medium Area	£21.60	£16.40
Large Area	£33.00	£27.20

Prices are charged per hour unless stated.

Reduced Rate Lets - Applies to community councils, charities, pensioners groups, parent & toddler groups, out of school care groups and other properly constituted, non profit-making clubs and societies.

Standard Rate Lets - Applies to any individual, group or company not covered under the reduced let rate (see above).

Activity	Standard
Weddings & Celebrations	
Alloa Town Hall (Full Day package from 10.00am to 1.00am)	£545.00
Alloa Town Hall (Evening package from 5pm to 1.00am)	£380.00
Sauchie Hall (Full Day package) 15 hrs.	£380.00
Sauchie Hall (Evening package) 9 hrs.	£255.00
Concerts, Shows & Events	
Alloa Town Hall (Full Day package from 10.00am to 1.00am)	£700.00
Alloa Town Hall - Commercial Rate (multi day)	Price on application
Alloa Town Hall - Standard Rate (single day)	Price on application
Alloa Town Hall - Standard Rate (multi day)	Price on application
Other Venue	See rate per venue
Box Office: Administration Fee	£1.00

Community Sports Facilities

	Standard	Concession
Indoor Sports Facilities		
Games Hall: Full Hall	£38.00	£28.00
Badminton / Single Court	£10.00	£7.00
Gymnasium	£16.50	£11.50
Dance Studio	£16.50	£11.50
Fitness Suite Session	£3.00	£2.00
Fitness Suite (Monthly Membership)*	£10.00	£8.00
Fitness Suite (Annual Membership) *	£100.00	£80.00
Changing Room Hire	£21.60	£16.50
Outdoor Sports Facilities		
Artificial Grass: Match (Football Partnership)	£48.50	£24.00
Artificial Grass: Match (Football non Partnership)	£90.00	£45.00
Artificial Grass: Full Pitch	£66.00	£33.00
Artificial Grass: Football 7s	£44.00	£22.00
All Weather Surface: Football 5s per court	£32.00	£16.00
All Weather Surface: Tennis per court (per hour)	£6.00	£4.00
Tennis Season Ticket (p/p)	£40.00	£25.00
Running Track: Exclusive use (Lornshill only)	£45.00	£22.50
Running Track: Session per person (Lornshill only)	£3.00	£2.00
Grass Rugby Pitch: Match (Lorshill & Alva)	£45.00	£21.60

* Fitness membership fees can be paid by direct debit
 Monthly fees by cash or credit card will be £12.50 p/m (Standard) and £10 p/m (Concession)
 Annual membership of the Fitness Suite can be made in a single payment.

Leisure Lets (continued)

	Standard	Concession
Grass Football Pitches		
Football Pitch with Pavilion (Match 2hrs)	£47.20	£22.60
Football Pitch no Pavilion - Training	£14.50	£7.50
Leisure Park Events		
Parks West End Park & Cochrane Park - Commercial	Per Day	£314.20
Non operational days (max 2 days)	Per Day	£102.00
Parks West End Park & Cochrane Park - Non Commercial*	Per Day	£153.00
Non operational days (max 2 days)	Per Day	£51.00
Other Parks - Commercial	Per Day	£157.00
Non operational days (max 2 days)	Per Day	£76.50
Other Parks - Non Commercial*	Per Day	£76.50
Non operational days (max 2 days)	Per Day	£36.00
Partial hire of park grounds	Per Day	POA
Bond West End Park & Cochrane Park- Standard	Deposit	£1,573.00
Bond All Other Parks (Commercial Activities)- Standard	Deposit	£786.00
Bond All Other Parks (non-commercial activities, maximum 400 people)- Concession	Deposit	£367.00
Bond partial hire of park grounds		POA
West End Park Pavillion - for event hire	Per Hour	£20.40

*For recognised Community Groups only

Commercial companies i.e. Circus or Fun Fair charged as follows:

Entry / Exit Day	No Fee
Non Operating Day	Concession Rate
Operating Day	Standard Rate
Bond	Standard Rate

Please note: A bond payment must be made at time of booking for events held in parks. The payment is refundable providing there is no damage to the park. Any costs incurred to re-instate the park will be deducted from the bond. Where the cost to re-instate the park is more than the price of the bond then the Council will make a separate charge for the balance.

Leisure Activities Programme

Zone 50s	Dumyat Community Centre	£4.70
Running Club	Tullibody Civic Centre	£3.60
Circuit Class	Alva Academy	£4.60
Mature Movers	Ludgate House	£4.60
OTAGO	Sauchie Hall	£2.50
Social Badminton	Alva Academy	£4.70
Active 50s	Clackmannan Town Hall	£4.70
Chi Kung	Sauchie Hall	£4.70
Yoga	Lornshill Academy	£4.70
Tai Chi	Ben Cleuch Centre	£4.70
Boxfit	Lornshill Academy	£4.70
Lower Limbs	Cochrane Hall, Alva	£2.50
NIA Class	Lornshill Academy	£4.70
Adult ASN Class	Sauchie Hall	£2.50
Sporty Seniors	Dollar Civic Centre (Hive)	£2.50
Over 50's	Tullibody Civic Centre	£2.50
Zumba	Alloa Academy	£4.70
Meditation Class	Alloa Academy (45 mins)	£3.60
Lower Limbs Class	Bowmar Centre	£2.50
Fitter Folks	Lornshill Academy	£4.70
Kettlecise	Alva Academy	£4.70
Aerobics	Lornshill Academy	£4.70
Gentle Yoga	Alva Academy	£4.70
Seasonal Yoga	Alva Academy	£4.70

*Concession price of £2.50 for over 60

Sports Development

Pre-School Activities (Active Start) - 1 hour	£4.20
Pre-School Activities (Active Start) - 9 weeks	£41.40
Sports Development (Gymnastics, Football, Athletics, Tennis, Table Tennis, Trampolining, Basketball) - 9 weeks	£41.40
Active Schools - After School Club	£1.30
Active Schools - After School Club (Lunch Session)	£0.60
Active Schools - After School Club (Breakfast Session)	£1.30
School Holiday Sports Camp (per day)	£21.00
School Holiday Sports Camp (per week)	£83.80

Sports Development (continued)

Firpark Ski Centre

	Duration	Max. No.	Cost
Block Lessons			
Standard ski instruction/family skiing/ adaptive skiing	1 hr x 6 weeks	12	Adult - £81.00 Child - £47.20
Standard snowboard instruction	1 hr x 6 weeks	8	Adult - £117.40 Child - £59.40
Penguin Club	1 hr x 6 weeks	6	Child - £82.60
Trainee/Novice	1.5 hrs x 6 weeks	12	Adult - £138.00 Child - £69.70
Block practice plus session	1 hr at the normal class time at end of the block	12	£2.10
Group Lets			
Skiing/Snowboarding party with Firpark instructor	Per hour: Mon to Fri, 4-10pm / All Day Sat & Sun	8 or 12 *	£95.00
	Per hour: Mon to Fri, 9am - 4pm		£79.90
Snowboarding, skiing, group let with own instructor	Per hour: Mon to Fri, 4-10pm / All Day Sat & Sun	8 or 12 *	£73.10
	Per hour: Mon to Fri, 9am - 4pm		£57.30
Tubing let	1 hour on slope. Optional 30 mins in meeting room after tubing session	15	£100.30
		30	£159.30
Individual Sessions			
Personal tuition	1 Client	4	£38.70 per hour £19.40 half hour
	2 Clients		£50.50 per hour £25.40 half hour
	3 Clients		£62.50 per hour £31.30 half hour
	4 Clients		£74.60 per hour £40.50 half hour
External schools using Firpark instructor	Per hour, per person	15	£5.20 Min charge £21.20
External schools using own instructor		£4.70	
Recreational skiing/snowboarding/blading		24	Adult - £9.60 Child - £4.80
After school club		25	£4.30
Intruduction to Race Training (Thursdays)	1 hour, per person	30	£5.10
Holiday Ski Schools			
Skiing	4 days x 2 hours per day	12	Adult - £108.00 Child - £61.70
Snowboarding	4 days x 2 hours per day	8	Adult - £156.80 Child - £78.70
Penguin Club	4 days x 1 hour per day	6	£54.30

Library

B & W photocopying and computer prints - A4	£0.30
Colour photocopying and computer prints - A4	£0.50
B & W photocopying - A3	£0.40
Colour photocopying - A3	£1.00
Microfilm pintout - A4 B & W and colour	£0.50
Laminating A4	£1.00
Laminating A3	£1.30
Fax - All incoming faxes (per sheet)	£1.10
Fax - Sending UK Fax - All pages	£1.50
Fax - Sending European Fax - All pages	£2.10
Fax - Sending Fax to rest of the world - All pages	£3.30
Lost and damaged items	100% of original or replacement cost
Lost Tickets	£0.50
Overdue items - 1 week	£0.25
Overdue items - 2 weeks	£0.50
Overdue items - 3 weeks	£0.75
Overdue items - 4 weeks	£1.00
Overdue items - 5 weeks	£1.25
Overdue items - 6 weeks	£1.50
Overdue items - 7 weeks	£1.75
Overdue items - 8 weeks	£2.00
Overdue items - 9 weeks	£2.25
Overdue items - 10 weeks	£2.50
Overdue items - 11 weeks	£2.75
Request Service - in stock	FREE
Request Service (ILL / Music Scores)	Full cost recovery
Talking Book (single issue)	£1.50
Withdrawn stock sales	£1.00
Archive Services	basic search - first 15 minutes free £16.00 per 30 minutes thereafter
Archive Photos (5" x 7 1/2")	£6.40
Archive Photos (9" x 6")	£8.60
Archive Photos (12" x 8")	£12.90
Provision of digital material (per item)	£1.00
Provision of digital material (per day)	£5.00

Licensing (Civic)

Indoor Sports Licence (3 years)	£226.00
Knife dealer's licence (3 years)	£376.00
Late Hours Catering Licence (p/a)	£226.00
Market Operator (3 years)	£411.00
Metal Dealer (3 years)	£183.00
Public Entertainment - Fun Fair (per occasion)	£226.00
Public Entertainment (3 years)	£226.00
Public Entertainment (Temporary)	£114.00
Second Hand Dealer's Licence (3 years)	£183.00
Skin Piercing and Tattooing (Grant) (1 Year)	£376.00
Skin Piercing and Tattooing Renewal (3 Years)	£189.00
Street Trader's Licence	£252.00
Street Trader's Licence (Temporary)	£79.00
Street Trader's Licence (Variation)	£183.00
Substitution of Vehicles (per vehicle)	£36.00
Taxi booking office licence (3 years)	£376.00
Taxi Operator Licence (p/a)	£161.00
Private Hire Operator Licence	£161.00
Taxi/Private Hire Car Licence (1 year)	£161.00
Taxi/Private Hire Car Licence (3 years)	£368.00
Theatre Licence	£158.00
Window Cleaner's Licence (1 year)	£107.00
Window Cleaner's Licence (3 years)	£270.00
Cinema Licence	£160.00
Itinerant metal dealer	£183.00

Licensing (Other)

Performing Animals	£88.00
Replacement Taxi ID Badge	£10.00
Duplicate Licences	£10.00
Certified True Copies	£10.00
Animal Boarding Establishment	£91.00
Breeding of Dogs	£81.00
Game Dealer's Licence (p/a)	£95.00
Pet Shops	£68.00
Riding Establishment	£115.00
Venison Dealer's Licence	£77.00
Dangerous Wild Animals	£105.00

Licensing (Liquor)

Confirmation Premises Licence Fee Rateable:	
Confirmation Premises Licence Fee Rateable Value of Premises £1 - £11,500	£600
Confirmation Premises Licence Fee Rateable Value of Premises £11,501 - £35,000	£900
Confirmation Premises Licence Fee Rateable Value of Premises £35,001 - £70,000	£1,100
Confirmation Premises Licence Fee Rateable Value of Premises £70,001 - £140,000	£1,500
Confirmation Premises Licence Fee Rateable Value of Premises Over £140,000.00	£1,800
Application Fee:	
Application Fee Rateable Value of Premises £0	£200
Application Fee Rateable Value of Premises £1 - £11,500	£800
Application Fee Rateable Value of Premises £11,501 - £35,000	£1,100
Application Fee Rateable Value of Premises £35,001 - £70,000	£1,300
Application Fee Rateable Value of Premises £70,001 - £140,000	£1,700
Application Fee Rateable Value of Premises Over £140,001	£2,000
Annual Fee:	
Annual Fee (September) Rateable Value of Premises £0	£180
Annual Fee (September) Rateable Value of Premises £1 - £11,500	£220
Annual Fee (September) Rateable Value of Premises £11,501 - £35,000	£280

Annual Fee (September) Rateable Value of Premises £35,001 - £70,000	£500
Annual Fee (September) Rateable Value of Premises 70,001 - £140,000	£700
Annual Fee (September) Rateable Value of Premises Over £140,000	£900
Personal Licence	£50
Personal Licence Renewal	£50
Personal Licence Variation	£20
Liquor Licensing - Occasional Licence	£10
Liquor Licensing - Extended Hours Licence	£10
Liquor Licensing - Provisional Premises Licence	£200
Liquor Licensing - Replacement Personal Licence	£20
Liquor Licensing - Replacement Premises Licence (certified Copy)	£50
Liquor Licensing - Substitution Premises Manager with Minor Variation	£31
Liquor Licensing - Minor Variation	£20
Liquor Licensing - Variation of Conditions, Operating Plan, Layout Plan	£150
Liquor Licensing - Transfer Application By Licence Holder Including Variation Application	£150
Liquor Licensing - Transfer application By Licence Holder	£120
Liquor Licensing - Transfer Application Other Than By Licence Holder Including Variation Application	£150
Liquor Licensing - Transfer Application Other Than By Licence Holder	£120
Liquor Licensing - Temporary Premises Licence	£150

Licensing (Gambling Act 2005)

Non Commercial Society Grant (1 Year)	£40
Non Commercial Society Renewal (1 Year)	£20
Annual Fee - Betting Premises (Other)	£400
Gaming Machine Automatic Entitlement	£50
Variations (Bingo)	£1,200
Variations (Betting Office)	£1,050
Transfer (Bingo & Betting Office)	£840
Annual Fee - Adult Gaming Centre	£700
Annual Fee - Bingo Premises	£700
Annual Fee - Betting Office	£400
Transfer - Adult Gaming	£840
Variation - Adult Gaming	£700

Licensing (Taxis / Private Hire Vehicles)

Vehicle Testing	
Taxi / Private Hire Replacement Plate	£16.20
Taxi Meter Check & Seal	£16.20
External Client Labour Charge	£36.70
Taxi / Private Hire Inspection and Hire Test Charges	£52.40
Taxi / Private Hire Inspection Retest	£36.70

Early Years and Out of School Care

Early Years and Out of School Care April 2020- September 2020

0-2 Years (per day)	£48.10
2-5 Years (per day)	£45.10
Nursery Minibus Journey (if applicable) Per Journey	£1.70
Kidzone Out of School Care (term time) (per hour)	£4.00
Kidzone Out of School Care (term time) (per minibus journey)	£2.20
Kidzone Out of School Care Holidays (per day)	£36.10
Kidzone Out of School Care Holidays (per half day)	£18.10

Note: there is a 10% discount for a sibling

Early Years September 2020 Onwards

0-2 Years (per session)	£23.85
2-3 Years (per hour)	£5.30
3-5 Years (per hour)	£5.30



Education

Instrumental Music Tuition Scheme (per year) *	£524.00
Primary Milk (per carton)	£0.15
School Meals - Traditional Lunch - Child	£2.00
Breakfast (per serving)	£1.20
Privelage Pass	£2.80

* Concessionary rate is £117.50
Concessionary bus pass £1.40

Additional Nursery Hours 0 - 2 year olds Per Session	£13.10
Additional Nursery Hours 2 - 3 year olds Per Session	£12.10
Additional Nursery Hours 3 - 5 year olds Per Session	£11.10
Additional Nursery Hours 0 - 2 year olds Per Hour	£4.20
Additional Nursery Hours 2 - 3 year olds Per Hour	£3.80
Additional Nursery Hours 3 - 5 year olds Per Hour	£3.60

Note: 10% discount for a sibling

Registrars

Extracts	
Extract of Entry of Birth, Death, Marriage or Civil Partnership (within one month of registration)	£10.00
Extract of an Entry of Birth, Death, Marriage or Civil Partnership (after one month of registration)	£15.00
Searches and ScotlandsPeople	
Particular Search - for each period of 5 years or part thereof	£5.00
General Search of statutory registers (assisted search - 30 minutes)	£15.00
ScotlandsPeople Search Facility (per day)	£15.00
Prints of historic Registration records	£0.50
Marriage or Civil Partnership	
Marriage or Civil Partnership Fees:	
Marriage Notice forms (per person)	£30.00
Civil Marriage or Civil Partnership Fee	£55.00
Ceremony Fees	
Midweek ceremony (Registration Office max 10 people)	£125.00
Midweek (Registration Office)	£190.00
Midweek (External Venue)	£345.00
Saturday (All Venues)	£345.00
Late Saturday or Sunday and Public Holidays (All Venues)	£445.00

Roads

New Roads and Streetworks Act 1980 Sample/Defect Inspections	£36.00
New Roads and Streetworks Act 1980 Section 109 Permit / Inspection on Non Statutory Undertakers	£296.00
Roads (Scotland) Act - Minor Roadworks Consent - Footway Crossing	£36.00
Roads (Scotland) Act - Minor Roadworks Consent - Section 56	£126.00
Roads (Scotland) Act - Skip Permit	£26.00
Roads (Scotland) Act - Road Occupation Permits - Up to 3 days	£41.00
Roads (Scotland) Act - Road Occupation Permits - Up to 1 week	£57.00
Roads (Scotland) Act - Road Occupation Permits - Up to 1 month	£86.00
Roads (Scotland) Act - Road Closures - Emergency	£288.00
Roads (Scotland) Act - Road Closures - Non-Emergency	£573.00
Road Closures - Non Emergency (1 to 5 days)	£288.00
Road Closures - Non Emergency (More than 5 days)	£573.00
Taxicard Aborted Journeys	£2.00
Blue Badge (Issue or replacement)	£21.00
Residents Parking Permits - Per Annum	£22.00



Waste

Commercial Waste - 1 Collection per week, Bin Size 240 (0% VAT)	£321.00
Commercial Waste - 1 Collection per week, Bin Size 360 (0% VAT)	£482.00
Commercial Waste - 1 Collection per week, Bin Size 660 (0% VAT)	£885.00
Commercial Waste - 1 Collection per week, Bin Size 1100 (0% VAT)	£1,475.00
Commercial Waste Bulky Uplift - individually priced subject to inspection (minimum standard collection charge of £39.00 plus standard disposal charge of £57.00)	Cost on enquiry
Commercial Food Waste Service - 1 collection per week, Bin Size 140 (0% VAT)	£141.00
Commercial Recycling Waste - 1 Collection per week, Bin size 240 (0% VAT)	£242.00
Commercial Recycling Waste - 1 Collection per week, Bin size 360 (0% VAT)	£364.00
Commercial Recycling Waste - 1 Collection per week, Bin size 660 (0% VAT)	£667.00
Commercial Recycling Waste - 1 Collection per week, Bin size 1100 (0% VAT)	£1,112.00

Small Trader Tipping Ticket for Forth bank (inc. £7.75 at 20% VAT) each - one per visit per vehicle size 3.5 tonnes gross vehicle weight ie (eg Transit Size)	£58.00
Bulky Uplift - Household Waste (0% VAT)	£40.00
Garden Waste Permit (fee per bin & max of 2 bins)	£36.00
Sacks / Labels are available in multiples of 10 (0% vat)	£34.00

Trading Standards

Special Weighing & Measuring Equipment, per hour.	£131.80
Weights - weights exceeding 5kg or not exceeding 500mg, 2cm.	£16.10
Weights -other weights.	£16.10
Measures - linear measures not exceeding 3 metres for each scale.	£16.10
Measures -capacity measures without divisions not exceeding 1 litre.	£16.10
Liquid capacity measures for making up/checking average quantity packages.	£48.00
Templets -(a) per scale -first item.	£80.20
Templets -(b) second and subsequent items.	£32.00
Weighing Instruments -instruments calibrated to weigh only in metric or imperial units, non EC not exceeding 1 tonne.	£99.00
Weighing Instruments -instruments calibrated to weigh only in metric or imperial units, non EC exceeding 1 tonne up to 10 tonnes.	£164.70
Weighing Instruments -instruments calibrated to weigh only in metric or imperial units, non EC exceeding 10 tonnes.	£329.30
Measuring Instruments for Intoxicating Liquor -not exceeding 150ml.	£32.00
Measuring Instruments for Intoxicating Liquor - other.	£39.90
Measuring Instruments for Liquid Fuel and Lubricants - container type (un-subdivided).	£123.30
Measuring Instruments for Liquid Fuel and Lubricants -single/multi outlet (nozzles) -first nozzle tested per site.	£180.70
Measuring Instruments for Liquid Fuel and Lubricants - each additional nozzle tested.	£131.00
Measuring Instruments for Liquid Fuel and Lubricants - additional costs involved in testing ancillary equipment which requires additional testing on-site, such as credit card acceptors.	£131.80
Measuring Instruments for Liquid Fuel and Lubricants - testing of peripheral electronic equipment on a separate visit (per site).	£131.80
Measuring Instruments for credit card acceptor (per unit, regardless of the number of slots/nozzles/pumps).	£131.80



Road Tanker Fuel Measuring Instrument (above 100 litres) -Meter measuring systems -(a) wet hose with 2 testing liquids.	£378.70
Road Tanker Fuel Measuring Instrument (above 100 litres) - Dipstick measuring system - (a) up to 7,600 litres (for calibration of each compartment and production of chart).	£263.80
Road Tanker Fuel Measuring Instrument (above 100 litres) - Dipstick measuring system - (a) for any compartment over 7,600 litres -basic fee, plus additional costs at the rate of (b), (c) or (d). (see figures below)	£131.80
Road Tanker Fuel Measuring Instrument (above 100 litres) - Dipstick measuring system - (b) initial dipstick.	£39.90
Road Tanker Fuel Measuring Instrument (above 100 litres) - Dipstick measuring system - (c) spare dipstick.	£39.90
Road Tanker Fuel Measuring Instrument (above 100 litres) - Dipstick measuring system - (d) replacement of dipstick (including examination of compartment).	£80.20
Road Tanker Fuel Measuring Instrument (above 100 litres) - Certificate of Errors - for supplying a certificate containing the results of errors found on testing.	£63.90
Poisons Act - Registration	£43.30
Poisons Act - Change in details of Registration	£24.00
Weighing & Measuring - Specialist Testing, non-trade equipment	£153.90
Weighing & Measuring - Special attendance charges (outwith normal hours)	£154.70

Disclosure of Funded Organisations 2020/21

In September 2014, the Council's External Auditor recommended that the Council should disclose annually details of each individual voluntary organisation it funds by direct award including the Council role, the Council contribution and the category of services delivered.

The table below outlines this information for the financial year 2020/21. All funding arrangements are subject to Contract Standing Orders and the Council's Code of Practice for Funding External Bodies and Following the Public Pound.

Directorate	Description	Category	Council Role	Value
People	Action for Children – family centre	Children & Young People	Contract via Direct Award	£146,463
People	Action for Children – functional family therapy	Children & Young People	Contract via Direct Award	£ 81,551
People	Action for Children – out of hours	Children & Young People	Contract via Direct Award	£ 90,000
People	Action for Children – Tayavalla	Children & Young People	Contract via Direct Award	£106,807
People	Barnardos - early intervention	Children & Young People	Contract via Direct Award	£ 40,969
People	Barnardos – substance misuse	Children & Young People	Contract via Direct Award	£ 65,686
People	Barnardos – whole system approach	Children & Young People	Direct Award	£ 25,000
People	Central Carers Association	Children & Young People	Contract via Direct Award	£ 47,084
People	Community House	Children & Young People	Contract via Direct Award	£ 34,760
People	Homestart	Children & Young People	Contract via Direct Award	£ 70,002
People	Who Cares?	Children & Young People	Contract via Direct Award	£ 35,209
People	Apex Scotland	Criminal Justice	Direct Award	£ 35,000
People	Barnardos -Freagarrach	Criminal Justice	Contract via Direct Award	£ 18,050
People	Citizens Advice Bureau	Criminal Justice	Direct Award	£ 22,000
People	Play Alloa	Education- Youth Services	Contract via Direct Award	£15,685
People	Clackmannanshire Sports Council	Health & Wellbeing	Contract via Direct Award	£ 6,202
Partnership and Performance	Support to 3 Community Run Halls: Coalsnaughton, Clackmannan, Devonvale	Community Empowerment	Contract via Direct Award	£12,800
Partnership and Performance	Safe Drive Stay Alive	Community Safety	Contract via Direct Award	£3,000
Partnership and Performance	The Gate Soup Pot	Supporting Vulnerable Adults	Contract via Direct Award	£ 2,787
Partnership and Performance	The Gate Foodbank	Supporting Vulnerable Adults	Contract via Direct Award	£ 4,645
Total				£864,153

Appendix F

Payments to Transition to the Integration Joint Board (IJB)

Directorate	Description	Category	Council Role	Value
HSCP	Central Carers Association	Adult Care	Contract via Direct Award	£54,032
HSCP	Change Grow Live	Adult Care	Tender	£ 52,200
HSCP	People First	Adult Care	Contract via Direct Award	£ 20,185
HSCP	Independent Living Association – Self Directed Support Forth Valley	Adult Care	Contract via Direct Award	£ 21,934
HSCP	Forth Valley Advocacy	Adult Care	Tender	£ 64,792
HSCP	Rape Crisis and Sexual Abuse Centre	Adult Care	Contract via Direct Award	£ 12,903
HSCP	Scottish Families Affected by Alcohol and Drugs	Adult Care	Tender	£ 13,600
HSCP	Wellbeing Scotland	Adult Care	Tender	£ 80,000
HSCP	Women's Aid	Adult Care	Contract via Direct Award	£161,442
Total				£481,088



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Local Government Finance Circular No 1/2020

Chief Executives and Directors of Finance of
Scottish Local Authorities

Chief Executive, Convention of Scottish Local
Authorities (COSLA)

Our ref: A26645511
6 February 2020

Dear Chief Executive/Director of Finance

1. LOCAL GOVERNMENT FINANCE SETTLEMENT 2020-21 **2. NON-DOMESTIC RATES**

1. This Local Government Finance Circular provides details of the provisional total revenue and capital funding allocations for 2020-21, as well as the latest information on current known redeterminations for 2019-20. This Circular also provides details on a range of Non-Domestic Rates measures, including the 2020-21 poundage and proposed changes to certain reliefs.
2. The provisional total funding allocations form the basis for the annual consultation between the Scottish Government and COSLA ahead of the Local Government Finance (Scotland) Order 2020 being presented to the Scottish Parliament, which is currently scheduled for 19 February 2020.
3. We expect local authorities to inform COSLA, and for COSLA in turn to inform the Scottish Government by no later than 14 February 2020, if they think there are any discrepancies or changes required to these provisional allocations. Any redistribution to address any agreed discrepancies or changes will be undertaken within the total settlement allocations set out in this Circular and not through the provision of any additional resources by the Scottish Government. The allocations are therefore only provisional at this stage with the final allocations not being confirmed until after the end of the consultation period and the publication of the Local Government Finance Circular which will follow the approval of the Local Government Finance (Scotland) Order 2020.
4. The Minister for Public Finance and Digital Economy wrote to the COSLA President, copied to all Council Leaders on 6 February 2020, confirming the package of measures that make up the settlement to be provided to local government in return for the provisional funding allocations set out in this Circular. This Circular should be read in conjunction with that letter. The terms of this settlement have been negotiated through COSLA on behalf of all 32 of its member councils.

5. The Scottish Government will work in partnership with local government to implement the budget and the joint priorities in return for the full funding package worth £11,336 million.
- £201 million revenue and £121.1 million capital to support the expansion in funded Early Learning and Childcare (ELC) entitlement to 1,140 hours by 2020;
 - In addition to the £160 million available in 2019-20, a further £100 million to be transferred from the health portfolio to the Local Authorities in-year for investment in health and social care and mental health services that are delegated to Integration Authorities under the Public Bodies (Joint Working) (Scotland) Act 2014. This brings the total transferred from the health portfolio to support health and social care integration to £811 million in 2020-21. The additional £100 million for local government includes a contribution to continued delivery of the real Living Wage (£25 million), uprating of free personal and nursing care payments (£2.2 million), implementation of the Carers Act in line with the Financial Memorandum of the Carers Bill (£11.6 million), along with further support for school counselling services whether or not delegated under the Public Bodies (Joint Working) (Scotland) Act 2014 (£4 million);
 - Baseline of the £90 million added at Stage 1 of the Budget Bill for 2019-20;
 - The ongoing £88 million to maintain the pupil:teacher ratio nationally and secure places for all probationers who require one under the teacher induction scheme;
 - Provision for the Teachers Pay (£156 million) and Pensions (£97 million);
 - £5.3 million for Barclay implementation costs; and
 - A new capital £50 million Heat Networks Early Adopters Challenge Fund to support local authorities who are ready to bring forward investment-ready heat networks.
6. In addition to the funding set out in this Circular it should be noted that there are a number of further revenue and capital funding streams out-with the local government finance settlement for particular policy initiatives which benefit local government services. Table 6.15 in the Scottish Government's "Budget Document: 2020-21", which was published on 6 February 2020, provides further details of these funding streams.
7. The allocations have been arrived at using the standard agreed needs-based distribution methodology and updated indicators. We will share a separate note providing a full reconciliation of the changes between the 2019-20 and 2020-21 Budgets and between the 2020-21 Budget and the figures in this Circular. We will also provide full details of all the general revenue allocations.
8. The various parts and annexes to this Circular, listed below, provide more of the detail behind the calculations.

Part A:- Local Government Finance Settlement – Revenue: 2020-21 and changes in 2019-20;
 Part B:- Local Government Finance Settlement – Capital: 2020-21 and changes in 2019-20;
 Part C:- Non-Domestic Rates for 2020-21.

The various Annexes included in this Circular are as follows:

Annex A: All Scotland Aggregated Funding Totals 2019-21;
 Annex B: Individual Revenue Allocations for 2020-21;
 Annex C: Revised Individual Revenue Allocations for 2019-20;
 Annex D: Explanatory Notes on the Revenue Distribution;
 Annex E: Estimates of Ring-Fenced Grant Revenue Funding for 2020-21;
 Annex F: Floor calculation for 2020-21;
 Annex G: Redeterminations of Individual Revenue funding for 2019-20;
 Annex H: 2008-21 Changes Column;
 Annex I: General Capital Grant and Specific Capital Grants 2020-21;
 Annex J: General Capital Grant – Flood Allocations Per Local Authority 2020-21;

Annex K: Final Total Capital Funding for 2019-20; and
Annex L: Total Local Government Funding Settlement 2020-21.

Part A: Local Government Finance Settlement - Revenue: 2020-21 and changes in 2019-20

9. This Finance Circular sets out the provisional distribution of revenue funding allocations for 2020-21. **Annex A** of this Circular sets out the all-Scotland aggregate totals for 2019-21.
10. **Annexes B and C** set out the distribution of the total revenue funding allocation between councils and the allocation of the different elements (General Revenue Funding, Non-Domestic Rate Income and Ring-Fenced Revenue Grants) for each council for 2020-21 and 2019-20. The basis behind the grant distribution methodology is as recommended in the report from the Settlement and Distribution Group (SDG) and as agreed by COSLA Leaders and Scottish Ministers. The explanatory notes contained in **Annex D** explain the basis behind the calculation of the individual council grant allocations.
11. **Annex E** gives a breakdown of the provisional individual council shares of all the Ring-Fenced revenue grant allocations for 2020-21.
12. The calculation and effects of the main floor adjustment for 2020-21, which provided councils with a maximum decrease in the funding used in the calculation of the main floor of 0.44%, is set out in **Annex F** of this Circular. The setting of the floor is in line with the revised arrangements agreed following the SDG review of the floor methodology.
13. This Circular confirms the continuation of the **85% funding floor** for 2020-21. The methodology compares total revenue funding plus local authorities estimated council tax income and any council whose total support under this method falls below 85% will be topped up to ensure that all councils receive 85% of the Scottish average total revenue support per head.
14. This Local Government Finance Circular provides details of current known 2019-20 redeterminations at **Annex G** for the General Revenue Grant. The final redetermination allocations for 2019-20 will be included in the Local Government Finance (Scotland) Order 2020.
15. **Annex H** summarises the column within the settlement titled 2008-2021 Changes Column.

Part B: Local Government Finance Settlement – Capital Grants 2020-21 and changes to Capital Grant in 2019-20

16. In 2020-21 the Local Government Settlement provides capital grants totalling £763.1 million. This is made up of General Capital Grant totalling £467.9 million and Specific Grants totalling £295.2 million.
17. Specific Grants include a new Capital £50 million Heat Networks Early Adopters Challenge Fund to support local authorities who are ready to bring forward investment-ready heat networks.
18. **Annex I** sets out the provisional distribution of the Settlement for capital per local authority for 2020-21. Capital grants which remain undistributed are identified as such. The methodologies used to calculate these provisional allocations have been agreed with COSLA.
19. The provisional distribution for the General Capital Grant includes allocations for flood schemes. The allocations for these schemes is set out in **Annex J**. Where schemes have slipped and the grant paid in a prior year exceeds the grant due the scheme will show a negative value which will reduce the total General Capital Grant payable to that Council.
20. The total Capital Grant figures for 2019-20 has been revised to include £7.5 million for the Dundee City Deal, and £0.5 million for Edinburgh Event Management. Updated allocations are set out in **Annex K**.
21. **Annex L** summarises the Local Government Finance Settlement for 2020-21.

Part C: Non-Domestic Rates for 2020-21

22. The Distributable Amount of Non-Domestic Rates Income for 2020-21 has been provisionally set at £2,790 million. This figure uses the latest forecast of net income from non-domestic rates in 2020-21 and also draws on council estimates of the amounts they will contribute to the Pool from non-domestic rates in 2019-20. The figure incorporates the Scottish Fiscal Commission's estimate of the contributable amount and includes a calculation of gross income; expected losses from appeals; estimated expenditure on mandatory and other reliefs; write-offs and provision of bad debt together; and estimated changes due to prior year adjustments. The distribution of Non-Domestic Rates Income for 2020-21 has been based on the amount each Council estimates it will collect (based on the 2019-20 mid-year estimates provided by councils). General Revenue Grant provides the guaranteed balance of funding. This method of allocation provides a clear presentation of the Non-Domestic Rates Income per council and transparency in the make-up of council funding.
23. The 2020-21 Non-Domestic Rate poundage rate is provisionally set at 49.8p, which delivers a below-inflation increase for the second consecutive year.
24. The Scottish Budget 2020-21 also introduces the following policies:
 - Properties with a rateable value (RV) above £95,000 will continue to be charged the Higher Property Rate (formerly the poundage plus the Large Business Supplement) of 2.6p on top of the poundage;
 - Properties with an RV of between £51,000 and £95,000 will now only be charged an additional 1.3p on rates on top of the standard poundage. The introduction of this Intermediate Property Rate will improve the progressivity of the system and reduce rates liabilities for around 9,500 medium-sized properties by 1.3p, or 3 per cent;
 - An extension of 100 per cent relief for Enterprise Areas to 31 March 2022;

- An amendment to the reset period for Empty Property Relief from 6 weeks to 6 months, as recommended by the Barclay Review;
- The restriction of the Small Business Bonus Scheme (SBBS) to occupied properties;
- The introduction of a 70-day requirement of actual letting for a self-catering property in order to be considered non-domestic and liable for NDR rather than council tax, as recommended by the Barclay Review;
- The introduction of a new 100 per cent relief for Reverse Vending Machines from 1 April 2020, which will assist retailers in the context of the Deposit Return Scheme and supporting efforts to tackle climate change; and
- The guarantee of district heating relief until 2032 in order to provide certainty to investors.

25. The Scottish Budget 2020-21 maintains the following relief policies:

- SBBS, with the threshold for 100% relief remaining at £15,000, so that the overall scheme is applicable as per the table below. This relief does not constitute de minimis aid under EU State aid rules.

Combined rateable value (RV) of all properties	2020-21 relief
Up to £15,000	100%
£15,001 to £18,000	25%
£18,001 to £35,000	25% on individual property each with rateable value up to £18,000 *

* A ratepayer with multiple properties with a cumulative RV between £15,001 and £35,000 can be eligible for 25% relief for individual properties each with RV up to £18,000.

- The Business Growth Accelerator which ensures that new build properties are not liable for rates until 12 months after first occupation and any rates bill rises due to improvements to or the expansion of existing properties will not take effect until 12 months after those changes are made to the property;
- Transitional Relief through until 2021-22, which caps annual rates bill increases at 12.5 per cent in real terms (14.4% cash terms) for 2020-21 for Aberdeen City and Aberdeenshire offices and for hospitality properties (with a rateable value up to £1.5 million in 2020-21) across Scotland;
- Day Nursery Relief for all standalone nurseries in the public, private and charitable sectors;
- New Fibre Relief for all new fibre infrastructure for telecommunication;
- relief for mobile masts in selected geographic locations; and
- Fresh Start Relief, which offers 100 per cent relief for all reoccupied properties that have been empty for six months.

26. Some of these measures will be awarded under the EU State Aid de minimis regulations, which are currently assumed to continue irrespective of the terms of any future trading relationship with the European Union. Councils may also offer their own local reliefs under the Community Empowerment (Scotland) Act 2015.

27. On 5 February 2020, the Non-Domestic Rates (Scotland) Bill completed Stage 3 of its Parliamentary process. It delivers a number of the recommendations of the Barclay Review that require primary legislation including:

- Three-yearly valuations from 2022 to ensure that valuations are more closely aligned to current market values;
- A two-stage appeals system (proposal and appeal) to improve the administration and timeliness of the appeals system;

- Greater information-gathering powers for assessors and a new civil penalty for non-provision of information in order to increase 'right first-time' valuations and improve ratepayers' trust in the rating system;
- A new civil penalty for non-provision of information to councils or failure to notify a change in circumstances;
- The power to introduce general anti-avoidance regulations in order to improve fairness for all;
- The power for ministers to introduce statutory guidance on discretionary sports relief; and
- A level playing field between different sectors, such as public and private schools by removing charitable rates relief from mainstream independent schools, whilst retaining the relief for independent special schools and specialist independent music schools - due to commence on 1 September 2020.

28. Details of the Business Rates Incentivisation Scheme (BRIS) outcome for 2018-19, and revised targets for 2019-20 and provisional targets for 2020-21 will be confirmed shortly.

Enquiries relating to this Circular

29. It should be noted that a few of the figures in this Circular may be marginally different because of the roundings. Local authorities should note that if they have any substantive specific enquiries relating to this Circular these should, in the first instance, be addressed through COSLA. We have given an undertaking to respond to these queries as quickly as possible. Contact details for COSLA are:

Sarah Watters
0131 474 9232 Sarah@cosla.gov.uk

Any other queries should be addressed to the following:

Local Government Revenue Settlement and BRIS.
Bill Stitt 0131 244 7044 Bill.Stitt@gov.scot

Local Government Finance Settlement (Capital)
Craig Inglis 0131 244 2949 Craig.Inglis@gov.scot

Non-Domestic Rates
Ian Storrie 0131 244 5328 Ian.Storrie@gov.scot

30. This Circular, along with the supporting tables will be made available through the Local Government section of the Scottish Government website at:
<https://www.gov.scot/publications/local-government-finance-circulars-index/>

Yours faithfully



Brenda Campbell
Deputy Director, Local Government & Analytical Services Division

	2019-20 £ million	2020-21 £ million
Revenue Funding		
General Resource Grant	6,948.063	7,073.063
Non Domestic Rate Income	2,853.000	2,790.000
Specific Revenue Grants	507.732	709.750
Total Revenue	10,308.795	10,572.813
<i>less</i> Teachers' Induction Scheme	0.138	37.600
<i>less</i> Discretionary Housing Payments	10.458	11.949
<i>less</i> mental health officer shortfall	0.000	0.500
<i>less</i> Gaelic	0.128	0.014
<i>less</i> Barclay Implementation	0.162	0.378
<i>less</i> Customer First Top-up	0.576	1.410
<i>less</i> Stage 1 Budget Bill - Support for Ferries	0.000	1.000
Distributable Revenue Funding	10,297.333	10,519.962
Capital Funding		
General Capital Grant	711.969	467.937
Specific Capital Grants	357.110	279.877
Distributed to SPT	23.131	15.327
Total Capital	1,092.210	763.141
Total Funding	11,401.005	11,335.954
2019-20 RECONCILIATION FROM FINANCE CIRCULAR 2/2019		
General Resource Grant	6,717.618	
Free Sanitary Products in Schools	2.086	
Appropriate Adults	0.501	
Personal Licence Holder	0.164	
Rapid Rehousing Transition Planning	8.000	
Seatbelts on School Transport	0.230	
EU Exit Preparations	1.600	
National Trauma Training Trials	0.120	
Dundee Airport	1.442	
Social Security Accommodation	0.650	
Ordnance Survey	0.020	
Additional Support for Learning	15.000	
Teachers Pay	141.000	
Teachers Pension	60.803	
ALEO Baseline Reduction	-1.171	
Revised General Resource Grant	6,948.063	
General Capital Grant	703.969	
Dundee City Deal	7.500	
Edinburgh Event Management	0.500	
Revised General Capital Grant	711.969	

£million	Expenditure					Funding						
	1	2	3	4	5	6	7	8	9	10	11	12
	Updated Service Provision	2008-20 Changes	Loan Charges/ PPP/ LPFS	Main Floor	Total Estimated Expenditure	Assumed Council Tax contribution	Total Ring-fenced Grants	Non Domestic Rates	General Revenue Funding	Total	85% floor	Revised Total
£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Aberdeen City	423.511	7.175	19.356	4.104	454.146	92.923	29.698	245.563	85.962	361.223	0.000	361.223
Aberdeenshire	541.853	9.812	20.110	-4.905	566.870	111.237	31.324	119.652	304.657	455.633	0.000	455.633
Angus	247.859	4.440	11.864	-2.303	261.860	43.727	12.747	26.537	178.849	218.133	0.000	218.133
Argyll & Bute	216.913	3.655	9.589	15.399	245.556	39.424	10.768	34.776	160.588	206.132	0.000	206.132
Clackmannanshire	114.976	1.899	4.899	-0.228	121.546	19.424	6.765	16.067	79.290	102.122	0.000	102.122
Dumfries & Galloway	344.061	6.042	16.180	-3.241	363.042	59.097	15.680	53.259	235.006	303.945	0.000	303.945
Dundee City	347.548	5.671	10.101	1.485	364.805	47.386	22.978	49.119	245.322	317.419	0.000	317.419
East Ayrshire	277.584	4.651	10.492	-2.614	290.113	42.374	17.471	26.362	203.906	247.739	0.000	247.739
East Dunbartonshire	242.488	4.252	4.239	-0.453	250.526	50.351	12.100	22.759	165.316	200.175	0.000	200.175
East Lothian	225.161	3.939	3.942	-0.243	232.799	45.393	13.474	27.293	146.639	187.406	0.000	187.406
East Renfrewshire	219.690	4.029	9.308	-0.764	232.263	42.848	7.791	14.877	166.747	189.415	0.000	189.415
Edinburgh, City of	953.269	15.963	24.345	11.100	1,004.677	220.931	56.996	356.843	369.907	783.746	8.400	792.146
Eilean Siar	82.680	1.566	7.318	17.044	108.608	9.527	4.348	8.307	86.426	99.081	0.000	99.081
Falkirk	341.720	5.906	20.046	-3.102	364.570	59.070	22.986	69.123	213.391	305.500	0.000	305.500
Fife	795.822	13.910	32.471	-7.390	834.813	138.906	47.384	166.844	481.679	695.907	0.000	695.907
Glasgow City	1,417.664	22.844	100.918	-4.806	1,536.620	214.097	88.175	356.130	878.218	1,322.523	0.000	1,322.523
Highland	548.751	9.688	32.451	-5.254	585.636	97.121	30.718	137.851	319.946	488.515	0.000	488.515
Inverclyde	188.114	3.057	10.725	1.784	203.680	27.503	11.524	19.593	145.060	176.177	0.000	176.177
Midlothian	202.232	3.431	9.589	-1.790	213.462	36.145	15.140	29.254	132.923	177.317	0.000	177.317
Moray	195.552	3.482	8.774	-1.587	206.221	34.269	11.934	43.324	116.694	171.952	0.000	171.952
North Ayrshire	327.276	5.405	10.637	0.428	343.746	49.583	19.565	37.364	237.234	294.163	0.000	294.163
North Lanarkshire	766.868	12.988	10.540	-6.944	783.452	116.408	47.369	106.580	513.095	667.044	0.000	667.044
Orkney Islands	78.616	1.429	6.043	-0.503	85.585	8.069	8.005	10.483	59.028	77.516	0.000	77.516
Perth & Kinross	318.370	5.625	12.641	-2.841	333.795	65.424	15.499	56.569	196.303	268.371	0.000	268.371
Renfrewshire	397.367	6.662	8.254	-3.511	408.772	69.989	26.453	110.286	202.044	338.783	0.000	338.783
Scottish Borders	254.318	4.490	13.384	-2.266	269.926	47.965	13.907	34.931	173.123	221.961	0.000	221.961
Shetland Islands	83.442	1.586	7.765	4.634	97.427	8.210	8.194	25.662	55.361	89.217	0.000	89.217
South Ayrshire	251.363	4.300	9.494	-1.638	263.519	48.135	12.372	42.718	160.294	215.384	0.000	215.384
South Lanarkshire	702.445	12.160	10.630	3.349	728.584	123.887	40.141	337.810	226.746	604.697	0.000	604.697
Stirling	207.429	3.583	11.430	-1.890	220.552	38.774	13.029	42.754	125.995	181.778	0.000	181.778
West Dunbartonshire	224.689	3.594	3.851	2.588	234.722	33.400	13.130	83.583	104.609	201.322	0.000	201.322
West Lothian	389.530	6.885	13.047	-3.643	405.819	64.554	21.071	77.727	242.467	341.265	0.000	341.265
Scotland	11,929.161	204.119	484.433	0.000	12,617.713	2,106.151	708.736	2,790.000	7,012.826	10,511.562	8.400	10,519.962

£million	Expenditure					Funding						
	1	2	3	4	5	6	7	8	9	10	11	12
	Updated Service Provision	2008-19 Changes	Loan Charges/ PPP/ LPFS	Main Floor	Total Estimated Expenditure	Assumed Council Tax contribution	Total Ring-fenced Grants	Non Domestic Rates	General Revenue Funding	Total	85% floor	Revised Total
£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Aberdeen City	412.868	6.220	20.089	3.128	442.305	91.492	20.337	258.560	71.916	350.813	0.000	350.813
Aberdeenshire	528.574	8.563	20.746	-4.797	553.086	110.410	20.697	123.812	298.167	442.676	0.000	442.676
Angus	243.892	3.870	12.137	-2.287	257.612	43.468	8.899	27.468	177.777	214.144	0.000	214.144
Argyll & Bute	213.946	3.199	9.865	15.336	242.346	39.261	7.389	35.634	160.062	203.085	0.000	203.085
Clackmannanshire	113.385	1.641	5.051	-0.392	119.685	19.208	5.161	17.315	78.001	100.477	0.000	100.477
Dumfries & Galloway	338.541	5.270	16.707	-3.211	357.307	59.032	11.305	51.150	235.820	298.275	0.000	298.275
Dundee City	344.178	4.924	14.921	-3.285	360.738	47.372	17.188	64.307	231.871	313.366	0.000	313.366
East Ayrshire	272.205	4.036	10.883	-2.600	284.524	42.122	12.690	27.360	202.352	242.402	0.000	242.402
East Dunbartonshire	239.527	3.688	7.198	-2.080	248.333	50.133	8.113	22.669	167.418	198.200	0.000	198.200
East Lothian	217.654	3.383	4.071	2.385	227.493	44.452	9.006	25.550	148.485	183.041	0.000	183.041
East Renfrewshire	219.962	3.517	9.452	-0.849	232.082	42.634	5.366	15.377	168.705	189.448	0.000	189.448
Edinburgh, City of	929.938	13.849	24.934	13.269	981.990	218.026	40.225	365.250	358.489	763.964	1.700	765.664
Eilean Siar	81.963	1.359	7.565	16.717	107.604	9.450	3.128	8.482	86.544	98.154	0.000	98.154
Falkirk	333.720	5.116	20.470	-3.061	356.245	58.642	15.996	69.739	211.868	297.603	0.000	297.603
Fife	781.819	12.131	33.461	-7.332	820.079	138.011	34.395	165.717	481.956	682.068	0.000	682.068
Glasgow City	1,393.559	19.617	104.578	-1.491	1,516.263	213.202	67.255	356.234	879.572	1,303.061	0.000	1,303.061
Highland	530.394	8.319	33.550	-5.113	567.150	96.443	21.328	143.240	306.139	470.707	0.000	470.707
Inverclyde	186.382	2.667	11.091	0.404	200.544	27.532	8.334	19.834	144.844	173.012	0.000	173.012
Midlothian	195.185	2.937	9.916	-1.760	206.278	35.457	10.372	31.615	128.834	170.821	0.000	170.821
Moray	191.459	3.037	9.064	-1.729	201.831	33.870	8.063	43.563	116.335	167.961	0.000	167.961
North Ayrshire	322.756	4.720	13.881	-3.088	338.269	49.411	14.719	41.124	233.015	288.858	0.000	288.858
North Lanarkshire	746.914	11.219	10.883	-1.894	767.122	115.606	33.501	107.252	510.763	651.516	0.000	651.516
Orkney Islands	78.182	1.254	6.261	-0.823	84.874	8.025	7.156	10.459	59.234	76.849	0.000	76.849
Perth & Kinross	311.414	4.875	13.034	-2.802	326.521	64.690	10.531	56.590	194.710	261.831	0.000	261.831
Renfrewshire	388.706	5.787	8.528	-3.493	399.528	69.028	18.398	104.417	207.685	330.500	0.000	330.500
Scottish Borders	249.066	3.916	13.874	-2.357	264.499	47.457	9.330	36.624	171.088	217.042	0.000	217.042
Shetland Islands	83.813	1.414	8.240	3.139	96.606	8.162	7.107	25.925	55.412	88.444	0.000	88.444
South Ayrshire	246.766	3.719	9.788	-0.903	259.370	47.547	8.868	42.462	160.493	211.823	0.000	211.823
South Lanarkshire	688.726	10.602	10.976	4.423	714.727	122.370	28.144	341.166	223.047	592.357	0.000	592.357
Stirling	203.720	3.119	11.748	-1.879	216.708	38.628	8.990	44.042	125.048	178.080	0.000	178.080
West Dunbartonshire	222.497	3.101	3.976	2.063	231.637	33.297	9.976	84.736	103.628	198.340	0.000	198.340
West Lothian	384.539	6.027	13.532	-3.638	400.460	63.745	15.637	85.327	235.751	336.715	0.000	336.715
Scotland	11,696.250	177.096	510.470	0.000	12,383.816	2,088.183	507.604	2,853.000	6,935.029	10,295.633	1.700	10,297.333

The explanation of each of the columns within the tables at Annex B is as follows:

Column 1 – represents the updated on-going service provision and includes the following combined information: (i) the updated Grant Aided Expenditure (GAE) assessments; (ii) the revised Special Islands Needs Allowance (SINA); (iii) each council's individual share of the on-going revenue grants which have been rolled up into the core local government finance settlement; (iv) each council's share of all the baselined redeterminations since Spending Review 2007; and the previous loan charge adjustment.

Column 2 – is the new combined total, non-ring-fenced, changes in general provision resulting from Spending Reviews 2007, 2010, 2011, 2013, 2015 and budget revisions for 2016 - 2020 allocated pro-rata to each council's share of GAE plus SINA.

Column 3 – represents the updated share of the loan charges support for outstanding debt and the same level of on-going PPP level playing field support. The methodology for calculating Loan Charge Support (LCS) and support for Public Private Partnership (PPP) projects (level playing field projects only (LPFS) is set out on Annex H of Finance Circular 2/2011.

Column 4 – is the main floor adjustment which has been calculated using the revised methodology agreed following the 2018 review.

Column 5 – this is the net revenue expenditure recognised by the Scottish Government and represents the sum of columns 1 to 4.

Column 6 – is the assumption of the amount of Total Estimated Expenditure to be funded from the council tax. Any changes are as a result of buoyancy or projected numbers of properties, as well as the estimated additional council tax income to be collected and retained by each local authority as a result of the changes to bands E to H.

Column 7 – is each council's estimated share of the on-going Ring-Fenced Grants for Gaelic, Pupil Equity Fund, Criminal Justice Social Work, Early Learning and Childcare, and Inter-Island Ferries.

Column 8 – is each council's share of the estimated non-domestic rate income which has been distributed proportionately on the basis of council's 2019-20 mid-year income.

Column 9 – is the balance of funding provided by means of general revenue funding and is calculated by deducting columns 6, 7 and 8 from the Total Estimated Expenditure in column 5.

Column 10 – represents the total revenue funding available to each council in 2020-21.

Column 11 – is the 85% floor adjustment which has been calculated to meet the Scottish Government's commitment to ensure that no Local Authority receives less than 85% of the Scottish average per head in terms of revenue support.

Columns 12 - is the revised total funding including all the changes and the 85% funding floor adjustments.

Local Authority	Gaelic	Pupil Equity Fund	Criminal Justice Social Work	Early Learning and Childcare Expansion	18-19 Stage 1 Budget Bill Support for Ferries
	£m	£m	£m	£m	£m
Aberdeen City	0.088	3.042	4.054	22.514	0.000
Aberdeenshire	0.000	2.807	2.771	25.746	0.000
Angus	0.022	2.128	1.609	8.988	0.000
Argyll & Bute	0.365	1.314	0.963	8.126	0.000
Clackmannanshire	0.002	1.392	1.083	4.288	0.000
Dumfries & Galloway	0.000	2.827	2.475	10.378	0.000
Dundee City	0.000	4.992	3.444	14.542	0.000
East Ayrshire	0.144	3.444	2.228	11.655	0.000
East Dunbartonshire	0.066	1.628	0.756	9.650	0.000
East Lothian	0.008	1.561	1.068	10.837	0.000
East Renfrewshire	0.013	1.323	0.606	5.849	0.000
Edinburgh, City of	0.320	6.988	8.199	41.489	0.000
Eilean Siar	1.115	0.273	0.315	2.645	0.000
Falkirk	0.014	3.650	2.773	16.549	0.000
Fife	0.010	9.748	6.114	31.512	0.000
Glasgow City	0.540	21.716	15.301	50.618	0.000
Highland	0.905	3.894	3.130	22.789	0.000
Inverclyde	0.070	2.387	1.302	7.765	0.000
Midlothian	0.008	2.147	1.275	11.710	0.000
Moray	0.000	1.340	1.249	9.345	0.000
North Ayrshire	0.090	4.252	2.771	12.452	0.000
North Lanarkshire	0.260	9.105	5.452	32.552	0.000
Orkney Islands	0.000	0.225	0.241	2.039	5.500
Perth & Kinross	0.105	1.672	1.812	11.910	0.000
Renfrewshire	0.017	4.331	2.550	19.555	0.000
Scottish Borders	0.001	1.762	1.253	10.891	0.000
Shetland Islands	0.000	0.204	0.264	2.726	5.000
South Ayrshire	0.015	2.348	1.715	8.294	0.000
South Lanarkshire	0.170	8.110	4.193	27.668	0.000
Stirling	0.115	1.347	1.275	10.292	0.000
West Dunbartonshire	0.015	3.127	1.684	8.304	0.000
West Lothian	0.008	4.916	2.525	13.622	0.000
Scotland	4.486	120.000	86.450	487.300	10.500

Note: These figures are provisional and represent the current best estimates.

The distribution of funding for Inter-Island Ferries has still to be agreed

The actual allocation of these specific revenue grants will be notified to the relevant local authorities in due course by the relevant Policy Team

Local Authority	Grant Without Floor	Change Without Floor	Floor Change	Grant With Floor	Change With Floor
	£m	%	£m	£m	%
Highland	414.502	3.00%	-5.254	409.248	1.70%
Midlothian	141.186	2.31%	-1.790	139.396	1.01%
Falkirk	244.698	1.51%	-3.102	241.596	0.22%
Aberdeenshire	386.947	1.48%	-4.905	382.042	0.20%
North Lanarkshire	547.776	1.30%	-6.944	540.832	0.02%
Perth & Kinross	224.094	1.24%	-2.841	221.253	-0.04%
Fife	582.960	1.14%	-7.390	575.571	-0.14%
Dumfries & Galloway	255.691	1.13%	-3.241	252.449	-0.15%
East Ayrshire	206.213	1.07%	-2.614	203.599	-0.21%
Renfrewshire	276.962	0.97%	-3.511	273.451	-0.31%
Stirling	149.061	0.92%	-1.890	147.171	-0.36%
West Lothian	287.351	0.85%	-3.643	283.708	-0.43%
Angus	182.035	0.83%	-2.303	179.732	-0.44%
Clackmannanshire	82.092	-0.17%	-0.228	81.864	-0.44%
East Dunbartonshire	163.592	-0.17%	-0.453	163.139	-0.44%
East Lothian	154.858	-0.29%	-0.243	154.615	-0.44%
East Renfrewshire	157.516	0.04%	-0.764	156.751	-0.44%
Glasgow City	1,095.745	-0.01%	-4.806	1,090.939	-0.44%
Moray	144.725	0.66%	-1.587	143.138	-0.44%
Orkney	64.670	0.33%	-0.503	64.167	-0.44%
Scottish Borders	186.903	0.78%	-2.266	184.637	-0.44%
South Ayrshire	179.729	0.47%	-1.638	178.091	-0.44%
North Ayrshire	240.467	-0.62%	0.428	240.895	-0.44%
Dundee City	254.959	-1.02%	1.485	256.444	-0.44%
Inverclyde	141.651	-1.68%	1.784	143.435	-0.44%
West Dunbartonshire	156.910	-2.06%	2.588	159.497	-0.44%
South Lanarkshire	490.665	-1.12%	3.349	494.014	-0.44%
Aberdeen City	290.659	-1.83%	4.104	294.763	-0.44%
Shetland	72.051	-6.46%	4.634	76.685	-0.44%
Edinburgh, City of	618.675	-2.20%	11.100	629.775	-0.44%
Argyll & Bute	154.211	-9.48%	15.399	169.610	-0.44%
Eilean Siar	70.656	-19.79%	17.044	87.700	-0.44%
Scotland	8,620.209	-0.44%	0.000	8,620.209	-0.44%

REDETERMINATIONS OF INDIVIDUAL REVENUE FUNDING 2019-20

ANNEX G

	Free Sanitary Products in Schools	Appropriate Adults	Personal Licence Holder	Rapid Rehousing Transition Planning	Seatbelts on School Transport	EU Exit Preparations	National Trauma Training Trials	Dundee Airport	Social Security Accomodation	Teacher Induction Scheme	Customer First	Ordinance Survey	Counselling through Schools	Additional Support for Learning	Teachers Pay	Teachers Pension	Barclay Implementation	ALEO Baseline Reduction	Total
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Aberdeen City	0.065	0.021	0.005	0.311	0.006	0.050	0.000	0.000	0.000	0.677	0.000	0.000	0.350	0.507	4.545	1.960	0.020	0.000	8.517
Aberdeenshire	0.107	0.024	0.007	0.261	0.018	0.050	0.000	0.000	0.000	1.083	0.000	0.000	0.574	0.775	7.246	3.125	0.020	0.000	13.290
Angus	0.047	0.011	0.003	0.172	0.004	0.050	0.000	0.000	0.000	0.521	0.000	0.000	0.264	0.326	3.174	1.369	0.020	-0.013	5.948
Argyll & Bute	0.032	0.008	0.006	0.095	0.009	0.050	0.040	0.000	0.000	0.200	0.000	0.000	0.286	0.219	2.366	1.020	0.020	0.000	4.351
Clackmannanshire	0.018	0.005	0.002	0.103	0.002	0.050	0.000	0.000	0.000	0.442	0.000	0.000	0.131	0.144	1.412	0.609	0.020	0.000	2.938
Dumfries & Galloway	0.060	0.014	0.006	0.143	0.010	0.050	0.000	0.000	0.000	0.965	0.000	0.000	0.385	0.400	3.954	1.705	0.020	0.000	7.712
Dundee City	0.053	0.014	0.004	0.300	0.004	0.050	0.000	1.442	0.650	0.870	0.000	0.000	0.299	0.397	3.694	1.593	0.020	-0.438	8.952
East Ayrshire	0.049	0.011	0.004	0.119	0.005	0.050	0.000	0.000	0.000	0.943	0.000	0.000	0.287	0.346	3.259	1.405	0.020	-0.025	6.473
East Dunbartonshire	0.053	0.010	0.003	0.120	0.004	0.050	0.000	0.000	0.000	2.566	0.000	0.000	0.308	0.364	3.476	1.499	0.020	0.000	8.473
East Lothian	0.042	0.010	0.003	0.160	0.004	0.050	0.000	0.000	0.000	0.691	0.000	0.000	0.242	0.313	2.646	1.141	0.020	-0.040	5.282
East Renfrewshire	0.057	0.008	0.002	0.076	0.004	0.050	0.000	0.000	0.000	2.931	0.000	0.000	0.311	0.364	3.557	1.534	0.020	0.000	8.914
Edinburgh, City of	0.138	0.049	0.010	1.005	0.013	0.050	0.000	0.000	0.000	1.286	0.000	0.000	0.705	1.129	9.478	4.087	0.020	0.000	17.970
Eilean Siar	0.011	0.002	0.002	0.034	0.004	0.050	0.000	0.000	0.000	0.131	0.000	0.000	0.140	0.071	0.899	0.387	0.020	0.000	1.751
Falkirk	0.064	0.015	0.005	0.211	0.005	0.050	0.000	0.000	0.000	1.799	0.000	0.000	0.352	0.474	4.513	1.946	0.020	0.000	9.454
Fife	0.148	0.034	0.012	0.524	0.014	0.050	0.000	0.000	0.000	3.686	0.000	0.000	0.738	1.074	9.714	4.189	0.020	0.000	20.203
Glasgow City	0.192	0.058	0.016	1.322	0.016	0.050	0.040	0.000	0.000	4.120	0.000	0.000	0.955	1.521	14.464	6.237	0.020	-0.212	28.799
Highland	0.096	0.022	0.010	0.280	0.023	0.050	0.000	0.000	0.000	1.243	0.000	0.000	0.754	0.667	6.592	2.842	0.020	0.000	12.599
Inverclyde	0.031	0.007	0.002	0.053	0.003	0.050	0.000	0.000	0.000	0.600	0.000	0.000	0.195	0.211	2.048	0.883	0.020	0.000	4.103
Midlothian	0.038	0.008	0.004	0.141	0.003	0.050	0.040	0.000	0.000	0.625	0.000	0.000	0.220	0.288	2.571	1.108	0.020	0.000	5.116
Moray	0.035	0.009	0.005	0.097	0.005	0.050	0.000	0.000	0.000	0.318	0.000	0.000	0.208	0.257	2.377	1.025	0.020	0.000	4.406
North Ayrshire	0.056	0.012	0.006	0.187	0.005	0.050	0.000	0.000	0.000	0.733	0.000	0.000	0.329	0.384	3.819	1.647	0.020	0.000	7.248
North Lanarkshire	0.151	0.031	0.006	0.389	0.012	0.050	0.000	0.000	0.000	2.456	0.964	0.020	0.765	1.044	9.758	4.208	0.020	-0.186	19.688
Orkney	0.009	0.002	0.002	0.022	0.001	0.050	0.000	0.000	0.000	0.069	0.000	0.000	0.146	0.060	0.694	0.299	0.020	-0.024	1.350
Perth & Kinross	0.054	0.014	0.006	0.203	0.008	0.050	0.000	0.000	0.000	0.480	0.000	0.000	0.328	0.391	3.776	1.629	0.020	-0.069	6.890
Renfrewshire	0.074	0.016	0.005	0.186	0.006	0.050	0.000	0.000	0.000	1.132	0.000	0.000	0.389	0.507	4.598	1.983	0.020	-0.001	8.965
Scottish Borders	0.047	0.011	0.004	0.153	0.008	0.050	0.000	0.000	0.000	0.533	0.000	0.000	0.263	0.310	2.955	1.274	0.020	-0.038	5.590
Shetland	0.010	0.002	0.002	0.031	0.003	0.050	0.000	0.000	0.000	0.025	0.000	0.000	0.197	0.071	0.898	0.387	0.020	0.000	1.696
South Ayrshire	0.045	0.011	0.004	0.173	0.005	0.050	0.000	0.000	0.000	0.983	0.000	0.000	0.253	0.305	2.925	1.262	0.020	0.000	6.036
South Lanarkshire	0.141	0.029	0.007	0.461	0.011	0.050	0.000	0.000	0.000	1.743	0.000	0.000	0.709	0.959	9.141	3.942	0.020	-0.054	17.159
Stirling	0.043	0.009	0.003	0.101	0.005	0.050	0.000	0.000	0.000	0.997	0.000	0.000	0.262	0.269	2.564	1.106	0.020	0.000	5.429
West Dunbartonshire	0.038	0.008	0.003	0.265	0.003	0.050	0.000	0.000	0.000	0.815	0.000	0.000	0.226	0.268	2.624	1.132	0.020	0.000	5.452
West Lothian	0.082	0.016	0.005	0.302	0.007	0.050	0.000	0.000	0.000	1.799	0.000	0.000	0.429	0.585	5.263	2.270	0.020	-0.071	10.757
Scotland	2.086	0.501	0.164	8.000	0.230	1.600	0.120	1.442	0.650	37.462	0.964	0.020	12.000	15.000	141.000	60.803	0.640	-1.171	281.511

Local Authority	2020-21 GAE plus SINA	Percentage Shares	2008-21 Changes	2008-20 Changes	Movement in Changes
	£m	£m	£m	£m	£m
Aberdeen City	290.592	3.52	7.175	6.220	0.955
Aberdeenshire	397.411	4.81	9.812	8.563	1.249
Angus	179.814	2.18	4.440	3.870	0.570
Argyll & Bute	148.044	1.79	3.655	3.199	0.456
Clackmannanshire	76.914	0.93	1.899	1.641	0.258
Dumfries & Galloway	244.719	2.96	6.042	5.270	0.772
Dundee City	229.699	2.78	5.671	4.924	0.747
East Ayrshire	188.370	2.28	4.651	4.036	0.615
East Dunbartonshire	172.215	2.08	4.252	3.688	0.564
East Lothian	159.521	1.93	3.939	3.383	0.556
East Renfrewshire	163.170	1.97	4.029	3.517	0.512
Edinburgh, City of	646.527	7.82	15.963	13.849	2.114
Eilean Siar	63.440	0.77	1.566	1.359	0.207
Falkirk	239.203	2.89	5.906	5.116	0.790
Fife	563.386	6.81	13.910	12.131	1.779
Glasgow City	925.202	11.19	22.844	19.617	3.227
Highland	392.387	4.75	9.688	8.319	1.369
Inverclyde	123.807	1.50	3.057	2.667	0.390
Midlothian	138.972	1.68	3.431	2.937	0.494
Moray	141.013	1.71	3.482	3.037	0.445
North Ayrshire	218.902	2.65	5.405	4.720	0.685
North Lanarkshire	526.023	6.36	12.988	11.219	1.769
Orkney	57.871	0.70	1.429	1.254	0.175
Perth & Kinross	227.819	2.76	5.625	4.875	0.750
Renfrewshire	269.829	3.26	6.662	5.787	0.875
Scottish Borders	181.829	2.20	4.490	3.916	0.574
Shetland	64.215	0.78	1.586	1.414	0.172
South Ayrshire	174.142	2.11	4.300	3.719	0.581
South Lanarkshire	492.472	5.96	12.160	10.602	1.558
Stirling	145.096	1.76	3.583	3.119	0.464
West Dunbartonshire	145.545	1.76	3.594	3.101	0.493
West Lothian	278.854	3.37	6.885	6.027	0.858
Scotland	8267.003	100.000	204.119	177.096	27.023

2020-21	Capital Settlement 2020-21			Specific grants to be paid in 2020-21						
	£m	General Capital Grant	Specific Grants	Total Capital Grants	Strathclyde Partnership	Vacant and Derelict Land	TMDF	Cycling Walking & Safer Streets	Heat Networks Early Adopters Challenge Fund	Early Years Expansion
Aberdeen City	18.654	6.374	25.028	0.000	0.000	0.000	0.374	0.000	6.000	6.374
Aberdeenshire	26.439	7.329	33.768	0.000	0.000	0.000	0.429	0.000	6.900	7.329
Angus	11.926	2.391	14.317	0.000	0.000	0.000	0.191	0.000	2.200	2.391
Argyll & Bute	8.877	1.842	10.719	0.000	0.000	0.000	0.142	0.000	1.700	1.842
Clackmannanshire	4.362	1.384	5.746	0.000	0.000	0.000	0.084	0.000	1.300	1.384
Dumfries & Galloway	14.666	2.444	17.110	0.000	0.000	0.000	0.244	0.000	2.200	2.444
Dundee City	14.449	2.944	17.393	0.000	0.000	0.000	0.244	0.000	2.700	2.944
East Ayrshire	9.037	5.900	14.937	0.000	0.000	0.000	0.200	0.000	5.700	5.900
East Dunbartonshire	7.392	2.178	9.570	0.000	0.000	0.000	0.178	0.000	2.000	2.178
East Lothian	8.870	4.074	12.944	0.000	0.000	0.000	0.174	0.000	3.900	4.074
East Renfrewshire	5.646	3.356	9.002	0.000	0.000	0.000	0.156	0.000	3.200	3.356
Edinburgh, City of	38.225	38.801	77.026	0.000	0.000	27.950	0.851	0.000	10.000	38.801
Eilean Siar	6.396	0.844	7.240	0.000	0.000	0.000	0.044	0.000	0.800	0.844
Falkirk	13.017	4.263	17.280	0.000	0.000	0.000	0.263	0.000	4.000	4.263
Fife	25.033	9.024	34.057	0.000	1.313	0.000	0.611	0.000	7.100	9.024
Glasgow City	51.044	78.739	129.783	0.000	2.316	64.295	1.028	0.000	11.100	78.739
Highland	24.999	8.787	33.786	0.000	0.000	0.000	0.387	0.000	8.400	8.787
Inverclyde	6.174	1.628	7.802	0.000	0.000	0.000	0.128	0.000	1.500	1.628
Midlothian	7.080	4.450	11.530	0.000	0.000	0.000	0.150	0.000	4.300	4.450
Moray	8.214	2.057	10.271	0.000	0.000	0.000	0.157	0.000	1.900	2.057
North Ayrshire	27.565	4.445	32.010	0.000	1.323	0.000	0.222	0.000	2.900	4.445
North Lanarkshire	23.197	7.914	31.111	0.000	1.956	0.000	0.558	0.000	5.400	7.914
Orkney Islands	5.061	0.636	5.697	0.000	0.000	0.000	0.036	0.000	0.600	0.636
Perth & Kinross	11.970	4.048	16.018	0.000	0.000	0.000	0.248	0.000	3.800	4.048
Renfrewshire	12.045	3.892	15.937	0.000	0.000	0.000	0.292	0.000	3.600	3.892
Scottish Borders	11.623	1.989	13.612	0.000	0.000	0.000	0.189	0.000	1.800	1.989
Shetland Islands	5.204	0.938	6.142	0.000	0.000	0.000	0.038	0.000	0.900	0.938
South Ayrshire	8.610	4.185	12.795	0.000	0.000	0.000	0.185	0.000	4.000	4.185
South Lanarkshire	21.224	5.921	27.145	0.000	0.697	0.000	0.524	0.000	4.700	5.921
Stirling	7.795	1.955	9.750	0.000	0.000	0.000	0.155	0.000	1.800	1.955
West Dunbartonshire	11.599	1.546	13.145	0.000	0.000	0.000	0.146	0.000	1.400	1.546
West Lothian	11.544	3.599	15.143	0.000	0.000	0.000	0.299	0.000	3.300	3.599
Undistributed	0.000	50.000	50.000	0.000	0.000	0.000	0.000	50.000	0.000	50.000
Councils Total	467.937	279.877	747.814	0.000	7.605	92.245	8.927	50.000	121.100	279.877
Strathclyde Partnership for Transport		15.327	15.327	15.327	0.000	0.000	0.000	0.000	0.000	15.327
Grand Total	467.937	295.204	763.141	15.327	7.605	92.245	8.927	50.000	121.100	295.204

Council	Flood Scheme	Total 2020-21 £m
Aberdeenshire Council	Stonehaven	4.517
Aberdeenshire Council	Huntly	0.000
Angus Council	Arbroath	2.236
Argyll & Bute Council	Campbeltown	-0.940
Comhairle nan Eilean Siar	South Fords	0.000
Dumfries & Galloway Council	Dumfries/ River Nith/ Whitesands FPS	-0.369
Dumfries & Galloway Council	Stranraer work item 4 &6	0.320
Dumfries & Galloway Council	Langholm	0.087
Dumfries & Galloway Council	Newton Stewart/ River Cree	-0.390
Dundee City Council	Broughty Ferry	1.018
Dundee City Council	Dundee	0.000
East Ayrshire Council	New Cumnock	0.240
East Dunbartonshire Council	Park Burn	0.000
East Lothian Council	Musselburgh	0.794
East Lothian Council	Haddington	0.018
Falkirk Council	Grangemouth FPS	2.650
Fife Council	Kinness Burn	0.000
Glasgow City Council	White Cart Water Phase 3	0.080
Glasgow City Council	Camlachie Burn	0.000
Highland Council	Smithton and Culloden	0.105
Highland Council	Caol and Lochyside	0.198
Highland Council	Drumadrochit	0.956
Inverclyde Council	Inverclyde FPS - Glenmosston Burn	0.000
Inverclyde Council	Inverclyde FPS - Coves Burn	0.000
Inverclyde Council	Inverclyde FPS - Bouverie Burn	0.000
Inverclyde Council	Quarrier's Village	0.000
Moray Council	Newmill	-0.035
North Ayrshire Council	Millport Coastal	10.536
North Ayrshire Council	Upper Garnock FPS	6.538
North Ayrshire Council	Mill Burn Millport	0.480
Orkney Islands Council	Kirkwall	0.000
Perth & Kinross Council	Comrie	-0.660
Perth & Kinross Council	Milnathort	0.082
Perth & Kinross Council	South Kinross	0.061
Perth & Kinross Council	Scone	0.000
Scottish Borders Council	Hawick	0.474
Stirling Council	Bridge of Allan	0.108
Stirling Council	Stirling	-0.343
Stirling Council	Callander	0.203
West Dunbartonshire Council	Gruggies Burn	4.636
	Total	33.600

2019-20	Capital Settlement 2019-20			Specific grants to be paid in 2019-20						
	£m	General Capital Grant	Specific Grants	Total Capital Grants	Strathclyde Partnership	Vacant and Derelict Land	TMDF	Cycling Walking & Safer Streets	Early Years Expansion	Town Centre Fund
Aberdeen City	27.949	10.325	38.274	0.000	0.000	0.000	0.374	8.600	1.351	10.325
Aberdeenshire	37.590	13.714	51.304	0.000	0.000	0.000	0.428	10.000	3.286	13.714
Angus	19.872	4.471	24.343	0.000	0.000	0.000	0.191	3.200	1.080	4.471
Argyll & Bute	19.269	3.885	23.154	0.000	0.000	0.000	0.143	2.500	1.242	3.885
Clackmannanshire	6.208	2.567	8.775	0.000	0.000	0.000	0.084	1.800	0.683	2.567
Dumfries & Galloway	24.408	4.973	29.381	0.000	0.000	0.000	0.244	3.200	1.529	4.973
Dundee City	30.747	4.878	35.625	0.000	0.000	0.000	0.243	3.900	0.735	4.878
East Ayrshire	14.630	10.000	24.630	0.000	0.000	0.000	0.199	8.100	1.701	10.000
East Dunbartonshire	11.046	3.821	14.867	0.000	0.000	0.000	0.177	2.700	0.944	3.821
East Lothian	10.066	7.046	17.112	0.000	0.000	0.000	0.171	5.600	1.275	7.046
East Renfrewshire	8.257	5.736	13.993	0.000	0.000	0.000	0.155	4.600	0.981	5.736
Edinburgh, City of	59.246	51.824	111.070	0.000	0.000	33.877	0.834	14.500	2.613	51.824
Eilean Siar	9.151	1.468	10.619	0.000	0.000	0.000	0.045	1.200	0.223	1.468
Falkirk	16.084	8.037	24.121	0.000	0.000	0.000	0.261	5.800	1.976	8.037
Fife	38.329	16.914	55.243	0.000	1.772	0.000	0.607	10.200	4.335	16.914
Glasgow City	80.628	101.477	182.105	0.000	3.528	77.928	1.011	16.000	3.010	101.477
Highland	37.743	15.449	53.192	0.000	0.000	0.000	0.384	12.100	2.965	15.449
Inverclyde	9.403	2.989	12.392	0.000	0.000	0.000	0.129	2.200	0.660	2.989
Midlothian	10.575	7.356	17.931	0.000	0.000	0.000	0.146	6.300	0.910	7.356
Moray	12.412	4.190	16.602	0.000	0.000	0.000	0.157	2.800	1.233	4.190
North Ayrshire	18.179	7.981	26.160	0.000	2.141	0.000	0.222	4.200	1.418	7.981
North Lanarkshire	35.947	14.392	50.339	0.000	2.886	0.000	0.556	7.700	3.250	14.392
Orkney Islands	7.454	1.036	8.490	0.000	0.000	0.000	0.036	0.800	0.200	1.036
Perth & Kinross	28.484	7.830	36.314	0.000	0.000	0.000	0.247	5.600	1.983	7.830
Renfrewshire	18.391	6.848	25.239	0.000	0.000	0.000	0.289	5.100	1.459	6.848
Scottish Borders	25.247	4.409	29.656	0.000	0.000	0.000	0.188	2.800	1.421	4.409
Shetland Islands	7.690	1.542	9.232	0.000	0.000	0.000	0.037	1.300	0.205	1.542
South Ayrshire	12.897	7.048	19.945	0.000	0.000	0.000	0.184	5.800	1.064	7.048
South Lanarkshire	33.029	11.046	44.075	0.000	1.120	0.000	0.520	6.900	2.506	11.046
Stirling	12.205	3.830	16.035	0.000	0.000	0.000	0.153	2.600	1.077	3.830
West Dunbartonshire	11.186	3.106	14.292	0.000	0.000	0.000	0.147	2.100	0.859	3.106
West Lothian	17.647	6.922	24.569	0.000	0.000	0.000	0.296	4.800	1.826	6.922
Undistributed	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Councils Total	711.969	357.110	1,069.079	0.000	11.447	111.805	8.858	175.000	50.000	357.110
Strathclyde Partnership for Transport		23.131	23.131	23.131	0.000	0.000	0.000	0.000	0.000	23.131
Grand Total	711.969	380.241	1,092.210	23.131	11.447	111.805	8.858	175.000	50.000	380.241

TOTAL LOCAL GOVERNMENT FUNDING SETTLEMENT 2020-21

ANNEX L

Local Authority	Ring-Fenced Grants	Non Domestic Rates	General Revenue Funding	Total 2019-20 Revenue	General Capital Grant	Specific Grant	Total 2020-21 Capital	2020-21 Local Government Finance Settlement
	£m	£m	£m	£m	£m	£m	£m	£m
Aberdeen City	29.698	245.563	85.962	361.223	18.654	6.374	25.028	386.251
Aberdeenshire	31.324	119.652	304.657	455.633	26.439	7.329	33.768	489.401
Angus	12.747	26.537	178.849	218.133	11.926	2.391	14.317	232.450
Argyll & Bute	10.768	34.776	160.588	206.132	8.877	1.842	10.719	216.851
Clackmannanshire	6.765	16.067	79.290	102.122	4.362	1.384	5.746	107.868
Dumfries & Galloway	15.680	53.259	235.006	303.945	14.666	2.444	17.110	321.055
Dundee City	22.978	49.119	245.322	317.419	14.449	2.944	17.393	334.812
East Ayrshire	17.471	26.362	203.906	247.739	9.037	5.900	14.937	262.676
East Dunbartonshire	12.100	22.759	165.316	200.175	7.392	2.178	9.570	209.745
East Lothian	13.474	27.293	146.639	187.406	8.870	4.074	12.944	200.350
East Renfrewshire	7.791	14.877	166.747	189.415	5.646	3.356	9.002	198.417
Edinburgh, City of	56.996	356.843	378.307	792.146	38.225	38.801	77.026	869.172
Eilean Siar	4.348	8.307	86.426	99.081	6.396	0.844	7.240	106.321
Falkirk	22.986	69.123	213.391	305.500	13.017	4.263	17.280	322.780
Fife	47.384	166.844	481.679	695.907	25.033	9.024	34.057	729.964
Glasgow City	88.175	356.130	878.218	1,322.523	51.044	78.739	129.783	1,452.306
Highland	30.718	137.851	319.946	488.515	24.999	8.787	33.786	522.301
Inverclyde	11.524	19.593	145.060	176.177	6.174	1.628	7.802	183.979
Midlothian	15.140	29.254	132.923	177.317	7.080	4.450	11.530	188.847
Moray	11.934	43.324	116.694	171.952	8.214	2.057	10.271	182.223
North Ayrshire	19.565	37.364	237.234	294.163	27.565	4.445	32.010	326.173
North Lanarkshire	47.369	106.580	513.095	667.044	23.197	7.914	31.111	698.155
Orkney	8.005	10.483	59.028	77.516	5.061	0.636	5.697	83.213
Perth & Kinross	15.499	56.569	196.303	268.371	11.970	4.048	16.018	284.389
Renfrewshire	26.453	110.286	202.044	338.783	12.045	3.892	15.937	354.720
Scottish Borders	13.907	34.931	173.123	221.961	11.623	1.989	13.612	235.573
Shetland	8.194	25.662	55.361	89.217	5.204	0.938	6.142	95.359
South Ayrshire	12.372	42.718	160.294	215.384	8.610	4.185	12.795	228.179
South Lanarkshire	40.141	337.810	226.746	604.697	21.224	5.921	27.145	631.842
Stirling	13.029	42.754	125.995	181.778	7.795	1.955	9.750	191.528
West Dunbartonshire	13.130	83.583	104.609	201.322	11.599	1.546	13.145	214.467
West Lothian	21.071	77.727	242.467	341.265	11.544	3.599	15.143	356.408
Undistributed	0.014	0.000	52.837	52.851	0.000	50.000	50.000	102.851
Strathclyde Passenger Transport	0.000	0.000	0.000	0.000	0.000	15.327	15.327	15.327
Scotland	708.750	2,790.000	7,074.063	10,572.813	467.937	295.204	763.141	11,335.954

Appendix H

Council Tax

Valuation Band	Council Tax	Water Charge	Waste Charge	Total
A - disabled	£724.79	£115.20	£133.74	£973.73
A - up to £27,000	£869.75	£138.24	£160.50	£1,168.49
B - £27,001 to £35,000	£1,014.71	£161.28	£187.25	£1,363.24
C - £35,001 to £45,000	£1,159.67	£184.32	£214.00	£1,557.99
D - £45,001 to £58,000	£1,304.63	£207.36	£240.75	£1,752.74
E - £58,001 to £80,000	£1,714.14	£253.44	£294.25	£2,261.83
F - £80,001 to £106,000	£2,120.02	£299.52	£347.75	£2,767.29
G - £106,001 to £212,000	£2,554.89	£345.60	£401.25	£3,301.74
H - over £212,000	£3,196.34	£414.72	£481.50	£4,092.56

Scottish Water decide the charges (1.6% increase) for water and waste.
Clackmannanshire Council does not set these charges.

2020/21 Draft Budget Pressures

Appendix I

Description	Annual Value £	Narrative
Underlying Recurrent Overspend	561,000	Full year effect of in-year growth.
Price Increases for care at home, daycare providers and Direct payments	312,130	Increase in Scottish Living Wage from £9.00 to £9.30 per hour from 1/4/2020.
Price Increases NCHC - Cosla negotiated.	417,147	3.6% estimated increase
20/21 Demographic & Complexity Growth	200,000	Estimate based on 1% increase in demand on budget of £20m
Employee Pay Awards & Increments	301,000	3% pay award
Franks Law	8,000	
Carers Act	107,000	
2020/21 Transitions	100,000	
Total	2,006,276	

Appendix J

Capital Programme 2020-2021

		Proposed 20/21 Budget £'000	Carry Forward 19/20	Amended 20/21 £'000	Revised 20/21 Budget £'000
Capital Programme 2019-2028	Plan				
Community Investment Grants	Corporate	100			100
City Deal	Corporate	0	1,207		1,207
City Deal Projects	Corporate	307			307
City Deal Tourism & Innovation Funds	Corporate				0
Parking Management Scheme	Corporate	380	211		591
Fitness Suite Replacement	Corporate	12			12
Forthbank HWRC Site Improvements	Property		130		130
Renewable Energy Projects	Corporate	50			50
Corporate		849	1,548	0	2,397
Fleet Replacement Programme	Fleet	1,415		0	1,415
Fleet		1,415	0	0	1,415
Alloa Digital Display Transformation	I.T.	80			80
Lornshill Digital Display Transformation	I.T.	80			80
Alva Digital Display Transformation	I.T.	80			80
IT Infrastructure	I.T.	144			144
Social Service Adaptations	I.T.	75			75
Schools ICT Upgrade - Alloa	I.T.	41			41
Schools ICT Upgrade - Lornshill	I.T.	42			42
Schools ICT Upgrade- Alva Academy	I.T.	42			42
Schools ICT Upgrade - All Primaries	I.T.	90			90
Digital Infrastructure Provision	I.T.	300			300
Social Services Integrated Systems	I.T.	200	193		393
I.T.		1,174	193	0	1,367
SWF/Wheeled Bins	Land	30			30
Park, Play Area & Open Space Improvements - Alloa	Land	50			50
Sunnyside Cemetery Extension	Land	150			150
Land		230	0	0	230
Village and Small Town - Alva	Land/Property/ Roads	325			325
Land/Property/Roads		325	0	0	325
Kilncraigs BPR	Property		4,900		4,900
Kilncraigs Roof	Property			300	300
Craigbank Primary School Refurbishment	Property	271		(223)	48
Alva Primary School	Property	4		46	50
School Estate - Tullibody South Campus	Property	400		1,250	1,650
Clackmannan Primary School Refurbishment	Property			10	10
Deerpark Primary School - School Development	Property			10	10
St Serfs Primary School - School Development	Property	34		(34)	0
Statutory Compliance DDA Schools	Property	16		1	17
Park Primary	Property	0		2,600	2,600
Compliance - Asbestos Removal (Schools)	Property	20			20
Early Years Expansion	Property	1,000		(1,000)	0
Tillicoultry Primary School - School Development	Property			500	500
Fishcross Primary School - School Development	Property	0		10	10
Coalsnaughton Primary School	Property	0		10	10
Alloa South Campus	Property	1,420		(1,420)	0
Lochies School	Property			50	50
St Mungo's Primary	Property			150	150
Alloa Academy	Property			100	100
Alva Academy	Property			50	50
Lornshill Academy	Property			50	50
Property		3,165	4,900	2,460	10,525
Flood Prevention	Roads	86			86
Roads Improvements	Roads	1,904			1,904
Cycle, Walking and Safer Streets (CWSS)	Roads	100			100
Bridge Improvements	Roads	50			50
Lighting Replacement	Roads	250			250
Safer Routes to School	Roads	155			155
Roads		2,545	0	0	2,545
Total Capital Programme		9,703	6,641	2,460	18,804
Funding					
Government Grant		(5,425)		1,063	(4,362)
Specific Government Grant - CWSS		(70)		(14)	(84)
ELC		(1,000)		(300)	(1,300)
Schools improvement funding		(611)		611	0
Total Funding		(7,106)	0	1,360	(5,746)
Net Borrowing		2,597	6,641	3,820	13,058

