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2 High Street  
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24/08/2021

A special meeting of **Perth and Kinross Council** will be held virtually on **Monday, 30 August 2021** at **14:00**, or at the conclusion of the Pre-Determination Committee.

If you have any queries please contact Committee Services on (01738) 475000 or email [Committee@pkc.gov.uk](mailto:Committee@pkc.gov.uk).

**BARBARA RENTON**  
Interim Chief Executive

***Those attending the meeting are requested to ensure that all notifications are silent on their device and other devices are in silent mode.***

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**Members:**

Provost D Melloy  
All Councillors



**Perth and Kinross Council**

**Monday, 30 August 2021**

**AGENDA**

***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.***

- 1 WELCOME AND APOLOGIES**
- 2 DECLARATIONS OF INTEREST**
- 3 PLANNING APPLICATION REFERENCE 21/00215/FLN - 5 - 30**  
**INSTALLATION OF AN ELECTRICITY SUBSTATION AND**  
**ANCILLARY BUILDINGS, FORMATION OF A VEHICULAR**  
**ACCESS AND TRACK AT LAND 1.1KM NORTH OF BRAES**  
**LODGE, FOSS, PERTHSHIRE**  
Report by Head of Planning and Determination (Recommendation -  
Approve) (copy herewith 21/140)
- 4 TREASURY ACTIVITY AND COMPLIANCE REPORT 2021/22 31 - 50**  
**QUARTER 1**  
Report by Head of Finance (copy herewith 21/141)
- 5 DEVELOPMENT OF A PERTH AND KINROSS CLIMATE 51 - 64**  
**CHANGE COMMISSION**  
Report by Head of Planning and Development (copy herewith  
21/142)
- 6 PARTICIPATION IN THE AFGHAN LOCALLY EMPLOYED 65 - 72**  
**STAFF (LES) RELOCATION SCHEME ACCELERATION**  
Report by Depute Director (Communities) (copy herewith 21/143)
- 7 APPOINTMENTS TO COMMITTEES/OUTSIDE BODIES**  
**(copy to follow)**

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## PERTH AND KINROSS COUNCIL

30 August 2021

### PLANNING APPLICATION REFERENCE 21/00215/FLN – INSTALLATION OF AN ELECTRICITY SUBSTATION AND ANCILLARY BUILDINGS, FORMATION OF A VEHICULAR ACCESS AND TRACK AT LAND 1.1KM NORTH OF BRAES LODGE, FOSS, PERTHSHIRE

Report by Head of Planning and Development  
(Report No. 21/140)

#### PURPOSE OF REPORT

This report recommends the approval of a 'National' category planning application [21/00215/FLN](#), relating to development of an electricity substation project and associated works.

#### 1. BACKGROUND / MAIN ISSUES

- 1.1 The proposed site lies immediately west of the B846 Aberfeldy to Tummel Bridge road, 1.1km north of a property known as Braes Lodge, with Loch Kinardochy in between. It is also around 3km south of Tummel Bridge. Land cover across the site is predominantly a plantation of coniferous woodland, semi-improved grassland, and heathland, as well as patches of sphagnum blanket bog. The area to be developed is approximately 5.86 hectares (Ha), whilst the overall site extends to 38.3Ha.
- 1.2 This electricity substation is a key element in supporting the 'Beaully-Denny Line 400/275 kilovolt (kV) double-circuit overhead line' (hereafter referred to as 'the Beaully-Denny Line'), identified by the Scottish Government as a 'National Development' within National Planning Framework 3 (NPF). The NPF itself seeks to establish an enhanced, high voltage energy transmission network, as part of a wider strategy to transition Scotland to becoming a 'low carbon place'.
- 1.3 The completion of the Beaully-Denny line in 2015 has significantly increased the thermal capacity of Scottish Hydro Electricity (SHE) transmission's network to transfer power from the Highlands to the Central Belt. This additional power generation, such as through the connection of the 228-megawatt (MW) Stronelairg Windfarm in March 2018, is expected to continue to see power flowing through the Beaully-Denny line significantly increase in the next 10 years, should anticipated renewable energy projects be granted consent.
- 1.4 However, connecting this generated power to the Beaully-Denny Line can cause changes to the voltage levels. This could see the network, without intervention, fail to meet the voltage requirements set out by the National Energy Transmission System Security and Quality of Supply Standard (NETS SQSS). Studies by the applicant have shown that the level of power currently contracted to be connected will cause such a voltage issue within the Tummel Bridge area. A site identification exercise was conducted by the applicant, for

the area between Tummel Bridge and Aberfeldy, due to the proximity to the Beauldy-Denny line, the remote location and existing grid infrastructure within the landscape. This exercise assessed nine possible sites, with four of these being potentially viable in engineering terms then subject of environmental appraisal to assess the sensitivity and magnitude of environmental effects. The outcome of this assessment resulted in the proposed application site being progressed, as most suitable from both an environmental and technical perspective.

- 1.5 Reactive power support is therefore required to regulate voltage levels, accounting for various scenarios. The proposed substation will ensure this regulation to set limits and assists in the continuation of the quality and supply of electricity across the network. The proposal is of a type known as a Reactive Compensation Substation and would ensure the safe, efficient, and coordinated operation of the network. It is intended to operate at 275 kV, but capable of operating at 400kV if required.
- 1.6 The existing Beauldy-Denny Line also sees related proposals (consisting of a new tower, a replacement tower and overhead line connection) and these are currently subject of a separate application, under Section 37 of the Electricity Act. Such applications are determined by the Scottish Ministers, although Perth and Kinross Council, as Planning Authority, were formally consulted and officers responded as a delegated matter, raising no objection. However, the proposed substation is a development required to be determined by the Council under the Town and Country Planning (Scotland) Act 1997.

## **Policy Background**

### **National Planning Framework**

- 1.7 NPF3 is a long-term strategy for Scotland and is a spatial expression of the Government's Economic Strategy and plans for development and investment in infrastructure. Under the Planning etc. (Scotland) Act 2006, this is a statutory document and a material consideration in any planning application. The document provides a national context for development plans and planning decisions as well as informing the on-going programmes of the Scottish Government, public agencies, and local authorities.
- 1.8 As mentioned, the project is included within NPF3; which confirms that developments for new and upgraded 132kV infrastructure are required to support the delivery of an enhanced high voltage electricity transmission grid. The network operators have identified this project as vital in meeting national targets for electricity generation, statutory climate change targets and the security of energy supply.

### **Scottish Planning Policy (SPP) 2014 (Revised December 2020)**

- 1.9 The SPP is a statement of Scottish Government policy on land use planning and the following sections are of importance in the assessment of this proposal: -

## **A Successful Sustainable Place**

- Paragraphs 24 – 35: Sustainability
- Paragraphs 36 – 57: Placemaking
- Paragraphs 92 – 108: Supporting Business & Employment
- Paragraphs 135 – 151: Valuing the Historic Environment
- A Low Carbon Place
- Paragraphs 152 – 174: Delivering Heat & Electricity

## **A Natural, Resilient Place**

- Paragraphs 193 – 218: Valuing the Natural Environment
- Paragraphs 219 – 233: Maximising the Benefits of Green Infrastructure
- Paragraphs 254 – 268: Managing Flood Risk and Drainage

## **Development Plan**

- 1.10 The Development Plan for the area comprises the TAYplan Strategic Development Plan 2016-2036 and the Perth and Kinross Local Development Plan 2 (2019).

### **TAYPlan Strategic Development Plan 2016-2036**

- 1.11 TAYPlan sets out a vision for how the region will be in 2036 and what must occur to bring about change to achieve this vision. The vision for the area set out in the plan states that:
- By 2036, the TAYplan area will be sustainable, more attractive, competitive and vibrant without creating an unacceptable burden on our planet. The quality of life will make it a place of first choice where more people choose to live, work, study and visit, and where businesses choose to invest and create jobs.
- 1.12 The following sections of the TAYplan 2016 are of particular importance in the assessment of this application.
- Policy 7: Energy, Waste and Resources
  - Policy 9: Managing TAYplans Assets.

### **Perth and Kinross Local Development Plan 2019**

- 1.13 The Local Development Plan 2 (2019) (LDP2) was adopted by Perth and Kinross Council on 29 November 2019. The LDP2 sets out a vision statement for the area and states that, *“Our vision is of a Perth and Kinross which is dynamic, attractive and effective which protects its assets whilst welcoming population and economic growth.”* It is the most recent statement of Council policy and is augmented by Supplementary Guidance.

1.14 The site is located within the 'landward' area of LDP2, where the following policies apply:

- Policy 1: Placemaking
- Policy 2: Design Statements
- Policy 5: Infrastructure Contributions
- Policy 15: Public Access.
- Policy 26: Scheduled Monuments and Archaeology
- Policy 27: Listed Buildings
- Policy 31: Other Historic Environmental Assets
- Policy 33: Renewable and Low-Carbon Energy
- Policy 35: Electricity Transmission Infrastructure
- Policy 38: Environment and Conservation
- Policy 39: Landscape
- Policy 40: Forestry, Woodland and Trees
- Policy 41: Biodiversity
- Policy 42: Green Infrastructure
- Policy 51: Soils
- Policy 52: New Development and Flooding
- Policy 53: Water Environment and Drainage
- Policy 55: Nuisance from Artificial Light and Light Pollution
- Policy 56: Noise Pollution
- Policy 60: Transport Standards and Accessibility Requirements.

### **Site History**

- 1.15 [19/00008/PAN](#) This advised PKC of a likely future application for: Erection of electricity substation with associated plant, infrastructure and creation of access track. PKC confirmed the approach to public consultation on 28 October 2019. The PoAN was reported to the Planning and Development Management Committee on 17 December 2019, with members noting: the large scale of the development; justification on the need for the development; possible ecological impacts; access track to be carefully designed; any tree felling to be replaced; any impacts and benefits should be stated by the developer. These matters are addressed in the Proposal / Appraisal section below.
- 1.16 [19/01854/SCRN](#) An EIA Screening Opinion from PKC, as Planning Authority, was requested for: Erection of an electricity substation and associated landscape works. PKC advised on 6 January 2020 that a supporting EIA Report would be required with any planning application.
- 1.17 [20/01234/SCOP](#) Following on from the above, an EIA Scoping was submitted to PKC for: Erection of an electricity substation and associated landscape works. The scope of the related EIA Report was agreed on 8 December 2020.
- 1.18 [20/00021/CONSUL](#) This notified PKC of an EIA screening opinion request made to the Scottish Government (Energy Consents Unit) relating to the development of a temporary 275kV and permanent new 132kV overhead line (OHL) at Kinardochy. The proposed OHL would connect the Kinardochy



Substation (which is subject of this planning application) to the national grid by connecting to the 400/275 kV Beauldy-Denny Line.

- 1.19 [21/00009/CONSUL](#) Following on from the EIA screening request above, this notified PKC of a formal application for development made to the Scottish Government (Energy Consents Unit) (Application Reference: ECU00002152). The development proposed is a modification of the Beauldy-Denny Line, comprising of new OHL, one new tower and one replacement tower to connect the proposed Substation (subject of this planning application) to the Beauldy-Denny Line.

## **2. PROPOSALS / APPRAISAL**

- 2.1 The detail of the proposals sees provision of a hardstanding platform, measuring up to 302m x 212m (5.86 ha) and the following physical elements:
- a reactive power compensation substation, comprising of buildings, infrastructure and electrical equipment, all on the platform;
  - a 4m high palisade security fence and a 2m wide perimeter path around the platform;
  - an access track, connecting to the B846 road (Aberfeldy to Tummel Bridge);
  - associated landscaping works including tree felling and associated compensatory planting; and
  - drainage works, including two attenuation basins (SUDS ponds).
- 2.2 No building or standalone piece of infrastructure associated to the substation is to exceed 15.5m high. However, the transmission pylons linking into the substation are higher; however, as advised, these elements are subject to Section 37 Electricity Act application, where the determining Authority is the Scottish Government.
- 2.3 The project is indicated as being constructed in 3 phases across circa 26 months, with completion, including wider ground restoration/reinstatement, by May 2024. This is however, indicative and detailed programming will be a matter for the appointed contractor, subject to a detailed design and build contract. Related contract documents are anticipated to reflect any planning permission, whilst any material changes in design would require a fresh planning application.
- 2.4 In association with seeking permission for the proposal, the applicant asks that a five-year period to commence development is applied, instead of the default three years. This is to allow sufficient time to progress to the construction phases, should the detailed design change or to allow for any alterations or changes in the programme for delivery.
- 2.5 Sections 25 and 37(2) of the Town & Country Planning (Scotland) Act 1997 (as amended) require the determination of the proposal to be made in accordance with the provisions of the Development Plan (including associated supplementary guidance) unless material considerations indicate otherwise. The relevant policies and other considerations are outlined above and are

considered in detail below. Other material considerations also include consultation response from key agencies, Perth and Kinross Council services and representations submitted by the public and organisations.

- 2.6 In terms of the two representations submitted, one is from a member of the public and the other from the John Muir Trust, who manage land at nearby East Schiehallion. The following concerns are raised and are addressed in the report:

- visual impact of proposed buildings and pylons
- loss of woodland and future felling plans
- compensatory planting concerns
- height of proposed buildings
- lack of visual impact assessment from Schiehallion; and
- lack of wild land impact assessment.

### **Environmental Impact**

- 2.7 As set out above, the application required an Environmental Impact Assessment Report (EIAR), the content of which was agreed via an extensive Scoping Exercise. The following topic headings are covered:

- introduction
- development description
- design evolution and alternatives
- landscape and visual impact
- ecology
- ornithology
- hydrology, hydrogeology, geology and soils
- cultural heritage and archaeology
- forestry
- traffic and transport.

- 2.8 The key assessment and policy considerations for the proposal include:

### **Landscape and Visual**

- 2.9 LDP2 Policies 1 and 39 require developments to contribute positively to the quality of the surrounding built and natural environment and to not conflict with maintaining and enhancing the landscape qualities of Perth and Kinross. The Landscape and Visual Impact Assessment (LVIA) chapter of the EIAR assesses the impact from key landscape and visual receptors, including the nearby designated sites of Loch Rannoch and Glen Lyon National Scenic Area (NSA), Loch Tummel NSA, residential properties, transport routes including Schiehallion Road and recreational routes (Core Paths DULL/147 and RANN/108).
- 2.10 In this instance, the design of the sub-station is largely defined by the scale, nature and type of infrastructure required. It is accepted that given the type of proposal, and its rural location, there will be a visual impact on the landscape,

within the context of the existing Beaully-Denny Line infrastructure. This impact relates particularly to the residential properties on the southern edge of Loch Kinardochy and from the summit and upper slopes of Schiehallion. The LVIA describes these visual impacts as significant, but largely localised and reducing quickly with distance. To help mitigate the visual impacts, the proposed site was identified by the applicant as it sits within a topographical basin between Meall Damh to the east and Schiehallion to the west.

- 2.11 Alongside the Landscape and Visual Impact Assessment of the EIAR, a 'Reinstatement and Landscape Design Specification' (EIAR Volume 4 - Appendix 2.2) has also been prepared in parallel with the sub-station design process, to help mitigate the landscape and visual impacts. Both during construction and when the facility is operational, the proposed specification incorporates site earthworks and earth mounds to be covered with a suitable vegetation mix, which would be recovered during construction operations and thus re-establishing existing vegetation. These areas would also be seeded, and landscape features created to be reflective of woodland in the wider landscape. Proposed areas of woodland would also screen/filter views of the proposed Development for users of the B846, C450 Schiehallion Road and visual receptors within the wider landscape, such as from nearby properties including 'Tombreck' and 'Braes Lodge'. Tree species would predominantly be of suitable locally native species, augmented with additional coniferous species, to increase year-round screening. Planting stock would be sourced locally or from a Scottish supplier.
- 2.12 The landscape and visual impact associated to construction phases will be temporary and difficult to significantly mitigate. Beyond this, the proposed design, structural landscape screening and woodland planting is considered to be a robust and appropriate mitigation for the visual impact associated to the completed development. The visual impact will be minimised as much as possible. It is recognised that there will be some permanent localised visual impacts, which are inevitable for such an industrial installation within a rural landscape. However, it is accepted that the infrastructure proposed is essential to secure a future green energy supply for Scotland. As such, subject to conditional control (recommended Conditions 4, 6 and 7) to secure the detailing and timing and delivery of the landscape mitigation proposed, it will satisfy the terms of LDP2 Policies 1 and 39.

### **Biodiversity and Woodland**

- 2.13 LDP2 Policies 38, 40 and 41 are all relevant considerations in respect of potential biodiversity impacts or for identifying opportunities for enhancement or protection arising from the development. It is noted that the proposed development would result in the loss of 7.57ha of existing woodland. In this regard and as stated in LDP2 Policy 40: Forestry, Woodland and Trees, the Council will follow the principles of the Scottish Government (SG) Policy on Control of Woodland Removal.
- 2.14 The applicant's primary mitigation to address the trees lost due to the proposed development is through compensatory planting of a forest area of equivalent size. They have reached agreement with a local landowning charity

(Highland Perthshire Communities Land Trust (HPCLT)) to undertake off-site compensatory native woodland planting of 9ha at Dun Coilich, 1.6 km to the south. This mitigation and conditional control is in keeping with the aforementioned SG Policy on the Control of Woodland Removal and the associated 'implementation guidance' (February 2019). This approach is also consistent with the objectives of LDP2 Policy 40 and, subject to ensuring the proposed compensatory planting is delivered this aspect of mitigation, is considered acceptable (Condition 5).

- 2.15 The EIAR acknowledges that a number of protected species (bats, breeding birds (i.e. black grouse), red squirrel, pine marten and badger) and habitats (blanket bog) have been recorded in the vicinity, with a suite of background ecology survey work and mitigation recommendations set out.
- 2.16 Three areas within the site are classified as blanket bog habitat, although not within the area to be developed, and are recorded as in good condition. Blanket bog is a UK BAP Priority Habitat of national importance. However, the EIAR confirms there will not be any indirect impacts on them, as the water table will be unaffected due to topography and any potential pollutants or run-off associated to the development will be collected before it reaches these habitats.
- 2.17 The species surveys within the EIAR have been carried out in accordance with best practice. Four oak trees with bat roost potential are located on the route of the proposed access track. The principle of removing these trees to facilitate access is accepted, as this represents the most feasible route from the public road, which negates the need for more significant woodland removal. However, updated protected species and breeding bird surveys will be required before construction and a bat licence will be required from NatureScot.
- 2.18 In terms of mitigation measures, the Reinstatement and Landscape Design Specification (EIAR Volume 4 - Appendix 2.2) provides structural landscape planting proposals. These include native plant species, alongside other biodiversity enhancements (nesting boxes, bricks, tubes for bird and bat species). Together these measures will provide a valuable contribution to biodiversity and is consistent with the protection and enhancement requirements of LDP2 Policy 41.
- 2.19 Subject to the appropriate mitigation, including numerous species protection plans identified in Appendix 5 of the EIA Report Volume 4 (Ref: 21/00215/15), being secured through the recommended conditional control (Conditions 5, 6, 7, 8, 9, 10, 11, 18 and 19), the proposals are assessed to fully accord with LDP2 Policies 38, 40 and 41.

### **Soils and Peatland**

- 2.20 The site contains areas of peatland, to which LDP2 Policy 51: Soils relates, stating the Council is committed to ensuring that development avoids disturbance to, and the loss of, carbon rich soils, including peatland, which are of value as carbon stores. Particularly development will only be permitted on

areas of carbon-rich soils, including peatland, where it has been clearly demonstrated that there is no viable alternative, or where the economic and social benefits of the development would outweigh any potential detrimental effect on the environment. Where exceptions are to be allowed, permitting development that would disturb carbon rich soils, such projects should be informed by:

- an appropriate peat survey and management plan
- any disturbance or excavation be minimised; and
- an assessment of the likely effects of the development on carbon dioxide emissions, and suitable mitigation measures implemented to minimise carbon emissions (with details of both submitted as part of the application)
- details setting out how the development could contribute towards local or strategic peatland habitat enhancement or restoration.

- 2.21 It is clear that the project is essential for the upgrade of the high voltage transmission network, consistent with NPF3, and that this specific site was selected, in preference over several alternative locations, because of reduced environmental sensitivities and that impacts can be more easily mitigated.
- 2.22 Nevertheless, the loss of peatland is a negative in environmental terms. Overall, however, this loss is considered acceptable because, when balanced against the wider economic and social benefits of this nationally identified project, it meets a specific need in futureproofing the nation's energy requirements. In offsetting the loss of peat LDP2, Policy 51 then requires development to implement appropriate peat management measures, adopt best practice when moving, storing, and reinstating peat and consider the opportunity to re-use peat necessarily excavated from the site. These requirements are proposed to be secured via Condition 3.

### **Cultural Heritage including Archaeology and Scheduled Monuments**

- 2.23 Sites of archaeological interest and a Scheduled Monument are also identified close by. LDP2 Policy 26: Scheduled Monuments and Archaeology seeks to protect the integrity and settings of these features. The approach and scope of the works proposed, alongside the proposed mitigation measures, are considered satisfactory by both Historic Environment Scotland (HES) and Perth and Kinross Heritage Trust (PKHT). Therefore, in terms of the archaeology and scheduled monument impacts, subject to securing the identified mitigation, the terms of LDP2 Policies 26 and 31 would be satisfied (Conditions 12 and 13).
- 2.24 In terms of any impact on nearby listed buildings, the potential impact of the development on the Category 'C' listed 'Foss and Tummel Parish Church and Graveyard', and the Category 'B' listed 'Tomphubil Limekiln', do not raise any issues and thus LDP2 Policy 27: Listed Buildings is satisfied.

### **Noise**

- 2.25 Careful consideration was given to the amenity of the nearest residential properties with regards to potential noise from the development, including,

during the construction stages. All findings within the related assessments were consistent with the requirements of LDP2 Policy 56: Noise Pollution.

- 2.26 Given the nearest residential property is just over 1km away, assessment indicates it is unlikely there will be any adverse noise impacts. Subject to the appropriate mitigation identified in Appendix Part 3 (Noise Survey Report) of the EIA Report Volume 4 (Plan Ref: 21/00215/15) and in association with recommended conditional control (Conditions 15 and 16), the proposals are assessed to accord with LDP2 Policy 56.

### **Traffic and Transport**

- 2.27 Vehicle access to the site will be to the north of Tombreck – Tay Forest Park on the B846 and a new vehicle access from this road is required. Suitable visibility splays have been identified. The construction phase requires the site contain a 770-metre x 5-metre-wide access track.
- 2.28 It is appreciated that the construction phases will have the largest transport impact, in terms of trip generation, and this will then reduce during the operational phase. All construction traffic, including staff, will access the site from the south via the B846 and it is anticipated that there will be an increase in vehicle movements on the local road network as a result. Predicted increases are up to 3.5% to the east of Aberfeldy and approximately 14.5% along the B846, where the volume of baseline traffic is lower.
- 2.29 It is anticipated that there will be one abnormal indivisible load delivery (a transformer) to the site. Details of the route to the site have been provided, but further details are required once the applicant has determined the exact transformer dimensions. Subject to recommended conditions, covering matters such as roads maintenance and a Construction Traffic Management Plans, the proposals are considered to accord with LDP2 Policy 60: Transport Standards and Accessibility Requirements (Conditions 20 to 24).

### **Water, Flood Risk and Drainage**

- 2.30 LDP2 Policies 52: New Development and Flooding and 53: Water Environment and Drainage are relevant considerations, as regards potential water quality impacts, flood risk and drainage requirements. In this respect, the site is located on the northern banks of Loch Kinardochy, with two small watercourses flowing into the Loch. Particularly, Kinardochy Burn, which flows out of the Loch to the north, will be crossed by the proposed access track. The site is also located within a designated 'Drinking Water Protected Area' (DWPA) and there are a number of private water supplies nearby. Adherence to Scottish Waters advice and requirements (Informative 8) plus protective measures recommended by PKC's Private Water Team will ensure there no adverse impact on the DWPA or any private water supply in the area (Condition 14).
- 2.31 In terms of flood risk and drainage, according to SEPA's flood mapping, parts of the site are at risk of flooding. However, the Flood Risk Assessment (FRA) and Drainage Impact Assessment (DIA) (EIAR Volume 4: Technical Appendix

7.1) concluded that, with adequate design of drainage features, there would be minimal risk of flooding. SEPA have assessed the FRA and DIA, agreeing with their conclusions and raising no objection on flood risk grounds. To ensure there no flood risk, SEPA ask that final site-specific drainage details are submitted for approval, ahead of development commencing (Condition 2).

- 2.32 Subject to the above recommended conditions (2 and 14), the proposals are assessed to accord with LDP2 Policies 52 and 53.

### **3. CONCLUSION AND RECOMMENDATION**

- 3.1 The principal land use considerations and environmental constraints are identified through the planning application and associated EIA Report. Overall, there are sensitivities regarding: landscape/visual impacts; impact on international and national designations; biodiversity; peatland; and the proximity and relationship with archaeology assets. In each of these areas, the impact has been assessed as being acceptable, subject to suitable mitigation measures being provided, all of which are secured through recommended planning conditions.
- 3.2 In summary, the substation is required at this location to address an identified technical constraint in the electricity grid network. The principle of supporting a substation of this nature and scale on this site is considered acceptable, although there would be a degree of adverse impact. However, in the context of the existing electricity infrastructure and the need to support future additional green energy supply to Scotland, the proposals are considered essential infrastructure and can be accepted, subject to mitigations. Officers are satisfied that the scheme, with the associated mitigation measures proposed, is compliant with the Development Plan policy position, and has continued support through NPF3.
- 3.3 The proposed extension of time to commence implementation of any planning permission approved, from 3 to 5 years, is also considered acceptable. This timescale is considered small and recognises the anticipated lead-in timescales and requirement for significant background work. In addition, it is anticipated that there will not be any significant change in planning circumstances during the additional 2-year period.
- 3.4 In conclusion, the application must be determined in accordance with the adopted Development Plan, unless material considerations indicate otherwise. In this respect, account has been taken of the Local Development Plan and all other material considerations. In this case, it is considered by officers that the development proposed would not conflict with the Development Plan, subject to the conditional controls recommended.

### **RECOMMENDATIONS**

- 3.5 The Council is asked to:
- i) note the contents of the report

- ii) approve the proposals subject to the conditions and reasons amended as set out below
- iii) approve the departure from the standard three-year timescale to extend the permission to five years, consistent with project timescales.

### **Direction**

Perth and Kinross Council direct that subsections (2), (3) and (3a) of section 58 of the Town and Country Planning (Scotland) Act 1997 apply as respects to application 19/01747/FLN; with the substitution of 3 years to 5 years.

## **A Conditions and Reasons for Recommendation**

### **Compliance with Approved Plans**

1. The development hereby approved must be carried out in accordance with the approved drawings and documents, unless otherwise provided for by conditions imposed by this decision notice.

Reason: To ensure a satisfactory development as indicated on the submitted drawings.

### **Drainage Details**

2. A minimum of two months prior to the commencement of development, the final site-specific drainage details shall be submitted for the written approval of the Council as Planning Authority, in consultation with SEPA and the Council's Flood Prevention Authority, and all work shall be carried out in accordance with the said scheme. The submitted information shall include a detailed drawing of the SUDS layout for the proposal site.

Reason: To ensure the provision of an acceptable drainage system in the interests of the amenity of the area, for the protection of the water environment and to ensure that the development does not exacerbate flooding downstream of the development.

### **Peat Management Plan**

3. A minimum of two months prior to the commencement of development, a Stage 2 Peat Management Plan shall be submitted for the written approval of the Council as Planning Authority, in consultation with SEPA and the Council's Biodiversity/Tree Officer, and all work shall be carried out in accordance with the agreed plan. For the avoidance of doubt, a Construction Method Statement (CMS) must be provided as part of the Peat Management Plan outlining the measures to protect the watercourses and peatland.

Reason: In the interests of protection of existing peatland.



## **External Finishing Materials**

4. A minimum of two months prior to their use, details of the specification and colour of the proposed external finishing materials to be used on all structures and any hard landscaping shall be submitted to the Council as Planning Authority. Once agreed in writing by the Planning Authority, the scheme shall be implemented prior to the bringing into use any part of the development.

Reason: In the interests of visual amenity; to ensure a satisfactory standard of local environmental quality; to reserve the rights of the Planning Authority.

## **Updated Compensatory Woodland Planting Plan**

5. Prior to the commencement of development, an updated scheme of the submitted compensatory woodland planting plan at the Dun Coillich location (EIAR Volume 2 Figure 9.7) (PKC Ref: 21/00215/16), shall be submitted to and approved in writing by the Planning Authority. The agreed scheme shall thereafter be implemented in full prior to the completion of the development approved.

Reason: In the interest of forestry planting and biodiversity.

## **Updated Reinstatement and Landscape Design Specification**

6. Prior to the commencement of development, an updated Reinstatement and Landscape Design Specification (EIAR Volume 4 Appendix 2.2) (PKC Ref: 21/00215/15) shall be submitted to and approved in writing by the Planning Authority. These details shall include proposed finished levels or contours/mounds detailing cut/fill and height and location of bunding in proximity to adjacent water feature; means of enclosure; hard surfacing materials and exact location of lighting and/or security cameras. Soft landscape works shall include planting plans, written specifications (including cultivation and other operations associated with plant and grass establishment); schedules of plants, noting species, plant sizes and proposed number/densities where appropriate. Thereafter the landscape works, and timings shall be carried out as approved. The date of Practical Completion of the landscaping scheme shall be supplied in writing to the Council as Planning Authority within 7 days of that date.

Reason: To bring forward and establish appropriate structural landscaping at the earliest opportunity, and long term ensure a satisfactory level of landscape and visual mitigation is achieved and to preserve and enhance nature conservation interests.

## **5 Year Planting Maintenance**

7. Any planting failing to become established within five years following the date of Practical Completion, shall be replaced in the following planting season with others of similar size, species, and number.

Reason: To ensure that a satisfactory level of landscape and visual mitigation is achieved and ensure the Local Planning Authority retains effective control.

### **Construction Environmental Management Plan**

8. A minimum of two months prior to the commencement of development, a site-specific Construction Environmental Management Plan (CEMP), which shall include a Construction Method Statement (CMS), shall be submitted to, and approved by, the Council as Planning Authority in consultation with key stakeholders as deemed appropriate. The CEMP must also include a Pollution Prevention Plan (PPP), Invasive Management Plan (IMP), Site Waste Management Plan (SWMP), Site Access Management Plan (SAMP), Construction Exclusion Zone (CEZ), Construction Traffic Management Plan (CTMP) and Environmental Management Plan (EMP). A detailed compound layout which sets out measures to ensure the public road network is kept free from mud or debris shall also be included. The CEMP will remain a live document, any working practices deemed to be having an adverse impact on ecology or the environment will be the subject of revision. All revisions must be submitted to the Planning Authority as soon as reasonably practicable. Thereafter the development shall be fully undertaken in accordance with the agreed CEMP.

Reason: In the interest of protecting environmental quality and of biodiversity. To minimise any associated adverse landscape and visual impact of the above ground elements and protect the character and visual amenity of the immediate and surrounding countryside and associated nature and cultural heritage conservation interests.

### **Ecological Clerk of Works**

9. Prior to the commencement of the development hereby approved, an independent and suitably qualified Ecological Clerk of Works (ECoW) shall be appointed at the developers' expense. Details of this appointment shall be subject to the prior written agreement of the Council as Planning Authority. The appointed person will remain in post for the duration and subsequent restoration of the proposed development. The ECoW shall have responsibility for the following:
  - overseeing the implementation of the Construction Environmental Management Plan (CEMP) approved by this permission
  - authority to stop operations or to alter construction methods should there be any works occurring which are having an adverse impact on the natural heritage
  - prior to the commencement of development, they shall provide an environmental / ecological toolbox talk for construction staff
  - authority to amend working practices in the interests of natural heritage. Any amendments shall be submitted to the Council as Planning Authority as an addendum to the approved CEMP
  - weekly visits to the development site at a time of their choosing. No notification of this visit is required to be given to the developer or contractor

- within 10 working days of the end of each calendar month, they are required to submit a detailed monthly report for the review of the Planning Authority in consultation with Scottish Environment Protection Agency (SEPA) for the duration of development
- notifying the Council as Planning Authority in writing of any requirement to halt development in relation to this condition as soon as reasonably practicable.

The above shall be implemented throughout the construction, (including re-instatement and de-commissioning of the construction compounds) hereby approved unless otherwise agreed in writing with the Council as Planning Authority. The CEMP shall contain a site-specific Construction Method Statement (CMS) which will provide concise details for the implementation of the CEMP for site operatives.

Reason: To avoid habitat damage and safeguard natural heritage interests.

### **Biodiversity Survey Implementation**

10. The conclusions and recommended action points within the supporting Biodiversity Survey (EIAR Volume 2 Chapter 5) (PKC Ref: 21/00215/15) and hereby approved shall be fully adhered to, respected, and undertaken as part of the construction phase of development.

Reason: To avoid habitat damage and safeguard natural heritage interests.

### **Animal Protection Measures**

11. Measures to protect animals from being trapped in open excavations and/or pipe and culverts shall be implemented for the duration of the construction works of the development hereby approved. The measures may include creation of sloping escape ramps for animals, which may be achieved by edge profiling of trenches/excavations or by using planks placed into them at the end of each working day and open pipework greater than 150mm outside diameter being blanked off at the end of each working day.

Reason: To avoid habitat damage and safeguard natural heritage interests.

### **Archaeological Clerk of Works**

12. A minimum of two months prior to the commencement of the development hereby approved, an independent and suitably qualified Archaeological Clerk of Works (ACoW) shall be appointed at the developers' expense. Details of this appointment shall be subject to the prior written agreement of the Council as Planning Authority in consultation with Perth and Kinross Heritage Trust. The appointed person will remain in post for the duration of the proposed development. The ACoW shall be afforded access at all reasonable times and allowed to record and recover items of interest and finds. The ACoW shall be kept informed by means of copy minutes to site meetings to ensure they are aware of development progress.

Reason: To safeguard any archaeological interest of the site.

### **Programme of Archaeological Work**

13. Development shall not commence until the developer has secured the implementation of a programme of archaeological work in accordance with a written scheme of archaeological investigation, which has been submitted by the applicant a minimum of two months prior to commencement of development and agreed in writing by the Council as Planning Authority, in consultation with Perth and Kinross Heritage Trust (PKHT). Thereafter, the developer shall ensure that the programme of archaeological works is fully implemented including that all excavation, preservation, recording, recovery, analysis, publication and archiving of archaeological resources within the development site is undertaken. In addition, the developer shall afford access at all reasonable times to PKHT or a nominated representative and shall allow them to observe work in progress.

Reason: To safeguard any archaeological interest of the site.

### **Private Foul Water and Drinking Water Safeguarding**

14. A minimum of two months prior to the commencement of the development hereby approved, details of the location and measures proposed for the safeguarding and continued operation, or replacement, of any septic tanks and soakaways, private water sources, private water supply storage facilities and/or private water supply pipes serving properties in the vicinity, sited within, and running through the application site, shall be submitted to, and approved in writing by the Council as Planning Authority. The subsequently agreed protective or replacement measures shall be put in place prior to the development being brought into use and shall thereafter be so maintained insofar as it relates to the development hereby approved.

Reason: To protect the private water supply to properties in area.

### **Noise Controls**

15. Civil engineering and superstructure works shall be limited to Monday to Friday 0700 hours to 1900 hours and Saturday 0800 hours to 1300 hours with no noisy works out with these times or at any time on Sundays or bank holidays. Any variation in these working hours shall only be as agreed in writing and in advance by this Council as Planning Authority. Where works are required during these restricted hours, a mitigation scheme, detailing appropriate mitigation measures, shall be submitted for advance written agreement of this Council as Planning Authority.

Reason: To protect the residential amenity of nearby properties, users of Loch Kinardochy and the amenity of this area of Perth and Kinross in accordance with the adopted development plans.

## **Noise Complaints Procedure**

16. In the event that justified noise complaints are received by the Council, the applicant, at their own expense, shall employ an independent and suitably qualified consultant to carry out a Noise Assessment from the operational development. The appointed consultant and methodology for the Noise Assessment shall be submitted to and approved in writing by the Planning Authority in consultation with Environmental Health within 28 days of being notified of the complaint. Within 28 days of approval of appointed consultant and methodology, a Noise Assessment shall be submitted, outlining mitigation and recommended timescales for delivery (if action is required). Thereafter, all mitigation measures shall be implemented within the timescales recommended.

Reason: To protect the residential amenity of the occupiers of neighbouring properties and the amenity of this area of Perth and Kinross in accordance with the adopted development plans.

## **External Lighting Design**

17. All external lighting shall be sufficiently screened and aligned to protect ecology and to ensure that there is no direct illumination of neighbouring land and that light spillage beyond the boundaries of the site is minimised to a degree that it does not adversely affect the amenity of the neighbouring land.

Reason: To protect ecological interests and the residential amenity of the occupiers of neighbouring properties and the amenity of this area of Perth and Kinross in accordance with the adopted development plans.

## **Tree Removal**

18. All trees required to be removed to accommodate the development shall be felled as close as practicable to the commencement of the relevant related development requiring their removal. No removal of hedgerows, trees or shrubs that may be used by breeding birds shall take place between 1st March and 31st August inclusive, unless a competent ecologist has undertaken a careful, detailed check of vegetation for active birds' nests immediately before the vegetation is cleared and provided written confirmation that no birds will be harmed and/or that there are appropriate measures in place to protect nesting bird interest on site. Any such written confirmation shall be submitted to the Planning Authority on request.

Reason: To ensure a satisfactory standard of development and in the interests of protecting environmental quality and of biodiversity.

## **Tree Protection**

19. Trees identified to remain on site and those which have Root Protection Areas which fall within the site shall be retained and protected. Protection methods shall be strictly in accordance with BS 5837 2012: Trees in Relation to Design, Demolition and Construction, and be identified on the Construction Exclusion

Zone (CEZ) Plan within the Construction Environment Management Plan (CEMP), in association with Condition 8. Protection measures, once in place, shall remain in-situ for the duration of construction.

Reason: To ensure a satisfactory standard of development and environmental quality and to reserve the rights of the Planning Authority.

### **Access Road Completion**

20. Prior to the development hereby approved being completed or brought into use, the vehicular access shall be formed in accordance with approved drawing 21/00215/09 - Proposed access track and junction layout (KINA-SLR-XX-XX-DR-C-7203-P) and to a Construction Type D in accordance with Perth & Kinross Council's Road Development Guide. The Type D construction detail shall continue from the edge of the public road network for a minimum distance of 15 metres.

Reason: In the interests of road safety; to ensure an acceptable standard of construction within the public road boundary.

### **Traffic Counter**

21. One month prior to the commencement of works on site, a temporary traffic counter shall be installed on the B846 and the C450 close to the proposed accesses of the development. The counters shall remain in place for the duration of the construction phase and for one month after Phase 5 of the project. The location of the counters and the timings that data will be provided, shall be approved in writing by the Planning Authority in consultation with the Roads Authority.

Reason: In the interests of road safety.

### **Roads Maintenance Agreement**

22. Prior to the commencement of works, a maintenance agreement under Section 96 of the Roads (Scotland) Act 1984 shall be entered in to. Confirmation of this agreement being in place shall be provided to the Council, as Planning Authority, a minimum of two weeks prior to the commencement of development. The maintenance agreement shall be in respect of the:

- A827 Ballinluig – Aberfeldy – Killin Road
- C447 Strathray Road
- B846 Aberfeldy – Tummel Bridge – Rannoch Station Road

These roads shall be inspected on a regular basis and repairs carried out to the timescale and standards specified by the Council as Roads Authority to the satisfaction of Perth & Kinross Council.

Reason: In the interests of road safety.

## **Construction Traffic Management Scheme**

23. A minimum of two months prior to the commencement of the development hereby approved, the applicant shall submit for the further written agreement of the Council as Planning Authority, in consultation with the Roads Authority (Structures), a Construction Traffic Management Scheme (CTMS) which shall include the following:

- restriction of construction traffic to approved routes and the measures to be put in place to avoid other routes being used
- timing of construction traffic to minimise impact on local communities particularly at school start and finishing times, on days when refuse collection is undertaken, on Sundays and during local events
- a code of conduct for HGV drivers to allow for queuing traffic to pass
- arrangements for liaison with the Roads Authority regarding winter maintenance
- emergency arrangements detailing communication and contingency arrangements in the event of vehicle breakdown
- arrangements for the cleaning of wheels and chassis of vehicles to prevent material from construction sites associated with the development being deposited on the road
- arrangements for cleaning of roads affected by material deposited from construction sites associated with the development
- arrangements for signage at site accesses and crossovers and on roads to be used by construction traffic in order to provide safe access for pedestrians, cyclists and equestrians
- details of information signs to inform other road users of construction traffic
- arrangements to ensure that access for emergency service vehicles are not impeded
- co-ordination with other significant developments known to use roads affected by construction traffic
- traffic arrangements in the immediate vicinity of temporary construction compounds
- the provision and installation of traffic counters at the applicant's expense at locations to be agreed prior to the commencement of construction
- monitoring, reporting and implementation arrangements
- arrangements for dealing with non-compliance; and
- details of HGV movements to and from the site.

The CTMS as approved shall be strictly adhered to during the entire site construction programme.

Reason: In the interest of proper site management.

## **Public Road Network Impacts**

24. A minimum of two months prior to the commencement of works on Phase 4 of the project as detailed on Page 2-19 of the EIA Report (SSE, February 2021) the requirement for, or extent of, any temporary removal or lowering of bridge

parapets, boundary walls and structures adjacent to the public network and the temporary hardening of verges to aid the passage of abnormal loads and construction vehicles shall require Technical Approval from Perth & Kinross Council. This submission shall include swept path assessments at constrained locations, along with drainage and ecological reviews of the proposed works.

Reason: In the interests of road safety and the safe transportation of the abnormal load.

## **B Justification**

The proposal is in accordance with the Development Plan and there are no material reasons which justify departing from the Development Plan.

## **C Informatives**

1. Under section 27A of the Town and Country Planning (Scotland) Act 1997 (as amended) the person undertaking the development is required to give the Planning Authority prior written notification of the date on which it is intended to commence the development. A failure to comply with this statutory requirement would constitute a breach of planning control under section 123 (1) of that Act, which may result in enforcement action being taken.
2. As soon as practicable after the development is complete, the person who completes the development is obliged by section 27B of the Town and Country Planning (Scotland) Act 1997 (as amended) to give the Planning Authority written notice of that position.
3. The development will require the 'Display of Notice while development is carried out' under Section 27C (1) of the Town and Country Planning Act 1997, as amended, and Regulation 41 of the Development Management Procedure (Scotland) Regulations 2013. The form of the notice is set out in Schedule 7 of the Regulations and a draft notice is included for your guidance. In accordance with Regulation 41, the notice must be:
  - displayed in a prominent place at or in the vicinity of the site of the development
  - readily visible to the public
  - printed on durable material.
4. The applicant is advised that in terms of Section 56 of the Roads (Scotland) Act 1984, he must obtain from the Council as Roads Authority consent to open an existing road or footway prior to the commencement of works. Advice on the disposal of surface water must be sought at the initial stages of design from Scottish Water and the Scottish Environment Protection Agency.
5. On receiving consent, it is important that the developer, or his agent, contact Perth and Kinross Heritage Trust (PKHT) as soon as possible. PKHT can then explain the procedure of works required in respect of Conditions 12 and 13 and, if necessary, prepare for them written Terms of Reference.



6. The applicant is advised to refer to Perth & Kinross Council's [Supplementary guidance on Flood Risk and Flood Risk Assessments 2014](#) as it contains advice relevant to the development.
7. Trees and scrub are likely to contain nesting birds between 1st March and 31st August inclusive. Trees and scrub are present on the application site and are to be assumed to contain nesting birds between the above dates. The applicant is reminded that, under the Wildlife and Countryside Act 1981, as amended (section 1), it is an offence to remove, damage or destroy the nest of any wild bird while that nest is in use or being built. Planning permission for a development does not provide a defence against prosecution under this Act.
8. The applicant should take note of the information and advice contained within the consultation response from Scottish Water.
9. The applicant should take note of the information and advice contained within the consultation response from NatureScot.
10. The applicant should take note of the information and advice contained within the consultation response from RSPB.
11. The applicant should ensure that any existing wayleaves for maintenance or repair to existing private water supply or septic drainage infrastructure in the development area are honoured throughout and after completion of the development.
12. The applicant shall ensure the private water supply for the dwellinghouse/ development complies with the Water Scotland Act 1980 (Section 63), The Private Water Supplies (Scotland) Regulations 2006 and The Water Intended for Human Consumption (Private Supplies) (Scotland) Regulations 2017. Detailed information regarding the private water supply, including the nature, location and adequacy of the source, any storage tanks/ pipework and the filtration and disinfection treatment proposed to ensure provision of an adequate and consistently wholesome water supply shall be submitted to Perth and Kinross Council Environmental Health in line with the above Act and Regulations.
13. An application for Building Warrant will be required.

#### Author

Name	Designation	Contact Details
Steve Callan	Planning Officer – Development Management	01738 475000 <a href="mailto:ComCommitteeReports@pkc.gov.uk">ComCommitteeReports@pkc.gov.uk</a>

#### Approved

Name	Designation	Date
Barbara Renton	Interim Chief Executive	16 August 2021

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You can also send us a text message on 07824 498145.

All Council Services can offer a telephone translation facility.

**1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION**

<b>Strategic Implications</b>	<b>Yes / None</b>
Community Plan / Single Outcome Agreement	No
Corporate Plan	No
<b>Resource Implications</b>	
Financial	No
Workforce	No
Asset Management (land, property, IST)	No
<b>Assessments</b>	
Equality Impact Assessment	No
Strategic Environmental Assessment	No
Sustainability (community, economic, environmental)	Yes
Legal and Governance	No
Risk	No
<b>Consultation</b>	
Internal	Yes
External	Yes
<b>Communication</b>	
Communications Plan	No

**1. Strategic Implications**

Community Plan / Single Outcome Agreement

1.1 N/A

Corporate Plan

1.2 N/A

**2. Resource Implications**

Financial

2.1 N/A

Workforce

2.2 N/A

Asset Management (land, property, IT)

2.3 N/A

### 3. Assessments

- 3.1 Following an assessment using the Integrated Appraisal Toolkit, it is considered the outcomes of the report and the resultant project outcomes will not have any significant impacts in relation to Equalities and Fairness Impacts (EqIA). The relevant statement on this basis is (i):

(i) Assessed as **not relevant** for the purposes of EqIA

#### Strategic Environmental Assessment

- 3.2 N/A

#### Sustainability

- 3.3 Following an assessment using the Integrated Appraisal Toolkit, it has been considered that the report and the associated proposals is likely to have some positive future implications regarding the Council's corporate sustainable development principles.

#### Legal and Governance

- 3.4 N/A

#### Risk

- 3.5 N/A

### 4. Consultation

- 4.1 As part of the planning application process the following bodies were consulted:

#### **Internal**

- 4.2 **Biodiversity/Tree Officer (B/TO)** – No objection. Initially sought clarification on specific biodiversity elements identified in the background surveys. These matters were raised with and responded to by the applicant. This subsequent response saw the B/TO advise of no objection, subject to the conditions recommended.
- 4.3 **Development Negotiations Officer** – No objection. Clarified that developer contributions do not apply to this proposal.
- 4.4 **Environmental Health (Noise)** – No objection. No concerns raised regarding noise and advised of satisfaction, subject to the mitigation proposed and that this was controlled through recommended conditions.
- 4.5 **Land Quality** – No objection. Advised that records do not raise any concerns regarding ground contamination.

- 4.6 **Private Water** – No objection. Advised of private water supplies in area and recommend conditional control and an informative to ensure private water supplies are not affected.
- 4.7 **Strategy & Policy** – No objection. Comment provided on the proposal and key LDP policies.
- 4.8 **Conservation Planning** – No objection. No concerns regarding impact on nearby Category 'C' and 'B' Listed buildings.
- 4.8 **Structures & Flooding** – No objection.
- 4.9 **Transport Planning** - No objection. Reiterated their comments at EIA Scoping stage, associated to local road widening and improvements, which are considered appropriate to cover, and address access requirements.

### **External**

- 4.10 **Historic Environment Scotland (HES)** – No objection. Content with the conclusions of the 'Cultural Heritage' section of the EIA Report, which concludes that the settings of heritage assets listed in area would not be significantly adversely affected by the operation of the proposed development.
- 4.11 **NatureScot** – No objection, subject to proposed mitigation and conditions requiring a Construction Environmental Management Plan (CEMP) and Ecological Clerk of Works (ECoW) being applied to any permission. All to ensure no impact on the River Tay Special Area of Conservation (SAC), Keltneyburn SAC and Site of Special Scientific Interest (SSSI). They also advise that the proposal will not have significant effect on the qualities of the nearby Loch Tummel National Scenic Area (NSA) and Loch Rannoch and Glen Lyon NSA. Note that the proposed substation will be visible from the Breadalbane-Schiehallion Wild Land Areas (WLA), but the proposed design seeks to minimise the visual effects and is acceptable.
- 4.12 **Scottish Environment Protection Agency (SEPA)** - No objection. Commented on flooding and drainage matters, as well as peatland within site. Conditional control recommended in relation to approving finalised site drainage details and a Stage 2 Peat Management Plan.
- 4.13 **Scottish Water** – No objection. Advise there is no Scottish Water infrastructure in area and private options in terms of water supply and foul water arrangements. Also advise the proposals fall partly within a drinking water catchment area, where a Scottish Water abstraction is located. Scottish Water abstractions are designated as Drinking Water Protected Areas (DWPA) under Article 7 of the Water Framework Directive. As such it is essential that water quality and water quantity in the area are protected.
- 4.14 **Perth and Kinross Heritage Trust (PHKT)** – No objection. Commented in terms of impact on local archaeology and Scheduled Monument, recommending conditions be attached to any permission, including the requirement for an Archaeological Clerk of Works.

- 4.15 **Royal Society for the Protection of Birds (RSPB)** – No objection.  
Commented and recommend that the Tayside Raptor Group are consulted by the appointed Ecological Clerk of Works (ECoW) on the detailed construction elements of the Construction Environmental Management Plan (CEMP).
- 4.16 **Scottish Forestry** – No comments.
- 4.17 **Transport Scotland** – No objection. No issues raised in terms of impact on trunk road network.
- 4.18 **Health and Safety Executive (HSE)** - No objection. Advise there is no infrastructure in area.
- 4.19 **Dull and Weem Community Council** - No comments.
- 4.20 **British Geological Survey (BGS)** – No comments.

## **5. Communication**

### Pre-application Consultation

- 5.1 As a national planning project, the applicant undertook formal pre-application consultation (PAC) with the local community. In advance of this, a Proposal of Application Notice (PoAN) was submitted to and validated by Perth and Kinross Council on the 8 October 2019, setting out the consultation approach. PKC issued a decision on 28 October 2019, following detailed clarification. Public consultation events were held at Kynachan Hall in Tummel Bridge in August and November 2019 and an Online Consultation Event was ran in August 2020. A Pre-Application Consultation (PAC) report has been provided in support of the planning application, setting out the details and the outcomes of the consultation.

## **6. BACKGROUND PAPERS**

- Planning etc. (Scotland) Act 1997
- National Planning Framework 3 (2014)
- Scottish Planning Policy (2014)
- TAYplan 2016-36
- Local Development Plan 2 (2019)

## **7. APPENDICES**

- 7.1 N/A



# PERTH AND KINROSS COUNCIL

30 August 2021

## TREASURY ACTIVITY AND COMPLIANCE REPORT 2021/22 QUARTER 1

Report by Head of Finance  
(Report No. 21/141)

### PURPOSE OF REPORT

The purpose of this report is to update the Council on the Treasury Activity for the quarter ending 30th June 2021 and to report on compliance with the Council's Treasury Management Policy Statement (TMPS); Treasury Management Practices (TMPs); the Investment Strategy and the Prudential Indicators for the same period. The report also sets out a proposed amendment to future treasury reporting arrangements.

### 1. BACKGROUND / MAIN ISSUES

- 1.1 Treasury Management Practice 6 (TMP 6 - Reporting Requirements & Management Information Arrangements) requires that Loans Fund borrowing and investment activities are reported quarterly to the Council. This report covers the first quarter of the financial year for the period 1 April to 30 June 2021.

### 2. ECONOMIC BACKGROUND

- 2.1 The Bank of England's Monetary Policy Committee (MPC) kept the UK Bank Base Rate at 0.10% throughout the quarter and maintained the Quantitative Easing at £895 billion for the year. UK Gross Domestic Product (GDP) decreased by 1.6% between January and March 2021. There were declines in both household consumption and business investment as a result of a reintroduction of the Covid 19 restrictions during this period. The level of GDP in the UK was 8.8% lower than before the pandemic.
- 2.2 The UK unemployment rate was 4.8.% as the pandemic continued to impact the labour market. Average earnings (including bonuses) grew by 7.3% from March to May 2021, with the increase partly driven by a reduction in low paid jobs in the UK caused by the pandemic, and more staff coming off the furlough scheme. UK Consumer Price Inflation including housing costs (CPIH) rose to 2.4% in the 12 months to June 2021, mainly due to increasing transport costs. Retail sales decreased month-on-month in May 2021 by 1.4%.
- 2.3 Internationally, Eurozone GDP growth decreased by 0.3% in the quarter to March 2021 whilst EU unemployment reduced slightly to 7.9% in May 2021.

- 2.4 In the US, the economy grew by 6.4% in the quarter to March 2021 after increasing by 4.1% in the previous quarter. The Federal Reserve interest rate was unchanged at between 0% and 0.25%, whilst the quantitative easing programme also remained unchanged.
- 2.5 The Public Works Loan Board's (PWLB) certainty fixed interest rates for the quarter, which are based on yields on UK gilts, are shown in the graph at Appendix I. PWLB borrowing rates remained at around historically low levels, with rates for borrowing periods decreasing over the quarter for all time periods except for 1 year borrowing which increased slightly. However, all movements were within a narrow range.

### **3. TREASURY ACTIVITY**

- 3.1 A summary of the Council's treasury position and transactions is shown at Appendix II. The main activities are detailed below.
- 3.2 During the quarter there was the repayment of one maturing fixed rate PWLB 12-year loan for £5 million at a rate 3.97%, whilst there was no new long-term borrowing undertaken. Therefore, over the quarter the Council's total long-term debt reduced from £533.8 million to £528.8 million and the average interest rate reduced from 2.75% to 2.74%.
- 3.3 The need for short-term borrowing to manage cashflow decreased over the quarter with receipt of Scottish Government covid related grant at the end of the previous quarter, as well as some maturing fixed deposits. At the end of the quarter, there were no short-term loans outstanding.
- 3.4 Common Good and Charitable Fund balances held on fixed deposit within the Loans Fund remained at £2.169 million, with the average interest rate paid remaining unchanged at 0.10%. Funds held from associated bodies and organisations increased from £2.834 million to £3.341 million over the quarter, in line with their own cash flow requirements, whilst the average rate paid on these funds remained at 0.19%, in accordance with the approved Temporary Loan policy.
- 3.5 Short term cashflow surpluses are invested in a mixture of fixed term deposits, instant access accounts, notice accounts and money market funds. All investments were made in accordance with the approved Investment Strategy and Permitted Investments.

#### **Fixed Term Deposits**

- 3.6 Cashflow surpluses which arise during the year and which are not immediately required are generally invested in fixed term deposits for periods of up to 12 months, or up to 3 years where cashflow requirements allow. However, there were no fixed rate deposits made in the quarter as cashflow requirements required any surpluses to be retained for use in the short term.. In addition, lending rates fell to very low levels and the interest rates on notice accounts within the banking sector became preferable and were utilised to match cashflow requirements.



## Investments for Daily Cashflow Requirements

- 3.7 Cashflow surpluses which arise and which are required for more immediate needs, usually within the next 3 months, are invested in the Council's instant access, notice deposit accounts and money market funds. During the quarter, there was a continued cashflow requirement as the Council responded to the impact of the pandemic and to meet the repayment of short-term borrowing undertaken in the previous quarter. The short-term investment transactions in the quarter can be summarised as follows:
- The daily average amount of such investments held over the quarter increased from £10.5 million in the last quarter to £11.5 million in the current quarter.
  - The average interest rate achieved on these accounts over the quarter increased from 0.03% to 0.04% reflecting increased use of notice accounts.
  - Extensive use of instant access facilities over the quarter continued to meet day-to-day cashflow requirements. However, the interest rate on such facilities remains low at 0.01%.
- 3.8 The total amount of investments outstanding at the end of the quarter decreased, closing at £189 million compared to £236.7 million at the end of the last quarter. This can be partly attributed to maturing fixed deposits in the quarter being required to meet cashflow requirements, including the ongoing payment of Covid-19 related grants and expenditure. The overall average rate of interest earned on the investments outstanding reduced from 0.54% at the end of the previous quarter to 0.52% at the end of the current quarter. The average rate of the Council's investments includes fixed-rate deals undertaken in previous quarters before interest rates fell significantly.
- 3.9 Over the quarter the interest rate receivable on most instant access and Money Market Funds remained at 0.01% or less, reflecting the banks reluctance to hold large cash balances for shorter periods. However, maturing fixed term deposits with local authorities, were reinvested into notice accounts with banks to keep cash balances available for cashflow requirements.
- 3.10 Total investment income generated on the investments undertaken during the quarter was £12,217. This measure reflects the total return on the investment activity undertaken in each quarter and is significantly lower in the current quarter as a result of no fixed deposits being made.
- 3.11 All of the above investment activities are consistent with the Council's current investment strategy and cashflow requirements.

## **4. COMPLIANCE**

- 4.1 For the quarter ending 30 June 2021, there were no breaches in compliance with the Council's approved Treasury Management Policy Statement, Treasury Management Practices (TMP's) or lending limits as detailed in TMP 4 (Approved Instruments, Methods & Techniques).

- 4.2 TMP4 also requires that a working list of specific approved counterparties (including lending limits) is maintained by the Head of Finance. This list is continuously reviewed and updated for any movements in credit ratings and other relevant factors including press coverage or emerging issues. Appendix III shows the list of approved counterparties, based on the current lending policy, as at July 2021.
- 4.3 A further requirement of TMP4 is to measure cashflow performance, which is expressed as the average closing cleared bank balance for the period. For the quarter ending 30 June 2021 the average closing cleared bank balance was £30,808.89 in credit.

## **5. INVESTMENT STRATEGY COMPLIANCE AND PERFORMANCE**

- 5.1 The Treasury Investment Strategy for 2021/22 was approved by the Council at its meeting on 31 March 2021 (report 21/42 refers).
- 5.2 In the current quarter the actual level of investments peaked at £270.994 million on 16 April and reduced to £189 million by the end of the quarter. The average daily investment balance over the quarter was £228.98 million, which decreased slightly from an average of £230.2 million in the previous quarter and increased from £213.99 million in the same quarter of last year. These variations reflect the use of funds in the current quarter to meet the Council's daily cashflow requirements.
- 5.3 The Council does not require to undertake any long-term borrowing in the current year, and it is therefore anticipated that the investment balances will gradually reduce (subject to daily fluctuations) over the next year in line with forecast cashflows. However, with continued volatility and very low PWLB rates, some long-term borrowing may be considered to support the Council's ongoing Capital programme and increasing borrowing requirements over time. Any such borrowing would increase the level of investments in the short term.
- 5.4 The Investment Strategy was applied in full over the quarter, with liquidity being maintained using instant access accounts, notice accounts and money market funds as detailed in Section 3.7 above. There were no other risks identified in the quarter.
- 5.5 The Investment Strategy also incorporates investments held by the Common Good Funds. All such investments during the quarter were with the Council's Loans Fund. The only Council funds held by external fund managers relate to Council administered Charitable Trusts and are, therefore, not covered by the Investment Strategy.
- 5.6 The budgeted income in 2021/22 for Commercial Property investments is £1,819,000 whilst the latest projection for the year is £1,813,000. There were no new property investments entered into during the quarter.

## **6. PRUDENTIAL INDICATORS**

- 6.1 Revised Prudential Indicators for 2020/21 to 2028/29 were approved by the Council at the meeting on 7 October 2020 (report 20/179 refers) as part of the Annual Treasury & Investment Strategy report.
- 6.2 The latest estimates of the Prudential Indicators, in line with the Council's current approved Capital Budget and Capital Financing (borrowing) requirements, are shown at Appendix IV
- 6.3 The indicators for Financing Costs remain at a relatively low level as a result of continuing low interest rates, as well as pro-active treasury management. They also reflect the current estimates for new borrowing each year and the latest forecast for interest rates. As a result, they only fluctuate within a narrow range each year, reflecting a stable budgetary position. However, the Council's estimated total Financing Costs are on an increasing trend over the longer term, reflecting the increase in budgeted levels of Capital expenditure funded by borrowing, as well as interest rates being expected to gradually rise over the coming years.
- 6.4 The movements in estimated Capital Expenditure and the Capital Financing Requirement reflect movements on the Composite Capital and Housing Investment programmes approved by the Council. Last year there was significant slippage in the Capital programme as a result of the lockdown restrictions, however expenditure is anticipated to increase significantly over the next two years.

## **7. PROPOSED AMENDMENT TO REPORTING ARRANGEMENTS**

- 7.1 Operational Treasury Management is delegated to the Head of Finance under the Council's Scheme of Administration. This activity is governed by the Annual Treasury Strategy approved by Council and by the Council's daily cashflow requirements and the requirements of financing the Council's approved Capital Budget.
- 7.2 Retrospective operational quarterly reports on treasury activity and compliance are currently submitted to full Council for noting. This is, however, a recognised anomaly as all other in-year financial reporting is considered by the Council's Strategic Policy & Resources Committee.
- 7.3 The following amendment to the Council's treasury reporting is, therefore, proposed:
  - The Annual Treasury Strategy and the retrospective full-year annual report will continue to be submitted to Council for scrutiny, approval and noting. No change is proposed in respect of these strategic reports.
  - As an amendment to current arrangements, it is proposed that the operational quarterly reports on treasury activity and compliance be

submitted for scrutiny and noting to the Strategic Policy & Resources Committee.

- This will enable a consistent and more integrated approach to the reporting of the Council's in-year financial position with the Council's Revenue and Capital expenditure and the treasury activity, and compliance with approved Treasury policies, undertaken to support this expenditure all being reported to the Strategic Policy & Resources Committee.

## 8. CONCLUSION AND RECOMMENDATIONS

- 8.1 Treasury Management activity in the quarter included the use of instant access, notice accounts and money market funds to meet short term liquidity requirements, with no fixed rate deposits undertaken. There was a reduction in short-term borrowing over the quarter as fixed deposits matured. The total level of investments decreased over the quarter as Covid-19 grants and other expenditure was paid. There was one PWLB loan repaid at maturity in the quarter, with no new long-term borrowing undertaken.
- 8.2 The Council adhered to its Investment Strategy and policies throughout the quarter, with no breaches in compliance.
- 8.3 It is recommended that the Council notes the content of this report, which is submitted in accordance with the Council's approved Treasury Management Practices.
- 8.4 It is recommended that the Council approves the amendment to reporting arrangements set out above in paragraph 7.3 of the report.

### Author(s)

Name	Designation	Contact Details
John Jennings	Senior Accountant	<a href="mailto:CHXFinance@pkc.gov.uk">CHXFinance@pkc.gov.uk</a>

### Approved

Name	Designation	Date
Stewart MacKenzie	Head of Finance	9 August 2021
Karen Donaldson	Chief Operating Officer	10 August 2021

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You can also send us a text message on 07824 498145.

All Council Services can offer a telephone translation facility.

## 1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

<b>Strategic Implications</b>	<b>Yes / None</b>
Community Plan / Single Outcome Agreement	None
Corporate Plan	Yes
<b>Resource Implications</b>	
Financial	Yes
Workforce	No
Asset Management (land, property, IST)	No
<b>Assessments</b>	
Equality Impact Assessment	Yes
Strategic Environmental Assessment	Yes
Sustainability (community, economic, environmental)	Yes
Legal and Governance	None
Risk	None
<b>Consultation</b>	
Internal	Yes
External	None
<b>Communication</b>	
Communications Plan	None

### 1. Strategic Implications

#### Corporate Plan

- 1.1 The Council's Corporate Plan 2018 – 2023 lays out five outcome focussed strategic objectives which provide clear strategic direction, inform decisions at a corporate and service level and shape resources allocation. They are as follows:

- (i) Giving every child the best start in life;
- (ii) Developing educated, responsible and informed citizens;
- (iii) Promoting a prosperous, inclusive and sustainable economy;
- (iv) Supporting people to lead independent, healthy and active lives; and
- (v) Creating a safe and sustainable place for future generations.

- 1.2 This report relates to all these objectives.

### 2. Resource Implications

#### Financial

- 2.1 There are no direct financial implications arising from this report other than those reported within the body of the main report.

#### Workforce

- 2.2 There are no direct workforce implications arising from this report.

### Asset Management (land, property, IT)

- 2.3 There are no direct asset management implications arising from this report other than those reported within the body of the main report.

## **3 Assessments**

### Equality Impact Assessment

- 3.1 Under the Equality Act 2010, the Council is required to eliminate discrimination, advance equality of opportunity, and foster good relations between equality groups. Carrying out Equality Impact Assessments for plans and policies allows the Council to demonstrate that it is meeting these duties.
- 3.2 The information contained within this report has been considered under the Corporate Equalities Impact Assessment process (EqIA) and has been assessed as **not relevant** for the purposes of EqIA.

### Strategic Environmental Assessment

- 3.3 The Environmental Assessment (Scotland) Act 2005 places a duty on the Council to identify and assess the environmental consequences of its proposals.
- 3.4 The information contained within this report has been considered under the Act. However, no action is required as the Act does not apply to the matters presented in this report.

### Sustainability

- 3.5 Under the provisions of the Local Government in Scotland Act 2003 the Council has to discharge its duties in a way which contributes to the achievement of sustainable development. In terms of the Climate Change Act, the Council has a general duty to demonstrate its commitment to sustainability and the community, environmental and economic impacts of its actions.
- 3.6 The information contained within this report has been considered under the Act. However, no action is required as the Act does not apply to the matters presented in this report.

## **4. Consultation**

- 4.1 The Chief Executive and the Council's Treasury advisors, Link Asset Services, have been consulted in the preparation of this report.

## **2. BACKGROUND PAPERS**

- 2.1 No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt

information) were relied on to any material extent in preparing the above report.

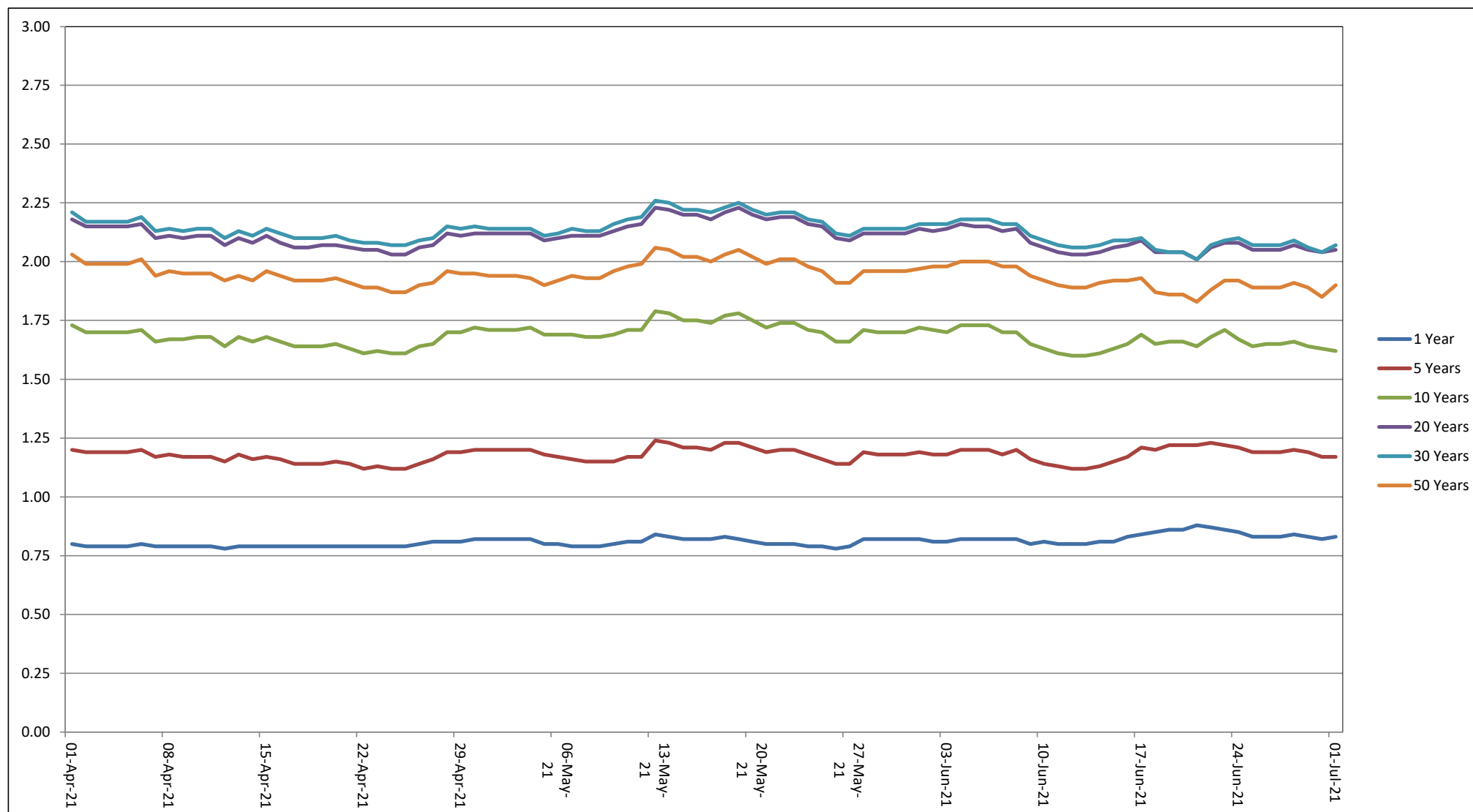
### **3. APPENDICES**

- Appendix I – PWLB Fixed Maturity Interest Rates from 1 April to 30 June 2021.
- Appendix II – Summary of the Treasury Position and Transactions from 1 April to 30 June 2021.
- Appendix III – Approved Investment Counterparty List
- Appendix IV – Monitoring of Prudential Indicators – Quarter ending 30 June 2021





**PWLB Fixed Maturity Interest Rates  
From 1st April to 30th June 2021  
(Certainty Rate)**





**SUMMARY OF THE TREASURY POSITION AND TRANSACTIONS**  
**1 APRIL TO 30 JUNE 2021**

**APPENDIX II**

**4**

**1 LONG TERM BORROWING**

**(a) Long Term Borrowing 1st April to 30th June 2021**

	No.	Average Rate (%)	Average Life (years)	Amount (£)
None				
	0	0.00%	0.0	0

**(b) Long Term Debt Repayments 1st April to 30th June 2021**

	No.	Average Rate (%)	Amount (£)
PWLB - Maturity Loan - Scheduled Repayments	1	3.97%	5,000,000
	1	0.00%	5,000,000

**(c) Long Term Debt Outstanding**

	Outstanding 31-Mar-21 £	Average Rate	Outstanding 30-Jun-21 £	Average Rate
Public Works Loan Board	490,500,000	2.59%	485,500,000	2.58%
Money Market Loans (LOBO's)	43,200,000	4.59%	43,200,000	4.59%
Other Long Term Debt	140,000	0.00%	140,000	0.00%
TOTAL	533,840,000	2.75%	528,840,000	2.74%

**2 SHORT TERM BORROWING**

**(a) Short Term Market Borrowing - 1st April to 30th June 2021**

	No.	Average Amount (£)	Average Rate (%)	Average Term (Days)	Interest (£)
Temporary Borrowing	3	4,500,000	0.02%	24	130.68
	3	4,500,000	0.02%	24	130.68

**(b) Short Term Borrowing Outstanding**

	Outstanding 31-Mar-21 £	Average Rate	Outstanding 30-Jun-21 £	Average Rate
Market Borrowing	49,000,000	0.07%	0	0.00%
Common Good and Charitable Funds	2,169,216	0.10%	2,169,216	0.10%
Local Trusts & Investors	2,834,039	0.19%	3,341,470	0.19%
TOTAL	54,003,255	0.08%	5,510,686	0.15%

**SUMMARY OF THE TREASURY POSITION AND TRANSACTIONS**  
**1 APRIL TO 30 JUNE 2021**

**APPENDIX II**

**3 INVESTMENTS**

**(a) Investment Transactions - 1st April to 30th June 2021**

<u>Fixed Deposits &amp; Investments</u>	<u>No.</u>	<u>Average Amount (£)</u>	<u>Average Rate (%)</u>	<u>Average Term (Days)</u>	<u>Total Interest (£)</u>
None					
	0	0	0.00%	0	0.00

<u>Instant/Notice Accounts &amp; Money Market Funds</u>	<u>Average Amount (£)</u>	<u>Average Rate (%)</u>	<u>Total Interest (£)</u>
Instant Access/Notice accounts	12,047,039	0.04%	11,499.29
Money Market Funds	2,500,000	0.07%	717.79
	<u>11,544,563</u>	<u>0.04%</u>	<u>12,217.07</u>

**(b) Investments Outstanding**

	<u>Outstanding 31-Mar-21</u>	<u>Average Rate</u>	<u>Outstanding 30-Jun-21</u>	<u>Average Rate</u>
	£		£	
UK Banks	18,166,511	0.15%	33,000,000	0.35%
Money Market Funds	5,000,000	0.10%	5,000,000	0.15%
Other Local Authorities	213,500,000	0.58%	151,000,000	0.57%
TOTAL	<u>236,666,511</u>	<u>0.54%</u>	<u>189,000,000</u>	<u>0.52%</u>

	<u>Country</u>	<u>Fitch Credit Rating</u>	<u>CDS Range</u>	<u>Maximum Lending</u>	<u>Note (2)</u>
<b>Category 1 - Principal UK Clearing Banks - 40% Investment total (or £20M per Counterparty if higher)</b>					
(Minimum rating required Fitch A, F1)					
Bank of Scotland (RFB) (5)	UK	A+, F1	In range	6 months	£80million Group limit
Barclays Bank plc (NRFB) (5)	UK	A+, F1	No data	6 months	
Barclays Bank plc (RFB) (5)	UK	A+, F1	In range	6 months	
Goldman Sachs International Bank	UK	A+, F1	In range	6 months	
Handelsbanken plc	UK	AA, F1+	No data	12 months	
HSBC Bank plc (NRFB)	UK	AA-, F1+	In range	12 months	
HSBC Bank plc (RFB)	UK	AA-, F1+	No data	12 months	
Lloyds Bank Corporate Markets Plc (NRFB)	UK	A+, F1	No data	6 months	£80million Group limit
Lloyds Banking Group plc (RFB)	UK	A+, F1	In range	6 months	£80million Group limit
NatWest Markets Plc (NRFB)	UK	A+, F1	In range	6 months	
Royal Bank of Scotland plc (RFB) (inc Nat West) (3) (4)	UK	A+, F1	Nationalised	12 months	Sovereign Rating AA
Santander UK plc (inc Cater Allen)	UK	A+, F1	No data	6 months	
Standard Chartered Bank	UK	A+, F1	In range	6 months	
Sumitomo Mitsui Banking Corporation Europe Ltd	UK	A, F1	In range	6 months	

**Category 2 - Foreign Banks & Institutions - 25% Investment total (or £10M per Counterparty if higher)**  
(Minimum rating required Fitch A, F1)

Australia and New Zealand (ANZ) Banking Group Ltd	Aus	A+, F1+	In range	12 months	
Commonwealth Bank of Australia	Aus	A+, F1+	In range	12 months	
Macquarie Bank Ltd	Aus	A, F1	No data	6 months	
National Australia Bank Ltd	Aus	A+, F1+	In range	12 months	
Westpac Banking Corporation	Aus	A+, F1+	In range	12 months	
BNP Paribas Fortis Bank	Belgium	A+, F1	No data	1 month	Sovereign Rating AA-
KBC Bank	Belgium	A+, F1	No data	1 month	Sovereign Rating AA-
Bank of Montreal	Can	AA-, F1+	No data	12 months	
Bank of Nova Scotia	Can	AA-, F1+	No data	12 months	
Canadian Imperial Bank of Commerce	Can	AA-, F1+	No data	12 months	
National Bank of Canada	Can	A+, F1	No data	6 months	
Royal Bank of Canada	Can	AA, F1+	No data	12 months	
Toronto Dominion Bank	Can	AA-, F1+	No data	12 months	
Danske Bank	Denmark	A, F1	In range	6 months	
Nordea Bank Finland plc	Finland	AA-, F1+	No data	1 month	Sovereign Rating AA+
BNP Paribas	France	A+, F1	In range	1 month	Sovereign Rating AA
Credit Agricole Corporate and Investment Bank	France	A+, F1	In range	1 month	Sovereign Rating AA
Credit Agricole SA	France	A+, F1	In range	1 month	Sovereign Rating AA
Credit Industriel et Commercial	France	A+, F1	No data	1 month	Sovereign Rating AA
DZ Bank AG	Germany	AA-, F1+	No data	12 months	
Landesbank Hessen-Thueringen Girozentral (Helaba)	Germany	A+, F1+	In range	12 months	
Landwirtschaftliche Rentenbank	Germany	AAA, F1+	No data	24 months	
NRW Bank	Germany	AAA, F1+	No data	24 months	
ABN AMRO Bank	Netherlands	A, F1	No data	6 months	
Bank Nederlandse Gemeenten	Netherlands	AAA, F1+	No data	24 months	
Cooperatieve Rabobank	Netherlands	A+, F1+	In range	12 Months	
ING Bank	Netherlands	AA-, F1+	In range	12 Months	
DBS Bank Limited	Singapore	AA-, F1+	No data	12 months	
United Overseas Bank Ltd	Singapore	AA-, F1+	No data	12 months	
Skandinaviska Enskilda Banken AB	Sweden	AA-, F1+	No data	12 months	
Svenska Handelsbanken AB	Sweden	AA, F1+	No data	12 months	
Swedbank AB	Sweden	A+, F1	No data	12 months	
Credit Suisse	Switzerland	A, F1	In range	6 months	
UBS AG	Switzerland	AA-, F1+	In range	12 months	
Bank of America, NA	USA	AA-, F1+	No data	12 months	
Bank of New York Mellon	USA	AA, F1+	No data	24 months	
Citibank, NA	USA	A+, F1	In range	12 months	
JP Morgan Chase Bank, NA	USA	AA, F1+	No data	12 months	
Wells Fargo Bank, NA	USA	AA-, F1+	In range	12 months	

**Category 3 - Subsidiary Banks & Building Societies - 15% of Investment total (or £10M per Counterparty if higher)**

(Minimum rating required Fitch A, F1)

(parent bank shown in brackets)

**Subsidiary Banks**

None

**Building Societies**

Nationwide Building Society	UK	A, F1	No data	6 months
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**Category 4 - Other Local Authorities - 20% of Investment total (or £20M per Counterparty if higher)**

As arranged

**With the exclusion of the below:**

Northamptonshire County Council	Budgetary issues
Lancashire County Council	Regulatory issues
Spelthorne Borough Council	Commercialism activities
London Borough of Croydon	Commercialism activities
Thurrock Council	Excessive short-term exposure/strategy
Plymouth City Council	Regulatory issues
City of Liverpool Council	Regulatory issues
Wirral Council	Budgetary issues
London Borough of Bexley	Budgetary issues
Slough Borough Council	Budgetary issues
Peterborough City Council	Budgetary issues
Nottingham City Council	Budgetary issues

**Category 5 Money Market Funds - 10% of Investment Total (or £10M per Counterparty if higher)**

(Minimum rating required Fitch AAA)

Aberdeen Standard Investments	UK	AAA
Aviva Investors Liquidity Fund	UK	AAA
Federated Sterling Liquidity Fund (Class 3)	UK	AAA
Insight Sterling Liquidity Fund (Class 5)	UK	AAA
Deutsche Bank Sterling Fund	UK	AAA

**Note:**

- (1) - Standard & Poor's credit ratings shown, as no Fitch credit rating available
- (2) - All Sovereign credit ratings for above Countries are AAA, unless stated otherwise.
- (3) - Banks are part/majority owned by the UK government
- (4) - UK Sovereign Rating is AA (Fitch and Standard & Poor's)
- (5) - NRFB = Non Ring Fenced Bank, RFB = Ring Fenced B

Last Updated: 26-Jul-21

**PERTH AND KINROSS COUNCIL**  
**PRUDENTIAL INDICATORS - QUARTER ENDING 30 JUNE 2021**

**1 Financing Costs: Net Revenue Stream**

The ratio of Capital Financing Costs (Loan Charges) to the Council's net revenue stream shall not exceed the following limits, which are based on historic levels, and allow some headroom for movement in interest rates. The estimated Financing Costs below are based on the latest monitoring figures.

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Prudential Limit - General Fund	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%
Estimated Ratio of Financing Costs to Revenue	7.27%	7.68%	8.16%	8.53%	8.66%	8.22%	8.08%	7.89%
Prudential Limit - HRA	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%
Estimated Ratio of Financing Costs to Revenue	23.38%	22.80%	22.44%	21.61%	21.15%	21.15%	21.51%	23.07%

**2 Gross & Net Borrowing and Capital Financing Requirements**

For prudence, net external borrowing must not exceed the total capital financing requirement, thus ensuring that over the medium term, borrowing is only undertaken for capital purposes.

The estimated total net borrowing and Capital Financing Requirement at the end of each of the years are as follows:

	Actual as at 30-Jun-21	Actual as at 31-Mar-22	Projected 31-Mar-23	Projected 31-Mar-24	Projected 31-Mar-25	Projected 31-Mar-26	Projected 31-Mar-27	Projected 31-Mar-28	Projected 31-Mar-29
Net External Borrowing*	476,309,000	573,703,000	689,441,000	808,138,000	833,976,000	848,013,000	858,596,000	859,179,000	857,262,000
Gross External Borrowing*	665,309,000	653,703,000	739,441,000	848,138,000	873,976,000	888,013,000	898,596,000	899,179,000	897,262,000
Capital Financing Requirement	594,932,000	653,795,000	757,775,000	867,894,000	896,674,000	910,329,000	920,081,000	927,766,000	936,238,000

\*For the purpose of this indicator, Borrowing includes the outstanding liability under PPP/PFI contracts.

**3 Estimates of Gross Capital Expenditure**

The total estimated Capital Expenditure contained within the Council's Budgets for each year is as follows, based on updated monitoring figures.

Composite Programme	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Current estimate	116,867,000	162,891,000	134,077,000	52,166,000	32,716,000	30,343,000	27,702,000	28,279,000
Original Budget Estimate (including Budget Motion)	126,398,000	161,321,000	124,693,000	49,891,000	31,716,000	29,343,000	26,702,000	27,870,000
Movement in Estimated Capital Expenditure	(9,531,000)	1,570,000	9,384,000	2,275,000	1,000,000	1,000,000	1,000,000	409,000

The Original Budget Estimates are those per the 2021/22 to 2029/30 Composite Capital Budget Report on 31st March 2021.

The latest estimates for Capital Expenditure are based on draft 2021/22 Monitoring Report No.1 on 1 September 2021.

HRA Programme	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Current estimate	11,745,000	11,098,000	13,519,000	13,160,000	18,377,000	15,500,000	15,500,000	15,500,000
Original Budget Estimate	11,527,000	11,098,000	13,519,000	13,160,000	18,377,000	15,500,000	15,500,000	15,500,000
Movement in Estimated Capital Expenditure	218,000	0	0	0	0	0	0	0

The Original Budget Estimates are those per the 2020/21 Housing & Communities Budget Report on 31 March 2021.

The latest estimates for Capital Expenditure are based on draft 2021/22 Monitoring Report No.1 on 1 September 2021.

**PERTH AND KINROSS COUNCIL**  
**PRUDENTIAL INDICATORS - QUARTER ENDING 30 JUNE 2021**

**APPENDIX IV**

**4 Estimate of Capital Financing Requirement**

The estimate (as at August 2021) of the Capital Financing Requirement (ie new borrowing requirement for Capital Expenditure) for each year based on these plans is as follows:

Composite Programme	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Current Estimated Capital Financing Requirement	64,804,000	111,373,000	115,795,000	35,271,000	15,573,000	12,728,000	10,087,000	10,664,000
Original Budget Estimate (including Budget Motion)	74,721,000	109,803,000	106,411,000	32,996,000	14,573,000	11,728,000	9,087,000	10,255,000
Movement in Estimated Capital Financing Requirement	(9,917,000)	1,570,000	9,384,000	2,275,000	1,000,000	1,000,000	1,000,000	409,000

The Original Budget Estimates are those per the 2021/22 to 2029/30 Composite Capital Budget Report on 31st March 2021.

The latest estimates for Capital Expenditure are based on draft 2021/22 Monitoring Report No.1 on 1 September 2021.

HRA Programme	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Current Estimated Capital Financing Requirement	8,869,000	7,757,000	9,908,000	9,124,000	13,963,000	11,000,000	11,000,000	11,000,000
Original Budget Estimate	8,559,000	7,757,000	9,908,000	9,124,000	13,963,000	11,000,000	11,000,000	11,000,000
Movement in Estimated Capital Financing Requirement	310,000	0	0	0	0	0	0	0

The Original Budget Estimates are those per the 2020/21 Housing & Communities Budget Report on 31 March 2021.

The latest estimates for Capital Expenditure are based on draft 2021/22 Monitoring Report No.1 on 1 September 2021.

**5 External Debt (Gross and Net)**

External Borrowing	As at 30-Jun-21	As at 31-Mar-22	Projected 31-Mar-23	Projected 31-Mar-24	Projected 31-Mar-25	Projected 31-Mar-26	Projected 31-Mar-27	Projected 31-Mar-28	Projected 31-Mar-29
Public Works Loan Board	485,500,000	478,000,000	570,000,000	685,000,000	717,000,000	737,000,000	752,000,000	757,000,000	759,500,000
Market Bonds (LOBOs)	43,200,000	43,200,000	43,200,000	43,200,000	43,200,000	43,200,000	43,200,000	43,200,000	43,200,000
Project Borrowing	140,000	140,000	140,000	0	0	0	0	0	0
Special Loans	2,169,235	2,169,235	2,169,235	2,169,235	2,169,235	2,169,235	2,169,235	2,169,235	2,169,235
Temporary Loans/Other Borrowing	3,341,470	3,000,000	2,700,000	2,500,000	2,300,000	2,300,000	2,300,000	2,300,000	2,300,000
Other Long Term Liabilities (PPP/PFI)	130,958,199	127,193,949	121,231,449	115,268,949	109,306,449	103,343,949	98,926,749	94,509,549	90,092,349
<b>Total Gross External Debt</b>	<b>665,308,904</b>	<b>653,703,184</b>	<b>739,440,684</b>	<b>848,138,184</b>	<b>873,975,684</b>	<b>888,013,184</b>	<b>898,595,984</b>	<b>899,178,784</b>	<b>897,261,584</b>
Short Term Investments	(154,000,000)	(80,000,000)	(50,000,000)	(40,000,000)	(40,000,000)	(40,000,000)	(40,000,000)	(40,000,000)	(40,000,000)
Long Term Investments	(35,000,000)	0	0	0	0	0	0	0	0
<b>Total Net External Debt</b>	<b>476,308,904</b>	<b>573,703,184</b>	<b>689,440,684</b>	<b>808,138,184</b>	<b>833,975,684</b>	<b>848,013,184</b>	<b>858,595,984</b>	<b>859,178,784</b>	<b>857,261,584</b>
<b>Note:</b>									
Operational Boundary	665,000,000	654,000,000	739,000,000	848,000,000	874,000,000	888,000,000	899,000,000	899,000,000	897,000,000
Authorised Limit	900,000,000	900,000,000	900,000,000	900,000,000	900,000,000	900,000,000	900,000,000	900,000,000	900,000,000

The Operational Boundary and Authorised Limit are based on Gross External Debt.



**6 Principal Sums Invested Longer Than 365 Days**

The Upper Limit for sums invested for over 1 year up to 3 years is £45 million. There was £35M invested within this period as at the end of the quarter.

**7 MATURITY STRUCTURE**

The lower and upper limit for the proportion of the Council's total-long term debt which matures in each of the time bandings below, and is therefore subject to refinancing at the prevailing market rates, is as follows:

Fixed Rate Borrowing Maturity Structure	Lower Limit	Upper Limit	Estimated
Under 12 months	0%	35%	1.71%
over 12 months and < 24 months	0%	35%	2.12%
over 2 years and < 5 years	0%	50%	6.89%
over 5 years and < 10 years	0%	75%	8.54%
over 10 years	10%	95%	80.74%

The maturity profile for the Council's current long-term portfolio as at 30 June 2021, measured from the start of the financial year, is as follows:

	Less 1 Year	1 - 2 Years	2 - 5 Years	5 - 10 Years	10 - 20 Years	20 - 30 Years	30 - 40 Years	40 - 50 Years	Over 50 Years	Total
PWLB	7,500,000	8,000,000	23,000,000	32,500,000	5,000,000	0	40,500,000	369,000,000	0	485,500,000
LOBOs	0	0	0	0	0	13,000,000	25,200,000	5,000,000	0	43,200,000
Other	0	0	140,000	0	0	0	0	0	0	140,000
PPP/PFI Liability	3,764,250	5,962,500	22,304,700	23,875,400	66,146,400	8,904,949	0	0	0	130,958,199
<b>Total</b>	<b>11,264,250</b>	<b>13,962,500</b>	<b>45,444,700</b>	<b>56,375,400</b>	<b>71,146,400</b>	<b>21,904,949</b>	<b>65,700,000</b>	<b>374,000,000</b>	<b>0</b>	<b>659,798,199</b>
<b>Percentage</b>	<b>1.71%</b>	<b>2.12%</b>	<b>6.89%</b>	<b>8.54%</b>	<b>10.78%</b>	<b>3.32%</b>	<b>9.96%</b>	<b>56.68%</b>	<b>0.00%</b>	<b>100.00%</b>



## PERTH AND KINROSS COUNCIL

30 August 2021

### DEVELOPMENT OF A PERTH AND KINROSS CLIMATE CHANGE COMMISSION

**Report by Head of Planning and Development  
(Report No. 21/142)**

#### **PURPOSE OF REPORT**

In June 2019, Perth & Kinross Council agreed a Motion committing the Council to lead by example in accelerating the transformational change required to address the Climate Emergency, declared by the UK and Scottish Governments. In Perth and Kinross Council's Interim Climate Emergency Report and Action Plan (Report 19/362 refers), approved in December 2019, it was agreed that proposals for the establishment of a Perth & Kinross Climate Change Commission would be brought to Council.

This Report proposes a structure and approach for the establishment of a Perth and Kinross Climate Change Commission (PKCCC). The proposed PKCCC will provide scrutiny and oversight to Perth and Kinross's Climate Change Plan (planned Autumn 2021), help champion and connect with our businesses and communities, and serve as an enabler to accelerate ambitious climate action.

#### **1. BACKGROUND / MAIN ISSUES**

- 1.1. Under the Climate Change (Emissions Reduction Targets) (Scotland) Act 2019, Perth and Kinross Council has a legal duty to make Perth and Kinross net zero by 2045 and become climate resilient. Perth and Kinross Council currently has an Interim Climate Emergency Report and Action Plan (2019) that outlines necessary action.
- 1.2. The Council is directly responsible for only 3% of Perth and Kinross's overall CO2 emissions, but indirectly influences approximately 70% through policy and regulation, supply chains and projects. Taking the necessary comprehensive and urgent action on climate change will require the Council to work in partnership with our communities, businesses and organisations at an unprecedented scale.
- 1.3. Climate change commissions bring together people and organisations from the public, private and civic sectors who work collaboratively to help drive, guide, support and monitor climate action. Commissions are independent bodies that complement the activities of local government, extend their reach and build an area's capacities to deliver climate resilience and low carbon transitions. Many other cities have already established Climate Change Commissions – for example, Edinburgh, Leeds, Surrey, Belfast, with many more under development.

- 1.4. In approving the Interim Climate Emergency Report and Action Plan, it was agreed that proposals for the establishment of a Perth & Kinross Climate Change Commission would be brought to the Council for consideration. The Covid -19 pandemic has had a significant impact on the development of a Climate Change Commission, and associated public engagement
- 1.5. Scotland is due to incorporate the United Nations Convention on the Rights of the Child (UNCRC) into domestic law with the United Nations Convention on the Rights of the Child (Incorporation) (Scotland) Bill which was passed by Scottish Parliament in March 2021. When ratified, it will be unlawful for public authorities to act incompatibly with the incorporated UNCRC requirements. This gives children the right for a meaningful voice in policies and decisions that impact on them.

## **2. PROPOSALS**

- 2.1. It is proposed that the Perth and Kinross Climate Change Commission will bring together a diverse and knowledgeable collection of people, with a range of climate change expertise and representing the public, private and third sectors, as well as our communities including the youth of the area.
- 2.2. The Commission's remit primarily focuses on the provision of scrutiny and guidance, as well as tracking the delivery of targets and climate action by monitoring progress to hold the Council and wider actors to account. In addition to this, the Commission will play a vital role in promoting a climate resilient future which is also fair and ensures that no one is left behind during the transition to a more sustainable future. The Commission will play an active role in shaping and championing the delivery of Perth and Kinross' Climate Action Plan.
- 2.3. The proposed remit of the PKCCC is detailed in the attached draft Terms of Reference (Appendix 1). It will be to
  - scrutinise the initial roadmap developed by the Council (to be published in Autumn 2021)
  - shape further development or iterations of the roadmap through co-production, guidance and feedback.
  - oversee delivery of the roadmap and its impact through regular monitoring
  - champion climate change and priority actions throughout Perth and Kinross
  - use its influence across the public sector, private sector and in our communities to drive the necessary urgent action
- 2.4. It is not envisioned that the PKCCC will have an implementing role as there are existing community-based organisations, including the Perth City Leadership Forum, which are actively focused on delivering wider action in their areas and across Perth and Kinross as a whole. It is intended to formalise our partnership working approach with these existing organisations

and have the PKCCC provide additional scrutiny against progress delivering these.

- 2.5 The PKCCC will provide an annual report on its work and in doing so will provide its assessment of the Council's progress.

## **Membership**

- 2.6 The number of members varies across the different models of Commissions across the UK, however a potential structure is outlined below. For example, Edinburgh and Belfast have 15 Members each; whereas Leeds and Lincoln both have 24 members (8x public sector, 8x private, 8x third sector). All the commissioners provide expertise in relation to delivery of the climate agenda. Each of these commissions has theme-based working groups that enable wider and more specialised working.
- 2.7 As the Commission will represent the entire local authority area, it is important to ensure it is representative of the wide spectrum of Perth and Kinross residents when selecting the individual members. This should aim for a geographical spread of the members providing both urban and rural voices. The selection process will also ensure that membership is diverse across a range of characteristics.
- 2.8 Whilst seeking a geographic, sector and diversity spread, each individual needs to be selected for their individual expertise rather than just be a nominated representative from a sector. To ensure this, an application or selection process is required. Elsewhere, commission members were selected through an application process that was overseen by the partners involved in setting up the commission.
- 2.9 It is proposed that Commission members should be selected by an initial panel potentially comprising of 3-5 members chaired by an independent expert. Future appointments may have a different selection method and this will be brought back to a future Council for decision. Members will serve fixed terms of three years, (although this may be phased in for the first round) with the possibility to be reappointed.
- 2.10 One group that many the other commissions have not included is young people. Given the disproportionate impact that climate change will have on younger people, it is important that they are given a voice on the commission. It is proposed to develop a Children's and Young Person's sub-group that represents a wide range of young people, from which nominated representatives will sit on the PKCCC. This also delivers the UNCRC requirement as outlined in paragraph 1.5.
- 2.11 Officers recommend having 26 potential Commission members to provide the optimum breadth and depth of experience. The groups listed below are the type of experience we would expect commissioners to have:

**Table 1 Proposed Structure of the PKCCC**

<b>Chair</b>	To be appointed in partnership with the selection committee from below for a three-year term. The Chair should be independent of the Council.
<b>Private sector (x6)</b>	Potential members include: -Large businesses -SMEs -Business sector representatives -Construction (could overlap with Buildings' expertise below)
<b>Public sector (x6)</b>	-Three members from the Council (the Council Leader, a member of an opposition group and the Chief Executive)  Potential public sector partners could include: -Public Health representative -University (Tay Cities) -SEPA/Scottish Water/Nature Scot/Forestry Authority -Housing Association
<b>Third sector (x6)</b>	Potential members include key members of:  -Perth City Leadership Forum -Climate cafés -Local Sustainability Groups -PKAVS -RSGS
<b>Expertise (x6)</b>	Targeted sectors include:  -Biodiversity -Rural Land use -Buildings -Transport -Waste/Circular economy -Climate adaptation
<b>Youth (x2)</b>	Nominated representatives from children and young people's sub-group to feed back into the main group

**Proposed role of the Council on the PKCCC**

- 2.12 In the majority of examples (including Edinburgh, Leeds, Yorkshire & Humber), the commissions are largely independent of the Council, with a limited Councillor presence and a non-Council Chair. There are many benefits of the Commission being an independent body. However, in these cases the local councils have played an active role in establishing the commissions.
- 2.13 A similar approach is proposed for the PKCCC with PKC actively establishing the Climate Change Commission. It is proposed that given its legal duty for

Climate action, the Council will have three permanent seats on the Commission represented by the Leader of the Council, a member of an opposition group and the Chief Executive. Additional Council officers may provide secretariat support and assist the Commission, as required.

- 2.14 It is proposed initially that the Council provides a modest budget of £2000 per year to cover operational expense but does not provide the commission with an annual budget or responsibility of distributing funding. This may change in the longer term and also should the Commission require a budget for specific pieces of research to help it fulfil its remit. In these instances, all funding sources should be explored. The Edinburgh and Leeds Climate Change Commissions have received significant third-party grants to fund the scale of their activities.

### **Proposed approach for developing the PKCCC**

- 2.15 The proposed approach has been designed in line with current best practice and assisted by the Perth City Leadership Forum. The proposed schedule of activities will see the Commission operational before the end of 2021.
- 2.16 It is proposed that the Council appoints five expert representatives to sit on the selection panel - each with significant climate expertise or interest. The selection panel will have guaranteed seats on the Climate Change Commission for the first year.

These representatives are:

- The Chief Executive of the Royal Scottish Geographic Society
  - The founder of the Climate Café movement
  - The Perth City Leadership Forum Zero Carbon Working Group lead
  - The Leader of the Council
  - Youth representative
- 2.17 It is proposed that a call for membership applications will be issued in early September 2021 and open for a minimum of three weeks. The draft Terms of Reference (Appendix 1) will be used. A range of channels will be used for advertising roles to help ensure a diverse spectrum of potential applicants are aware of the opportunity.
- 2.18 The selection panel will meet in early-October and will be responsible for appointing Commissioners. As there may be some overlap of roles (e.g. a Commissioner could provide technical expertise as well as being part of the private sector), the selection panel can exercise discretion over the number of the roles filled with a minimum of 12 and a maximum of 26.
- 2.19 It is proposed that Commissioners serve rolling terms of three-years. As such, it is proposed that the selection panel assigns initial term limits of one, two and three years to the selected commissioners with even split by the indicated categories in Table 1.

- 2.20 The Leader of the Council will appoint an acting Chair for the first meeting of the Climate Change Commission. At this meeting, the acting Chair will invite nominations for the Chair and the Terms of Reference will be reviewed and agreed.

### **3. CONCLUSION AND RECOMMENDATION**

- 3.1 Taking the necessary comprehensive and urgent action on climate change will require Perth and Kinross Council to work in partnership with communities, businesses and organisations at an unprecedented scale. Developing the Perth and Kinross Climate Change Commission will provide an effective structure to bring together people and organisations from the public, private and civic sectors to work collaboratively to help drive, guide, support and monitor climate action in Perth and Kinross. It supports the objective of the Perth and Kinross Offer to enable everyone to play their part in shaping the future.

- 3.2 It is recommended that the Council agrees:

- i. the approach set out in the report for the development of a Climate Change Commission;
- ii. the appointment of the five nominated roles to the selection panel as recommended;
- iii. that should any of the appointees be unable to take up their roles, responsibility for selecting a replacement is delegated to the Chief Executive;
- iv. that Perth and Kinross Council will be represented by the Leader of the Council, a member of an opposition group and the Chief Executive;
- v. that the Climate Change Commission will submit an annual report updating on progress and containing specific recommendations for the Council's consideration.

#### **Author(s)**

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#### **Approved**

<b>Name</b>	<b>Designation</b>	<b>Date</b>
Barbara Renton	Interim Chief Executive	19 August 2021

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## 1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

<b>Strategic Implications</b>	<b>Yes / None</b>
Community Plan	Yes
Corporate Plan	Yes
<b>Resource Implications</b>	
Financial	Yes
Workforce	n/a
Asset Management (land, property, IST)	n/a
<b>Assessments</b>	
Equality Impact Assessment	Yes
Strategic Environmental Assessment	Yes
Sustainability (community, economic, environmental)	Yes
Legal and Governance	n/a
Risk	n/a
<b>Consultation</b>	
Internal	Yes
External	Yes
<b>Communication</b>	
Communications Plan	Yes

### 1. Strategic Implications

#### Community Plan

- 1.1 The establishment of the PKCCC directly contributes to three of the five Perth and Kinross Community priorities:

- (ii) Developing educated, responsible and informed citizens
- (iii) Promoting a prosperous, inclusive and sustainable economy
- (v) Creating a safe and sustainable place for future generations.

The Commission will help improve the wider climate engagement with our businesses, residents and visitors and will help them make informed and responsible climate choices. Addressing climate action will help create a sustainable economy in Perth and Kinross and make this a sustainable place for future generations.

#### Corporate Plan

- 1.2 This is the same as for 1.1.

## **2. Resource Implications**

### Financial

- 2.1 The proposal would allocate £2000 per year from the existing Climate Change Budget to cover the operating expenses of the Commission.

## **3. Assessments**

- 3.1 Under the Equality Act 2010, the Council is required to eliminate discrimination, advance equality of opportunity, and foster good relations between equality groups. Carrying out Equality Impact Assessments for plans and policies allows the Council to demonstrate that it is meeting these duties. The Equality Impact Assessment undertaken in relation to this report can be viewed clicking [here](#).

### Strategic Environmental Assessment

- 3.2 The Environmental Assessment (Scotland) Act 2005 places a duty on the Council to identify and assess the environmental consequences of its proposals.

### Sustainability

- 3.3 Under the provisions of the Local Government in Scotland Act 2003 the Council has to discharge its duties in a way which contributes to the achievement of sustainable development. Under the Climate Change (Scotland) Act 2009 the Council also has a duty relating to climate change and, in exercising its functions must act:
- in the way best calculated to delivery of the Act's emissions reduction targets;
  - in the way best calculated to deliver any statutory adaptation programmes; and
  - in a way that it considers most sustainable.

The proposed PKCCC will help monitor progress and drive action towards delivering our Climate Action Plan and meeting our emissions reduction targets and building our climate resilience.

## **4. Consultation**

### Internal

- 4.1 The proposals for the PKCCC have been discussed with the officer Climate Change Project Board at the meeting on 21 July 2021.

## External

- 4.2 Discussed at various public engagement events. The Perth City Leadership Forum has actively been involved in the development of the proposed climate change commission.

## **5. Communication**

- 5.1 A Communications Plan will be developed at a later stage.

## **2. BACKGROUND PAPERS**

Place based Climate Action Network - <https://pcancities.org.uk/>

Edinburgh Climate Commission – <https://www.edinburghclimate.org.uk/about-edinburgh-climate-commission>

Leeds Climate Commission– <https://www.leedsclimate.org.uk/>

<https://leedsclimate.org.uk/news/leeds-groups-win-25m-climate-emergency-action#:~:text=Place%2Dbased%20climate%20action,-More%20than%20%C2%A3&text=Funding%20from%20The%20National%20Lottery,for%20broader%20and%20transformative%20change>

[More%20than%20%C2%A3&text=Funding%20from%20The%20National%20Lottery,for%20broader%20and%20transformative%20change](https://leedsclimate.org.uk/news/leeds-groups-win-25m-climate-emergency-action#:~:text=Place%2Dbased%20climate%20action,-More%20than%20%C2%A3&text=Funding%20from%20The%20National%20Lottery,for%20broader%20and%20transformative%20change)

Yorkshire & Humber Climate Commission -

<https://yorksandhumberclimate.org.uk/>

Lincoln Climate Commission - <https://www.lincolncclimate.org.uk/>

## **3. APPENDICES**

Appendix 1 – Perth and Kinross Climate Commission Draft Terms of Reference



## Appendix 1: Draft Terms of Reference for the Perth and Kinross Climate Change Commissions

### 1. Background and Context

As the effects of climate change become increasingly apparent in Perth and Kinross and across Scotland and world, governments at all levels are developing plans to reduce emissions. The Scottish Government Committee on Climate Change has set a national target of net zero greenhouse gas emissions by 2045, in line with the IPCC recommendation that warming does not exceed 1.5 degrees above preindustrial levels.

Taking the necessary comprehensive and urgent action on climate change will require Perth and Kinross Council to work in partnership with our communities, businesses and organisations at an unprecedented scale. Climate Commissions bring together people and organisations from the public, private and civic sectors who work collaboratively to help drive, guide, support and monitor climate action

The Perth and Kinross Climate Change Commission (PKCCC) will prove independent active leadership and support for cross-sector collaboration and action on climate change. This Commission will leverage expertise from across Perth and Kinross in order to engage and inspire collective ownership and a shared commitment to reaching net zero. The PKCCC is being established by Perth and Kinross Council, in collaboration with the Perth City Leadership Forum.

### 2. Vision

The Commission will support Perth and Kinross in delivering an increased pace of transformative change needed to ensure emissions targets are met and climate resilience is built. It will engage the private and public sectors, as well as individual citizens.

### 3. Principles

The Commission will:

- Be independent in thought and action
- Considers the needs of all to deliver a Just Transition
- Embed a collaborative approach to problem-solving
- Be open to all best practice, initiatives or proposed solutions that are realistic and deliverable
- Share information and documentation openly, meeting in public where possible
- Look positively at innovative and radical proposals for change in keeping with a climate emergency
- Commit to positively promote, support and encourage action on climate change especially within Commissioners own organisations
- Be respectful and inclusive

### 4. Scope

The proposed remit of the PKCCC is as follows:

- Scrutinise the initial roadmap developed by the Council (to be published in Autumn 2021)

- Shape further development or iterations of the roadmap through co-production, guidance and feedback.
- Oversee delivery of the roadmap and its impact through regular monitoring
- Champion climate change and priority actions throughout Perth and Kinross
- Use its influence across the public sector, private sector and in our communities to drive the necessary urgent action

## 5. Membership (Chair and Members)

### a) Appointment of the Chair

The Role of the Chair has been defined as:

- To provide independent leadership of the Climate Commission and champion Climate Action and the views of the Commission to key partners, stakeholders and the media
- To chair meetings of the Commission.
- To ensure development and completion of the Commission's deliverables once agreed
- To take decisions about the work of the Commission between Commission meetings.
- To promote the work of the Commission: in this role the Chair will be supported by and responsible to all Members.
- To sign off all Commission publications

The Chair can serve a two-year term that can be renewed for a maximum of a further two years. The Chair should give three months' notice before resigning the position, and support succession planning for a new Chair during the final six months in post. At the end of the Chair's term, the Commission will select a new Chair through an appropriate selection process. The Leader of the Council will appoint an acting Chair for the first meeting of the Climate Change Commission. At this meeting the acting Chair will invite nominations for the on-going Chair.

### b) Appointment of members of the Commission

Membership of the Commission is open to individuals and the balance of membership should reflect the need for cross-council area representation, from the private, public and third sectors, and community and youth groups as well as ensuring a diversity within the Commissions. Members of the Commission do not represent their organisation, but are appointed as individuals.

Prior to appointment, members must ensure that:

- They can demonstrate suitable expertise, knowledge, leadership and skills to contribute meaningfully to the Commission objectives
- They can commit required amount of time and be able to attend necessary meetings. This is expected to be 2-3 hours quarterly.
- Commit to positively promote, support and encourage action on climate change especially within their own organisations and sector
- If relevant, their participation has been authorised at a senior level by their organisation

Members of the Commission will serve a three-year term with the possibility of renewing membership for a further three-year term. Membership will be reviewed periodically based on attendance and contributions and changes in circumstance.

It is desired to have a staggered replacement of Commissioners, so that roughly 1/3 are replaced every year. As such in the first appointment Commissioners, equal numbers will be given 1, 2 and 3-year terms. Members that serve less than an initial 1 or 2-year term will be eligible to serve two further three-year terms.

There is an exception to the term limits for the Leader of the Council, member of an opposition group and the Council's Chief Executive, due to the necessary nature of these posts.

Members of the Commission will initially be selected by a panel of five experts that are appointed by the Council. Going forward, the Commission will be responsible for appointing its future commissioners through a process to be developed.

## 6. Governance

The Perth and Kinross Climate Change Commission will operate as an independent advisory body. Perth and Kinross Council will provide secretariat support, including liaising with committee members, setting the agenda for each meeting, providing content and input, administration support for minute taking and communications. In order to ensure accountability and scrutiny of the work of the Commission and an opportunity to report the progress that is being made by all sectors and partners towards the Council's carbon reduction target, the Perth and Kinross Climate Change Commission will report progress on an annual basis to the Perth and Kinross Council.

## 7. Remuneration

Membership of the Commission is on a voluntary basis and there will be no remuneration for Commissioners. Reasonable travel and other expenses associated with fulfilling Commission duties will be reimbursed.





# PERTH AND KINROSS COUNCIL

30 August 2021

## PARTICIPATION IN THE AFGHAN LOCALLY EMPLOYED STAFF (LES) RELOCATION SCHEME ACCELERATION

Report by Depute Director (Communities)  
(Report No. 21/143)

### PURPOSE OF REPORT

This report seeks Council's approval to homologate the decision to participate in the Afghan Locally Employed Staff (LES) Relocation Scheme Acceleration.

### 1. BACKGROUND / MAIN ISSUES

- 1.1 The UK Government has been operating a scheme to relocate Afghan former locally employed staff (LES) to the UK since 2013. The basis of the scheme is to provide support to LES to relocate back to the UK. Relocation is required due to an increased risk of intimidation arising from the fact that LES have worked side by side with armed forces and officials. For example, many of those who are eligible under the scheme have worked as military interpreters.
- 1.2 On 3 June 2021, a letter was issued by the UK Government to the Chief Executives of all local authorities in England, Scotland and Wales, seeking support with the relocation scheme. This request was due to the UK Government's intention to accelerate the pace of the relocation scheme following the announcement that NATO Military forces are withdrawing from Afghanistan.
- 1.3 On 30 July 2021, a further letter was issued by the UK Government with an urgent request for offers of support from local authorities. The increasing urgency follows the escalating conflict in Afghanistan and the associated increased risk to LES and their families.
- 1.4 This letter noted the UK Government's intention to work at pace to relocate around 3,000 people (approximately 600 families) to the UK by the end of August 2021.

### 2. PREVIOUS EXPERIENCE

- 2.1 Perth and Kinross Council has provided assistance with relocation schemes in recent years. Seven families from Syria were supported to resettle in Perth and Kinross through the Home Office Vulnerable Person Relocation Scheme (VPRS). These families arrived in 2015 and 2016 and are now well integrated in the communities where they live.
- 2.2 In addition, 17 Unaccompanied Asylum-Seeking Children (UASCs) have been supported by the Council to resettle in the area.

- 2.3 From experience, relocation schemes have enabled people to rebuild their lives within Perth & Kinross but have also provided, through their skills, talents and abilities, various opportunities and benefits to the local community.

### **3 THE AFGHAN RELOCATION SCHEME**

- 3.1 The Afghan relocation scheme closely resembles the Syrian VPRS scheme in terms of the relocation arrangements and the package of funding provided by the Home Office. The people to be relocated could be single individuals or families. Family groups may all arrive together, or the lead person may arrive first with other family members joining them at a later date.
- 3.2 Based on current discussions with COSLA, who are working with the Home Office on this scheme, local authorities can match eligible individuals and families based on the size of accommodation they have available.
- 3.3 People, who are part of the scheme, are not eligible for benefits until they can satisfy the Habitual Residency Test set by the Department of Work and Pensions (DWP) which can take up to 3 months. Participating local authorities are required to provide weekly cash support during this time and reclaim the cost of this from the Home Office.
- 3.4 The funding offer from the Home Office, paid to the local authority, includes three main elements:
- accommodation and integration support funding - a flat rate of £10,500 per person, which applies to all people within the household, including children.
  - a weekly cash allowance, for single people or families for up to 4 months or until they receive their outcome of their Habitual Residency Test and become entitled to DWP benefits.
  - additional funding to assist with excessive accommodation and travel costs and for ESOL training (English for Speakers of Other Languages) from the first 12 months from the person's arrival.
- 3.5 Based on the grant funding available the only cost to the Council from participating in the scheme will be officers time in terms of set up, administration and monitoring.

### **4. PROPOSAL**

- 4.1 There is high demand for social-rented housing in Perth and Kinross with currently around 3,300 applicants on the Common Housing Register.
- 4.2 It is our intention, therefore, to source suitable accommodation within the private-rented sector using well established arrangements and networks. Based on our assessment of current housing demand and the potential impact on education and support services, Perth and Kinross Council are in a position to offer to relocate five individuals or three families as part of the relocation scheme.

- 4.3 Through the Syrian VPR scheme, the Council has valuable experience of the work that is required to effectively support individuals and families and promote their community integration. This experience will ensure that any Afghan households relocated to Perth and Kinross will be welcomed and supported to settle here by officers, partners and our communities.
- 4.4 The support role for the Syrian families was initially delivered by Housing Support Officers employed by the council. However, more recently, the Scottish Refugee Council (SRC) were commissioned to support the Syrian families and this approach was found to be more effective. Initial discussions have been held with SRC and they are keen to support the council with this scheme.
- 4.5 As there is the potential to match identified properties with individuals and families who are part of the relocation scheme, work is underway with Education and Children's Services to identify accommodation in the most suitable locations in terms of current capacity and support needs within the early years, primary and secondary settings.
- 4.6 A multi-agency group has been established to co-ordinate and oversee the relocation and integration of individuals and families.
- 4.7 Following the escalation of the situation in Afghanistan approval was sought and given from all political groups to write to Cosla outlining Perth and Kinross Council's offer as outlined in paragraph 4.2. This letter was sent on 17 September and also indicated that further work was being undertaken to extend that offer of support, potentially up to 10 individuals or 6 families or a mix dependant on need.

## **5. CONCLUSION AND RECOMMENDATION(S)**

- 5.1 Perth and Kinross Council is in good position, based on experience and current arrangements, to welcome and support LES as part of the Afghan Relocation Scheme. The Council's participation in the scheme will confirm our commitment to providing humanitarian support to individuals and families who have worked side by side with our armed forces and officials.
- 5.2 It is recommended that Council homologates the decisions to:
- (i) approve the Council's participation in the Afghan Locally Employed Staff (LES) Relocation Scheme.
  - (ii) approve the proposal to offer support and assistance to 5 individuals or 3 families as part of the relocation scheme.
  - (iii) Agree that further work is undertaken to increase the offer of support and assistance for up to 10 individuals or 6 families or a mix dependant on need.

**Author(s)**

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**Approved**

<b>Name</b>	<b>Designation</b>	<b>Date</b>
Barbara Renton	Interim Chief Executive	13 August 2021

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## 1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

<b>Strategic Implications</b>	<b>Yes / None</b>
Community Plan / Single Outcome Agreement	<b>Yes</b>
Corporate Plan	<b>Yes</b>
<b>Resource Implications</b>	
Financial	<b>Yes</b>
Workforce	<b>Yes</b>
Asset Management (land, property, IST)	<b>No</b>
<b>Assessments</b>	
Equality Impact Assessment	<b>No</b>
Strategic Environmental Assessment	<b>No</b>
Sustainability (community, economic, environmental)	<b>No</b>
Legal and Governance	<b>No</b>
Risk	<b>Yes</b>
<b>Consultation</b>	
Internal	<b>Yes</b>
External	<b>No</b>
<b>Communication</b>	
Communications Plan	<b>Yes</b>

### 1. Strategic Implications

#### Community Plan/Single Outcome Agreement

- 1.1 This report and proposals support the delivery of the Perth and Kinross Community Plan in terms of the following priorities:

- (i) Giving every child the best start in life
- (ii) Developing educated, responsible and informed citizens
- (iii) Promoting a prosperous, inclusive and sustainable economy
- (iv) Supporting people to lead independent, healthy and active lives
- (v) Creating a safe and sustainable place for future generations

#### Corporate Plan

- 1.2 This report and proposals support the achievement of the Council's Corporate Plan Priorities:

- (i) Giving every child the best start in life;
- (ii) Developing educated, responsible and informed citizens;
- (iii) Promoting a prosperous, inclusive and sustainable economy;
- (iv) Supporting people to lead independent, healthy and active lives; and
- (v) Creating a safe and sustainable place for future generations.

## **2. Resource Implications**

### Financial

- 2.1 The Head of Finance has been consulted on this report. An initial payment is made by the Home Office upon the arrival of the person / family and the local authority then makes a claim for the remainder of the costs at the end of the 10-month period.

### Workforce

- 2.2 Officers' time will be required over various services within the council to help with the set-up, administration and monitoring of the scheme.

### Asset Management (land, property, IT)

- 2.3 There are no land or property implications arising from this report

## **3. Assessments**

### Equality Impact Assessment

- 3.1 Under the Equality Act 2010, the Council is required to eliminate discrimination, advance equality of opportunity, and foster good relations between equality groups. Carrying out Equality Impact Assessments for plans and policies allows the Council to demonstrate that it is meeting these duties.
- 3.2 The proposals have been considered under the Corporate Equalities Impact Assessment process (EqIA) with the following outcome:

### Strategic Environmental Assessment

- 3.3 The Environmental Assessment (Scotland) Act 2005 places a duty on the Council to identify and assess the environmental consequences of its proposals.

### Sustainability

- 3.4 Under the provisions of the Local Government in Scotland Act 2003 the Council must discharge its duties in a way which contributes to the achievement of sustainable development.

### Legal and Governance

- 3.5 The Head of Legal and Governance has been consulted and is supportive of the council's participation in this scheme.

#### **4. Consultation**

##### Internal

- 4.1 Heads of Service and senior managers from Communities and Education and Children's Services have been consulted on the content of this report.

#### **5. Communication**

- 5.1 None.

#### **6. BACKGROUND PAPERS**

No background papers were relied upon during the preparation of this report.

#### **7. APPENDICES**

None.

