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Council Building  
2 High Street  
Perth  
PH1 5PH

11 April 2018

A Meeting of the **Strategic Policy and Resources Committee** will be held in the **Council Chamber, 2 High Street, Perth, PH1 5PH** on **Wednesday, 18 April 2018** at **10:00**.

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

**BERNADETTE MALONE**  
Chief Executive

***Those attending the meeting are requested to ensure that all electronic equipment is in silent mode.***

***Please note that the meeting will be recorded and will be publicly available on the Council's website following the meeting.***

**Members:**

Councillor Murray Lyle (Convener)	Councillor Caroline Shiers
Councillor Peter Barrett (Vice-Convener)	Councillor Lewis Simpson
Councillor Colin Stewart (Vice-Convener)	
Councillor Alasdair Bailey	
Councillor Bob Band	
Councillor Stewart Donaldson	
Councillor Dave Doogan	
Councillor Angus Forbes	
Councillor Grant Laing	
Councillor Roz McCall	
Councillor Sheila McCole	
Provost Dennis Melloy	
Councillor Andrew Parrott	
Councillor Callum Purves	



**Strategic Policy and Resources Committee**

**Wednesday, 18 April 2018**

**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 MINUTES**
  - (i) MINUTE OF MEETING OF THE STRATEGIC POLICY AND RESOURCES COMMITTEE OF 7 FEBRUARY 2018 FOR APPROVAL AND SIGNATURE** **5 - 10**

(copy herewith)

**Note:** In relation to Article 66, the Committee is asked to note that the statutory guidance on Placemaking and on Renewable & Low Carbon Energy will now be presented to the meeting of the Committee on 28 November 2018, in association with the remaining supplementary guidance to be adopted with LDP2. This is to avoid public confusion over the consultation for the suite of statutory guidance to be adopted for LDP2 which is scheduled to begin in June 2018.
  - (ii) MINUTE OF MEETING OF THE CORPORATE HEALTH, SAFETY AND WELLBEING CONSULTATIVE COMMITTEE OF 11 DECEMBER 2017 FOR NOTING** **11 - 14**

(copy herewith)
  - (iii) MINUTE OF MEETING OF THE PERTH AND KINROSS INTEGRATION JOINT BOARD OF 26 JANUARY 2018 FOR NOTING** **15 - 22**

(copy herewith)
- 4 REVENUE BUDGET 2017/18 - MONITORING REPORT NUMBER 4** **23 - 54**

Report by Head of Finance (copy herewith 18/133)
- 5 COMPOSITE CAPITAL BUDGET 2017/23 & HOUSING INVESTMENT PROGRAMME 2017/22 - MONITORING REPORT NUMBER 4** **55 - 88**

Report by Head of Finance (copy herewith 18/134)

- |          |                                                                                                                                                                                                                                                                                                                                       |                  |
|----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| <b>6</b> | <b>ANNUAL REVIEW OF CYBER SECURITY</b><br>Report by Head of Legal and Governance Services (copy herewith 18/135)                                                                                                                                                                                                                      | <b>89 - 100</b>  |
| <b>7</b> | <b>IMPLEMENTATION OF THE GENERAL DATA PROTECTION REGULATION</b><br>Report by Head of Legal and Governance Services (copy herewith 18/136)                                                                                                                                                                                             | <b>101 - 108</b> |
| <b>8</b> | <b>TRANSFORMATION PROGRAMME 2015-2020</b><br>Report by Depute Chief Executive and Chief Operating Officer (copy herewith 18/137)                                                                                                                                                                                                      | <b>109 - 124</b> |
| <b>9</b> | <b>APPOINTMENTS</b><br><b>(i) Joint Consultative Committee</b><br>One member be appointed to the Joint Consultative Committee.<br><b>(ii) Charitable and Public Trusts Administered by the Council</b><br>Note that Councillor C Stewart is automatically appointed as vice-convenor of the Strategic Policy and Resources Committee. |                  |

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## **STRATEGIC POLICY AND RESOURCES COMMITTEE**

Minute of meeting of the Strategic Policy and Resources Committee held in the Council Chamber, Council Building, 2 High Street, Perth on Wednesday 7 February 2018 at 10.00am.

Present: Councillors M Lyle, P Barrett, B Band, B Brawn (following the death of Councillor I Campbell, Councillor M Lyle assumed the role of Convener – Councillor B Brawn substituted for Councillor Lyle as a member of the Committee), S Donaldson, D Doogan, G Laing, R McCall, S McCole, Provost D Melloy, A Parrott, C Purves, C Shiers, L Simpson and C Stewart.

In Attendance: B Malone, Chief Executive, J Fyffe, Senior Deputy Chief Executive, J Valentine, Deputy Chief Executive and Chief Operating Officer, K Donaldson, S MacKenzie, C Mackie (for Art. 65), K McNamara, L Simpson, G Taylor, S Walker and C Irons (all Corporate and Democratic Services); S Devlin (Education and Children's Services); B Renton, F Crofts, P Marshall and B Murray (Environment Service) and L Cameron (Housing and Community Safety).

Also in Attendance: R Packham, Chief Officer, Perth and Kinross Health and Social Care Partnership; L Chalmers, C Flynn, F O'Neill, L Simpson and M Whittet (all Corporate and Democratic Services – up to Art. 59)

Apologies for Absence: Councillor A Bailey

Councillor M Lyle, Vice-Convener, Presiding.

### **59. TRIBUTE TO COUNCILLOR IAN CAMPBELL**

Prior to the commencement of business Councillor M Lyle paid tribute to Councillor Ian Campbell, who had died suddenly earlier in the week and expressed condolences to his family. Councillor Campbell had first been elected in 2007 and had become Leader of the Council in May 2017. Councillors D Doogan, P Barrett and Provost D Melloy also paid tribute and expressed condolences. Thereafter a one minute's silence was held.

### **60. WELCOME AND APOLOGIES**

The Convener welcomed all those present to the meeting and an apology and substitution were noted as above.

### **61. DECLARATIONS OF INTEREST**

In terms of the Councillors' Code of Conduct, Councillor A Parrott declared a non-financial interest in Art. 63 paragraph 2.3.4 (Perth and Kinross Credit Union).

**62. MINUTES OF PREVIOUS MEETINGS**

**(i) Strategic Policy and Resources Committee**

The minute of meeting of the Strategic Policy and Resources Committee of 29 November 2017 (Arts. 663-676) was submitted, approved as a correct record and authorised for signature.

**(ii) Executive Sub-Committee**

The minute of meeting of the Executive Sub-Committee of the Strategic Policy and Resources of 18 December 2017 was submitted and noted. *(Appendix I)*

**(iii) Appeals Sub-Committee**

The minute of meeting of the Appeals Sub-Committee of the Strategic Policy and Resources Committee of 8 November 2017 was submitted and noted. *(Appendix II)*

**(iv) Corporate Health, Safety and Wellbeing Consultative Committee**

The minute of meeting of the Corporate Health, Safety and Wellbeing Consultative Committee of 11 September 2017 was submitted and noted. *(Appendix III)*

**(v) Employees Joint Consultative Committee**

The minute of meeting of the Employees Joint Consultative Committee of 28 September 2017 was submitted and noted. *(Appendix IV)*

**(vi) Perth City Development Board**

The minute of meeting of the Perth City Development Board of 5 September 2017 was submitted and noted.

**(vii) Economy and Lifelong Learning Group**

The minute of meeting of the Economy and Lifelong Learning Group of 22 September 2017 was submitted and noted.

**(viii) Perth and Kinross Integration Joint Board**

The minute of meeting of the Perth and Kinross Integration Joint Board of 3 November 2017 was submitted and noted.

PERTH AND KINROSS COUNCIL  
STRATEGIC POLICY AND RESOURCES COMMITTEE  
7 FEBRUARY 2018

**63. REVENUE BUDGET 2017/18 – MONITORING REPORT NUMBER 3**

There was submitted a report by the Head of Finance (18/41), providing an update (1) on progress with the 2017/18 General Fund Revenue Budget based on the November 2017 ledger, updated for subsequent known material movements; and (2) on the projected financial position of the Housing Revenue Account.

**Resolved:**

- (i) The contents of Report 18/41 be noted.
- (ii) The adjustments to the 2017/18 Management Revenue Budget, as detailed in Sections 2 and 3 of and Appendix 1 to Report 18/41, be approved.
- (iii) The 2017/18 Service virements, as summarised in Appendices 2 and 4 to Report 18/41, be approved.

**64. COMPOSITE CAPITAL BUDGET 2017/23 & HOUSING INVESTMENT PROGRAMME 2017/22 – MONITORING REPORT NUMBER 3**

There was submitted a report by the Head of Finance (18/42), (1) providing a summary position to date for the Composite Capital Programme for 2017/18 to 2022/23 and the Housing Investment Programme 2017/18 to 2021/22 and (2) seeking approval for adjustments to the Programmes.

**Resolved:**

- (i) The contents of Report 18/42 be noted.
- (ii) The proposed budget adjustments to the six year Composite Capital Programme Budget 2017/18 to 2022/23, as set out in Sections 2 and 3 of and summarised at Appendices 1 and 2 to Report 18/42, be approved.
- (iii) The proposed budget and monitoring adjustments to the Housing Investment Programme Budget 2017/18 to 2021/22, as set out in Section 4 of and summarised at Appendix 3 to Report 18/42, be approved.

**65. TRANSFORMATION PROGRAMME 2015-2020 PROGRESS UPDATE**

There was submitted a report by the Depute Chief Executive and Chief Operating Officer (18/43), providing an update on the Transformation Programme approved by Council on 1 July 2015.

**Resolved:**

- (i) The progress related to the Transformation Programme, as detailed in Appendices 1 and 2 to Report 18/43, be noted.
- (ii) A further report be submitted to the next meeting of this Committee on further proposals for the Transformation Programme.

**66. UPDATE ON PROGRESS WITH THE PREPARATION OF SUPPLEMENTARY GUIDANCE TO SUPPORT THE LOCAL DEVELOPMENT PLAN**

There was submitted a report by the Depute Chief Executive and Chief Operating Officer (18/44), (1) seeking approval for the proposed programme and priorities for preparing supplementary guidance to support both the Adopted Local Development Plan and the Local Development Plan review process currently under way; and (2) providing an update in respect of progress made on the preparation of the statutory supplementary guidance and the non-statutory guidance work programme of the Local Development Plan Team.

**Resolved:**

- (i) The progress made on the programme for the planning policy framework be noted.
- (ii) The priorities for preparing the Local Development Plan Supplementary Guidance be agreed as set out in Report 18/44.
- (iii) The Executive Director (Environment) be requested to continue to prepare an annual update to the Strategic Policy and Resources Committee on progress with the preparation of Supplementary Guidance to support the Local Development Plan.

**67. BUILDING AMBITION – A BLUEPRINT FOR A 21<sup>ST</sup> CENTURY COUNCIL**

There was submitted a report by the Chief Executive (18/45), advising of changes to the senior management structure which would result in more streamlined and flexible arrangements, and deliver an annual recurring saving of £300,707, with a net reduction of Chief Officers.

**Resolved:**

- (i) The overall savings of £300,707 in a full financial year, be approved.
- (ii) The overall reduction in Chief Officers through the redesignation and deletion of posts to be effective from April 2018, as set out in Report 18/45, be noted.

**IT WAS AGREED THAT THE PUBLIC AND PRESS BE EXCLUDED DURING CONSIDERATION OF THE FOLLOWING ITEM IN ORDER TO AVOID THE DISCLOSURE OF INFORMATION WHICH WAS EXEMPT IN TERMS OF SCHEDULE 7A TO THE LOCAL GOVERNMENT (SCOTLAND) ACT, 1973.**

**68. REQUEST FOR A CONTRIBUTION TO A REPLACEMENT UNDERPASS ON B9097**

There was submitted a report by the Executive Director (Environment) (18/46), (1) outlining a request to support the Royal Society for the Protection of Birds to build a new underpass at Vane Farm, near Loch Leven; and (2) seeking to use part of the funding previously allocated towards investment in the car park estate to support this development, while re-allocating the remaining balance to two car park related projects.



PERTH AND KINROSS COUNCIL  
STRATEGIC POLICY AND RESOURCES COMMITTEE  
7 FEBRUARY 2018

**Resolved:**

- (i) The proposal by RSPB Scotland to build a new underpass under the B9097 new Vane Farm, Kinross be noted.
- (ii) The original proposal for the £250,000 allocated as part of the revenue budget process in February 2017 towards investment in the car park estate was no longer possible.
- (iii) The sum of £250,000 be re-allocated towards the following:
  - (a) £30,000 for improved parking in Millbridge, Kinross
  - (b) £70,000 for improved parking in Auchterarder
  - (c ) £150,000 to support the underpass development being undertaken by RSPB, subject to the Council's standard governance arrangements.

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**PERTH AND KINROSS COUNCIL**  
**STRATEGIC POLICY AND RESOURCES COMMITTEE**  
**CORPORATE HEALTH, SAFETY AND WELLBEING**  
**CONSULTATIVE COMMITTEE**

Minute of meeting of the Corporate Health, Safety and Wellbeing Consultative Committee held in the Council Chamber, Ground Floor, Council Building, 2 High Street, Perth on Monday 11 December 2017 at 10.00am.

**Present:**                   **Representing Perth and Kinross Council**  
 Councillor C Ahern (substituting for K Baird)  
 Councillor P Barrett  
 Councillor S McCole  
 G Boland (on behalf of Executive Director (Education and Children's Services))  
 C Flynn (on behalf of the Chief Executive)  
 P Steel (on behalf of Corporate Human Resources Manager)  
 J Dixon (on behalf of the Director (Environment))  
 A Taylor (on behalf of Director (Housing and Community Safety))

**Trade Union Safety Representatives and Elected Representatives of Employee Safety Committees**  
 M Blacklaws, SSTA  
 L McLaren, Unite  
 S Peddie, EIS  
 A Thomas, Unite  
 T Todd, UCATT

**In attendance:**       S Crawford, Head of Property Services, The Environment Service  
 R Turner, Health, Safety and Wellbeing, The Environment Service  
 C Irons, Committee Officer, Corporate and Democratic Service  
 L McGeorge, Property Compliance Team Leader, Environment Service  
 K Molley, Professional Trainee, Corporate and Democratic Service

**Apologies:**           Councillors K Baird and E Drysdale and J Handling

**1. APPOINTMENT OF CONVENER**

Nominations were sought for the appointment of Convener.

Councillor S McCole was nominated by Councillor P Barrett and seconded by L McLaren.

**Resolved:**

Councillor S McCole be appointed as Convener to September 2019.

Councillor S McCole took the chair.

**2. APPOINTMENT OF JOINT SECRETARY**

M Blacklaws was nominated by S Peddie and seconded by T Todd.

**Resolved:**

M Blacklaws be appointed as Joint Secretary on behalf of the Trade Unions.

**3. DECLARATIONS OF INTEREST**

There were no Declarations of Interest made in terms of the Councillors' Code of Conduct.

**4. MINUTES**

The Minute of meeting of the Corporate Health, Safety and Wellbeing Consultative Committee of 11 September 2017 was submitted and approved as a correct record.

**5. MATTERS ARISING**

There were no matters arising from the previous minute.

**6. HEALTH AND SAFETY PERFORMANCE INDICATORS – QUARTERLY REPORT**

There was submitted a report by the Transformation and Business Manager, the Environment Service (G/17/203) providing an overview of (i) the Performance Reviews, (ii) the most serious incidents and (iii) a general summary of all incidents affecting employees and non-employees, during quarter 2 of 2017/18, 1 July – 30 September 2017.

It was noted that the Performance Reviews carried out by the Health, Safety and Wellbeing Team during quarter 2 were included in the report for the first time and would be reported to all future meetings.

M Blacklaws asked why Education and Children's Services were not given priority in the performance reviews as they had the highest number of incidents.

R Turner advised that Education and Children's Services had a good system in place for reporting of violence and aggression incidents with discussion at the service committee as well as at the Consultative Committee and in addition, there was a working group set up to consider the area.

P Steel confirmed the teaching unions were involved in the working group.

**Resolved:**

- (i) Five Performance reviews had been carried out in this quarter, be noted.

- (ii) Two reportable Incidents in the quarter, be noted.
- (iii) The total number of employee incidents was two hundred and thirty-eight, which was an increase compared to quarter 2 in 2016/17. The highest number of employee incidents in this quarter was violence and aggression followed by slips, trips and falls.
- (iv) The total number of non-employee incidents was twenty, which was a decrease compared to quarter 2 in 2016/17. The highest number of non-employee incidents in this quarter was slips, trips and falls followed by moving/falling objects.

## **7. FIRE SAFETY PERFORMANCE – QUARTERLY REPORT**

There was submitted a report by the Transformation and Business Manager, the Environment Service (G/17/204) to (1) inform members of the Fire Safety key performance for quarter 2 of 2017/18 and (2) assist the Committee to monitor the Fire Safety performance across Perth and Kinross Council's Estate.

S Crawford highlighted that the number of Education and Children's Services premises with outstanding actions from previous quarters had reduced from twenty-eight to eleven and provided an update on the work being undertaken.

It was noted that fire exit doors at Alyth Primary School had been locked when the audit was carried out by the Scottish Fire and Rescue Service and action had been taken to address this matter.

It was also noted that asbestos removal works had been undertaken at Perth Academy during the summer and October holidays of 2017 and the remaining work will commence in summer of 2018.

It was noted that the report was as at 25 October 2017 and that progress had been made since that date.

### **Resolved**

- (i) Four Council premises had their Fire Risk assessment reviewed during quarter 2 of 2017/18.
- (ii) The Scottish Fire and Rescue Service carried out one audit of Council premises.
- (iii) There were no reported incidents of fire or near misses during the quarter.
- (iv) Consideration be given to more up-to-date information being provided to the committee on the outstanding actions.

## **8. CORPORATE ANNUAL HEALTH AND SAFETY REPORT**

There was submitted and noted the Corporate Annual Health and Safety Report (G/17/205) reviewing Health and Safety management activities between 1 April 2016 and 31 March 2017.

J Dixon provided a summary of the report and referred to the highlights of the year.

**9. FATAL ACCIDENT INQUIRY RECOMMENDATIONS – UPDATE ON PROGRESS**

There was submitted and noted a report by the Corporate Human Resources Manager (G/17/206) on improvements to Council processes following the recommendations of the Fatal Accident Inquiry into the Glasgow Bin Lorry Crash.

**10. DATE OF NEXT MEETING**

It was noted that the next meeting will be held on Monday 12 March 2018 at 10.00am.

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## PERTH AND KINROSS INTEGRATION JOINT BOARD

Minute of Meeting of the Perth and Kinross Integration Joint Board (IJB) held in the Council Chamber, Ground Floor, Council Building, 2 High Street, Perth on Friday 26 January 2018 at 9.15am.

### Present:

#### Voting Members

Councillor C Reid, Perth and Kinross Council (Vice-Chair)  
Councillor C Ahern, Perth and Kinross Council  
Councillor E Drysdale, Perth and Kinross Council  
Councillor X McDade, Perth and Kinross Council  
L Dunion, Tayside NHS Board (Chair)  
S Hay, Tayside NHS Board  
J Golden, Tayside NHS Board  
S Tunstall-James, Tayside NHS Board

#### Non-Voting Members

J Pepper, Chief Social Work Officer, Perth and Kinross Council  
R Packham, Chief Officer  
J Smith, Chief Finance Officer  
Professor A Russell, NHS Tayside (on behalf of Dr N Prentice)  
J Foulis, NHS Tayside

#### Additional Members

Dr D Walker, NHS Tayside  
Dr A Noble, External Adviser to Board

#### Stakeholder Members

F Fraser, Staff Representative, Perth and Kinross Council (up to and including Item 7.5)  
D Reilly, Staff Representative, NHS Tayside (on behalf of A Drummond)  
H MacKinnon, Third Sector Interface  
B Campbell, Carer Public Partner (up to and including Item 7.4)  
L Lennie, Service User Public Partner

### In Attendance:

L McLay, Chief Executive, NHS Tayside; B Malone, Chief Executive, Perth and Kinross Council; D Fraser, E Devine, S Gunnion, M Richmond, P Henderson, A Taylor, M Rapley, D Mitchell and K Sharp (all Perth and Kinross Health and Social Care Partnership); G Taylor, Clerk; S Hendry, L Simpson, P Steel and L Potter (all Perth and Kinross Council); D Huband, B Nicoll, C Rodriguez, C Lamont, K Wilson, B Wilson and V Johnson (all NHS Tayside).

### Apologies:

Dr N McLeod, Independent Contractor; Dr N Prentice, NHS Tayside; A Drummond, NHS Tayside.

## **1. WELCOME AND APOLOGIES**

L Dunion welcomed all those present to the meeting and apologies were noted as above.

## **2. DECLARATIONS OF INTEREST**

In terms of the Perth and Kinross Integration Joint Board Code of Conduct, H Mackinnon declared a financial interest in Item 7.5 as an employee of PKAVS, and Councillor E Drysdale declared a non-financial interest in Item 7.5 as a carer.

## **3. MINUTE OF PREVIOUS MEETING**

The minute of meeting of the Perth and Kinross Integration Joint Board of 3 November 2017 was submitted and approved as a correct record.

## **4. ACTION POINT UPDATE**

There was submitted and noted the action point update for the Perth and Kinross Integration Joint Board as at 26 January 2018 (G/18/3).

## **5. MATTERS ARISING**

There were no matters arising from the previous minute.

## **6. IJB MEMBERSHIP UPDATE – PUBLIC PARTNERS**

There was submitted a report by the Chief Officer (G/18/4) seeking agreement of the Service User Public Partner appointments (main and substitute representatives) to the Integration Joint Board.

### **Resolved:**

Linda Lennie be appointed to the Board as the main Public Partner and Sandra Auld as the substitute Public Partner for Service Users, for an initial period of 1 year until October 2018.

## **7. REDESIGNING CARE**

### **7.1 PERTH AND KINROSS MENTAL HEALTH AND WELLBEING STRATEGY PROGRESS REPORT**

There was submitted a report by the Chief Officer (G/18/5) (1) providing an update on the development of Perth and Kinross Mental Health and Wellbeing strategic priorities for 2018-2021; and (2) describing the requirement to develop a Mental Health and Wellbeing Commissioning Plan to ensure the priorities of the Mental Health and Wellbeing Plan are met.

### **Resolved:**

- (i) The progress on the local Strategy and Commissioning Plan for Mental Health and Wellbeing be noted.



- (ii) Further work to take place to review existing community mental health and wellbeing services to ensure they are in line with the priorities laid out in the Mental Health and Wellbeing Strategy and Implementation Plan.
- (iii) The Chief Officer be instructed to bring a draft plan to the Board in 6 months with commissioning priorities for community based services that will compliment the redesign of inpatient mental health inpatient services across Tayside.

## **7.2 PERTH AND KINROSS LEARNING DISABILITIES PROGRESS REPORT**

There was submitted a report by the Chief Officer (G/18/6) outlining the progress being made in delivering the “Keys to Life” strategy.

### **Resolved:**

- (i) The progress on the development of a strategic commissioning plan for people with learning disabilities in Perth and Kinross be noted.
- (ii) The Chief Officer be instructed to update the Board in 12 months to demonstrate progress in the implementation of the strategic commissioning plan.

## **7.3 MENTAL HEALTH & LEARNING DISABILITY CONSULTATION FEEDBACK REPORT**

There was submitted a report by the Chief Officer (G/18/7) (1) presenting the findings of the Mental Health and Learning Disability Service Redesign Transformation (MHLDSRT) Programme Consultation; and (2) seeking approval from the Perth and Kinross Integration Joint Board of the preferred option for future General Adult Psychiatry and Learning Disability Inpatient services following public consultation.

### **Resolved:**

- (i) The process followed in undertaking the three month formal consultation on the preferred option for future General Adult Psychiatry and Learning Disability Inpatient Services and the sharing of feedback received be noted.
- (ii) The preferred option, Option 3A, as set out in Report G/18/7, be approved.
- (iii) The Chief Officer be commissioned to establish an inclusive process for the development of internal and external implementation plans to ensure the key themes highlighted during the consultation are supported and where possible impacts are mitigated.
- (iv) The Chief Officer be commissioned to ensure that further work in implementation will be undertaken in partnership across the Perth & Kinross, Angus and Dundee IJBs, with stakeholder, professional and staff representatives to ensure a smooth transition and consistent pathway of care across inpatient and community services.
- (v) The comments received from the presentation of the report to the Dundee and Angus IJBs and NHS Tayside Area Partnership Forum (APF), NHS Tayside Clinical Care Governance Committee (CCGC) and NHS Tayside Board, as detailed in Appendix 1 to Report G/18/7, be noted.
- (vi) The Chief Officer to seek assurance that prior to any moves from Murray Royal Hospital or Strathmartine Hospital, public transport arrangements must

be in place for staff, patients and visitors to cover directly the three sites so that service users are not just directed to the nearest public stop to any of the sites.

Note: J Golden abstained from this decision.

THERE FOLLOWED A BREAK AND THE MEETING RECONVENED AT 11.15AM

#### **7.4 REVIEW OF RESIDENTIAL CARE**

There was submitted a report by the Chief Officer (G/18/8) providing the results of a formal consultation and options appraisal commissioned by the Board to determine the preferred alternative service delivery model for directly provided in-house adult residential care services.

It was noted that a document had been circulated prior to the meeting with minor revisions to Section 1.3 and Appendix 2 of Report G/18/8.

B CAMPBELL LEFT THE MEETING AT THIS POINT

Motion (L Dunion and Councillor C Ahern)

- (i) The outcome of the option appraisal be noted and the highest scoring option, Option 4, closure of Beechgrove Care Home, be approved.
- (ii) Perth & Kinross Council be directed as the relevant employer to continue the engagement and progress the required consultation with the Trade Unions and employees.
- (iii) It be noted that the implementation of Option 4 generates a saving of £528k leaving a shortfall in the savings target of £168k and the Chief Officer be directed to identify alternative savings options to meet that shortfall.
- (iv) The Chief Officer be directed to report back on the progress of implementation of Option 4 to the Board in 12 months.
- (v) The Chief Officer be directed to monitor and review the new model of residential care provision to ensure that it continues to align with the strategic objectives of the Board.

Amendment (Councillors E Drysdale and X McDade)

Consideration of Report G/18/8 be deferred to allow more detailed financial information to be presented to the Board following completion of the respective budget setting processes by the Scottish Government, Perth and Kinross Council and the Board.

In terms of Standing Orders a vote was taken by a show of hands.

Motion: 4 votes

Amendment: 4 votes

#### **Resolved:**

In terms of Standing Order 15.4, as no consensus could be reached, the matter would now be referred to the next meeting of the IJB on 23 March 2018.

COUNCILLOR E DRYSDALE, H MACKINNON AND F FRASER LEFT THE MEETING AT THIS POINT

## **7.5 IMPLEMENTATION OF CARERS (SCOTLAND) ACT 2017 – LOCAL CARERS ELIGIBILITY CRITERIA FRAMEWORK REVIEW**

There was submitted a report by the Chief Officer (G/18/9) (1) updating the Board on the consultation on the draft Local Adult Carers Eligibility Criteria Framework, as part of the implementation of the Carers (Scotland) Act 2016, which comes in force on 1 April 2018; and (2) giving information about the communications plan and engagement of the public consultation, as well as the decisions taken to review the framework in light of feedback received post-consultation.

### **Resolved:**

- (i) The Adult Carers Eligibility Criteria, set out in Appendix 1 of Report G/18/9, be approved.
- (ii) The Chief Officer be directed to implement the Adult Carers Eligibility Criteria across Health and Social Care Services by 1 April 2018.

COUNCILLOR E DRYSDALE AND H MACKINNON RETURNED TO THE MEETING AT THIS POINT.

## **8. FINANCE AND GOVERNANCE**

### **8.1 2017/18 FINANCIAL POSITION**

There was submitted a report by the Chief Finance Officer (G/18/10) providing a summary of the issues impacting on the financial position of the Board in 2017/18.

### **Resolved:**

The forecast financial position of the Board for 2017/18, as set out in Report G/18/10, be noted.

## **9. DEVELOPING STRATEGIC OBJECTIVES**

### **9.1 STRATEGIC UPDATE**

There was submitted a report by the Chief Officer (G/18/11) providing an update on progress against tasks outlined in the rolling actions list.

### **Resolved:**

- (i) Progress on each issued listed within Report G/18/11 be noted.
- (ii) The Chief Officer be requested to submit reports by the due dates as set out in the action point update.

## **9.2 PROPOSAL TO REVISE ARRANGEMENTS FOR STRATEGIC PLANNING ACROSS PERTH AND KINROSS HEALTH AND SOCIAL CARE PARTNERSHIP**

There was submitted a report by the Chief Officer (G/18/12) seeking approval from the IJB for a refreshed approach to Strategic Planning for the Perth and Kinross Health and Social Care Partnership.

### **Resolved:**

- (i) The process of refreshing structures for strategic planning across the partnership, as set out in Report G/18/12, be approved.
- (ii) The Chief Officer be commissioned to refresh the membership of the Strategic Planning Group for approval at the Board in March 2018.
- (iii) The Chief Officer be commissioned to present a refreshed role, remit and terms of reference for each of these groups by March 2018.

## **9.3 VISUAL IDENTITY FOR THE HEALTH AND SOCIAL CARE PARTNERSHIP**

There was submitted a report by the Chief Officer (G/18/13) seeking approval of a new strapline for the Health and Social Care Partnership as part of its visual identity.

### **Resolved:**

The strapline 'Supporting healthy and independent lives' and the final version of the partnership logo as reflected within Report G/18/13, be approved.

## **9.4 IMPROVING SCOTLAND'S HEALTH: A HEALTHIER FUTURE – ACTIONS AND AMBITIONS ON DIET, ACTIVITY AND HEALTHY WEIGHT**

There was submitted a report by the Director of Public Health, NHS Tayside (G/18/14) asking the Board to consider and make comment on The Scottish Government's consultation document 'A Healthier future' to influence the final strategy for Scotland.

### **Resolved:**

- (i) It be recognised that the Scottish Government has firmly identified obesity as a priority for action.
- (ii) Board members to provide any additional comments to the Director of Public Health and the Chief Officer to enable the co-creation of a partnership response from NHS Tayside.
- (iii) A future Board development session to be arranged on the role of public health in the work of the Board.

## **9.5 DELIVERING THE NEW 2018 GENERAL MEDICAL SERVICES CONTRACT IN SCOTLAND**

There was submitted a report by the Chief Officer (G/18/15) outlining (1) the content of the proposed new 2018 General Medical Services (GMS) Contract in Scotland; (2) the Memorandum of Understanding (MoU) between Scottish Government, British Medical Association, Integration Authorities and NHS Boards; and (3) the requirement for Primary Care Improvement Plans to be developed by 1 July 2018.

**Resolved:**

- (i) The contents of Report G/18/15 be noted.
- (ii) It be noted that following a ballot of GPs and GP trainees that the full Scottish General Practices Committee (SGPC) met on 18 January 2018 to decide whether the contract should be accepted on behalf of the profession.
- (ii) Should the contract have been accepted on 18 January 2018, the Chief Officer be instructed to progress the necessary actions within the Perth and Kinross IJB to develop the Primary Care Improvement Plan, as set out in Section 13 of Report G/18/15, and present this to the IJB in June 2018 for approval.

Post Meeting Note: The SGPC had approved the contract on 18 January 2018.

**10. UPDATE PAPERS FOR INFORMATION**

The following items were submitted and noted for information:

**10.1 DIRECTOR OF PUBLIC HEALTH ANNUAL REPORT 2016/17 – TRANSFORMATIONAL PUBLIC HEALTH**

Board members noted a report by the Director of Public Health, NHS Tayside (G/18/16) and supported the recommendations for 2017/18 outlined in the report.

**10.2 UPDATE ON THE IMPLEMENTATION OF THE SOCIAL CARE (SELF DIRECTED SUPPORT) (SCOTLAND) ACT 2013 IN PERTH AND KINROSS**

Board members noted a report by the Chief Officer (G/18/17) and that the topic would be the subject of a future Board development session.

**10.3 STANDARDS COMMISSION FOR SCOTLAND: PROFESSIONAL BRIEFING JANURY 2018**

Board members noted the briefing (G/18/18) and that the Commission would be holding a training workshop for all IJB members later in 2018.

**11. FUTURE MEETING DATES 2018**

Friday 23 February 2018 at 9.30am – Briefing Session  
Friday 23 March 2018 at 9.30am – IJB Meeting  
Friday 11 May 2018 at 9.30am – Briefing Session  
Friday 22 June 2018 at 9.30am – IJB Meeting  
Friday 24 August 2018 at 9.30am – Briefing Session  
Friday 28 September 2018 at 9.30am – IJB Meeting  
Friday 26 October 2018 at 9.30am – Briefing Session  
Friday 30 November 2018 at 9.30am – IJB Meeting



**PERTH & KINROSS COUNCIL****Strategic Policy & Resources Committee – 18 April 2018****REVENUE BUDGET 2017/18 – MONITORING REPORT NUMBER 4****Report by the Head of Finance****PURPOSE OF REPORT**

This report provides an update on progress with the 2017/18 General Fund Revenue Budget based upon the January 2018 ledger, updated for any subsequent known material movements, and the projected financial position of the Housing Revenue Account.

The total net projected under spend on the 2017/18 General Fund Management Budget is £2,906,000 (see Appendix 1).

The report also proposes a number of adjustments to the 2018/19 Final Revenue Budget (see Appendix 5)

**1. BACKGROUND / MAIN ISSUES**

- 1.1. This is the fourth report updating the Committee on progress with the 2017/18 Revenue Budget. Appendix 1 to this report summarises the current projected year end (outturn) position for each Service based upon the January 2018 ledger, updated for any subsequent known material movements.
- 1.2. The budget total reflected in Column 1 of Appendix 1 to this report is that approved by the Council in setting the Final Revenue Budget for 2017/18 on 22 February 2017 (Report No. 17/47 refers). In addition, adjustments that were approved by the Council on 28 June 2017 (Report No. 17/236 refers) and the Strategic Policy and Resources Committees on 19 April, 13 September, 29 November 2017 and 7 February 2018 (Report Nos. 17/152, 17/279, 17/388, 18/41 and 18/46 refer) are reflected in Appendix 1 (Column 2).
- 1.3. The Council's Financial Regulations allow Service Directors to vire budgets up to £100,000 within their Service. Any virements between Services or in excess of £100,000 are either included in the body of the revenue monitoring report or in the appendices for approval.
- 1.4. This report details the latest projected outturns and proposed adjustments to the 2017/18 General Fund and Housing Revenue Account budgets.

## **2. PROPOSALS**

### **2.1 Service Budgets**

2.1.1 Details of variances against Service budgets are shown in Appendix 2 to this report with the most significant variances summarised below. The total net projected under spend on Service budgets, as set out in Appendix 1 to this report, is £2,355,000 which represents 0.88% of total net Service expenditure. (In the corresponding report in February 2017, the projected under spend was £3,144,000 which represented 1.01% of total net Service expenditure).

2.1.2 The utilisation of these Service under spends is considered throughout the financial year and more recently was approved as part of the Revenue Budget strategy for future years. Specific proposals to utilise many of the projected under spends identified in Appendix 2 were approved by the Council on 22 February 2018 (Report No. 18/47 refers).

2.1.3 **Education & Children's Services:** The projected outturn (excluding the Devolved School Management (DSM) and Pupil Equity Fund (PEF) budgets) is currently anticipated to be £1,330,000 less than budget – a movement of £260,000 from the position last reported to Committee.

2.1.4 This increase in the projected net under spend is made up as follows -

- Staff Costs (increase in projected under spend of £84,000) due to further slippage and proactive workforce management measures across the Service.
- Property Costs (reduction in projected under spend of £26,000) due to additional waste disposal costs.
- Supplies and Services (increase in projected under spend of £155,000) due, in the main, to the receipt of an insurance rebate and updated expenditure projections on early learning and childcare.
- Transport Costs (increase in projected under spend of £7,000) based on the latest levels of activity.
- Third Party Payments (increase in projected under spend of £48,000) due, in the main, to revised projections relating to supporting young people.
- Services for young people with additional support needs and foster / kinship care (increase in projected over spend of £60,000) based on the latest demand projections and increases in the number / extensions to existing placements.
- Income (increase in the level of projected income of £52,000) due, primarily to additional grant funding.

2.1.5 There is a projected under spend of £859,000 on Devolved School Management budgets (DSM) due, mainly, to staff slippage, educational materials and additional income. It is anticipated that, in line with the



approved DSM scheme, the eventual over and under spends will be carried forward into 2018/19.

2.1.6 The projected carry forward of £859,000 represents 1.02% of the overall DSM budget.

2.1.7 At this stage of the academic year, expenditure from the Pupil Equity Fund is projected to be £450,000 less than the allocation from the Scottish Government of £1,608,000. In line with the terms of this funding, this under spend will be carried forward to 2018/19 to meet staffing commitments.

2.1.8 **Housing & Community Safety:** The projected outturn is currently anticipated to be £817,000 less than budget – a movement of £63,000 from the position last reported to Committee.

2.1.9 This net reduction in the under spend is made up as follows -

- Housing (including temporary accommodation) (reduction in projected over spend of £4,000) following an update of expenditure projections.
- Finance & Support (reduction in projected under spend of £94,000) due primarily to a reduction in income projections.
- Strategic Planning and Commissioning (reduction in projected under spend of £13,000) due to revised staff cost projections.
- Mental Health (reduction in projected over spend of £22,000) following an update of staff cost projections.
- Learning and Development (reduction in projected under spend of £9,000) following an update of staff cost projections.
- Community Safety (increase in projected under spend of £27,000) due to additional staff slippage, reduced property costs, additional non-recurring income and the accelerated delivery of approved savings.

2.1.10 **The Environment Service:** The projected outturn is currently anticipated to be £58,000 more than budget – a movement of £1,020,000 from the position last reported to Committee.

2.1.11 This projected net additional over spend is made up as follows –

- Planning & Development (projected additional net under spend of £250,000) due to projected additional income from building and planning warrant fees.
- Roads & Transport (projected additional net over spend of £15,000) due to costs for the purchase of symology equipment and reduced projected savings on street lighting partially offset by the receipt of further additional income in relation to statutory road closures and site notices.
- Winter Maintenance (projected additional over spend of £1,050,000) based on the significant activity undertaken during the period of bad

weather at the start of March. This brings the total projected overspend on winter maintenance in 2017/18 to an estimated £1,500,000.

- Operations, Waste Strategy & Fleet Management (projected additional net under spend of £225,000) due to additional income from the sale of recyclates and trade waste permits and increased savings on the waste disposal contract.
- Community Greenspace & Bereavement (projected net over spend of £30,000) due to additional planned maintenance in parks and open spaces partially offset by additional income from burials and cremations.
- Property (increase in projected over spend of £400,000) due to a further shortfall in professional fees from capital projects and additional expenditure on structural surveys and compliance / fire audit works.

2.1.12 **Corporate and Democratic Services:** The projected outturn is currently anticipated to be £266,000 less than budget – a movement of £5,000 from the position last reported to Committee.

2.1.13 This projected net additional under spend is made up of miscellaneous net additional under spends across the Service (£5,000).

## 2.2 Movements in Funding

2.2.1 Since Revenue Monitoring Report No. 3 was approved by the Committee in February 2018 (Report No. 18/41 refers), notification has been received of additional resources in the current financial year from a number of sources as set out in paragraphs 2.2.2 and Appendix 3.

### Scottish Government: Revenue Support Grant: (£943,000)

- Stage 1 Budget Bill – prepayment of £943,000 (Reserves)

2.2.2 The Scottish Government has advised that a prepayment of £943,000 will be made through a redetermination of the Council's Revenue Support Grant. It is therefore necessary to adjust both the net Revenue Budgets for Reserves; and Revenue Support Grant. This funding, will be paid in 2017/18 but relates to financial year 2018/19 and was assumed in setting the Council's 2018/19 Final Revenue Budget on 22 February 2018.

2.2.3 **ACTION:** The Committee is asked to note the receipt of Unhypothecated Revenue Support Grant amounting to £943,000 which has been pre-paid by the Scottish Government and will be carried forward to 2018/19. The budget for Revenue Support Grant requires to be adjusted by the sum of £943,000 to reflect the revised allocation of resources. These adjustments are reflected in Appendix 1 (Column 3) to this report.

### Other Funding: (£170,361)

2.2.4 Other funding amounting to £170,361 will be paid outside the Revenue Support Grant mechanism as Other Grant income and is therefore cost

neutral in terms of the budget summary. Details of this other funding are set out in Appendix 3.

- 2.2.5 **ACTION:** The Committee is also asked to note the receipt of £170,361 of additional resources, with this funding being reflected within Education & Children's Services; Housing & Community Safety and The Environment Service as additional grant income. The current projected outturn assumes that all of these additional resources will be fully expended in 2017/18.

## 2.3 Virements

### Contribution to/from Capital Fund

- 2.3.1 In line with the strategy for managing the Council's Capital Programme over the medium term (as reported to Council on 22 June 2016 – Report No. 16/277 refers) it is recommended that the eventual over or under spend on Capital Financing Costs and Interest on Revenue Balances be transferred from or to the Capital Fund.
- 2.3.2 The latest monitoring indicates an increase in the projected outturn for capital financing costs (loan charges) of £35,000 and an increase in the level of projected income from Interest on Revenue Balances of £27,000. These projections reflect the financial implications of treasury management activity in the year to date.
- 2.3.3 **ACTION:** The Committee is requested to approve the virement of £35,000 to the Capital Financing Costs (Loan Charges) Budget and £27,000 to Interest on Revenue Balances with a reduction of £8,000 in the projected Contribution to the Capital Fund. These adjustments have been reflected in Appendix 1 (Column 4) to this report.

### Service Virements

- 2.3.4 In order to ensure that the 2017/18 Management Revenue Budget continues to reflect current Service needs and operational requirements the following virements between budgets are required.
- Perth Transport Futures Plan – Transfer from the Environment Service to Capital Grant (£130,000). This funding will be utilised in 2018/19
  - Health & Social Care to Housing & Community Safety (£129,000) and Education & Children's Services (£20,000) to reflect operational requirements
- 2.3.5 **ACTION:** The Committee is asked to approve the adjustments to Service Revenue Budgets listed in 2.3.4 above. These adjustments are reflected in Appendix 1 (Column 4) to this report.

## 2.4 Movements in Reserves

### Corporate Transformation Programme

2.4.1 Approval is sought to adjust the budgets for a number of transformation projects due to changes in the phasing of expenditure as follows –

- Digital Workplace Programme – reduction of £36,000 (Corporate & Democratic Services C&DS)
- Intent Based Leadership – reduction of £49,000 (C&DS)
- Strategic Commissioning – reduction of £12,000 (C&DS)
- Collaboration – reduction of £54,000 (C&DS)

2.4.2 **ACTION:** The Committee is asked to approve the adjustments listed above in relation to the Corporate Transformation Programme. These adjustments are reflected in Appendix 1 (Column 5) to the report.

### Communities & Area Action Partnerships

2.4.3 The projected outturns for Communities & Area Action Partnerships has been further updated to show an additional projected under spend of £70,000 in the current financial year. The Committee has previously approved that the final underspend in this area is transferred to Reserves to be used in future years (Report No. 18/41 refers). The monies will be allocated to support community empowerment and will be spent on the key priorities and actions identified by Action Partnerships and communities themselves. This will support medium to long term planning to tackle inequalities at a locality level and support the meaningful empowerment of communities in future years.

2.4.4 **ACTION:** The Committee is asked to approve the transfer of £70,000 from Corporate & Democratic Services to an earmarked Reserve to support future expenditure on Community Action Partnerships. This adjustment is reflected in Appendix 1 (Column 5) to the report.

### Voluntary Severance

2.4.5 On 22 February 2018, the Council approved the 2018/19 Final Revenue Budget and 2019/20 and 2020/21 Provisional Revenue Budgets (Report No. 18/47 refers). This included the financial implications of the latest Voluntary Severance Scheme which was promoted in late 2017.

2.4.6 The Voluntary Severance Scheme was introduced, as far as possible, to avoid compulsory redundancies and to facilitate significant levels of recurring savings to the Council. This will result in 47 posts being removed from the approved establishment resulting in upfront costs of £1,516,000 (including contributions from Services) to generate recurring full year savings of £1,437,000 which represents an overall payback period of slightly in excess of 1 year.

2.4.7 Over five years these proposals will deliver savings of c£7,185,000.

2.4.8 Approval is now sought to transfer the funding from Reserves to individual Services to meet the cost of the scheme, which will be accounted for in 2017/18. This comprises severance, strain on the fund and, where eligible, added year lump sum payments.

2.4.9 The costs for the General Fund to be met from the earmarked Reserve for Transformation and Workforce Management are as follows –

- Education & Children's Services - £78,000
- Housing & Community Safety - £467,000
- The Environment Service - £205,000
- Corporate & Democratic Services - £577,000
- Health & Social Care - £115,000

#### Perth Crematorium Abatement Levy

2.4.10 The Reserves Strategy, approved on 22 February 2017, included £500,000 of resources that is earmarked towards improvement works at Perth Crematorium in 2017/18 to comply with mercury abatement legislation (Report No. 17/48 refers). The works on this capital project have been undertaken and it is proposed that these resources are transferred to the Environment Service to make a revenue contribution toward the project. The 2017/18 Revenue Budget also includes a budgeted contribution of £60,000 to Reserves in 2017/18 for the abatement levy which will also be transferred to the Environment Service.

2.4.11 **ACTION:** The Committee is asked to approve the transfer of £560,000 from Reserves to the Environment Service to fund capital works at Perth Crematorium. This adjustment is reflected in Appendix 1 (Column 5) to the report.

#### Provision of Affordable Housing - Council Tax 2<sup>nd</sup> Home and Long Term Empty Property Discount – Transfer from Reserves

2.4.12 The Housing & Health Committee of 1 November 2017 (Report No. 17/364 refers) has previously approved contributions of £600,000 in 2017/18 from the earmarked Reserve for Affordable Housing (Council Tax Discounts). This will fund an additional 30 affordable housing units at Birch Avenue, Scone and Stanley.

2.4.13 In addition £200,000 is required in 2017/18 from the earmarked Reserve for Affordable Housing (Council Tax Discounts) to take forward the Empty Homes Initiative project targeted at bringing unused properties back into use.

2.4.14 **ACTION:** The Committee is requested to approve the transfer of £800,000 from the ear-marked Reserve for Affordable Housing (Council Tax Discounts) to Housing & Community Safety to progress the affordable housing projects identified above. This adjustment is reflected in Appendix 1 (Column 5) to the Report.

### **3. CORPORATE BUDGETS**

#### Council Tax Income

- 3.1 The latest monitoring of Council Tax Income indicates that additional income in excess of budget will be generated in the current year in the order of £500,000. The primary reasons for this additional income are anticipated favourable movements in the provisions for bad debts and a net increase in the Council Tax base in excess of budget assumptions.
- 3.2 These projections are indicative at this stage and are subject to further review. This additional income is reflected in Appendix 1.

#### Perth & Kinross Integration Joint Board

- 3.3 The meeting of Perth and Kinross Integration Joint Board of 23 March 2018 considered a financial update as at 31 December 2017 from the Board's Chief Finance Officer (Report No. G/18/47 refers).
- 3.4 This update included the detail supporting a projected under spend on social care activity of £2,493,000. The financial position for the Integration Joint Board will be kept under review and it is proposed that the final controllable under spend on the Council's contribution to health & social care be earmarked in the Council's Reserves to support future social care activity.

#### Contributions to Tayside Valuation Joint Board

- 3.6 The Treasurer of the Tayside Valuation Joint Board is currently projecting that expenditure is in line with budget.

#### Unfunded Pension Costs

- 3.7 The latest projected outturn, based on current recharges from the Tayside Pension Fund, indicates an under spend of £42,000 which is reflected in Appendix 1.

#### Apprenticeship Levy

- 3.8 The latest projected outturn, based on current levels of remittance to HM Revenue & Customs, indicates an under spend of £9,000 which is reflected in Appendix 1.

### **4. HOUSING REVENUE ACCOUNT (HRA)**

- 4.1 The Interim Director of Housing & Community Safety is currently projecting a break even position on the Housing Revenue Account. Within this projection there are a number of variances which are set out below.
- Improvements and South (increase in projected under spend of £74,000) due to additional staff slippage and reduced expenditure.

- Letham and North (reduction in projected over spend of £21,000) due to reduced operational expenditure.
  - Perth City and Specialist (increase in projected under spend of £47,000) due to increased staff slippage.
  - Housing Management (increase in projected under spend of £4,000) due, primarily, to updated staff cost projections.
  - Administration (reduction in projected under spend of £46,000) due to revised projections in relation to expenditure on staff and capital financing costs.
  - Income (reduction in projected increase of £34,000) due, in the main, to further revisions to bad debt provision figures.
- 4.2 The net projected under spends described above result in an increase in the projected contribution to Capital Financed from Current Revenue (CFCR) (£66,000) available for the HRA Capital Programme.
- 4.3 Full details of the movement against the HRA Revenue Budget are set out in Appendix 4.

## **5. 2018/19 FINAL REVENUE BUDGET**

- 5.1 The 2018/19 Final Revenue Budget approved by Council on 22 February 2018 is set out in Appendix 5 (Report No. 18/47 refers). This budget has been adjusted to reflect the structural changes included in the most recent Building Ambition report (Report No. 18/45 refers). There will be further budget virements identified as the new structure is implemented.

### **2018/19 Movements in Funding**

- 5.2 Since the 2018/19 Final Revenue Budget was approved by Council (Report No. 18/47 refers), notification has been received of additional resources for 2018/19 from a number of sources as set out below and Appendix 6. This funding will be paid both through the Revenue Support Grant mechanism, Ring Fenced Grants and Other Grant income.

#### **Scottish Government: Revenue Support Grant – (net reduction in funding of £180,735)**

- Teacher Induction Scheme: £120,645 (Education & Children's Services – ECS)
  - 1+2 Languages Support: £78,000 (ECS)
  - Discretionary Housing Payment: £554,620 (Corporate & Democratic Services)
  - Sensory Impairment: £9,000 (Housing & Environment)
  - Stage 1 Budget Bill prepayment of £(943,000) (Reserves) – see para 2.2.2 above
- 5.3 The Scottish Government has advised that £762,265 of the additional Revenue Support Grant, identified at 5.2 above, will be made through a

redetermination of the Council's Revenue Support Grant in 2018/19. The funding of £943,000 received in 2017/18 that relates to 2018/19 is also reflected in this proposed adjustment. It is therefore necessary to adjust the net Revenue Budgets for Education & Children's Services, Housing & Environment, Corporate & Democratic Services, Revenue Support Grant and Reserves.

- 5.4 **ACTION:** The Committee is asked to approve the following adjustments to Education & Children's Services (£198,645); Housing & Environment (£9,000); Corporate & Democratic Services (£554,620) and Revenue Support Grant (reduction of £180,735) to reflect the revised allocation of resources for 2018/19 being made through Revenue Support Grant. These adjustments are reflected in Appendix 5 (Column 2) to this report.

Scottish Government: Ring Fenced Grant (£2,718,575)

- Early Learning & Childcare Expansion: £902,575 (ECS)
- Criminal Justice Social Work: £1,816,000 (ECS)

- 5.5 **ACTION:** The Committee is asked to note the receipt of £2,718,575 of Ring Fenced Grant notified since setting the Revenue Budget, with this funding being reflected within Education & Children's Services as grant income. It is anticipated that all of these resources will be fully expended in 2018/19.

Other Funding: (£1,282,686)

- 5.6 Other funding amounting to £1,282,686 will be paid outside the Revenue Support Grant mechanism as Other Grant income and is therefore cost neutral in terms of the budget summary. Details of this other funding are set out in Appendix 6.
- 5.7 **ACTION:** The Committee is asked to note the receipt of £1,282,686 of additional resources for 2018/19 with this funding being reflected within Education & Children's Services and Corporate & Democratic Services as additional grant income. It is assumed that all of these additional resources will be fully expended in 2018/19.

Additional Funding – Severe Weather

- 5.8 The Cabinet Secretary for Finance and the Constitution has announced an additional £10 million nationally towards the cost of dealing with damage to the local roads network arising from recent severe weather. The distribution of this funding has still to be announced and will be reported to a future meeting of this Committee. The Cabinet Secretary has intimated that this additional funding will supercede any claim for Bellwin Scheme funding following the severe weather events in 2017/18 (which the Council activated in March 2018).



## **2018/19 Virements**

5.9 In order to ensure that the 2018/19 Management Revenue Budget continues to reflect current Service needs and operational requirements the following virements between budgets are required.

- Housing & Environment and Capital Grant - £330,000 – Flood Studies (£200,000) and Tactran (£130,000)
- Health & Social Care to Corporate & Democratic Services - £53,000 – additional legal support

5.10 **ACTION:** The Committee is asked to approve the adjustments to Service Revenue Budgets listed in 5.8 above. These adjustments are reflected in Appendix 5 (Column 3) to this report.

## **2018/19 Movements in Reserves**

### Corporate Transformation Programme

5.11 The Committee has previously approved funding for Transformation Projects as set out in Appendix 7.

5.12 **ACTION:** The Committee is asked to approve the adjustments to Service Revenue Budgets listed in Appendix 7 for approved transformation projects. These adjustments are reflected in Appendix 5 (Column 3) to this report.

### Provision of Affordable Housing - Council Tax 2<sup>nd</sup> Home and Long Term Empty Property Discount – Transfer from Reserves

5.13 The Housing & Health Committee of 1 November 2017 (Report No. 17/364 refers) has previously approved contributions of £1,100,000 in 2018/19 from the earmarked Reserve for Affordable Housing (Council Tax Discounts). This will fund an additional 55 affordable housing units at Crieff Road, Perth, Blackthorn Place, Blairgowrie and Invergowrie.

5.14 In addition £200,000 is required in 2018/19 from the earmarked Reserve for Affordable Housing (Council Tax Discounts) to take forward the Empty Homes Initiative project that brings unused properties back into use.

5.15 **ACTION:** The Committee is requested to approve the transfer of £1,300,000 from the ear-marked Reserve for Affordable Housing (Council Tax Discounts) to Housing & Environment to progress the affordable housing projects identified above. This adjustment is reflected in Appendix 5 (Column 4) to the Report.

### Local Government By-Election – 19 April 2018

5.16 Following the death of Councillor Ian Campbell, a by-election will be held in Ward 4, Highland on Thursday 19 April 2018. The estimated cost is £45,000 which it is proposed to fund from Reserves.

- 5.17 **ACTION:** The Committee is requested to approve the transfer of £45,000 from Reserves to Corporate & Democratic Services to fund the Local Government By-Election in Ward 4, Highland. This adjustment is reflected in Appendix 5 (Column 4) to the Report.

### **Perth & Kinross Integration Joint Board**

- 5.18 At the meeting of Perth & Kinross Integration Joint Board on 23 March 2018, the Board considered a report from the Chief Financial Officer on the 2018/19 Budget (Report No. G/18/48 refers).
- 5.19 The Chief Financial Officer recommended that the Board
- “Approve the proposed recurring budget offer from Perth & Kinross Council (PKC) for 2018/19”, and
  - “Request that the Chief Officer write to PKC on this basis and thereafter issue a formal Direction”.

## **6. CONCLUSION AND RECOMMENDATIONS**

- 6.1. The total net projected under spend on the 2017/18 General Fund, as set out in Appendix 1 to this report, is £2,906,000.
- 6.2. Additionally, the projected under spend on Devolved School Management Budgets currently stands at £859,000 and £450,000 from the Pupil Equity Fund.
- 6.3. The Interim Director of Housing & Community Safety is currently projecting a break even position on the Housing Revenue Account in 2017/18.
- 6.4. The Committee is requested to:
- Note the contents of the report;
  - Approve the adjustments to the 2017/18 Management Revenue Budget detailed in Appendix 1 and Section 2 and 3 above;
  - Approve 2017/18 Service virements summarised in Appendices 2 and 4;
  - Approve the adjustments to the 2018/19 Council Approved Revenue Budget detailed in Appendix 5.

### **Author(s)**

<b>Name</b>	<b>Designation</b>	<b>Contact Details</b>
Scott Walker	Chief Accountant	<a href="mailto:chxfinance@pkc.gov.uk">chxfinance@pkc.gov.uk</a>

**Approved**

<b>Name</b>	<b>Designation</b>	<b>Date</b>
Stewart Mackenzie	Head of Finance	5 April 2018
Jim Valentine	Depute Chief Executive and Chief Operating Officer	

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## ANNEX

### 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	Yes
Asset Management (land, property, IST)	Yes
<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

##### 1.1. Corporate Plan

- 1.1.1. The Council's Corporate Plan 2013 – 2018 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.

- 1.1.2 This report relates to all of these objectives.

#### 2. Resource Implications

##### 2.1. Financial

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

## 2.2. Workforce

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

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

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

## 3. **Assessments**

### 3.1. Equality Impact Assessment

- 3.1.1. 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.
- 3.1.2. 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.

### 3.2 Strategic Environmental Assessment

- 3.2.1 The Environmental Assessment (Scotland) Act 2005 places a duty on the Council to identify and assess the environmental consequences of its proposals.
- 3.2.2 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.

### 3.3 Sustainability

- 3.3.1 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.
- 3.3.2 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 Internal**

- 4.1.1 The Chief Executive, Depute Chief Executives and Directors 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 1 –	General Fund 2017/18 Revenue Budget - Summary
Appendix 2 –	General Fund 2017/18 Projected Outturn – Service Analysis
Appendix 3 –	Other 2017/18 Funding
Appendix 4 –	Housing Revenue Account 2017/18 Projected Outturn
Appendix 5 –	General Fund 2018/18 Revenue Budget – Update
Appendix 6 –	Other 2018/19 Funding
Appendix 7 –	Corporate Transformation Funding 2018/19

PERTH & KINROSS COUNCIL GENERAL FUND  
2017/18 REVENUE BUDGET - SUMMARY

APPENDIX 1

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	2017/18 Council Approved Budget Feb-17	Previously Approved Adjustments (Net)	Movements in Funding	Virements	Movements in Reserves	2017/18 Revised Mgt Budget	Projected Outturn	Variance to Revised Mgt Budget	Variance to Revised Mgt Budget
<i>Reference: Section in Report</i>		1.2	2.2	2.3	2.4		2.1		
<b>SERVICE</b>	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	%
<b>Education &amp; Children's Services</b>	157,553	1,748		20	78	159,399	158,069	(1,330)	(0.83%)
<b>Housing &amp; Community Safety</b>	15,793	2,090		129	1,267	19,279	18,462	(817)	(4.24%)
<b>The Environment Service</b>	58,793	(131)		(130)	765	59,297	59,355	58	0.10%
<b>Corporate &amp; Democratic Services</b>	16,924	678			356	17,958	17,692	(266)	(1.48%)
<b>Culture &amp; Leisure Services</b>	9,814	502				10,316	10,316	0	0.00%
<b>Sub - Total: Service Budgets</b>	<b>258,877</b>	<b>4,887</b>	<b>0</b>	<b>19</b>	<b>2,466</b>	<b>266,249</b>	<b>263,894</b>	<b>(2,355)</b>	<b>(0.88%)</b>
<b>Corporate Budgets</b>									
Contribution to Health & Social Care	49,409	(2,322)		(149)	115	47,053	47,053	0	0.00%
Contribution to Valuation Joint Board	1,145					1,145	1,145	0	0.00%
Capital Financing Costs	16,348	(226)		35		16,157	16,157	0	0.00%
Interest on Revenue Balances	(200)	70		(27)		(157)	(157)	0	0.00%
Net Contribution to/(from) Capital Fund	1,626	156		(8)		1,774	1,774	0	0.00%
Contribution to/(from) Insurance Fund	200					200	200	0	0.00%
Contribution to/(from) Renewal and Repair Fund	(258)					(258)	(258)	0	0.00%
Trading Operations Surplus	(350)					(350)	(350)	0	0.00%
Support Service External Income	(1,888)					(1,888)	(1,888)	0	0.00%
Un-Funded Pension Costs	1,508					1,508	1,466	(42)	(2.79%)
Apprenticeship Levy	680					680	671	(9)	(1.32%)
Council Tax Reduction Scheme	6,499					6,499	6,499	0	0.00%
Discretionary Relief	150					150	150	0	0.00%
<b>Net Expenditure (General Fund)</b>	<b>333,746</b>	<b>2,565</b>	<b>0</b>	<b>(130)</b>	<b>2,581</b>	<b>338,762</b>	<b>336,356</b>	<b>(2,406)</b>	<b>(0.71%)</b>
<b>Financed By:</b>									
Revenue Support Grant	(187,802)	(1,892)	(943)			(190,637)	(190,637)	0	0.00%
Ring Fenced Grant	(3,350)					(3,350)	(3,350)	0	0.00%
Non Domestic Rate Income	(50,864)	(1,171)				(52,035)	(52,035)	0	0.00%
Council Tax Income	(82,240)					(82,240)	(82,740)	(500)	(0.61%)
Capital Grant	(1,500)	(355)		130		(1,725)	(1,725)	0	0.00%
<b>Total Financing</b>	<b>(325,756)</b>	<b>(3,418)</b>	<b>(943)</b>	<b>130</b>	<b>0</b>	<b>(329,987)</b>	<b>(330,487)</b>	<b>(500)</b>	<b>(0.15%)</b>
<b>Financed from/(returned to) Reserves including use of Budget Flexibility b/fwd</b>	<b>7,990</b>	<b>(853)</b>	<b>(943)</b>	<b>0</b>	<b>2,581</b>	<b>8,775</b>	<b>5,869</b>	<b>(2,906)</b>	





**PERTH AND KINROSS COUNCIL - GENERAL FUND 2017/18 PROJECTED OUTTURN - SERVICE ANALYSIS**  
**(Based on Expenditure to 31 January 2018)**

SERVICE	Variance £'000	Variance £'000	Summary of Service Variances
<b><u>Education &amp; Children's Services (ECS)</u></b>			
Total	(1,330)		
			<b><u>Devolved School Management (DSM)</u></b>
		(549)	<b>Staff Costs</b> Teachers salaries are projected to under spend by £1,647,000 due to staff turnover. Single Status staff are projected to under spend by £599,000 also due to staff turnover. This is offset by a slippage target for 2017/2018 of £1,697,000.
		(150)	<b>Supplies &amp; Services</b> Projected under spend on educational materials which will be carried forward into the 2018/19 academic school year.
		(160)	<b>Income</b> Projected additional income which offsets additional expenditure on staff costs included above for secondments and SQA work.
		859	The projected DSM carry forward for 2017/18 is £859,000 which is a reduction of £244,000 on the balance brought forward from 2016/17. This level of carry forward represents approximately 1.02% of the overall DSM budget.
			<b><u>Pupil Equity Fund</u></b>
		(450)	The majority of schools within Perth and Kinross Council have been allocated a share of £1,608,000 of Pupil Equity Funding from the Scottish Government as a ring fenced grant. The funding covers the school academic year (i.e. to 30 June 2018) and at this stage in the academic year it is projected that £450,000 will be carried forward to 2018/19 for staffing commitments.
		450	Projected carry forward of Pupil Equity Funding.
			<b><u>Other Education &amp; Children's Services Sectors:</u></b>
		(1,116)	<b>Staff Costs</b> This projected under spend is made up of movements across all sectors and cost centres and is after recognising a slippage target of £746,000.
		(14)	<b>Property Costs</b> Projected under spend in relation to Non-Domestic Rates for 2017/18 based on the latest valuations partially offset by an over spend on waste disposal costs.
		(551)	<b>Supplies and Services</b> Projected under spend in Early Learning and Childcare provision (£256,000), Evidence to Success (£100,000) funding which has now been mainstreamed and the Virtual Campus (£100,000) and an insurance rebate in relation to the Investment in Learning school (£117,000). This is partially offset by projected over spends in Throughcare, Aftercare and Early Intervention within Children, Young People & Families (£22,000).
		(72)	<b>Transport Costs</b> Projected under spend on car allowances and travel.
		207	<b>Home to School Transport</b> Projected over spend due to changing demand patterns within Additional Support Need provision e.g. young people transferring to external placements and reduced supply in the local market leading to above inflation contract increases on the current tender.
		(508)	<b>Third Party Payments</b> There is a projected under spend due to less partner provider places being required than budgeted for (£323,000), in Continuing Care (£204,000) due to delays in young people choosing this option for care at this time, the SLA with Action for Children (£38,000) and Tayside Contracts Facilities Management costs (£60,000). This is partially offset by projected over spends within Children Young People and Families, Supporting Young People and Direct Payments (£87,000) and Perth Autism (£30,000).

**PERTH AND KINROSS COUNCIL - GENERAL FUND 2017/18 PROJECTED OUTTURN - SERVICE ANALYSIS**  
**(Based on Expenditure to 31 January 2018)**

SERVICE	Variance £'000	Variance £'000	Summary of Service Variances
		95	<b>Residential Schools/Foster Care and Kinship Care:</b> The budget for young people with Additional Support Needs (ASN) who are educated outwith the Council's mainstream school provision is projected to over spend in the current financial year based on the number of known placements at this time.
		738	The budget for young people with complex behavioural issues which includes a number of pupils placed within secure schools is projected to over spend based on current activity levels.
		64	Support in the Community is projected to over spend based on the existing number of placements.
		(80)	The foster care / kinship care budget is projected to under spend based on current levels of activity.
			<b>Loan Charges</b>
		6	Projected over spend on prudential borrowing loan charges due to revised projections for land disposals.
		(99)	<b>Income</b> Projected additional income from Out of School Kids Clubs (£33,000); recharging other authorities for Fostercarer Placements (£54,000) and secondments to Education Scotland (£11,000), grant income in relation to unaccompanied asylum seeking children (£70,000), NHS Tayside contribution to Perth Autism (£15,000) and Languages 1 + 2 (£135,000). This additional income is offset by reduced income from Wellbank House rents (£22,000); reduced income from breakfast clubs (£59,000); reduced school meal uptake (£57,000) and reduced income from the Renewable Heat Incentive programme (£81,000).
<b>Housing and Community Safety</b>			
Total	(817)	97	<b><u>Housing (including Homeless Temporary Accommodation)</u></b> There are projected over spends at Greyfriars, St Catherine's and Dispersed Tenancies (£218,000) due to reduced occupancy levels. There is also a projected over spend on RIO due to loan charges and property costs pending the sale of the building (£32,000). In addition, the transition to the new model for the Care & Repair Scheme is currently projecting an over spend (£42,000) due to interim staffing arrangements and there is also now a projected over spend on Private Sector Housing Grant payments (£147,000). These projected over spends are partially offset by projected under spends on staff costs (£188,000) due to vacancies, bed & breakfast (£19,000) due to reduced usage, supplies & services (£27,000) as the Service completes the transformation to the Homefirst model, a small over-recovery of income (£8,000) at Double Dykes and a reduced recharge from the Housing Revenue Account.
		(439)	<b><u>Finance and Support Services</u></b> The projected under spend relates to improved Sherriff Officers activity (£38,000), a projected under spend on Housing Benefit Subsidy due to a reduction in the loss on rent allowances (£67,000), additional staff slippage (£240,000) principally due to the interim management arrangements across the Service and the implementation of new staffing structures in some teams and a projected under spend on supplies & services (£20,000) across all teams. There is also the accelerated delivery of approved 2018/19 savings (£223,000). This is partially offset by reduced income (£149,000) including HRA recharges.
		(166)	<b><u>Strategic Planning &amp; Commissioning</u></b> There is a projected under spend due to the accelerated delivery of approved 2018/19 savings (£81,000), non recurring income (£25,000) and a projected under spend on SLA/contract spend (£60,000).
		(10)	<b><u>Mental Health Officers (Community Mental Health Teams)</u></b> There is a projected under spend across all teams due to staff slippage.
		(59)	<b><u>Learning &amp; Development</u></b> Projected under spend in relation to staff slippage.
		(240)	<b><u>Community Safety</u></b> Projected under spend in relation to staff slippage (£166,000), reduced property costs (£32,000), additional non-recurring income (£108,000) and the accelerated delivery of approved savings (£43,000). These are partially offset by projected over spends on grant payments (£85,000) and supplies & services (£24,000).

**PERTH AND KINROSS COUNCIL - GENERAL FUND 2017/18 PROJECTED OUTTURN - SERVICE ANALYSIS**  
**(Based on Expenditure to 31 January 2018)**

SERVICE	Variance £'000	Variance £'000	Summary of Service Variances
<b><u>The Environment Service</u></b>			
Total	58		
		(400)	<b><u>Service-Wide Staffing Budgets</u></b> Projected staff slippage in excess of target across the Service predominantly derived from accelerated voluntary severance savings.
			<b><u>Planning &amp; Development</u></b>
		50	Projected shortfall in income at Perth Harbour.
		40	Operating expenditure associated with River Tay boat trip pilot programme.
		(100)	Rephasing of expenditure to match Leader funding.
		(172)	Rephasing of European Social Funding to deliver approved projects.
		(50)	Receipt of external grant funding towards the Creative Exchange.
		(250)	Projected additional income from Planning and Building Warrant fees.
			<b><u>Roads &amp; Transport</u></b>
		(150)	Projected additional income from statutory road closures and site notices.
		(60)	Projected saving on street lighting energy and carbon reduction commitment costs due to the impact of the LED replacement programme.
		(195)	Slippage on a number of infrastructure projects including the Aberfeldy flood study, River Erich riverbank works and the footpath programme.
		(120)	Rephasing of CCTV City Operations Centre project expenditure in line with ERDF funding.
		1,500	Projected over spend on winter maintenance following the recent extended period of extreme low temperatures.
		35	Purchase of symology equipment for traffic and network team (spend to save initiative).
			<b><u>Public Transport</u></b>
		(190)	Projected saving in tendered services predominantly due to the commercialisation of two previously subsidised services.
		(50)	Slippage on the roll out of community led transport scheme.
			<b><u>Car Parking</u></b>
		134	Investment in infrastructure at Mill Street.
		(134)	Contribution from Car Park Reserves.
			<b><u>Operations, Waste Strategy &amp; Fleet Management</u></b>
		(200)	Projected additional income from sale of recyclates and trade waste permits.
		(300)	Projected saving on waste disposal contract payments due to improved recycling rates and lower than anticipated gate fee for retendered residual waste contract.
		(30)	Rephasing of expenditure on the fleet wash bed facility at Friarton Depot.
			<b><u>Regulation</u></b>
		(10)	Slippage in relation to the appointment of a temporary dog control officer.
			<b><u>Community Greenspace &amp; Bereavement</u></b>
		100	Additional planned maintenance expenditure in parks and open spaces and acquisition of stock and equipment.
		(70)	Projected additional income from burials and cremations.
			<b><u>Property</u></b>
		100	Projected increase in energy costs due to higher than anticipated price increase in electricity (c£300,000) and costs of Electric Vehicle Charging points (c£60,000) offset by lower than anticipated price increase in gas and oil (c£130,000), savings on Carbon Reduction Commitment payments due to reduced energy consumption (c£100,000) and additional Renewable Heat Incentive income (c£30,000).
		(20)	Slippage on the energy performance certificate programme.
		(100)	Projected saving on water costs.
		450	Projected shortfall in fees arising from non-fee earning work.
		250	Additional projected expenditure in relation to structural surveys and compliance / fire audit works.

**PERTH AND KINROSS COUNCIL - GENERAL FUND 2017/18 PROJECTED OUTTURN - SERVICE ANALYSIS**  
**(Based on Expenditure to 31 January 2018)**

SERVICE	Variance £'000	Variance £'000	Summary of Service Variances
<b><u>Corporate and Democratic Services</u></b>			
Total	(266)		
		(2)	<b><u>Core Costs</u></b> Projected net under spend on staff costs due to slippage.
		(68)	<b><u>Legal Services</u></b> Projected under spend on staff costs due to vacancies.
		45	Projected over spend on other costs across the Division, primarily publications and photocopying.
		(46)	Projected additional income due to the cyclical nature of a number of the income streams.
		(10)	<b><u>Finance</u></b> Projected net under spend primarily due to staff slippage in excess of budgeted levels.
		21	<b><u>Democratic Services</u></b> Various net projected over spends across staff costs, supplies and services, third party payments and transport costs
		(113)	<b><u>Human Resources</u></b> Various net projected under spends across staff costs, supplies and services, third party payments and transport costs
		(113)	<b><u>IT</u></b> Projected under spend on staff costs due to vacancies.
		(24)	Projected over recovery on supplies & services.
		(1)	<b><u>Strategic Commissioning &amp; Organisational Development</u></b> Various net projected under spends across staff costs, supplies and services, third party payments and transport costs
		45	<b><u>Projected costs of Local Government By Election</u></b>
<b>TOTAL</b>	<b>(2,355)</b>		

## Other 2017/18 Funding

<b>Education &amp; Children's Services</b>	
UK Home Office - Syrian Refugee Resettlement Grant	£25,000
Tayside Health Board	£3,286
British Council – Erasmus+: Oakbank Primary	£1,925
Gaelic Language in Primary Schools – Blair Atholl Primary	£1,000
<b>Housing &amp; Community Safety</b>	
UK Home Office - Syrian Refugee Resettlement Grant	£135,000
DWP – Universal Credit Live Service Closure	£2,234
DWP – Universal Support Grant Q2	£1,102
DWP – Universal Support Grant Q3	£814
<b>TOTAL</b>	<b>£170,361</b>



**PERTH AND KINROSS COUNCIL - HOUSING REVENUE ACCOUNT 2017/18 PROJECTED OUTTURN**  
**(Based on Expenditure to 31 January 2018)**

£'000	Summary of Service Variances
(143)	<p><b>Improvements and South</b></p> <p>There is a projected under spend on staff costs in South (£45,000), Improvements Team (£40,000) and Planned Maintenance (£24,000) due to vacant posts, a projected under spend in Shops &amp; Offices (£5,000) and Lockups &amp; Garage Sites (£28,000) and increased income for recoverable charges in external voids (£17,000). These are partially offset by a projected over spend on Social Work Adaptations (£16,000) due to the cost of standby arrangements and overtime.</p>
37	<p><b>Letham and North</b></p> <p>There is a projected over spend on agency fees and overtime costs in Internal Trades teams to cover long term sickness (£30,000) and a projected overspend in supplies &amp; services within Stores (£32,000). These projected over spends are partially offset by a projected under spend in property costs in North and recoverable charges for voids (£25,000).</p>
(144)	<p><b>Perth City and Specialist</b></p> <p>Increased income from the recharge for Common Housing Register (£26,000), a projected under spend in staff costs within Housing Options &amp; Support (£83,000), City Office (£41,000), Housing Options Admin (£2,000), Sheltered Housing (£21,000) and Internal Trades (£33,000). In addition, there is a projected under spend in transport costs within Housing Options &amp; Support (£7,000), Caretakers (£4,000) and Sheltered Housing (£8,000). These projected under spends are partially offset by a projected over spend in property costs (£25,000) and supplies &amp; services in City Team (£30,000) and supplies &amp; services in Sheltered Housing (£26,000).</p>
(69)	<p><b>Housing Management</b></p> <p>Projected under spend on staff costs due to interim management arrangements and other staff costs and a small projected under spend on property cost budgets.</p>
(33)	<p><b>Administration</b></p> <p>Projected under spend due to lower than anticipated loan charges, staff costs and property costs in relation to reduced property insurance recharges partially offset by additional rates charges.</p>
(202)	<p><b>Income</b></p> <p>Projected over recovery of income following a review of the levels of provision for bad debts (£301,000) and courts expenses (£24,000). This is partially offset by a projected under recovery of income in relation to interest on revenue balances (£34,000), garages and lock-ups (£13,000), commercial properties (£17,000) and house rents (£59,000).</p>
554	<p><b>Capital Financed from Current Revenue</b></p> <p>As a result of the projected net under spends highlighted above, this is the increase in the amount available to invest in the HRA capital programme from the Revenue Budget.</p>
0	





PERTH & KINROSS COUNCIL GENERAL FUND  
2018/19 REVENUE BUDGET - SUMMARY

APPENDIX 5

	(1)	(2)	(3)	(4)	(5)
	2018/19 Council Approved Budget Feb-18	Movements in Funding	Virements	Movements in Reserves	2018/19 Revised Mgt Budget
<i>Reference: Section in Report</i>		5.3 & 5.4	2.3	2.4	
<b>SERVICE</b>	£'000	£'000	£'000	£'000	£'000
<b>Education &amp; Children's Services</b>	162,855	2,917		92	165,864
<b>Housing &amp; Environment</b>	71,746	9	330	1,668	73,753
<b>Corporate &amp; Democratic Services</b>	25,310	555	53	1,649	27,567
<b>Sub - Total: Service Budgets</b>	<b>259,911</b>	<b>3,481</b>	<b>383</b>	<b>3,409</b>	<b>267,184</b>
<b>Corporate Budgets</b>					
Contribution to Health & Social Care	49,175		(53)		49,122
Contribution to Valuation Joint Board	1,145				1,145
Capital Financing Costs	17,651				17,651
Interest on Revenue Balances	(200)				(200)
Net Contribution to/(from) Capital Fund	1,626				1,626
Contribution to/(from) Insurance Fund	200				200
Trading Operations Surplus	(350)				(350)
Support Service External Income	(1,888)				(1,888)
Un-Funded Pension Costs	1,595				1,595
Apprenticeship Levy	680				680
Council Tax Reduction Scheme	6,499				6,499
Discretionary Relief	150				150
<b>Net Expenditure (General Fund)</b>	<b>336,194</b>	<b>3,481</b>	<b>330</b>	<b>3,409</b>	<b>343,414</b>
<b>Financed By:</b>					
Revenue Support Grant	(190,744)	181			(190,563)
Ring Fenced Grant	(1,775)	(2,719)			(4,494)
Non Domestic Rate Income	(51,953)				(51,953)
Council Tax Income	(85,300)				(85,300)
Capital Grant	(1,400)		(330)		(1,730)
<b>Total Financing</b>	<b>(331,172)</b>	<b>(2,538)</b>	<b>(330)</b>	<b>0</b>	<b>(334,040)</b>
<b>Financed from/(returned to) Reserves including use of Budget Flexibility b/fwd</b>	<b>5,022</b>	<b>943</b>	<b>0</b>	<b>3,409</b>	<b>9,374</b>



## Other 2018/19 Funding

<b>Education &amp; Children's Services</b>	
Scottish Government – Early Years Expansion Top-up	£583,000
Scottish Government – Criminal Justice Social Work Top-up	£197,000
<b>Corporate &amp; Democratic Services</b>	
DWP – Housing Benefit Admin Subsidy	£446,995
DWP – Universal Credit & New Burdens	£55,691
<b>TOTAL</b>	<b>£1,282,686</b>



## Corporate Transformation Projects

<b>Education &amp; Children's Services</b>	
Review of Inclusion Services	£15,000
Expansion of Family Based Care Review	£32,000
Evidence Based Improvement Methodology	£45,000
<b>Housing &amp; Environment</b>	
Home First: Review of Homeless Service	£31,000
Smart Perth and Kinross: Perth and Kinross Open Data	£120,000
Council Vehicle Fleet Utilisation and Optimisation Review	£45,000
Community Greenspace Review	£21,000
Collaborative Working	£151,000
<b>Corporate &amp; Democratic Services</b>	
Procurement Reform Review	£345,000
Corporate Digital Services and my Account Review	£380,000
Mobile Working Review	£476,000
Electronic Document Management	£294,000
Review of Administrative Support Services	£50,000
Enabling Collaboration	£59,000
<b>TOTAL</b>	<b>£2,064,000</b>



## PERTH AND KINROSS COUNCIL

## Strategic Policy and Resources Committee

18 April 2018

**COMPOSITE CAPITAL BUDGET 2017/23 & HOUSING INVESTMENT  
PROGRAMME 2017/22 – MONITORING REPORT No.4**

Report by the Head of Finance

**PURPOSE OF REPORT**

This report provides a summary position to date for the Composite Capital Programme for 2017/18 to 2022/23 and the Housing Investment Programme 2017/18 to 2021/22, and seeks approval for adjustments to the programmes.

**1. BACKGROUND / MAIN ISSUES**

- 1.1 At its meeting on 7 February 2018, this Committee approved a revised Gross Composite Capital Budget for 2017/18 to 2022/23 totalling £491,981,000 (report 18/42 refers). The Committee also approved a revised Housing Investment Programme for the 5 years 2017/18 to 2021/22, with estimated net expenditure of £80,235,000. This included £15,000,000 in respect of New Build Future Developments carried forward from 2021/22 to 2022/23.
- 1.2 This report advises of expenditure to 28 February 2018 and the latest estimate of the projected outturn for each of the years to 2022/23 for the Composite Programme and to 2021/22 for the Housing Investment Programme. This report also reflects the Council Service structure as at 28 February 2018, with the changes approved by the Council being reflected in subsequent monitoring reports for 2018/19.
- 1.3 The Capital Programme Exceptions Report provides summary information on the latest position for individual projects reported within Sections 3 and 4.

**2. COMPOSITE CAPITAL PROGRAMME – CAPITAL RESOURCES**

- 2.1 The current estimated total gross capital resources available over the six years 2017/18 to 2022/23 amount to £489,810,000. Movements from the revised Composite Capital Budget approved on 7 February 2018 are summarised in the table below, and the constituent elements for each year are summarised at Appendix I.

<b>Total Composite Gross Capital Resources</b>			
	<b>Approved 7 February 2018</b>	<b>Current Estimate</b>	<b>Movement</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>2017/18</b>	96,641	90,144	(6,497)
<b>2018/19</b>	71,989	71,100	(889)
<b>2019/20</b>	59,715	60,725	1,010
<b>2020/21</b>	89,898	96,746	6,848
<b>2021/22</b>	104,377	103,804	(573)
<b>2022/23</b>	69,361	67,291	(2,070)
<b>Total</b>	<b>491,981</b>	<b>489,810</b>	<b>(2,171)</b>

2.2 The total movement in resources in comparison to the position approved by this Committee on 7 February 2018 is a decrease of £2,171,000.

2.3 The **General Capital Grant** available to the Composite Capital Programme has increased by £708,000 over the 6 years 2017/18 to 2022/23. There are various movements contributing to the proposed increase which are detailed below:-

- Removal of the Private Sector Housing Grants (PSHG) budget in 2017/18 of £558,000 which is funded from the Capital Grant but sits within the Revenue Budget. This proposed movement follows the latest expenditure profile and as a result increases the Capital Grant available to the Capital Budget in 2017/18 by £558,000.
- Following the approval of the request for a contribution towards a replacement underpass on the B9097 at Vane Farm (Report 18/47 refers) it was agreed to fund this contribution from the Capital Grant and therefore £150,000 has been transferred from the Capital Grant to the Revenue Budget in 2017/18. Subsequently the Capital Grant available in the Capital Budget in 2017/18 has been reduced by £150,000.
- When setting the Revenue Budget at the special Council meeting on 22 February 2018 (report 18/47 refers), it was also approved to reduce the amount applied for the Regional Transport Partnership by £100,000 each year across the 6 year Composite Capital Programme from 2018/19. This is funded from the Capital Grant but sits within the Revenue Budget. As a result, this increases the General Capital Grant available to the Capital Budget in the years 2018/19 to 2022/23 by £100,000 per annum.
- It is also proposed to carry forward further funding of £130,000 from 2017/18 to 2018/19 in respect of the latest expenditure projections for the Regional Transport Partnership. It is therefore proposed to increase the Capital Grant available to the Capital Budget in 2017/18 by £130,000 and subsequently reduce the amount available in 2018/19 by £130,000.



- An element of the Capital Grant relates to the undertaking of ongoing Flood Studies, and therefore requires to be reflected in the Revenue Budget, as such works do not qualify as capital expenditure. Accordingly, it is proposed to transfer £200,000 of the 2018/19 Capital Grant to the Revenue Budget in order to fund the flood studies.

- 2.4 **Commercial Property Investment Programme (CPIP)** receipts over the 6 year programme have been reviewed, with an estimated reduction of £1,847,000 in 2017/18 as a result of one receipt now anticipated to conclude in April 2018. However, there is an overall increase of £457,000 over the 6 year programme. As a result of the increase of £150,000 in projected expenditure on the Commercial Property Investment Programme (Section 3.4.12), there is a corresponding increase of £307,000 in the estimated **net receipts carried forward to future years**. All movements in the Commercial Property Investment Programme have been included in Appendices I and II.
- 2.5 There is an overall increase of £23,000 in **Third Party Contributions**. This relates to £255,000 to be received in respect of Brioch Road Realignment works in Crieff (section 3.4.4), offset by reduced contributions of £200,000 in the Capital Budget relating to the Mobile Working Review project (which is proposed to transfer to the Revenue Budget, Section 3.6.1), the SALIX project (£25,000, Section 3.4.12) and the Safety Barriers Programme (£7,000, Section 3.4.5). **Revenue Contributions** have increased by £625,000 as a result of £560,000 to be applied for the Crematorium Abatement Works (section 3.4.14) and the Brioch Road Realignment (section 3.4.4).
- 2.6 The projected **Borrowing Requirement** in 2017/18, which is effectively the balancing item for resources, is £58,256,000. This is £6,062,000 lower than the previous Borrowing Requirement approved by this Committee on 7 February 2018. The total Borrowing Requirement in the subsequent years 2018/19 to 2022/23 has increased by £2,385,000 to £280,162,000, resulting in an overall decrease of £3,677,000 across the whole six year programme.
- 2.7 The difference in the Gross Resources at Section 2.1 above and the Borrowing Requirement can be summarised as follows:

Increase in General Capital Grant (Section 2.3)	£708,000
Increase in Commercial Property Receipts (Section 2.4)	£457,000
Increase in Resources c/f to Future Years (Section 2.4)	(£307,000)
Increase in Third Party Contributions (Section 2.5)	£23,000
Increase in Revenue Contributions (Section 2.5)	£625,000
Reduction in Borrowing Requirement (Section 2.6)	(£3,677,000)
<b>Increase in Gross Capital Resources (Section 2.1)</b>	<b>(£2,171,000)</b>

- 2.8 All movements in the Borrowing Requirement are shown in the Proposed Budget Adjustment column within Appendix II, and summarised in the table below:

	2017/18	2018/19	2019/20	Later Years	Total
	£'000	£'000	£'000	£'000	£'000
(Increase)/Decrease in General Capital Grant (Section 2.3)	(538)	230	(100)	(300)	<b>(708)</b>
Increase/(Decrease) in Commercial Receipts (Section 2.4)	1,847	(1,603)	(801)	100	<b>(457)</b>
Increase/(Decrease) in Resources c/f to Future Years (Section 2.4)	1,421	(1,027)	13	(100)	<b>307</b>
Reduction in Prudential Borrowing – The Environment Service (Section 3.4.14)	(909)	350	0	0	<b>(559)</b>
Reduction in Prudential Borrowing – Corporate & Democratic Services (Section 3.6.1)	(380)	(1,880)	0	0	<b>(2,260)</b>
Movements arising from re-phasing of other expenditure and receipts (Appendix II)	(7,503)	1,774	1,804	3,925	<b>0</b>
<b>Increase/(Decrease) in Borrowing Requirement</b>	<b>(6,062)</b>	<b>(2,156)</b>	<b>916</b>	<b>3,625</b>	<b>(3,677)</b>

### 3. COMPOSITE CAPITAL PROGRAMME – EXPENDITURE

- 3.1 Total expenditure (net of grants and contributions) in the current year to 28 February 2018 on the Composite Capital Programme amounts to £68,647,000 which is detailed at Appendix II and can be summarised as follows:

	Net Expenditure to 28 Feb 2018
	£'000
Education and Children's Services	19,559
The Environment Service	47,388
Health and Social Care	271
Housing and Community Safety	296
Corporate & Democratic Services	1,133
<b>Total</b>	<b>68,647</b>

- 3.2 In addition, General Capital Grant received to 28 February 2018 amounts to £16,935,000 and capital receipts amount to £1,411,000. Therefore, the borrowing requirement to 28 February 2018, after allowing for the movement in receipts brought forward (£1,326,000), totals £48,975,000. A comprehensive monitoring exercise has been carried out, which is detailed at Appendix II. The most significant features are discussed below.

#### 3.3 Education and Children's Services

- 3.3.1 The Executive Director (Education & Children's Services) has reviewed the current programme from the position approved by this Committee on 7 February 2018 (report 18/42 refers).
- 3.3.2 Within the Kinross Primary School and Tulloch Primary School projects, it is proposed to rephase £328,000 and £200,000 respectively from 2017/18 to 2018/19 to reflect the revised expenditure profile relating to the external works

surrounding the site, which includes external lighting and car parking provision.

- 3.3.3 It is proposed to reprofile the expected developer contribution of £500,000 from 2017/18 to 2018/19 in relation to the development of Oudenarde Primary School. This follows the Scottish Government's decision to take over the planning application process for the development at Oudenarde due to concerns raised by Transport Scotland with how the proposed housing development would impact the nearby M90 motorway.
- 3.3.4 Following a review of the Perth High School Internal Refurbishment programme, it is proposed to rephase £300,000 from 2017/18 to 2022/23 to reflect the rescheduled works.
- 3.3.5 A comprehensive review of the 2018/19 Education Capital Programme has been undertaken with a view to realigning budgets to reflect the latest projected expenditure profiles. There are a number of proposed movements from 2018/19 into future years within the Composite Capital Programme for projects including Modernising Primaries, Perth Academy Refurbishments and the Perth Grammar School Upgrade project.
- 3.3.6 In addition, it is proposed to transfer £421,000 in relation to MIS Licence costs in 2018/19 from the IST Infrastructure Replacement programme within Corporate & Democratic Services. There are various other minor proposed adjustments to project budgets between years which mostly relate to the phasing of expenditure, particularly in 2017/18 and 2018/19, to reflect updated expenditure profiles, and are reflected in Appendices I and II to this report.

#### 3.4 The Environment Service

- 3.4.1 The Executive Director (Environment) has reviewed the current programme and proposes various budget adjustments, the most significant of which are described below:
- 3.4.2 Following a review of the Road Safety Initiatives project, a revised programme of works has been developed. Due to an increase in demand for Vehicle Activation Signs within some communities it is proposed to transfer £19,000 to the budget from Road Safety Initiatives in 2017/18. This, together with rephasing of a further £4,000 within the Vehicle Activation Signs budget, is included in 2018/19 in line with when the works are proposed to be undertaken. It is further proposed to rephase £166,000 from Road Safety Initiatives in 2017/18 to 2018/19 to align with the revised programming of works.
- 3.4.3 When setting the Revenue Budget at the special Council meeting on 22 February 2018 (report 18/47 refers), £150,000 from the 2017/18 Car Parking – Additional Capital Grant Programme was approved for the redevelopment of the underpass at Vane Farm, Loch Leven in conjunction with the Royal Society for the Protection of Birds (RSPB). As these works are not Capital Expenditure of the Council, the £150,000 is reflected in the Revenue Budget. Consequently, £150,000 of the General Capital Grant has been transferred to

the Revenue Budget to fund these works. The remaining £100,000 within the Car Parking – Additional Capital Grant programme will be used to fund works in 2018/19 and it is therefore proposed to rephase the remaining £100,000 from 2017/18 to 2018/19.

- 3.4.4 Planning consent for three significant development proposals along Brioch Road, Crieff include a requirement for appropriate road realignment works to be fully funded by developers, currently estimated to cost £195,000. Following consultation with local members and the community, it is proposed to improve road safety measures adjacent to the sites and take the opportunity to undertake this work at the same time as the road realignment. The enhanced scheme will include signal controlled pedestrian crossing facilities and connecting footpaths/cycle paths to improve safety at the new development. The additional cost of these measures is estimated at £125,000. It is anticipated that works on the footpaths/cycle paths will attract Sustrans funding of £60,000 with the balance of £65,000 to be funded from a combination of the Footpaths & Cycle Networks and Road Safety Measures budgets recently approved by the Council on 22 February 2018. The total cost of the scheme of £320,000, together with the proposed funding, has been included in Appendix II.
- 3.4.5 Within the Structural Maintenance Programme, it is proposed to rephase £589,000 from 2017/18 into 2018/19. This is due in part to rescheduling planned works until 2018/19 as a result of an increased focus on the additional strategic timber route works in 2017/18, to meet the funding conditions of the Forestry Commission, as well as the need to apply resources for winter maintenance. Additionally, it is proposed to transfer £50,000 in 2018/19 from Structural Maintenance to the Alyth Environmental Improvements project due to a re-profiling of resurfacing works in conjunction with the project. As a result of reduced costs anticipated on the Road Safety Barriers programme of £7,000, there is also a corresponding reduction in Third Party Contributions. In addition, much of the works are now expected to be undertaken in 2018/19.
- 3.4.6 Works on the A9/A85 Road Junction Improvements are continuing to progress well. Consequently it is proposed to accelerate a further £995,000 of the budget from 2018/19 to 2017/18 in line with the latest cost update from the contractor.
- 3.4.7 The works on Contract 2 of the Almondbank Flood Protection Scheme are progressing well with around 80% of the project complete. In accordance with the contract terms a series of additional compensation events have been submitted or anticipated by the main contractor estimated at £1,600,000 for issues and items not included within the original scope of works. These are predominantly in relation to the off-site disposal of excess material, import of suitable infill material to meet the technical requirements of the scheme, water monitoring duties, further costs associated with contaminated land and on-site costs resulting from time delays in the project. In addition it is proposed to make provision of £400,000 for further land compensation costs, extended consultancy support through to completion of the project and a small

contingency sum to meet any final unanticipated costs. There is the potential to recover some of the compensation event costs from the utility companies involved in the project where it can be demonstrated that these were directly related to time delays in their respective works programmes and also where works have been carried out under the New Roads and Street Works Act. It is proposed that the additional estimated cost of up to £2,000,000 in 2018/19 is funded from the existing 5 year Structural Maintenance programme, with £500,000 from each of the financial years 2019/20 to 2022/23. The total Structural Maintenance budget between 2018/19 and 2022/23 is currently £33,564,000.

3.4.8 For the Rural Flood Mitigation Schemes, updated expenditure profiles have been provided in relation to the Comrie and Milnathort projects. Accordingly, it is proposed to accelerate £188,000 from 2020/21 on the Comrie Flood Protection Scheme to 2017/18 (£8,000), 2018/19 (£87,000) and 2019/20 (£93,000), in line with the revised profile provided by the new consultants. It is further proposed to rephase £14,000 from 2017/18 to 2018/19 within the Milnathort Flood Protection scheme due to consultancy works that will now be undertaken in 2018/19.

3.4.9 Within the City Centre Place-making projects, it is proposed to reprofile works on various schemes from 2017/18 to 2018/19 and 2019/20, whilst confirmation of third party contributions towards the works are confirmed. However some work has already commenced on the City Greening project, and it is therefore proposed to accelerate £11,000 of the budget from 2018/19 to 2017/18. It is further proposed to transfer £101,000, together with an equivalent amount of Third Party Contributions from 2017/18 to 2018/19 for the Creative Exchange project.

3.4.10 Within the 2018/19 Community Greenspace programme, it is proposed to allocate the Greenspace Sites and Small Parks programmes to specific projects. These include proposed works at the Knock, Kinnoull Hill, and improving countryside access. Further, following a review of the Alyth Environmental Improvements Programme, it is proposed to increase the expenditure budget within 2018/19 by £130,000 to reflect the nature of the works being undertaken which are funded by different budgets. The proposed movements are listed below:

- Transfer £50,000 from Structural Maintenance to fund resurfacing works (para 3.4.5 refers).
- Transfer £40,000 from Community Greenspace Sites following a review of existing programmes.
- Revenue Contributions totalling £25,000 from the Car Park Reserve (£20,000) and the Perth & Kinross Council Public Transport Unit (£5,000).
- Transfer £15,000 from 2017/18 following a rephasing of the scheduled works.

3.4.11 It is proposed to consolidate the PC Replacement & IT Upgrades Hardware budget totalling £400,000 over 2018/19 to 2022/23 with the Corporate IST

Infrastructure & Replacement Programme in Corporate & Democratic Services. This will allow the total budget to be aligned with the Corporate procurement of the IT Hardware to provide consistency of approach for investment and make best use of the resources available.

3.4.12 Within Property Services it is proposed to remove the SALIX project of £50,000 in 2017/18, which was to be funded by a £25,000 loan from Salix and £25,000 from the Central Energy Efficiency Funding (CEEF), due to the onerous conditions and commitments imposed by SALIX. Consequently, it is proposed that a revised specification for the project is progressed from CEEF alone. Within the Commercial Property Investment programme, there has been an increase of £150,000 in the cost of the North Muirton Food & Drink Park in 2018/19, as a result of increased schedule of rates costs incurred by the contractor. It is also proposed to transfer £10,000 from 2017/18 to 2018/19. It is further proposed to rephase £20,000 from 2017/18 to 2018/19 on the Western Edge, Kinross, Site Servicing Project as a result of delays in the adoption of the road by Scottish Water, pushing planned works into 2018/19.

3.4.13 It is proposed to move the Cultural Attractions programme from the Environment Service to Corporate & Democratic Services in line with the revised governance arrangements for the programme. Included in this proposed transfer are the following movements in the programme:

- Rephase £209,000 from 2017/18 to future years within the Perth Museum and Art Gallery project due to internal and external surveys still to be undertaken.
- Rephase £195,000 from 2017/18 to future years within the Collections Store due to the continued evaluation of suitable sites.

3.4.14 There are various proposed movements within the Prudential Borrowing Programme, including the removal of the SNAPi Asset Management Project of £144,000 from 2017/18 which is no longer being undertaken following a review of the project. It is also proposed to reduce the Street Lighting LED & Column Replacements by £223,000 in line with the current works programme.

3.4.15 At the Crematorium, as a result of the recent tree felling for health and safety purposes adjacent to the overflow surface parking area, it is proposed to construct a more permanent overflow parking facility estimated at £250,000 to meet the long term needs of the Crematorium and to provide suitable landscaping for the garden of remembrance. In addition, building works beyond the original scope of the refurbishment project and the replacement of a coffin lift are required at a further cost of £100,000. The estimated additional recurring loan charge of £12,000 per annum for this investment will be contained within the existing Bereavement service revenue budget. It is further proposed to apply £560,000 of the Crematorium Levies held in Reserves to the Abatement Works in 2017/18 in line with the funding proposals contained within the original business case.

3.4.16 In addition to the items above, there is a small increase of £18,000 on the POP, 2 High Street project following settlement of the final account with the

contractor. The net impact of all the changes above is a £559,000 reduction in overall borrowing. Other movements mainly relate to the rephasing of projects between financial years with the most significant movements listed below :-

- Rephase £639,000 from 2017/18 to 2018/19 within the Vehicle Replacement Programme due to grounds maintenance equipment and precinct sweepers which will not be delivered until later in 2018.
- Rephase £100,000 of vehicle disposal receipts from 2017/18 to 2018/19, as a result of delays in vehicle replacements above.
- Rephase £151,000 from 2017/18, £229,000 from 2018/19 and £55,000 from 2019/20 within the Energy Conversion & Carbon Reduction Waste Programme to later years following a review of the existing schemes and to smooth the profile of expenditure.

3.4.17 In addition to the above, there are various other proposed minor adjustments to project budgets between years. These adjustments mostly relate to the phasing of expenditure, particularly in 2017/18, to reflect updated expenditure profiles, and are reflected in Appendices I and II to this report.

### 3.5 Housing & Community Safety and Health & Social Care

3.5.1 The Interim Director (Housing & Community Safety) has reviewed the current programme.

3.5.2 Within the Health & Social Care programme it is proposed to transfer the remaining funding of £10,000 allocated to the Dalweem Refurbishment project in 2017/18 to the Letham Wellbeing Hub in 2018/19. This follows the payment of the final certificate in relation to the Dalweem project.

3.5.3 As the agreed contract works in regards to the Letham Wellbeing Hub will now not commence until April 2018, it is proposed to rephase £70,000 allocated to the project from 2017/18 to 2018/19. It is also proposed to rephase £66,000 from 2017/18 into 2018/19 in relation to the Council Contact Centre project, in line with the anticipated implementation of associated IT infrastructure and agreement of software specifications.

### 3.6 Corporate & Democratic Services

3.6.1 The Corporate IT Manager has reviewed the current programme. It is proposed to remove the Transformation Budgets for Online Services & MyAccount and Mobile Working from the Capital Budget, with the works to be funded from Earmarked Reserves in the Revenue Budget. This reflects the original funding for the projects, with the amount earmarked in Reserves sufficient to meet the costs without the requirement for borrowing. This proposed adjustment results in a reduction in Prudential Borrowing of £2,260,000 over 2017/18 (£380,000) and 2018/19 (£1,880,000). The funding also includes £200,000 of ERDF funding, which also transfers to the Revenue Budget.

- 3.6.2 It is also proposed to rephase the ICT Infrastructure budget across all years. This includes the proposal to transfer the costs of the MIS Licences to the Education and Children's Services MIS budget in 2018/19 (see section 3.3.6) and the transfer of the Hardware budget of £400,000 over the years 2018/19 to 2022/23 from the Environment Service (see Section 3.4.11).
- 3.6.3 As detailed in Section 3.4.13, it is proposed to transfer the Cultural Attraction projects from the Environment Service to Corporate and Democratic Services. This is reflected in the Appendices to this report.

#### **4. HOUSING INVESTMENT PROGRAMME**

- 4.1 The current estimated expenditure, net of contributions, over the 5 years 2017/18 to 2021/22 amounts to £65,277,000. Movements from the previous estimates approved by this committee on 7 February 2018 are as follows, and are also included in Appendix III:

	<b>Approved 7 Feb 2018</b>	<b>Current Estimate</b>	<b>Movement</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>2017/18</b>	24,323	24,006	(317)
<b>2018/19</b>	12,418	13,930	1,512
<b>2019/20</b>	9,020	8,320	(700)
<b>2020/21</b>	10,085	9,632	(453)
<b>2021/22</b>	9,389	9,389	0
<b>Total</b>	<b>65,235</b>	<b>65,277</b>	<b>42</b>

- 4.2 In addition, a further £28,677,000 of expenditure in 2022/23 was approved by the Housing & Communities Committee at its meeting on 24 January 2018 (report 18/16 refers). Monitoring of the 2022/23 budget will be incorporated into this report as part of monitoring of the new financial year from 2018/19 Report 1.
- 4.3 Total expenditure (net of contributions) in 2017/18 to 28 February 2018 amounts to £18,624,000 and total receipts amount to £617,000. This results in a total Borrowing Requirement of £18,007,000 for the year to date.
- 4.4 The Interim Director (Housing & Community Safety) proposes to make several adjustments to the programme approved on 7 February 2018, which have been included within Appendix III. The most significant of these proposed adjustments are described below.
- 4.5 Within the New Build project at Nimmo Avenue a saving of £16,000 has been identified due to liquidate and ascertained damages being applied to the contract. It is therefore proposed to decrease the existing budget in 2017/18 by £16,000.
- 4.6 Funding previously anticipated from the Contaminated Land Fund for Glenearn Road New Build Development of £58,000 in 2017/18 is only available for land where the owner cannot be traced. It is therefore proposed to remove the Third Party Contribution of £58,000 in 2017/18.



- 4.7 Following a review of the New Build Programme it is proposed to rephase various schemes to reflect the updated expenditure profile and delivery of the programme. The most significant movements are detailed below :-
- Rephase £413,000 from 2017/18 to 2018/19 for the Birch Avenue, Scone project.
  - Rephase £100,000 from 2017/18 to 2018/19 in regards to the 208, Crieff Road project. It is further proposed to accelerate £114,000 of Scottish Government Grant Funding for the project from 2018/19 to 2017/18 to reflect grant claims submitted to date.
- 4.8 Within the Future Developments project, it is proposed to transfer £596,000 and £686,000 to the New Build Project at Blackthorn Place, Blairgowrie in 2017/18 and 2018/19 respectively. It is also proposed to transfer a further £512,000 from Future Developments in 2018/19. The budget for Blackthorn Place is also enhanced by the following proposed adjustments:
- Scottish Government Grant funding of £423,000 in 2017/18.
  - Scottish Government Grant funding of £913,000 in 2018/19 as a result of the increased works.
  - The application of £480,000 from Reserves in 2018/19 through income generated following the removal of discretionary discounts in Council Tax on second homes and unoccupied properties.
- 4.9 As a result of all these adjustments, the total expenditure budget for Blackthorn Place has increased by £1,019,000 in 2017/18 and £2,591,000 in 2018/19.
- 4.10 There are various other proposed movements from the Future Developments budget to support the delivery of new build projects, with the most significant of these movements detailed below :-
- Transfer £52,000 to Invergowrie, Main Street Project in 2017/18 to reflect the cost of professional fees and site surveys.
  - Transfer £49,000 to Lynn Road, Stanley project in 2017/18 for additional works in relation to lowering ceilings in stairwells and additional floor coverings for bathrooms and kitchens.
  - Transfer £4,000 to Old Mill Road, Blairgowrie in 2017/18 to fund additional instructed works.
- 4.11 As a result of continuing progress in purchasing ex-Council House stock to support affordable housing under the Council's Buy Back scheme, it is proposed to accelerate a total of £1,128,000 to 2017/18 from future years within the project. It is anticipated that 40 properties will be purchased in 2017/18.
- 4.12 Following a review into the Standard Delivery Plan programme there are various movements between years. These proposed movements reflect the latest expenditure profiles for the projects. It is therefore proposed to make the following adjustments :-

- Rephase £117,000 from 2017/18 to 2018/19 on the Central Heating and Rewiring project.
- Rephase £144,000 from 2017/18 to 2018/19 on the Controlled Door Entry project.
- Rephase £175,000 from 2017/18 to 2018/19 on the Multi Storey Flats project.
- Accelerate £100,000 from 2018/19 to 2017/18 on the External Fabric project.

4.13 Following agreement with the developer for the New Build project at Muirton, Dunkeld Road, additional income of £11,750 is expected to be received upon sale of each plot. A total of 80 plots are expected to be sold resulting in additional income of £940,000 is projected to be received over the 5 year programme. It is therefore proposed to increase Other Receipts by £60,000 in 2017/18 to reflect the current expected sales, and increase receipts in each of the remaining 4 years of the programme by £220,000.

4.14 As a result of all the above proposed adjustments, the total Housing Investment Programme borrowing requirement over the five year period to 31 March 2022 has reduced by £898,000. This consists of £16,000 on the New Build Nimmo Avenue project (Section 4.4) and additional receipts from the projected sale of plots at Muirton New Build project, Dunkeld Road of £940,000 (Section 4.11) which are offset by the removal of a Third Party contribution towards the Glenearn Road project of £58,000 from the Contaminated Land Fund (Section 4.5).

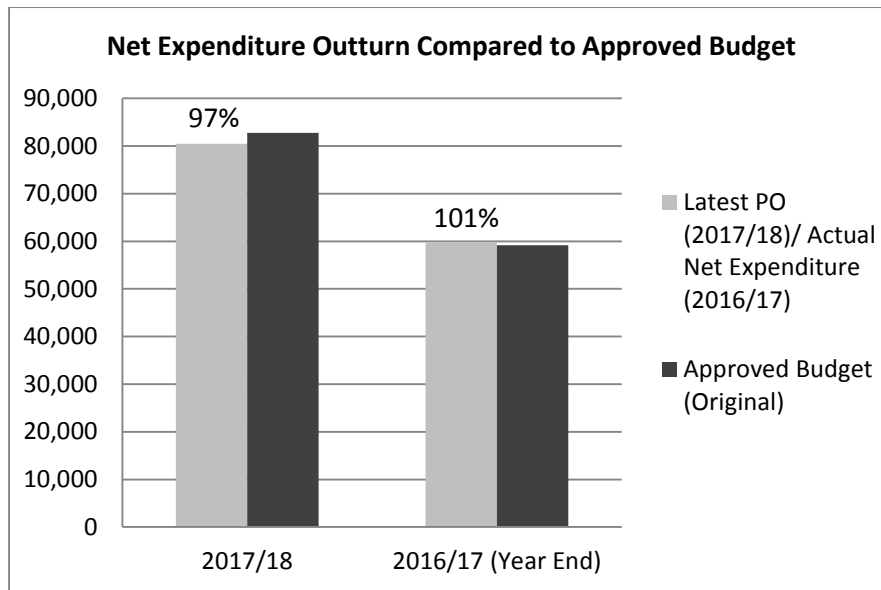
## **5. RENEWAL & REPAIR FUND**

5.1 Detailed at Appendix IV is the 2017/18 approved budget and the projected outturn for the Renewal & Repair Fund. There have been no movements in the projections since the last report, with the anticipated balance at the end of the year remaining as nil.

## **6. BUDGET OVERVIEW**

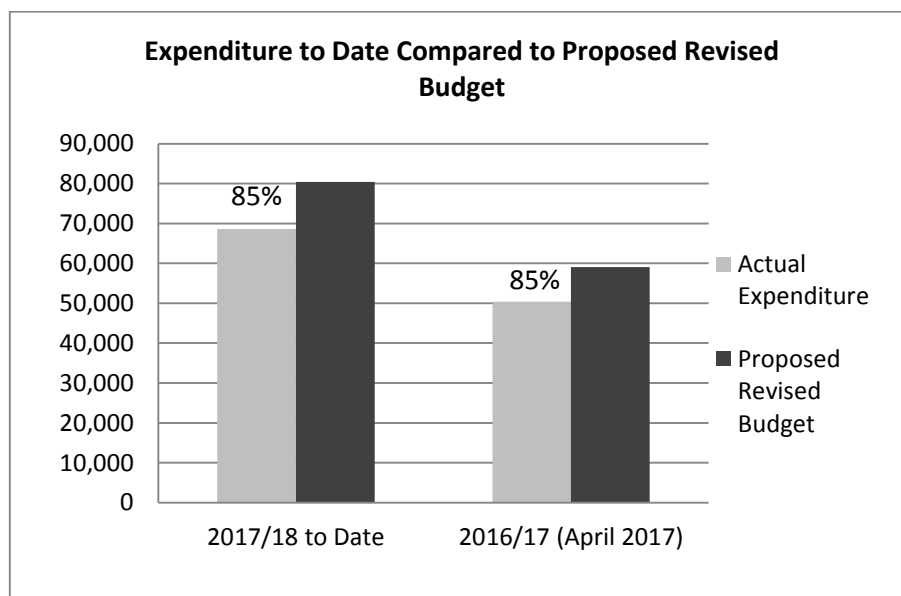
6.1 The Composite Capital Budget approved by this Committee on 7 February 2018 has been reviewed and updated to reflect the latest monitoring position.

6.2 The latest projected 2017/18 outturn for net expenditure on the Composite Capital Programme represents 97% of the original 2017/18 budget approved on 19 April 2017:



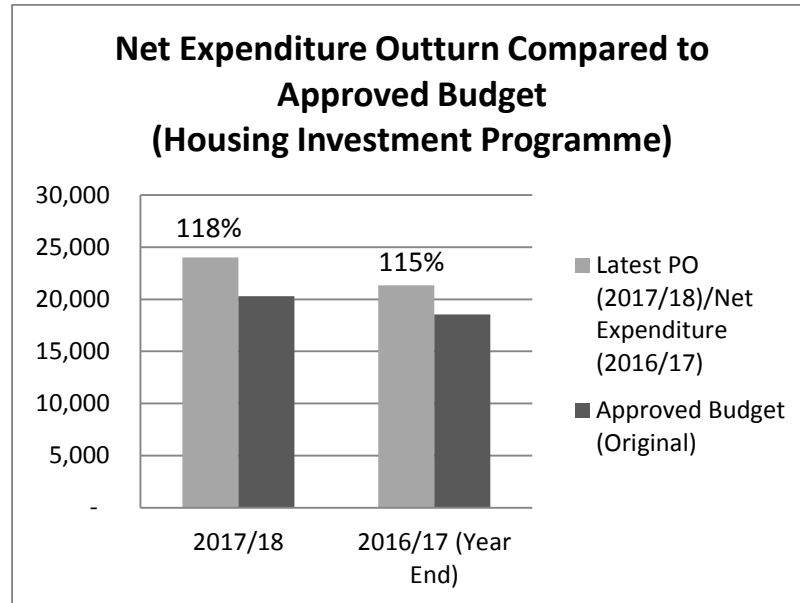
6.3 This difference is primarily a result of the budget adjustments approved in the last report, by this committee. Overall, the adjustments in 2017/18 proposed in this report amount to a decrease in the net budget of £6,062,000 (Appendix II refers).

6.4 Actual net expenditure to 28 February 2018 on the programme represents 85% of the proposed revised 2017/18 budget:

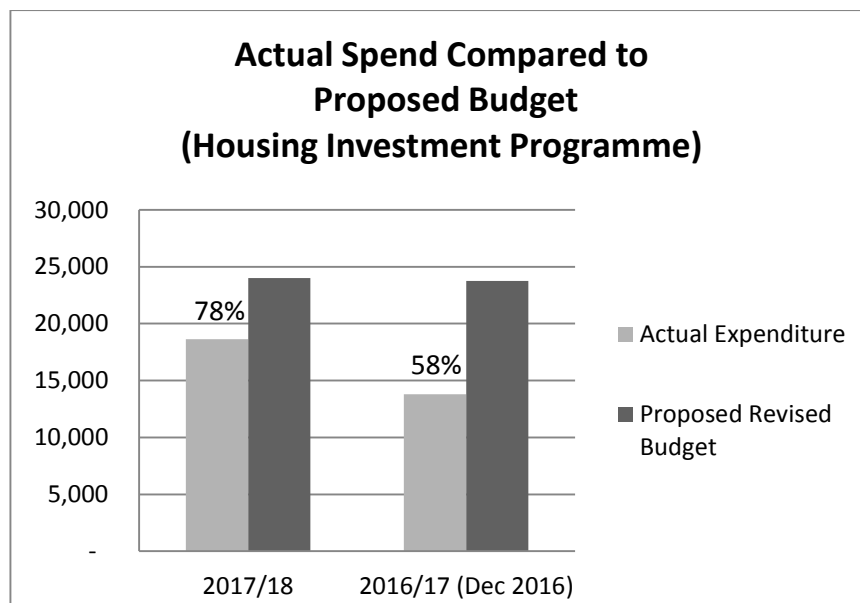


6.5 Movements in proposed net expenditure on the Composite Capital Programme and the subsequent impact upon the Council's Borrowing Requirement will continue to be managed through the Council's Treasury function.

6.6 The latest projected gross expenditure outturn for the Housing Investment Programme represents 118% of the 2017/18 budget approved by this Committee on 19 April 2017:



- 6.7 Actual net expenditure at 28 February 2018 on the Housing Investment Programme represents 78% of the proposed revised 2017/18 budget:



- 6.8 This report identifies revised projected expenditure and proposed budget movements on a number of Capital projects and Programmes. As detailed in Section 2.8, the proposed borrowing requirement on the 6-year Composite Programme has decreased by £3,677,000, whilst proposed movements on the Housing Investment Programme detailed at Section 4.12 show a reduction in the borrowing requirement of £898,000 over the 5-year budget. However, further Borrowing of £23,485,000 has been approved for 2022/23 for the Housing Investment Programme.

## 7. RECOMMENDATIONS

7.1 It is recommended that the Committee:

- (i) Note the contents of this report.
- (ii) Approve the proposed budget adjustments to the six year Composite Capital Budget 2017/18 to 2022/23 set out in Sections 2 and 3 of this report and summarised at Appendices I and II.
- (iii) Approve the proposed budget and monitoring adjustments to the Housing Investment Programme Budget 2017/18 to 2021/22 set out in Section 4 of this report and summarised at Appendix III.

### Author(s)

Name	Designation	Contact Details
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### Approved

Name	Designation	Date
Stewart MacKenzie	Head of Finance	4 April 2018
Jim Valentine	Depute Chief Executive (Chief Operating Officer)	4 April 2018

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## 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	Yes
Asset Management (land, property, IST)	Yes
<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 2013 – 2018 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 of 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 other than those reported within the body of the main 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**

### Internal

- 4.1 The Chief Executive and all Directors have been consulted in the preparation of this report.

## **2. BACKGROUND PAPERS**

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 – Composite Capital Programme - Estimated Capital Resources  
2017/18 to 2022/23

Appendix II – Composite Capital Programme - Summary of Capital Resources  
and Expenditure 2017/18 to 2022/23

Appendix III – Housing Investment Programme – Summary of Capital  
Resources and Expenditure 2017/18 to 2021/22

Appendix IV – Renewal & Repair Fund Budget 2017/18

Appendix V – Capital Programme Exceptions Report 2017/18



**PERTH AND KINROSS COUNCIL**  
**COMPOSITE CAPITAL PROGRAMME**  
*Estimated Capital Resources 2017/18 to 2022/23*

APPENDIX I

	Capital Resources 2017/18 (£'000) Revised Budget	Capital Resources 2018/19 (£'000) Revised Budget	Capital Resources 2019/20 (£'000) Revised Budget	Capital Resources 2020/21 (£'000) Revised Budget	Capital Resources 2021/22 (£'000) Revised Budget	Capital Resources 2022/23 (£'000) Revised Budget	Capital Resources TOTAL (£'000) Revised Budget
<b>Capital Grants</b>							
Cycling, Walking & Safer Streets (CWSS)	205	205	242	200	200	200	1,252
Early Learning & Childcare	887	0	0	0	0	0	887
General Capital Grant	16,749	15,101	11,629	23,841	23,720	13,691	104,731
<b>Total Capital Grants</b>	<b>17,841</b>	<b>15,306</b>	<b>11,871</b>	<b>24,041</b>	<b>23,920</b>	<b>13,891</b>	<b>106,870</b>
<b>General Capital Receipts</b>							
General Fund - Capital Receipts	623	918	109	503	250	500	2,903
General Fund - Housing Receipts	5	3	3	3	3	0	17
General Fund - Ring Fenced Receipts	152	461	268	256	221	354	1,712
<b>Total General Capital Receipts</b>	<b>780</b>	<b>1,382</b>	<b>380</b>	<b>762</b>	<b>474</b>	<b>854</b>	<b>4,632</b>
<b>Commercial Property Receipts</b>							
Capital Receipts brought-forward	1,326	0	2,233	3,106	1,896	1,785	1,326
Commercial Property Capital Receipts	342	3,329	1,468	110	184	925	6,358
Capital Receipts carried-forward	0	(2,233)	(3,106)	(1,896)	(1,785)	(2,120)	(2,120)
<b>Total Commercial Property Receipts Applied</b>	<b>1,668</b>	<b>1,096</b>	<b>595</b>	<b>1,320</b>	<b>295</b>	<b>590</b>	<b>5,564</b>
<b>Contributions</b>							
Third Party Contributions	6,998	4,407	5,000	3,500	0	0	19,905
Developer Contributions	3,146	1,810	1,810	1,810	2,010	2,020	12,606
Revenue Budget Contributions	1,455	180	180	0	0	0	1,815
<b>Total Contributions</b>	<b>11,599</b>	<b>6,397</b>	<b>6,990</b>	<b>5,310</b>	<b>2,010</b>	<b>2,020</b>	<b>34,326</b>
<b>Capital Borrowing Requirement</b>	<b>58,256</b>	<b>46,919</b>	<b>40,889</b>	<b>65,313</b>	<b>77,105</b>	<b>49,936</b>	<b>338,418</b>
<b>TOTAL CAPITAL RESOURCES/ GROSS BUDGET EXPENDITURE</b>	<b>90,144</b>	<b>71,100</b>	<b>60,725</b>	<b>96,746</b>	<b>103,804</b>	<b>67,291</b>	<b>489,810</b>

**PERTH AND KINROSS COUNCIL**  
**COMPOSITE CAPITAL PROGRAMME**  
*Estimated Capital Resources 2017/18 to 2022/23*

APPENDIX I

**Movements in Resources from Approved Budget - 7th February 2018**

	<b>Report Section</b>	<b>Revised Budget 2017/18 £'000</b>	<b>Revised Budget 2018/19 £'000</b>	<b>Revised Budget 2019/20 £'000</b>	<b>Revised Budget 2020/21 £'000</b>	<b>Revised Budget 2021/22 £'000</b>	<b>Revised Budget 2022/23 £'000</b>	<b>Revised Budget TOTAL £'000</b>
Increase/(Decrease) in Capital Receipts - General Fund	Appendix II	(110)	(164)	(6)	280	0	0	0
Increase/(Decrease) in Capital Receipts - Comm Property	2.4	(1,847)	1,603	801	(100)	0	0	457
Increase/(Decrease) in Capital Receipts - Ring Fenced	Appendix II	(100)	100	0	0	0	0	0
Increase/(Decrease) in Capital Grants:								
General Capital Grant	2.3	538	(230)	100	100	100	100	708
Increase/(Decrease) in Third Party Contributions	2.5	(872)	895	0	0	0	0	23
Increase/(Decrease) in Revenue Contributions	2.5	535	90	0	0	0	0	625
Increase/(Decrease) in Resources b/f	Appendix II	0	(1,421)	(394)	407	307	307	0
(Increase)/Decrease in Resources c/f to future years	2.4	1,421	394	(407)	(307)	(307)	(307)	(307)
Increase/(Decrease) in Borrowing Requirement	2.6 to 2.8	(6,062)	(2,156)	916	6,468	(673)	(2,170)	(3,677)
<b>Total Increase/(Decrease) in Resources</b>		<b>(6,497)</b>	<b>(889)</b>	<b>1,010</b>	<b>6,848</b>	<b>(573)</b>	<b>(2,070)</b>	<b>(2,171)</b>
Approved Resources per SP&R - 7 February 2018 (report 18/42)		96,641	71,989	59,715	89,898	104,377	69,361	491,981
<b>Revised Resources</b>		<b>90,144</b>	<b>71,100</b>	<b>60,725</b>	<b>96,746</b>	<b>103,804</b>	<b>67,291</b>	<b>489,810</b>

**PERTH AND KINROSS COUNCIL**  
**COMPOSITE CAPITAL PROGRAMME**  
**SUMMARY OF CAPITAL RESOURCES AND EXPENDITURE 2017/18 to 2022/23**

APPENDIX II

	Revised Budget  Report 3 2017/18 (£'000)	Proposed Budget Adjustment Report 4 2017/18 (£'000)	Revised Budget  Report 4 2017/18 (£'000)	Actuals to 28-Feb-18  2017/18 (£'000)	Projected Outturn  2017/18 (£'000)	Revised Budget  Report 3 2018/19 (£'000)	Proposed Budget Adjustment Report 4 2018/19 (£'000)	Revised Budget  Report 4 2018/19 (£'000)	Revised Budget  Report 3 2019/20 (£'000)	Proposed Budget Adjustment Report 4 2019/20 (£'000)	Revised Budget  Report 4 2019/20 (£'000)
EDUCATION AND CHILDREN'S SERVICES	20,538	(390)	20,148	19,559	20,148	15,734	(6,731)	9,003	21,964	309	22,273
THE ENVIRONMENT SERVICES	61,966	(4,722)	57,244	47,388	57,244	41,773	6,511	48,284	20,243	213	20,456
HEALTH AND SOCIAL CARE	350	(28)	322	271	322	1,142	18	1,160	250	0	250
HOUSING AND COMMUNITY SAFETY	528	(136)	392	296	392	3,057	146	3,203	130	0	130
CORPORATE AND DEMOCRATIC SERVICES	3,125	(784)	2,341	1,133	2,341	6,115	(1,918)	4,197	11,438	488	11,926
<b>TOTAL NET EXPENDITURE</b>	<b>86,507</b>	<b>(6,060)</b>	<b>80,447</b>	<b>68,647</b>	<b>80,447</b>	<b>67,821</b>	<b>(1,974)</b>	<b>65,847</b>	<b>54,025</b>	<b>1,010</b>	<b>55,035</b>
(NET OF GRANTS, REVENUE AND 3RD PARTY CONTRIBUTIONS, AND RING FENCED RECEIPTS)											
GENERAL CAPITAL GRANT	(16,211)	(538)	(16,749)	(16,935)	(16,749)	(15,331)	230	(15,101)	(11,529)	(100)	(11,629)
DEVELOPER CONTRIBUTIONS	(3,146)	0	(3,146)	0	(3,146)	(1,810)	0	(1,810)	(1,810)	0	(1,810)
CAPITAL RECEIPTS	(2,927)	1,957	(970)	(1,411)	(970)	(2,811)	(1,439)	(4,250)	(785)	(795)	(1,580)
ANNUAL BORROWING REQUIREMENT	<b>64,223</b>	<b>(4,641)</b>	<b>59,582</b>	<b>50,301</b>	<b>59,582</b>	<b>47,869</b>	<b>(3,183)</b>	<b>44,686</b>	<b>39,901</b>	<b>115</b>	<b>40,016</b>
CAPITAL RECEIPTS BROUGHT FORWARD	(1,326)	0	(1,326)	(1,326)	(1,326)	(1,421)	1,421	0	(2,627)	394	(2,233)
CAPITAL RECEIPTS CARRIED FORWARD	1,421	(1,421)	0	0	0	2,627	(394)	2,233	2,699	407	3,106
<b>TOTAL NET BORROWING REQUIREMENT</b>	<b>64,318</b>	<b>(6,062)</b>	<b>58,256</b>	<b>48,975</b>	<b>58,256</b>	<b>49,075</b>	<b>(2,156)</b>	<b>46,919</b>	<b>39,973</b>	<b>916</b>	<b>40,889</b>

**PERTH AND KINROSS COUNCIL  
COMPOSITE CAPITAL PROGRAMME  
SUMMARY OF CAPITAL RESOURCES AND EXPENDITURE 2017/18 to 2022/23**

APPENDIX II

	Revised Budget  Report 3 2020/21 (£'000)	Proposed Budget Adjustment Report 4 2020/21 (£'000)	Revised Budget  Report 4 2020/21 (£'000)	Revised Budget  Report 3 2021/22 (£'000)	Proposed Budget Adjustment Report 4 2021/22 (£'000)	Revised Budget  Report 4 2021/22 (£'000)	Revised Budget  Report 3 2022/23 (£'000)	Proposed Budget Adjustment Report 4 2022/23 (£'000)	Revised Budget  Report 4 2022/23 (£'000)	Revised Budget  Report 4 TOTAL (£'000)
EDUCATION AND CHILDREN'S SERVICES	29,570	7,250	36,820	35,063	550	35,613	18,186	(567)	17,619	141,476
THE ENVIRONMENT SERVICES	45,072	(952)	44,120	65,692	(874)	64,818	47,508	(1,135)	46,373	281,295
HEALTH AND SOCIAL CARE	250	0	250	250	0	250	250	0	250	2,482
HOUSING AND COMMUNITY SAFETY	130	0	130	195	0	195	70	0	70	4,120
CORPORATE AND DEMOCRATIC SERVICES	10,920	550	11,470	2,756	(249)	2,507	2,793	(368)	2,425	34,866
<b>TOTAL NET EXPENDITURE</b>	<b>85,942</b>	<b>6,848</b>	<b>92,790</b>	<b>103,956</b>	<b>(573)</b>	<b>103,383</b>	<b>68,807</b>	<b>(2,070)</b>	<b>66,737</b>	<b>464,239</b>
(NET OF GRANTS, REVENUE AND 3RD PARTY CONTRIBUTIONS, AND RING FENCED RECEIPTS)										
GENERAL CAPITAL GRANT	(23,741)	(100)	(23,841)	(23,620)	(100)	(23,720)	(13,591)	(100)	(13,691)	(104,731)
DEVELOPER CONTRIBUTIONS	(1,810)	0	(1,810)	(2,010)	0	(2,010)	(2,020)	0	(2,020)	(12,606)
CAPITAL RECEIPTS	(436)	(180)	(616)	(437)	0	(437)	(1,425)	0	(1,425)	(9,278)
<b>ANNUAL BORROWING REQUIREMENT</b>	<b>59,955</b>	<b>6,568</b>	<b>66,523</b>	<b>77,889</b>	<b>(673)</b>	<b>77,216</b>	<b>51,771</b>	<b>(2,170)</b>	<b>49,601</b>	<b>337,624</b>
CAPITAL RECEIPTS BROUGHT FORWARD	(2,699)	(407)	(3,106)	(1,589)	(307)	(1,896)	(1,478)	(307)	(1,785)	(1,326)
CAPITAL RECEIPTS CARRIED FORWARD	1,589	307	1,896	1,478	307	1,785	1,813	307	2,120	1,099
<b>TOTAL NET BORROWING REQUIREMENT</b>	<b>58,845</b>	<b>6,468</b>	<b>65,313</b>	<b>77,778</b>	<b>(673)</b>	<b>77,105</b>	<b>52,106</b>	<b>(2,170)</b>	<b>49,936</b>	<b>337,397</b>

	Revised Budget	Proposed Budget Adjustment	Revised Budget	Actuals to 28-Feb-18	Projected Outturn	Revised Budget	Proposed Budget Adjustment	Revised Budget	Revised Budget
	Report 3 2017/18 (£'000)	Report 4 2017/18 (£'000)	Report 4 2017/18 (£'000)	2017/18 (£'000)	2017/18 (£'000)	Report 3 Future Years (£'000)	Report 4 Future Years (£'000)	Report 4 Future Years (£'000)	Report 4 TOTAL (£'000)
<b>EDUCATION AND CHILDREN'S SERVICES</b>									
Accessibility Programme	121	0	121	81	121	555	0	555	676
Arts Strategy Phase 1 - Redevelopment of Perth Theatre	7,457	0	7,457	7,435	7,457	186	0	186	7,643
Third Party Contributions	(4,808)	0	(4,808)	(4,041)	(4,808)	(200)	0	(200)	(5,008)
Revenue Contribution from Reserves	(609)	0	(609)	0	(609)	0	0	0	(609)
MIS - Procurement & Integration	55	0	55	4	55	220	421	641	696
Campus Online Booking System	0	0	0	0	0	100	0	100	100
Blairstown Recreation Centre - Replacement	12	0	12	0	12	17,678	0	17,678	17,690
Inspiring Learning Spaces	2	0	2	1	2	0	0	0	2
Early Learning & Childcare	882	0	882	887	882	2,232	0	2,232	3,114
Scottish Government Grant	(887)	0	(887)	(887)	(887)	0	0	0	(887)
<b><u>Schools Modernisation Programme</u></b>									
Modernising Primaries Programme	388	0	388	208	388	15,809	0	15,809	16,197
Alyth Primary School Upgrade Project	1,638	0	1,638	1,404	1,638	0	0	0	1,638
Blackford Primary School (Developer Contribution)	0	0	0	0	0	173	0	173	173
Kinross Primary School Upgrade Project	7,676	(328)	7,348	6,987	7,348	600	328	928	8,276
Tulloch Primary School Upgrade Project	6,298	(200)	6,098	5,549	6,098	1,000	200	1,200	7,298
Inchture Primary School MUGA	42	0	42	0	42	0	0	0	42
Invergowrie Primary School Upgrade Project	4	0	4	0	4	0	0	0	4
Oudenarde - New Primary School Development	0	0	0	0	0	4,617	0	4,617	4,617
Third Party Contribution from Developers	(500)	500	0	0	0	0	(500)	(500)	(500)
Oakbank Primary School Upgrade Project	79	0	79	1	79	0	0	0	79
North/West Perth - New Primary School	0	0	0	0	0	9,000	0	9,000	9,000
North Perth - Primary School Replacement	0	0	0	0	0	16,000	0	16,000	16,000
Pitlochry Primary School - Replacement	0	0	0	0	0	13,800	0	13,800	13,800
Modernising Secondaries Programme	53	(29)	24	13	24	400	29	429	453
Technology Upgrades	657	(50)	607	517	607	1,825	50	1,875	2,482
Perth Academy - New Sports Facilities	116	17	133	109	133	1,575	(17)	1,558	1,691
Perth Academy - Refurbishments	1,069	0	1,069	1,045	1,069	14,135	0	14,135	15,204
Perth Grammar School - Upgrade Programme Phase 3	0	0	0	0	0	6,900	0	6,900	6,900
Perth Grammar School - New Reception Area	150	0	150	14	150	0	0	0	150
Perth High School - Internal Services & Refurbishment	643	(300)	343	232	343	3,912	300	4,212	4,555
Perth High School - New School Investment	0	0	0	0	0	10,000	0	10,000	10,000
<b>TOTAL: EDUCATION AND CHILDREN'S SERVICES</b>	<b>20,538</b>	<b>(390)</b>	<b>20,148</b>	<b>19,559</b>	<b>20,148</b>	<b>120,517</b>	<b>811</b>	<b>121,328</b>	<b>141,476</b>

	Revised Budget  Report 3 2017/18 (£'000)	Proposed Budget Adjustment Report 4 2017/18 (£'000)	Revised Budget  Report 4 2017/18 (£'000)	Actuals to 28-Feb-18  2017/18 (£'000)	Projected Outturn  2017/18 (£'000)	Revised Budget  Report 3 Future Years (£'000)	Proposed Budget Adjustment Report 4 Future Years (£'000)	Revised Budget  Report 4 Future Years (£'000)	Revised Budget  Report 4 TOTAL (£'000)
<b>THE ENVIRONMENT SERVICE</b>									
<u>Traffic &amp; Road Safety</u>									
Road Safety Initiatives (20mph Zones etc..)	109	(30)	79	64	79	228	30	258	337
Road Safety Initiatives	721	(185)	536	359	536	720	166	886	1,422
Brioch Road, Crieff - Road Realignment & Safety Measures	0	0	0	0	0	0	320	320	320
Third Party Contribution (Developers)	0	0	0	0	0	0	(195)	(195)	(195)
Third Party Contribution (Sustrans)	0	0	0	0	0	0	(60)	(60)	(60)
Revenue Contribution	0	0	0	0	0	0	(65)	(65)	(65)
Vehicle Activation Signs	180	(4)	176	117	176	0	23	23	199
Cycling Walking & Safer Streets (CWSS)	237	0	237	120	237	1,047	0	1,047	1,284
Scottish Government Grant - CWSS	(205)	0	(205)	0	(205)	(1,047)	0	(1,047)	(1,252)
Third Party Contribution	(16)	0	(16)	0	(16)	0	0	0	(16)
Revenue Contribution	(16)	0	(16)	0	(16)	0	0	0	(16)
Car Parking Investment (Additional Capital Grant)	250	(250)	0	0	0	0	100	100	100
<b>Sub-Total</b>	<b>1,260</b>	<b>(469)</b>	<b>791</b>	<b>660</b>	<b>791</b>	<b>948</b>	<b>319</b>	<b>1,267</b>	<b>2,058</b>
<u>Asset Management - Roads &amp; Lighting</u>									
Structural Maintenance	9,312	(589)	8,723	6,205	8,723	33,564	(1,461)	32,103	40,826
Third Party Contribution	(1,501)	0	(1,501)	(590)	(1,501)	0	0	0	(1,501)
Street Lighting Renewals - Upgrading/Unlit Areas	154	0	154	124	154	472	0	472	626
Traffic Signal Renewals - Upgrading	36	(10)	26	15	26	376	10	386	412
Unadopted Roads & Footways (Match Funding)	23	(3)	20	16	20	85	3	88	108
Third Party Contributions	(7)	0	(7)	(7)	(7)	0	0	0	(7)
Footways	484	(77)	407	297	407	2,175	77	2,252	2,659
Road Safety Barriers	76	(58)	18	0	18	100	51	151	169
Third Party Contribution	(26)	19	(7)	0	(7)	0	(12)	(12)	(19)
<b>Sub-Total</b>	<b>8,551</b>	<b>(718)</b>	<b>7,833</b>	<b>6,060</b>	<b>7,833</b>	<b>36,772</b>	<b>(1,332)</b>	<b>35,440</b>	<b>43,273</b>
<u>Asset Management - Bridges</u>									
Port Na Craig Footbridge - Assess & Strengthening	5	0	5	4	5	0	0	0	5
Bridge Refurbishment Programme	0	0	0	0	0	1,460	(149)	1,311	1,311
West of Fearnan Culvert	329	116	445	219	445	0	33	33	478
Pitcur Culvert	188	0	188	37	188	0	0	0	188
Vehicular Bridge Parapets Programme - Assess & Upgrade	75	(71)	4	0	4	100	71	171	175
<b>Sub-Total</b>	<b>597</b>	<b>45</b>	<b>642</b>	<b>260</b>	<b>642</b>	<b>1,560</b>	<b>(45)</b>	<b>1,515</b>	<b>2,157</b>
<u>Improvement Schemes</u>									
New Rural Footways	53	0	53	30	53	0	0	0	53
A9/A85 Road Junction Improvements	21,599	995	22,594	20,258	22,594	8,163	(995)	7,168	29,762
Third Party Contribution	(129)	0	(129)	(129)	(129)	0	0	0	(129)
Road Improvements due to A9 Dualling	0	0	0	0	0	750	0	750	750
Perth Transport Futures	1,042	0	1,042	477	1,042	76,948	0	76,948	77,990
A977 Upgrades	94	(15)	79	28	79	500	15	515	594
<b>Sub-Total</b>	<b>22,659</b>	<b>980</b>	<b>23,639</b>	<b>20,664</b>	<b>23,639</b>	<b>86,361</b>	<b>(980)</b>	<b>85,381</b>	<b>109,020</b>

	Revised Budget  Report 3 2017/18 (£'000)	Proposed Budget Adjustment Report 4 2017/18 (£'000)	Revised Budget  Report 4 2017/18 (£'000)	Actuals to 28-Feb-18  2017/18 (£'000)	Projected Outturn  2017/18 (£'000)	Revised Budget  Report 3 Future Years (£'000)	Proposed Budget Adjustment Report 4 Future Years (£'000)	Revised Budget  Report 4 Future Years (£'000)	Revised Budget  Report 4 TOTAL (£'000)
<u>Rural Flood Mitigation Schemes</u>									
Almondbank Flood Protection Scheme	13,634	(2,347)	11,287	10,046	11,287	1,090	4,347	5,437	16,724
Third Party Contribution	(104)	0	(104)	(105)	(104)	0	0	0	(104)
Comrie Flood Protection Scheme	475	8	483	95	483	24,130	(8)	24,122	24,605
Milnathort Flood Protection Scheme	20	(14)	6	0	6	1,759	14	1,773	1,779
South Kinross Flood Protection Scheme	0	0	0	0	0	3,162	0	3,162	3,162
Scone Flood Protection Scheme	0	0	0	0	0	645	0	645	645
<b>Sub-Total</b>	<b>14,025</b>	<b>(2,353)</b>	<b>11,672</b>	<b>10,036</b>	<b>11,672</b>	<b>30,786</b>	<b>4,353</b>	<b>35,139</b>	<b>46,811</b>
<u>Planning Conservation</u>									
Conservation of Built Heritage	73	0	73	45	73	615	0	615	688
Third Party Contribution	0	0	0	0	0	(100)	0	(100)	(100)
<b>Sub-Total</b>	<b>73</b>	<b>0</b>	<b>73</b>	<b>45</b>	<b>73</b>	<b>515</b>	<b>0</b>	<b>515</b>	<b>588</b>
<u>City Centre Projects</u>									
Mill Street Environmental Improvements	1,248	0	1,248	609	1,248	0	0	0	1,248
Revenue Contribution (Car Parking and Other)	(160)	0	(160)	0	(160)	0	0	0	(160)
Third Party Contribution	(10)	0	(10)	(10)	(10)	0	0	0	(10)
<u>Perth &amp; Kinross Place-making:</u>									
- City Digital	122	0	122	123	122	0	0	0	122
- Pontoons	15	0	15	15	15	0	0	0	15
- St Paul's Church	384	(34)	350	292	350	2,088	34	2,122	2,472
-Perth City Vennels	50	(50)	0	0	0	500	50	550	550
- Auchterarder	0	0	0	0	0	300	0	300	300
- Perth City Centre Golden Route (Rail Station)	100	(97)	3	0	3	400	97	497	500
- Green Network Routes	50	(49)	1	0	1	114	49	163	164
- City Greening	0	11	11	0	11	300	(11)	289	300
- Tay Street, Perth	0	0	0	0	0	1,870	0	1,870	1,870
- Mill St, Perth (Phase 3) - Shared Space at Bus Station	0	0	0	0	0	600	0	600	600
- South Street, Perth - Transport Hub	0	0	0	0	0	1,100	0	1,100	1,100
Perth & Kinross Lighting Action Plan	513	(212)	301	77	301	4,487	212	4,699	5,000
<b>Sub-Total</b>	<b>2,312</b>	<b>(431)</b>	<b>1,881</b>	<b>1,106</b>	<b>1,881</b>	<b>11,759</b>	<b>431</b>	<b>12,190</b>	<b>14,071</b>
<u>Other Planning Projects</u>									
Creative Exchange (former St. John's Primary School)	344	(101)	243	110	243	3,913	101	4,014	4,257
Third Party Contribution	(344)	101	(243)	(24)	(243)	(1,465)	(101)	(1,566)	(1,809)
	0	0	0	86	0	2,448	0	2,448	2,448
<u>Community Greenspace</u>									
Play Areas - Improvements Implementation Strategy	205	(65)	140	64	140	415	463	878	1,018
Third Party Contribution	(33)	0	(33)	(22)	(33)	(43)	0	(43)	(76)
Revenue Contributions	(90)	0	(90)	0	(90)	0	0	0	(90)
Friends of Park Development - MacRosty Park, Crieff	30	0	30	3	30	0	0	0	30
Countryside Sites	0	0	0	0	0	0	165	165	165
Community Greenspace Sites	0	0	0	0	0	2,351	(827)	1,524	1,524
Small Parks	5	0	5	5	5	115	(85)	30	35
Community Greenspace Bridges	50	0	50	27	50	0	0	0	50
Core Path Implementation	21	0	21	11	21	33	0	33	54
Pitlochry Recreation Park	117	4	121	100	121	0	0	0	121
Third Party Contributions	(42)	0	(42)	(41)	(42)	0	0	0	(42)
Alyth Environmental Improvements	31	(15)	16	2	16	410	130	540	556
Third Party Contributions	0	0	0	0	0	(33)	0	(33)	(33)
Revenue Contribution	0	0	0	0	0	0	(25)	(25)	(25)
Parks Development - Riverside Masterplan	8	0	8	7	8	0	0	0	8
Premier Parks	0	0	0	0	0	0	75	75	75
The Knock	0	6	6	0	6	0	94	94	100
Kinnoull Hill	0	6	6	0	6	0	114	114	120
Countryside Access	0	0	0	0	0	0	10	10	10
Cemetery Extensions	55	(31)	24	4	24	445	31	476	500
<b>Sub-Total</b>	<b>357</b>	<b>(95)</b>	<b>262</b>	<b>160</b>	<b>262</b>	<b>3,693</b>	<b>145</b>	<b>3,838</b>	<b>4,100</b>

	Revised Budget  Report 3 2017/18 (£'000)	Proposed Budget Adjustment Report 4 2017/18 (£'000)	Revised Budget  Report 4 2017/18 (£'000)	Actuals to 28-Feb-18  2017/18 (£'000)	Projected Outturn  2017/18 (£'000)	Revised Budget  Report 3 Future Years (£'000)	Proposed Budget Adjustment Report 4 Future Years (£'000)	Revised Budget  Report 4 Future Years (£'000)	Revised Budget  Report 4 TOTAL (£'000)
<u>Waste Strategy</u>									
Ladywell Landfill & Blairgowrie Transfer Station (Regulatory V)	0	0	0	0	0	117	0	117	117
<b>Sub-Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>117</b>	<b>0</b>	<b>117</b>	<b>117</b>
<u>Support Services</u>									
<u>PC Replacement &amp; IT Upgrades</u>									
Hardware	96	16	112	89	112	441	(441)	0	112
Licenses	125	0	125	217	125	584	25	609	734
Corporate Programme Management System	45	(8)	37	28	37	15	8	23	60
Third Party Contribution (HRA)	(20)	3	(17)	0	(17)	0	(3)	(3)	(20)
Revenue Contribution (ECS)	(20)	0	(20)	0	(20)	0	0	0	(20)
<b>Sub-Total</b>	<b>226</b>	<b>11</b>	<b>237</b>	<b>334</b>	<b>237</b>	<b>1,040</b>	<b>(411)</b>	<b>629</b>	<b>866</b>
<u>Property Services</u>									
DDA Adaptation & Alteration Works Programme	382	7	389	306	389	1,092	(7)	1,085	1,474
Crematorium	558	0	558	558	558	0	0	0	558
Property Compliance Works Programme	858	(4)	854	622	854	3,517	3	3,520	4,374
Capital Improvement Projects Programme	549	101	650	289	650	9,504	(100)	9,404	10,054
Life Expired Building Replacement Programme	134	0	134	71	134	0	0	0	134
Fire Audit Works - Robert Douglas Memorial school	30	0	30	15	30	366	0	366	396
Pitlochry High School - Upgrade Programme	0	0	0	0	0	2,814	0	2,814	2,814
Salix Expenditure Programme	50	(50)	0	0	0	0	0	0	0
Revenue Contribution (CEEF)	(25)	25	0	0	0	0	0	0	0
Third Party Contributions (Salix)	(25)	25	0	0	0	0	0	0	0
<b>Sub Total</b>	<b>2,511</b>	<b>104</b>	<b>2,615</b>	<b>1,861</b>	<b>2,615</b>	<b>17,293</b>	<b>(104)</b>	<b>17,189</b>	<b>19,804</b>
* The Third Party income is shown above to show the overall budget position of the project, however, under the approved governance of the project, securing the external funding remains the responsibility of the Senior Depute Chief Executive, ECS.									
<u>Commercial Property Investment Programme</u>									
North Muirton Industrial Estate - Site Servicing & Provision of	2,068	(10)	2,058	1,516	2,058	1,471	160	1,631	3,689
Western Edge, Kinross - Site Servicing	26	(20)	6	4	6	0	20	20	26
Additional Infrastructure Investment - Broxden	0	0	0	0	0	50	0	50	50
Creative Industries Land/Advance Units	0	0	0	0	0	250	0	250	250
Rural Business Units Programme	0	0	0	0	0	1,549	0	1,549	1,549
<b>Sub-Total</b>	<b>2,094</b>	<b>(30)</b>	<b>2,064</b>	<b>1,520</b>	<b>2,064</b>	<b>3,320</b>	<b>180</b>	<b>3,500</b>	<b>5,564</b>
<u>Prudential Borrowing Projects</u>									
Wheeled Bin Replacement Programme - Domestic Bins	183	32	215	196	215	477	(32)	445	660
Wheeled Bin Replacement Programme - Commercial Bins	6	0	6	6	6	57	0	57	63
Wheeled Bin Replacement Programme - 140L Bins	167	0	167	140	167	0	0	0	167
Recycling Containers, Oil Banks & Battery Banks Replaceme	61	(17)	44	29	44	306	17	323	367
Capital Receipts - Disposals	(1)	0	(1)	(1)	(1)	0	0	0	(1)
Litter Bins	40	0	40	20	40	100	0	100	140
Smart Cities - Smart Waste	150	(60)	90	41	90	95	60	155	245
Third Party Contribution (EDRF)	(60)	24	(36)	0	(36)	(39)	(24)	(63)	(99)
Vehicle Replacement Programme	2,939	(639)	2,300	1,290	2,300	14,395	639	15,034	17,334
Capital Receipts - Vehicle Disposals	(251)	100	(151)	(99)	(151)	(1,460)	(100)	(1,560)	(1,711)
Energy Conservation & Carbon Reduction Programme	294	(151)	143	77	143	760	151	911	1,054
Corporate Asset Management - SNAPPI	144	(144)	0	0	0	0	0	0	0



PERTH AND KINROSS COUNCIL  
COMPOSITE CAPITAL PROGRAMME  
SUMMARY OF CAPITAL RESOURCES AND EXPENDITURE 2017/18 to 2022/23

APPENDIX II

	Revised Budget  Report 3 2017/18 (£'000)	Proposed Budget Adjustment Report 4 2017/18 (£'000)	Revised Budget  Report 4 2017/18 (£'000)	Actuals to 28-Feb-18  2017/18 (£'000)	Projected Outturn  2017/18 (£'000)	Revised Budget  Report 3 Future Years (£'000)	Proposed Budget Adjustment Report 4 Future Years (£'000)	Revised Budget  Report 4 Future Years (£'000)	Revised Budget  Report 4 TOTAL (£'000)
Crematorium - Memorial Garden Enhancement	10	0	10	2	10	47	0	47	57
Crematorium - Abatement Works	2,332	0	2,332	2,125	2,332	10	350	360	2,692
Revenue Contribution	0	(560)	(560)	0	(560)	0	0	0	(560)
Street Lighting Renewal - LED & Column Replacement	1,013	(223)	790	611	790	6,159	0	6,159	6,949
Smart Cities - Intelligent Street Lighting	198	(161)	37	41	37	167	161	328	365
Third Party Contribution (EDRF)	(15)	0	(15)	(15)	(15)	(132)	0	(132)	(147)
Third Party Contribution (CIF)	(30)	0	(30)	0	(30)	0	0	0	(30)
Perth Harbour - Dredging	47	15	62	50	62	734	(15)	719	781
Land Purchase & Development	0	0	0	0	0	1,000	0	1,000	1,000
Technology & Innovation Incubator Units	0	0	0	0	0	1,000	0	1,000	1,000
<b>Sub Total</b>	<b>7,301</b>	<b>(1,766)</b>	<b>5,535</b>	<b>4,596</b>	<b>5,535</b>	<b>23,676</b>	<b>1,207</b>	<b>24,883</b>	<b>30,418</b>
<b>TOTAL: THE ENVIRONMENT SERVICE</b>	<b>61,966</b>	<b>(4,722)</b>	<b>57,244</b>	<b>47,388</b>	<b>57,244</b>	<b>220,288</b>	<b>3,763</b>	<b>224,051</b>	<b>281,295</b>
<b>Health &amp; Social Care</b>									
Occupational Therapy Equipment	262	0	262	251	262	1,250	0	1,250	1,512
Housing with Care - Communal Facilities	18	(18)	0	0	0	345	18	363	363
Refurbish & Extend Lewis Place Day Care Centre for Older P	0	0	0	0	0	118	0	118	118
JELS - Facility Service Enhancement	3	0	3	3	3	0	0	0	3
Developing Supported Tenancies	0	0	0	0	0	229	0	229	229
Dalweem RHE - Refurbish Communal Areas	26	(10)	16	17	16	0	0	0	16
Beechgrove - Refurbish Communal Areas	41	0	41	0	41	200	0	200	241
<b>TOTAL: HEALTH &amp; SOCIAL CARE</b>	<b>350</b>	<b>(28)</b>	<b>322</b>	<b>271</b>	<b>322</b>	<b>2,142</b>	<b>18</b>	<b>2,160</b>	<b>2,482</b>
<b>Housing &amp; Community Safety</b>									
Letham Wellbeing Hub	200	(70)	130	126	130	2,892	80	2,972	3,102
Gypsy Travellers Site Improvement Works	134	0	134	64	134	0	0	0	134
Relocation of Area Office to Former Rannoch Road Day Cent	29	0	29	29	29	0	0	0	29
Software Licence Charges	95	0	95	73	95	460	0	460	555
Council Contact Centre	70	(66)	4	4	4	230	66	296	300
<b>TOTAL: HOUSING &amp; COMMUNITY SAFETY</b>	<b>528</b>	<b>(136)</b>	<b>392</b>	<b>296</b>	<b>392</b>	<b>3,582</b>	<b>146</b>	<b>3,728</b>	<b>4,120</b>
<b>CORPORATE AND DEMOCRATIC SERVICES</b>									
<b>City Centre Developments - Cultural Attractions:</b>									
- City Hall	467	0	467	333	467	21,635	0	21,635	22,102
Revenue Contribution	0	0	0	0	0	(270)	0	(270)	(270)
- Perth Museum & Art Gallery (PMAG)	297	(209)	88	29	88	6,200	209	6,409	6,497
- Collections Store	290	(195)	95	0	95	3,200	195	3,395	3,490
Third Party Contributions*	0	0	0	0	0	(10,000)	0	(10,000)	(10,000)
<b>Sub-Total: Cultural Attractions</b>	<b>1,054</b>	<b>(404)</b>	<b>650</b>	<b>362</b>	<b>650</b>	<b>20,765</b>	<b>404</b>	<b>21,169</b>	<b>21,819</b>
<b>IST Infrastructure</b>									
ICT Infrastructure & Replacement and Upgrade Programme	1,691	0	1,691	771	1,691	11,377	(21)	11,356	13,047
Extension to EDRMS	0	0	0	0	0	0	0	0	0
<b>Sub-Total</b>	<b>1,691</b>	<b>0</b>	<b>1,691</b>	<b>771</b>	<b>1,691</b>	<b>11,377</b>	<b>(21)</b>	<b>11,356</b>	<b>13,047</b>
<b>Prudential Borrowing Projects</b>									
Online Services & MyAccount	250	(250)	0	0	0	897	(897)	0	0
Mobile Working Review	330	(330)	0	0	0	983	(983)	0	0
	(200)	200	0	0	0	0	0	0	0
<b>Sub-Total: Prudential Borrowing</b>	<b>380</b>	<b>(380)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,880</b>	<b>(1,880)</b>	<b>0</b>	<b>0</b>
<b>TOTAL: CORPORATE AND DEMOCRATIC SERVICES</b>	<b>3,125</b>	<b>(784)</b>	<b>2,341</b>	<b>1,133</b>	<b>2,341</b>	<b>34,022</b>	<b>(1,497)</b>	<b>32,525</b>	<b>34,866</b>

PERTH AND KINROSS COUNCIL  
COMPOSITE CAPITAL PROGRAMME  
SUMMARY OF CAPITAL RESOURCES AND EXPENDITURE 2017/18 to 2022/23

APPENDIX II

	Revised Budget  Report 3 2017/18 (£'000)	Proposed Budget Adjustment Report 4 2017/18 (£'000)	Revised Budget  Report 4 2017/18 (£'000)	Actuals to 28-Feb-18  2017/18 (£'000)	Projected Outturn  2017/18 (£'000)	Revised Budget  Report 3 Future Years (£'000)	Proposed Budget Adjustment Report 4 Future Years (£'000)	Revised Budget  Report 4 Future Years (£'000)	Revised Budget  Report 4 TOTAL (£'000)
<b>TOTAL COMPOSITE NET EXPENDITURE</b>	<b>86,507</b>	<b>(6,060)</b>	<b>80,447</b>	<b>68,647</b>	<b>80,447</b>	<b>380,551</b>	<b>3,241</b>	<b>383,792</b>	<b>464,239</b>
(NET OF GRANTS, REVENUE AND 3RD PARTY CONTRIBUTIONS, AND RING FENCED RECEIPTS)									
<b>CAPITAL RECEIPTS</b>									
General Capital Grant - Scottish Government	(16,211)	(538)	(16,749)	(16,935)	(16,749)	(87,812)	(170)	(87,982)	(104,731)
Developer Contributions	(3,146)	0	(3,146)	0	(3,146)	(9,460)	0	(9,460)	(12,606)
General Fund - Capital Receipts/Disposal	(733)	110	(623)	(549)	(623)	(2,170)	(110)	(2,280)	(2,903)
Commercial Property - Capital Receipts/Disposal	(2,189)	1,847	(342)	(862)	(342)	(3,712)	(2,304)	(6,016)	(6,358)
General Fund Housing Receipts	(5)	0	(5)	0	(5)	(12)	0	(12)	(17)
<b>Total: Capital Receipts</b>	<b>(22,284)</b>	<b>1,419</b>	<b>(20,865)</b>	<b>(18,346)</b>	<b>(20,865)</b>	<b>(103,166)</b>	<b>(2,584)</b>	<b>(105,750)</b>	<b>(126,615)</b>
<b>Annual Composite Borrowing Requirement</b>	<b>64,223</b>	<b>(4,641)</b>	<b>59,582</b>	<b>50,301</b>	<b>59,582</b>	<b>277,385</b>	<b>657</b>	<b>278,042</b>	<b>337,624</b>
<b>CAPITAL RECEIPTS BROUGHT FORWARD</b>	<b>(1,326)</b>	<b>0</b>	<b>(1,326)</b>	<b>(1,326)</b>	<b>(1,326)</b>	<b>(10,606)</b>	<b>487</b>	<b>(10,119)</b>	<b>(1,326)</b>
<b>CAPITAL RECEIPTS CARRIED FORWARD</b>	<b>1,421</b>	<b>(1,421)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10,998</b>	<b>1,241</b>	<b>12,239</b>	<b>1,099</b>
<b>TOTAL NET COMPOSITE BORROWING REQUIREMENT</b>	<b>64,318</b>	<b>(6,062)</b>	<b>58,256</b>	<b>48,975</b>	<b>58,256</b>	<b>277,777</b>	<b>2,385</b>	<b>280,162</b>	<b>337,397</b>

PERTH AND KINROSS COUNCIL  
HOUSING INVESTMENT PROGRAMME  
SUMMARY OF CAPITAL RESOURCES AND EXPENDITURE 2017/18 to 2021/22

Council House New Build Programme

Invergowrie, Main Street - 5 Units

Council Tax (Second Income)  
Scottish Government Subsidy

Alyth, Springbank Road (Phase 2) - 11 Units

Council Tax (Second Income)  
Scottish Government Subsidy

Balbeggie - 16 Units

Council Tax (Second Income)  
Scottish Government Subsidy

Jeanfield Road, Perth (Phase 1)

Council Tax (Second Income)  
Scottish Government Subsidy

Old Mill Road, Blairgowrie - 7 Units

Council Tax (Second Income)  
Scottish Government Subsidy

Glenearn Road - 8 Units

Council Tax (Second Income)  
Scottish Government Subsidy  
Third Party Contributions

Birch Avenue, Scone - 20 Units

Council Tax (Second Income)  
Scottish Government Subsidy

Nimmo Avenue, Perth - 16 Units

Council Tax (Second Income)  
Scottish Government Subsidy

Cairns Crescent, Perth - 8 Units

Council Tax (Second Income)  
Scottish Government Subsidy

208, Crieff Road, Perth

Council Tax (Second Income)  
Scottish Government Subsidy

New Build - Lynn Road, Stanley - 10 Units

Council Tax (Second Income)  
Scottish Government Subsidy

New Build - Blackthorn Place, Blairgowrie

Council Tax (Second Income)  
Scottish Government Subsidy

Future Developments

Council Tax (Second Income)  
Scottish Government Subsidy

Total Council House New Build

Revised Budget	Proposed Budget	Revised Budget	Actual to	Projected Outturn	Revised Budget	Proposed Budget	Revised Budget	Revised Budget	Proposed Budget	Revised Budget	Revised Budget	Proposed Budget	Revised Budget	Revised Budget	Proposed Budget	Revised Budget	Revised Budget
Report 3 2017/18 (£'000)	Adjustment Report 4 2017/18 £'000	Report 4 2017/18 £'000	28-Feb-18 2017/18 £'000	Report 4 2017/18 £'000	Report 3 2018/19 £'000	Adjustment Report 4 2018/19 £'000	Report 4 2018/19 £'000	Report 3 2019/20 £'000	Adjustment Report 4 2019/20 £'000	Report 4 2019/20 £'000	Report 3 2020/21 £'000	Adjustment Report 4 2020/21 £'000	Report 4 2020/21 £'000	Report 3 2021/22 £'000	Adjustment Report 4 2021/22 £'000	Report 4 2021/22 £'000	Report 4 TOTAL £'000
44	52	96	84	96	0		0	0		0	0		0	0		0	96
0		0	0	0	0		0	0		0	0		0	0		0	0
0		0	0	0	0		0	0		0	0		0	0		0	0
44	52	96	84	96	0	0	0	0	0	0	0	0	0	0	0	0	96
24		24	0	24	0		0	0		0	0		0	0		0	24
0		0	0	0	0		0	0		0	0		0	0		0	0
0		0	0	0	0		0	0		0	0		0	0		0	0
24	0	24	0	24	0	0	0	0	0	0	0	0	0	0	0	0	24
14		14	8	14	0		0	0		0	0		0	0		0	14
0		0	0	0	0		0	0		0	0		0	0		0	0
0		0	0	0	0		0	0		0	0		0	0		0	0
14	0	14	8	14	0	0	0	0	0	0	0	0	0	0	0	0	14
(9)		(9)	(9)	(9)	0		0	0		0	0		0	0		0	(9)
0		0	0	0	0		0	0		0	0		0	0		0	0
0		0	0	0	0		0	0		0	0		0	0		0	0
(9)	0	(9)	(9)	(9)	0	0	0	0	0	0	0	0	0	0	0	0	(9)
7	4	11	2	11	0		0	0		0	0		0	0		0	11
0		0	0	0	0		0	0		0	0		0	0		0	0
0		0	0	0	0		0	0		0	0		0	0		0	0
7	4	11	2	11	0	0	0	0	0	0	0	0	0	0	0	0	11
722		722	683	722	0		0	0		0	0		0	0		0	722
0		0	0	0	0		0	0		0	0		0	0		0	0
0		0	0	0	0		0	0		0	0		0	0		0	0
(58)	58	0	0	0	0		0	0		0	0		0	0		0	0
664	58	722	683	722	0	0	0	0	0	0	0	0	0	0	0	0	722
1,856	(413)	1,443	828	1,443	490	413	903	0		0	0		0	0		0	2,346
(400)		(400)	0	(400)	0		0	0		0	0		0	0		0	(400)
(1,050)		(1,050)	(1,050)	(1,050)	0		0	0		0	0		0	0		0	(1,050)
406	(413)	(7)	(222)	(7)	490	413	903	0	0	0	0	0	0	0	0	0	896
757	(16)	741	725	741	0		0	0		0	0		0	0		0	741
0		0	0	0	0		0	0		0	0		0	0		0	0
0		0	0	0	0		0	0		0	0		0	0		0	0
757	(16)	741	725	741	0	0	0	0	0	0	0	0	0	0	0	0	741
120		120	102	120	0		0	0		0	0		0	0		0	120
0		0	0	0	0		0	0		0	0		0	0		0	0
0		0	0	0	0		0	0		0	0		0	0		0	0
120	0	120	102	120	0	0	0	0	0	0	0	0	0	0	0	0	120
679	(100)	579	208	579	2,493	100	2,593	0		0	0		0	0		0	3,172
0		0	0	0	(480)		(480)	0		0	0		0	0		0	(480)
0	(114)	(114)	0	(114)	(1,206)	114	(1,092)	0		0	0		0	0		0	(1,206)
679	(214)	465	208	465	807	214	1,021	0	0	0	0	0	0	0	0	0	1,486
1,376	49	1,425	1,201	1,425	0		0	0		0	0		0	0		0	1,425
(200)		(200)	0	(200)	0		0	0		0	0		0	0		0	(200)
(570)		(570)	(570)	(570)	0		0	0		0	0		0	0		0	(570)
606	49	655	631	655	0	0	0	0	0	0	0	0	0	0	0	0	655
1,369	1,019	2,388	1,770	2,388	0	2,591	2,591	0		0	0		0	0		0	4,979
0		0	0	0	0	(480)	(480)	0		0	0		0	0		0	(480)
(552)	(423)	(975)	(975)	(975)	0	(913)	(913)	0		0	0		0	0		0	(1,888)
817	596	1,413	795	1,413	0	1,198	1,198	0	0	0	0	0	0	0	0	0	2,611
1,387	(1,387)	0	0	0	2,665	(181)	2,484	3,076		3,076	3,158		3,158	3,241		3,241	11,959
0		0	0	0	0		0	0		0	0		0	0		0	0
0		0	0	0	0		0	0		0	0		0	0		0	0
1,387	(1,387)	0	0	0	2,665	(181)	2,484	3,076	0	3,076	3,158	0	3,158	3,241	0	3,241	11,959
5,516	(1,271)	4,245	3,007	4,245	3,962	1,644	5,606	3,076	0	3,076	3,158	0	3,158	3,241	0	3,241	19,326

**Increase in Council House Stock**

Council House Buy-Backs  
Scottish Government Subsidy

**Lock-ups and Garage Sites**

**Standard Delivery Plan**

Central Heating and Rewiring Works

Triple Glazing

Controlled Door Entry  
- less Third Party Contribution

Kitchen Moderisation Programme

Bathroom Moderisation Programme

External Fabric

Energy Efficiency  
- Less Third Party Contribution

Multi Storey Flats

Environmental Improvements

Fire Precaution Measures

**Total Standard Delivery Plan**

**Other Investment in Council House Stock**

Total Major Adaptations to Council House Stock

Shops & Offices

Greyfriars and satellites

Sheltered Housing

Sheltered Housing - Housing Add'l Support

Recharge General Capital Works

Upgrade and Replacements to Lifts Programme

ICT Expenditure

Mortgage to Rent

**Total Other Investment in Council House Stock**

**Total Net Expenditure**

CAPITAL RECEIPTS

OTHER RECEIPTS

OTHER INCOME

CFCR

**TOTAL BORROWING REQUIREMENT**

	Revised Budget  Report 3 2017/18 (£'000)	Proposed Budget Adjustment Report 4 2017/18 £'000	Revised Budget  Report 4 2017/18 £'000	Actual to 28-Feb-18 2017/18 £'000	Projected Outturn  Report 4 2017/18 £'000	Revised Budget  Report 3 2018/19 £'000	Proposed Budget Adjustment Report 4 2018/19 £'000	Revised Budget  Report 4 2018/19 £'000	Revised Budget  Report 3 2019/20 £'000	Proposed Budget Adjustment Report 4 2019/20 £'000	Revised Budget  Report 4 2019/20 £'000	Revised Budget  Report 3 2020/21 £'000	Proposed Budget Adjustment Report 4 2020/21 £'000	Revised Budget  Report 4 2020/21 £'000	Revised Budget  Report 3 2021/22 £'000	Proposed Budget Adjustment Report 4 2021/22 £'000	Revised Budget  Report 4 2021/22 £'000	Revised Budget  Report 4 TOTAL £'000
	3,391 (1,190)	1,128	4,519 (1,190)	4,502 (1,190)	4,519 (1,190)	867 0	(331)	536 0	867 0	(700)	167 0	501 0	(428)	73 0	128 0		128 0	5,423 (1,190)
	<b>2,201</b>	<b>1,128</b>	<b>3,329</b>	<b>3,312</b>	<b>3,329</b>	<b>867</b>	<b>(331)</b>	<b>536</b>	<b>867</b>	<b>(700)</b>	<b>167</b>	<b>501</b>	<b>(428)</b>	<b>73</b>	<b>128</b>	<b>0</b>	<b>128</b>	<b>4,233</b>
<b>Lock-ups and Garage Sites</b>	<b>1,886</b>		<b>1,886</b>	<b>1,290</b>	<b>1,886</b>	<b>0</b>		<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>		<b>0</b>	<b>1,886</b>
<b><u>Standard Delivery Plan</u></b>																		
Central Heating and Rewiring Works	3,461	(117)	3,344	2,449	3,344	1,000	117	1,117	500		500	1,300		1,300	1,000		1,000	7,261
Triple Glazing	1,964	400	2,364	1,906	2,364	400		400	0		0	400		400	200		200	3,364
Controlled Door Entry - less Third Party Contribution	801 (187)	(144)	657 (187)	547 (189)	657 (187)	10 0	144	154 0	10 0		10 0	10 0		10 0	10 0		10 0	841 (187)
Kitchen Moderisation Programme	846	(94)	752	650	752	25		25	25		25	521		521	2,000		2,000	3,323
Bathroom Moderisation Programme	1,390	210	1,600	1,464	1,600	15		15	15		15	65		65	25		25	1,720
External Fabric	1,704	500	2,204	1,838	2,204	1,400	(500)	900	1,800		1,800	1,800		1,800	1,500		1,500	8,204
Energy Efficiency - Less Third Party Contribution	1,096	(400)	696	523 (1)	696	1,834		1,834	1,346		1,346	1,000		1,000	200		200	5,076 0
Multi Storey Flats	660	(348)	312	118	312	2,105	348	2,453	0		0	100		100	50		50	2,915
Environmental Improvements	894	116	1,010	899	1,010	0		0	200		200	400	(25)	375	300		300	1,885
Fire Precaution Measures	321	(90)	231	31	231	50	90	140	249		249	50		50	50		50	720
<b>Total Standard Delivery Plan</b>	<b>12,950</b>	<b>33</b>	<b>12,983</b>	<b>10,235</b>	<b>12,983</b>	<b>6,839</b>	<b>199</b>	<b>7,038</b>	<b>4,145</b>	<b>0</b>	<b>4,145</b>	<b>5,646</b>	<b>(25)</b>	<b>5,621</b>	<b>5,335</b>	<b>0</b>	<b>5,335</b>	<b>35,122</b>
<b><u>Other Investment in Council House Stock</u></b>																		
Total Major Adaptations to Council House Stock	340	(43)	297	100	297	250		250	250		250	250		250	250		250	1,297
Shops & Offices	75		75	1	75	70		70	50		50	70		70	50		50	315
Greyfriars and satellites	101		101	45	101	0		0	0		0	0		0	50		50	151
Sheltered Housing	102		102	47	102	100		100	25		25	0		0	25		25	252
Sheltered Housing - Housing Add'l Support	762		762	541	762	0		0	0		0	0		0	0		0	762
Recharge General Capital Works	19	33	52	21	52	30		30	160		160	160		160	10		10	412
Upgrade and Replacements to Lifts Programme	0		0	0	0	0		0	147		147	0		0	0		0	147
ICT Expenditure	174		174	25	174	50		50	50		50	50		50	50		50	374
Mortgage to Rent	197	(197)	0	0	0	250		250	250		250	250		250	250		250	1,000
<b>Total Other Investment in Council House Stock</b>	<b>1,770</b>	<b>(207)</b>	<b>1,563</b>	<b>780</b>	<b>1,563</b>	<b>750</b>	<b>0</b>	<b>750</b>	<b>932</b>	<b>0</b>	<b>932</b>	<b>780</b>	<b>0</b>	<b>780</b>	<b>685</b>	<b>0</b>	<b>685</b>	<b>4,710</b>
<b>Total Net Expenditure</b>	<b>24,323</b>	<b>(317)</b>	<b>24,006</b>	<b>18,624</b>	<b>24,006</b>	<b>12,418</b>	<b>1,512</b>	<b>13,930</b>	<b>9,020</b>	<b>(700)</b>	<b>8,320</b>	<b>10,085</b>	<b>(453)</b>	<b>9,632</b>	<b>9,389</b>	<b>0</b>	<b>9,389</b>	<b>65,277</b>
CAPITAL RECEIPTS	(342)		(342)	(342)	(342)	0		0	0		0	0		0	0		0	(342)
OTHER RECEIPTS	(197)	(60)	(257)	(275)	(257)	0	(220)	(220)	0	(220)	(220)	0	(220)	(220)	0	(220)	(220)	(1,137)
OTHER INCOME	0		0	0	0	0		0	0		0	0		0	0		0	0
CFCR	(2,970)		(2,970)	0	(2,970)	(2,864)		(2,864)	(3,272)		(3,272)	(4,114)		(4,114)	(4,677)		(4,677)	(17,897)
<b>TOTAL BORROWING REQUIREMENT</b>	<b>20,814</b>	<b>(377)</b>	<b>20,437</b>	<b>18,007</b>	<b>20,437</b>	<b>9,554</b>	<b>1,292</b>	<b>10,846</b>	<b>5,748</b>	<b>(920)</b>	<b>4,828</b>	<b>5,971</b>	<b>(673)</b>	<b>5,298</b>	<b>4,712</b>	<b>(220)</b>	<b>4,492</b>	<b>45,901</b>

**RENEWAL & REPAIR FUND PROPOSED BUDGET 2017/18**

	Approved Budget 2017/18 £'000		Projected Outturn 2017/18 £'000	
Opening Balance as at 1 April 2017		283		283
<u>Less Expenditure</u>				
Integrated Human Resources and Payroll System	20		20	
Contribution to Revenue Budget	258		263	
		(278)		(283)
<u>Add Income</u>				
Interest credited to the Fund	0		0	
Contribution from Revenue Budget	0		0	
		0		0
<b>Projected Closing Balance as at 31 March 2018</b>		<u><u>5</u></u>		<u><u>0</u></u>



Service	Total No of projects	Number on track	Number slipping	Number accelerating	Total %age spend	General Fund	HRA
ECS	27	23	4	0	Projected Outturn as percentage of 2017/18 Budget approved 19 April 2017	97%	118%
CDS	4	2	2	0	Net Expenditure at 28 February 2018 as percentage of Revised 2017/18 Budget	90%	87%
HCS	44	35	7	2			
TES	85	78	6	1			
<b>TOTAL</b>	<b>160</b>	<b>138</b>	<b>19</b>	<b>3</b>			

Service	Project Name	Target Date for Completion	Project Delivery on Target	Budget Adjustment	Comments	Corrective Actions
<b>Accelerated Projects</b>				Reflected in narrative in Main report paragraph:		
TES	A9/A85	March 2019	Yes	3.4.6	Due to the favourable weather conditions in the early stages of the project and strong contractor performance throughout, the programme of works has been accelerated from 2018/19 to 2017/18.	Budget to be accelerated and rephased
HCS - HRA	Council Buy Back Scheme	March 2021	Yes	4.11	38 properties have so far been purchased during 2017/18 against an initial target of 24, with a further potential for 5 sales in 2017/18. This increase in purchased properties has required an acceleration of future years budget.	Budget to be accelerated and rephased
HCS - HRA	External Fabric	Rolling programme of works	Yes	4.12	Strong progress has been made with roofing works within 2017/18 with 109 properties recently completed at Coupar Angus and Luncarty with work currently ongoing in the Coupar Angus, Invergowrie and Luncarty areas. Due to the early progress the programme of works has been rephased and works accelerated into 2017/18.	Budget to be accelerated and rephased
<b>Slipping Projects</b>						
ECS	Kinross Primary School	December 2017 (school occupancy). May 2018 overall project	Yes	3.3.2	The original school occupancy date of November 2017 slipped to December 2017, this delay was a result of issues with sub contractor performance and with the supply of on site utilities. The rephasing of the budget reflects the knock on effect of these delays on the overall project timeline with increased spend in 2018/19.	Budget to be rephased
ECS	Tulloch Primary School	January 2018 (school occupancy). May 2018 overall project	Yes	3.3.2	The original school occupancy date of January 2018 has slipped to February 2018, this delay has been as a result of issues with sub contractor performance and with the supply of on site utilities. The rephasing of the budget reflects the knock on effect of these delays on the overall project timeline with increased spend in 2018/19.	Budget to be rephased
ECS	Perth High School Internal Refurbishment	Rolling programme of works	No	3.3.4	A delay in initiating the short term maintenance works has resulting in slippage of the original anticipated spend profile. The structural repairs are now scheduled for mid June for a period of 16 weeks.	Budget to be rephased
ECS	Education Capital Programme	Rolling programme of works	No	3.3.5	A comprehensive review of the Education Capital Programme has ben undertaken with a view to realigning budgets to reflect the latest projected expenditure profiles.	Budget to be rephased
TES	Almondbank Flood Protection	April 2018	No	3.4.7	A series of compensation events have impacted on both the cost and programme of works for Almondbank Flood Protection scheme.	Budget to be increased and rephased
TES	Road Safety Initiatives	Rolling programme of works	No	3.4.2	Following a review of the Road Safety Initiatives project, a revised programme of works has been developed.	Budget to be rephased
TES	Car Parking programme	Rolling programme of works	No	3.4.3	A delay in identifying the overall scope and programme of works has deferred the commencement of works into 2018/19.	Budget to be rephased
TES	Structural Maintenance	Rolling programme of works	No	3.4.5	Due to a variety of variables (inclement weather, ongoing resource demand for winter maintenance programme, individual project slippage due to utility and/or design issues and commitment to the Strategic Timber Transport Grant works) the 2017/18 structural maintenance programme has been revised and reprofiled.	Budget to be rephased

Service	Project Name	Target Date for Completion	Project Delivery on Target	Budget Adjustment	Comments	Corrective Actions
CADS	Cultural Attractions - Perth Museum and Art Gallery	June 2019	No	3.4.13	The design team and HUBCO remain on hold until the collection store option and budget has been approved by the Project Board in March 2018. Internal property fees have been projected to reflect the potential revised programme. External design team fees and survey costs will not be confirmed until the preferred collection store option has been approved by the Project Board.	Budget to be rephased
CADS	Cultural Attractions - Collections Store	July 2019	No	3.4.13	The design team and HUBCO remain on hold until the collection store option and budget has been approved by the Project Board in March 2018. Internal property fees have been projected to reflect the potential revised programme. External design team fees and survey costs will not be confirmed until the preferred collection store option has been approved by the Project Board.	Budget to be rephased
TES	Vehicle Replacement Programme	Rolling programme of works	Yes	3.4.14	The original spend profile has been revised due to the increased lead in time for several vehicles originally anticipated to be delivered in March 2018.	Budget to be rephased
TES	Energy Conservation & Carbon Reduction Waste programme	Rolling programme of works	No	3.4.14	The 2017/18 planned programme of works had an element of uncommitted budget for allocation to projects throughout the year. No such projects have been initiated and the budget has now been reprofiled across the 7 year programme.	Budget to be rephased
HCS - GF	Letham Wellbeing HUB	January 2019	No	3.5.3	As the agreed contract of works will now not commence until April 2018, the budget has been rephased accordingly.	Budget to be rephased
HCS - GF	Council Contact Centre	March 2018	No	3.5.4	The budget has been rephased in line with the anticipated implementation of associated IT infrastructure and agreement of software specifications	Budget to be rephased
HCS - HRA	New Build programme - Birch Avenue	July 2018	No	4.7	Following initial delays in the project due to contaminated land the spend profile has been revised based on the updated programme of works.	Budget to be rephased
HCS - HRA	New Build programme - 208, Crieff Rd	January 2019	Yes	4.7	The budget has been reprofiled based on the most recent cost plan provided by the contractor.	Budget to be rephased
HCS - HRA	Central Heating and Rewiring	Rolling programme of works	Yes	4.12	The solar PV panel output has been reduced to 6-8 installations a week until the proposed contract completion at the end of March 2018. This has been reflected accordingly in the latest spend profile.	Budget to be rephased
HCS - HRA	Controlled Door Entry	October 2018	No	4.12	A delay in starting Phase 5 of the controlled door entry works and factoring in additional Tenancy Management Scheme lead times has been reflected in the updated cost profile.	Budget to be rephased
HCC - HRA	Multi Storey Flats	September 2018	Yes	4.12	Certain elements of works have been deferred to 2018/19 after an assessment in the context of the wider Multi Storey programme of works - these have been scheduled accordingly to benefit from economies of scale.	Budget to be rephased



**PERTH AND KINROSS COUNCIL****Strategic Policy and Resources Committee****18 April 2018****ANNUAL REVIEW OF CYBER SECURITY****Report by Head of Legal and Governance Services****PURPOSE OF REPORT**

This report provides an overview of Cyber Security in the Council and provides assurance as to current risks and threats.

**1. EXECUTIVE SUMMARY**

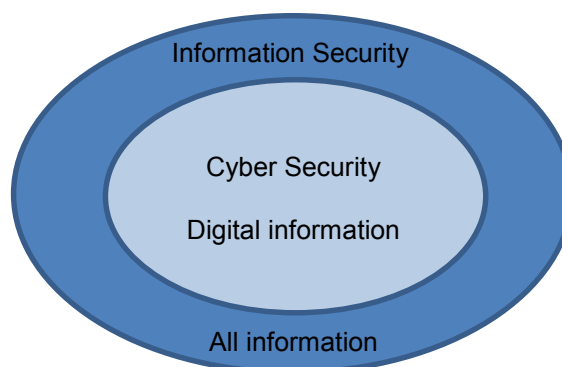
- 1.1 More and more of the Council's business is transacted and managed digitally. Information is a key business asset which needs to be protected. This report provides a description of the current arrangements in place within the Council to protect that information (our "cyber security"). It details the relevant compliance frameworks which the organisation is subject to and gives an analysis of the security measures in place in order to counteract threats and mitigate the risks to provide the Council with assurance as to the integrity of our systems and processes.
- 1.2 By way of context, during February 2018 the following threats were identified:-
- 683,367 blocked emails (Spam, phishing, content type and malware)
  - 398,416 malicious connection attempts
  - 18 viruses and malware on the network
- 1.3 These were all successfully blocked and there was no reported compromise of Council systems.
- 1.4 As well as the continuous monitoring of the Council's cyber security by the Information Security team and IT Division, the arrangements for the security of our digital information is also subject to external reviews and assessments.
- 1.5 The annual IT Health Check is conducted for the purpose of ensuring PSN compliance and comprises both an external and internal vulnerability test. The IT Health Check tests must be undertaken by a Government-certified organisation using Government-certified testers. The tests are procured by the Information Security Team and the testing company is changed every year in line with best practice. Identified vulnerabilities are rated according to a recognised standard scoring system.
- 1.6 The external test involves the tester attempting to break or 'hack' into the Council's network and all its externally facing systems, including the various Council websites.

- 1.7 The internal test involves the tester assessing 10% -15% of the Council's servers, PCs, laptops, etc. by running automated checks of their patching levels and also trying to gain access to systems as an unauthorised user.
- 1.8 The outcome of the IT Health Check in June 2017 was positive and demonstrated that the Council's cyber security systems were safe and robust.
- 1.9 The external test, which looks at the public exposure of the network, identified only one low risk vulnerability.
- 1.10 The internal test did discover a number of nominally high risks, however since these risks only manifest inside the corporate network they are manageable and actions to reduce these identified risks have been taken.
- 1.11 In 2017 the information security team ran four email phishing simulations. These tests highlighted user awareness as an area for improvement. Click rates for phishing emails reached 25% which equates to 1 in 4 of our users being susceptible to email phishing scams.
- 1.12 In summary, the Council has an assured, secure, government-accredited network and its security posture is robust in many areas. Systems are continually monitored internally and subject to regular external assessment. Risk and vulnerabilities as identified are passed to IT for remedial and mitigating action. Within the context of local government, user error or abuse poses the greatest risk.

## 2. BACKGROUND & CONTEXT

### 2.1 Cyber Security v Information Security

"Cyber security" is a relatively recent term which has found popularity over the last five or six years. "Cyber security" has no formal definition, but in general can be taken to mean the security measures which relate to information held digitally. This would include measures to protect the Council network - application systems, databases and computers on that network - and beyond the Council network - internet connections, mobile networks and websites.



- 2.2 In comparison, "Information Security" is a well-established term. Information Security relates to the security in place around ALL the Council's information irrespective of the manner in which it is stored.

#### **Development of Information Security in the Council**

- 2.3 The Council started working on Information Security in 1999 and has had a formal policy in respect of Information Security since 2001. The Council now has a mature Information Security Policy and a comprehensive Information Security Management System (ISMS) based on ISO 27002, the international standard for Information Security Management. The majority of the Council's Information Security standards relate to cyber security.

### **Cyber Security Partners**

- 2.4 The Information Security team works closely with other Scottish local authorities, the Scottish Government and other government organisations through the Scottish Local Authority Information Security Group (SLAISG).
- 2.5 The Council is also a member of the Cyber Information Sharing Portal (CISP) which is managed by the National Cyber Security Centre (NCSC).

### **Cyber Security Threats**

- 2.6 The Council is not considered to be a high profile target. Attacks against the Council are generally indiscriminate, i.e. spam, phishing emails, email viruses, and probing scans, but the sophistication of these attacks is increasing rapidly. The NHS, local authorities and other public sector bodies are now regularly reported as being affected by cyber-attacks, most notably continuing ransomware attacks.
- 2.7 The Council has invested in new technology in an attempt to block more of these attacks from entering the network. No technological measure is 100% effective and ultimately we must depend on our staff being vigilant to those malicious messages which make it through our defences. The Council has also purchased a product to carry out simulated phishing attacks against our employees. These simulations allow employees to be exposed to superficially malicious emails and providing an element of awareness education to those who fall for the ruse without any danger to the network.

### **Cyber Security and Compliance**

- 2.8 As a local authority we are subject to various external compliance requirements in terms of our cyber and information security standards. PSN requirements and the PCI DSS have been mentioned above.
- 2.9 As a controller and processor of personal information, the Council must also comply with the requirements of the Data Protection Act 1998. The UK Information Commissioner's Office issues regular security guidance to ensure that organisations comply with the 7<sup>th</sup> Data Protection Principle. This requires that *"appropriate technical and organisational measures shall be taken against unauthorised or unlawful processing of personal data and against accidental loss or destruction of, or damage to, personal data."*

- 2.10 In May 2018 the Council will be expected to comply with the new UK Data Protection Act which will implement the EU General Data Protection Regulation in UK law and will supersede the existing legislation. The security requirements set out in the new legislation are similar to the existing 7<sup>th</sup> Principle, but are more specific and will require careful attention.

### 3. CYBER SECURITY - POLICY, STRATEGY & GOVERNANCE

- 3.1 The Council's Information Security Policy is summarised in the following sentence: -

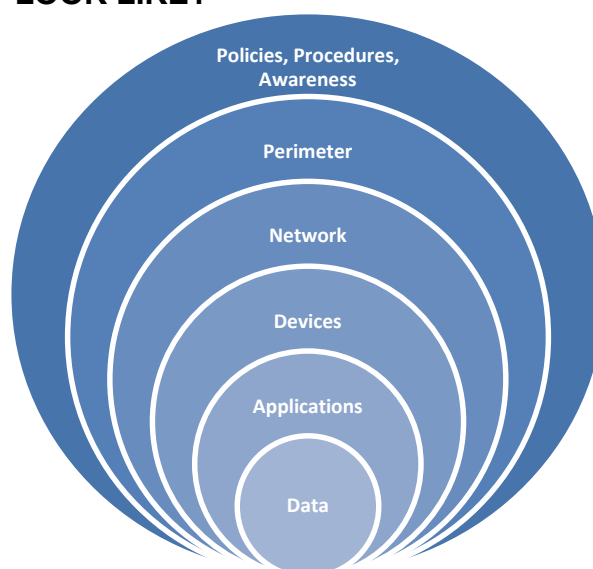
*“The purpose of this policy is to ensure the confidentiality, integrity and availability of all the Council’s information assets and to ensure that they are appropriately protected from all threats, whether internal or external, deliberate or accidental.”*

- 3.2 Given the continuous changes in ICT and information compliance requirements, the Council has not documented a strategy for Information Security; the general approach is to satisfy compliance requirements and best practice standards.
- 3.3 The Council has a designated Senior Information Risk Owner who is responsible for information security at a strategic level. The Policy and Governance Group normally acts as the senior management forum for information security, but will refer matters to the Executive Officer Team when it is considered appropriate to do so.

### 4. WHAT DOES CYBER SECURITY LOOK LIKE?

The Council, like all internet-connected organisations, is subject to constant, but indiscriminate, attack. The Council protects itself by having multiple layers of specialised devices and pieces of software throughout the network: a principle known as “Defence in Depth”.

These security layers are described in general terms in this section.



Cyber Security - Defence in Depth

#### a. Data

“Data” is the information to which all cyber security measures apply. This is what we aim to protect.

Information held on PCs, laptops and tablets is protected by encryption. Whilst it is possible to encrypt information held on servers, it is not feasible in many circumstances.

The weakest link in security within any organisation is the actions, omissions or errors of individuals. Staff continuously require to access and process data to carry out their roles. Certain information requires to be restricted, for example access to personal information, and it is important that the organisation has appropriate processes for authorising access to data and systems. The appropriate policies and processes are in place but, to ensure that access is properly managed, application managers and / or IT require to be kept up-to-date with details of all employees who move, start and leave the Council.

#### **b. Applications**

“Applications” are the programs or “apps” which run on devices. Applications normally have an additional user-id / password regime and enforce access restrictions based on the user-id.

Applications require periodic maintenance and updates. Some of these updates will be to ensure compatibility with updates to the underlying device. On occasion application updates may not be available from suppliers because their product is not ready to cope with updates to the device. In these cases alternative measures have to be implemented to ensure that the Council does not become vulnerable to attack through out-of-date devices.

#### **c. Devices**

“Devices” refer to the Council’s servers and the PCs, laptops, tablets and phones used by employees. Most devices are maintained and updated regularly against published security problems. Several systems are employed solely for the task of keeping Council computers up to date.

The Council’s deployment of technology for virtual desktops and mobile devices with remote network access has reduced the complexity of the network and will also bring about a small reduction in the number of devices connecting to it. In turn, the reducing complexity increases security and flexibility.

#### **d. Network**

Inside the network there are further specialised systems which monitor and analyse the traffic in and out of the network. These systems look at email and internet traffic, detect viruses, and deliver secure web services to the public such as the library and online planning systems.

As stated above, in February 2018, these systems detected and blocked: –

- 683,367 blocked emails (Spam, phishing, content type and malware)
- 398,416 malicious connection attempts
- 18 viruses and malware on the network

There were no known compromises of any Council system since the last review report in 2017.

**e. Perimeter**

The perimeter is the border between the Council's private network and the public internet. In 2014 it was estimated that 16 billion devices were connected to the internet across the world and it is predicted that by 2020 this will be 30 billion devices. The background "noise" of the internet lets malicious hackers hide and constantly scan for any weaknesses that will allow them to infiltrate and take control of vulnerable computers and network.

To defend against this the Council has security gateway devices on its perimeter, such as firewalls. These defend against hundreds of low level attacks every minute.

**f. Policies, Procedures and Awareness**

Cyber security refers to information in the digital realm, but the majority of that information will be used at some point by employees. This means that the Council needs policies and procedures, in addition to technological controls, to manage digital information in the Council through its creation, use and destruction. Crucially, the policies and procedures also set standards for the technological controls themselves.

**5. CHALLENGES**

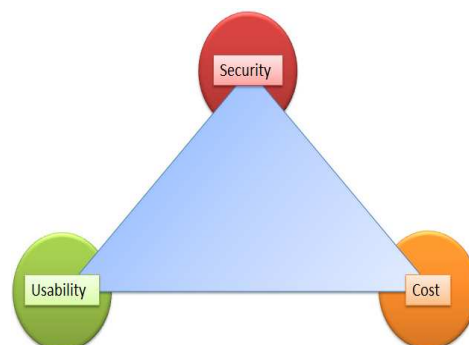
- 5.1 The Council has a reasonably robust cyber security posture, however, there are areas where challenges exist.

**a. Grey Procurement**

IT is evolving rapidly in the home. Free services are being made available that make communication and data sharing increasingly easy. New and innovative devices appear on the market every day that are both powerful and cheap. This can cause frustration when employees see the flexibility and quality of these services and devices and want to bring them into the workplace. Unfortunately, what is suitable for the home may not always be compatible with the Council's requirements.

Many of these services and products can be accessed using nothing more than an internet browser. As a result, it is possible for Council operational units to procure these services without reference to IT and without considering the potential security impact, and also in breach of procurement and data protection.

It is important to note that the Council has to take a collective responsibility for everything that touches its network and the rules (and laws) that apply to the Council as a public authority and corporate entity are different to those that apply to an individual at home. This can result in the Council appearing to be staid and inflexible when, in reality, the Council has no choice but to take a more measured and thoughtful approach to new developments in IT.



Unfortunately, robust cyber security will almost always be in conflict with low cost and usability.

#### **b. Asset Management**

In order to know that all Council information assets are secure we must first know what assets we have. This can be problematic as the understanding of what is an “asset” varies across the Council.

In terms of cyber security we must consider assets to be any system or service which holds the Council’s information digitally. The Council has a basic asset register and the Information Security team is working with IT currently to further improve the register and the management of our cyber assets.

#### **c. Classification of Information**

UK Government and the armed forces have long had a formal information classification scheme. A new, simplified Government scheme was introduced in April 2014 which means that almost all information held by local authorities should be classified at the same level.

The Council currently has no formal classification scheme.

#### **d. User Awareness and Education**

People will always be the weakest link in any secure system. Employees have authorised access through physical security measures and have passwords and access rights to permit access through cyber security measures. They can breach security accidentally or deliberately, naively or maliciously.

Some employees with significant authority on the network or in the Council must be considered potential targets of malicious organisations; these would include system administrators within IT, procurement specialists, and finance staff. Even staff with significant physical access to Council buildings at quiet times (such as cleaners) can be considered potential targets.

Educating users in what the Council's policies and standards are can help reduce the number of security incidents that occur. Security can be a dry topic and awareness programmes need to be innovative to attract and hold attention. Training programs also need to evolve to ensure employees are receiving training that is up-to-date with current threats. Managers and risk owners could benefit from specific additional training to increase their awareness of the impact their decisions can make.

Little can be done to prevent an employee's actions that are both deliberate and malicious. Pre-employment checks can help screen out criminal infiltration, but sophisticated automated monitoring of the network (known as protective monitoring) is required to detect and stop malicious actions when they occur.

The email phishing simulation used an online system to imitate common phishing email scams. If users fell for the fake emails rather than being taken to a malicious website they were presented with user awareness materials.

Initial tests, which imitated internal emails from IT, had click rates of around 25%. This unfortunately means that one in four of our staff when presented with a similar but malicious email would be at risk of clicking on its links and introducing malware into the council network.

More promisingly a test conducted in December 2017 which imitated Christmas offers from well-known companies had a click rate of only 6%. This indicates that staff are appropriately suspicious of spam type emails but that more work is needed to make internal emails more recognisable and to increase our employees awareness of potential malicious emails.

#### **e. Changing Compliance Standards**

Historically, the principal standards that have driven the Council's security compliance have come from the PSN. Following a series of ransomware attacks which affected the NHS in Scotland, the Scottish Government have accelerated their national Cyber Resilience programme and want to extend this across the public sector.

At first reading, the requirements appear to create some degree of duplication and work is currently being undertaken to assess the implications of the programme for the Council. This will be the subject of a further report to the Executive Officer Team.



## 6. FUTURE DEVELOPMENT OF CYBER SECURITY

- a. The demands placed on cyber security are continually changing as technology and its use changes. As a consequence, the Council's cyber security measures must continually develop and change.
- b. The following are some of the areas in which developments are currently in progress or are planned for the current year: -
  1. Refinement of an application risk assessment process to identify significant risks within existing high value applications systems.
  2. Continued development of a cyber awareness programme
  3. Ensuring that we get best value from the security technologies already within the Council network.
  4. Contributing to the Cyber discussion between local authorities, Scottish Government and NCSC.
  5. Review of the Council's Information Security Policy.

## 7. CONCLUSION AND RECOMMENDATIONS

- 7.1 The Council has an assured, resilient, government-accredited network.
- 7.2 The Council network is subject to ongoing and evolving cyber-attacks. Although a small number of these attacks have breached the network perimeter the response plans in place have allowed the incidents to be resolved quickly with minimal disruption and no compromise of confidentiality. The Council network needs to continuously evolve with the threats in order to remain secure.
- 7.3 The Committee is asked to:
- 1) Note the content of the report.

### Author(s)

Name	Designation	Contact Details
Paul Dick	Information Security Officer	01738 475000

### Approved

Name	Designation	Date
Jim Valentine	Depute Chief Executive (Chief Operating Officer)	16 March 2018

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## 1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

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

### 1. Strategic Implications

#### Community Plan / Single Outcome Agreement

1.1 Not applicable

#### Corporate Plan

1.2 Not applicable

### 2. Resource Implications

#### Financial

2.1 Not applicable

#### Workforce

2.2 Not applicable

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

2.3 The Head of Finance and Support Services, Housing and Community Care has been consulted and has indicated agreement with the report.

### **3. Assessments**

#### Equality Impact Assessment

- 3.1 The proposals have been considered under the Corporate Equalities Impact Assessment process (EqIA) and assessed as not relevant for the purposes of EqIA.

#### 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. However, no action is required as the Act does not apply to the matters presented in this report. This is because the Committee are requested to note the contents of the report only and the Committee are not being requested to approve, adopt or agree to an action or to set the framework for future decisions.

#### Sustainability

- 3.3 Not applicable

#### Legal and Governance

- 3.4 Part of the Governance framework.

#### Risk

- 3.5 Not applicable

### **4. Consultation**

#### Internal

- 4.1 Not applicable

#### External

- 4.2 Not applicable.

### **5. Communication**

- 5.1 Not applicable

### **2. BACKGROUND PAPERS**

None.

### **3. APPENDICES**

None.

## PERTH AND KINROSS COUNCIL

## Strategic Policy &amp; Resources Committee

18 April 2018

## IMPLEMENTATION OF THE GENERAL DATA PROTECTION REGULATION

## Report by Head of Legal and Governance Services

**PURPOSE OF REPORT**

This report provides an update on progress towards implementing the General Data Protection Regulation in the Council.

**1. BACKGROUND / MAIN ISSUES**

- 1.1 The General Data Protection Regulation (“the GDPR”) will come into force on 25 May 2018 and will affect virtually all of the processing of personal data undertaken by the Council. The GDPR will remain law even following the UK’s exit from the European Union. From a Council perspective therefore, all of our personal data processing must be compliant with the requirements of the GDPR from 25 May this year.
- 1.2 There is a separate Data Protection Bill currently progressing through parliament which will provide the amendments to the GDPR necessary for the UK’s implementation. This includes specific provision for law enforcement functions which will affect Trading Standards and Criminal Justice. The content and detail of this legislation is still not finalised and the delay creates a significant handicap in preparing for a live date some 2 months away.
- 1.3 Whilst the GDPR was approved in May 2016, very little guidance has been available until relatively recently. This is partly due to the need to reflect the UK legislation correctly. This has caused delay in developing revised policies and procedures, but a significant amount of preparatory work has been undertaken including awareness raising sessions and process-mapping within Services. This work has been led by the Council’s Information Compliance Manager, supported by a cross-Service working group.
- 1.4 Local authorities in Scotland have been collaborating wherever possible or practical and have relied heavily on work being undertaken by Edinburgh and Glasgow Councils. The Information Commissioner’s Office is preparing material for communicating the changes to customers, service users, etc. but this will not be available until later in March.

**2. SIGNIFICANT CHANGES**

- 2.1 The Data Protection Act requires compliance with the legislation, but the GDPR introduces a new requirement to maintain evidence of compliance. This includes creating and maintaining a register of our data processing

activities and providing significantly more information to individuals in our privacy notices.

## 2.2 Liabilities also change under the GDPR.

- Data processors become separately liable for their actions, but contracts with processors must now explicitly state a number of requirements.
- Data breaches must be reported within a 72 hour period
- Individuals are entitled to compensation for any breach of the GDPR that affects them.
- The maximum fine for a breach of the legislation by the Council increases from £500,000 to £20m.

## 2.3 Further requirements include the following:-

- A public authority is required to appoint a statutory Data Protection Officer (DPO).
- Data protection must be included in the design of any new process
- Privacy impact assessments become mandatory and the lawful basis has to be identified before starting processing any personal information. The use of consent and the 'legitimate interest' condition for processing personal data is restricted for a public authority.
- The timescale for a subject access request reduces from 40 days to 28 days and the ability to charge a fee is completely removed.
- The annual registration fee will increase; the UK draft regulations currently indicate that the Council's annual fee will be £2,900.

## 3. **PROGRESS TO DATE**

- 3.1 The major task prior to the implementation date is creating a register of all activities involving the processing of personal data across the Council. This has been in progress since September 2017 and it is hoped to complete this by the end of March 2018. The information collected will require considerable review and updating by the Information Governance team.
- 3.2 In conjunction with this there is work in progress to identify all our existing privacy notices so that they can be amended to suit the new and extensive legislative requirements. This work will be informed by the register of processing activities.
- 3.3 A successful series of Learn Innovate Grow sessions was completed prior to Christmas and a new series is running from February through to June 2018. Tailored briefings have also been provided to a number of specific teams.
- 3.4 A general overview in booklet form has been prepared based on work done by City of Edinburgh Council and specific topic guidance is being prepared and will be published on **eric** as time and knowledge permit.
- 3.5 An e-learning module, based on work done by Glasgow City Council, has been developed and will be available shortly.

- 3.6 Some guidance has been given to the Council's ALEOs about the GDPR, but they are generally working independently on implementation. The situation in relation to the GDPR of several other bodies closely associated with the Council has also been given consideration (Integrated Joint Board, TACTRAN, Tayside Joint Valuation Board, and the Returning Officer).

#### **4. OUTSTANDING IMPLEMENTATION WORK**

- 4.1 The following is work that is ongoing/ still to be completed :-

- the register of processing activities
- development of a new privacy notice template(s) and revision of all privacy notices
- ensuring that there are compliant standard contract terms and amending standard ITT clauses and the associated tender evaluation criteria
- once the UK Act is approved, we will require to develop a suite of policies, specific procedures and a wide range of guidance material to support staff and ensure compliance with the new requirements
- revision of the documentation for privacy impact assessments and privacy notices
- development of specific guidance and targeted training regarding the use of consent and reporting data breaches
- once known, provide specific awareness training sessions and develop guidance for Trading Standards / Criminal Justice on the law enforcement provisions
- specific awareness sessions for outlying sections of staff and for schools
- brief elected members regarding their individual responsibilities as data controllers
- prepare awareness materials for Community Councils
- prepare and publish appropriate communications to services users, citizens and staff

#### **5. POST IMPLEMENTATION DATE**

- 5.1 Once the GDPR is implemented and the UK legislation is enacted the following programme of further and ongoing work will be required:-

- review and revise all current data sharing agreements, as necessary
- review and revise all contracts involving the processing of personal data, as necessary
- devise and implement appropriate procedures to monitor and report on the Council's compliance with the legislation
- investigate data breaches and liaise with the Information Commissioner's Office as and when required
- develop the register of processing activities, and the relevant procedures, to ensure it can be maintained appropriately
- integrate the new process with the Data Protection Impact Assessment process and the creation of privacy notices
- publicise the role of the DPO both internally and externally

- review project governance processes to ensure that the DPO is appropriately involved in every project involving the processing of personal data
- provide appropriate advice to the Council on all aspects of data protection.
- maintain and further develop the required knowledge and expertise in data protection law and practice to ensure continuing compliance and best practice

## **6. DATA PROTECTION OFFICER**

- 6.1 Taking into consideration both the statutory tasks of a Data Protection Officer and the qualities required in a DPO, the Executive Officer Team agreed to designate an appropriate officer as the Council's DPO and the current Information Compliance Manager has been confirmed in this role.
- 6.2 The Council's Scheme of Administration will be amended to take account of this.

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

- 7.1 Implementation of the GDPR is a major challenge for an organisation as complex as the Council that relies on the processing of personal data for the majority of its activities. The Council has made reasonable progress towards implementation within the resources available and will continue to treat compliance with the legislation as a priority. The delay in finalising the UK legislation is a considerable handicap, but the Council is no worse off in this regard than all other organisations in the UK.
- 7.2 The scale of the requirements and the potential scale of the sanctions present a significant new risk to the Council. The Data Protection Officer will have a critical role in monitoring the state of the Council's compliance and advising on areas for improvement.
- 7.3 The Committee is asked to: -
- a) Note the content of the report and highlight any areas of concern
  - b) Note the appointment of the Data Protection Officer and approve the amendment to the Scheme of Administration

### **Author(s)**

<b>Name</b>	<b>Designation</b>	<b>Contact Details</b>
Lisa Simpson	Head of Legal and Governance Services	01738 475000

### **Approved**

<b>Name</b>	<b>Designation</b>	<b>Date</b>
Jim Valentine	Depute Chief Executive (Chief Operating Officer)	4 April 2018



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## 1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

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

### 1. Strategic Implications

#### Community Plan/Single Outcome Agreement

1.1 Not applicable.

#### Corporate Plan

1.2 Not applicable.

### 2. Resource Implications

#### Financial

2.1 Not applicable.

#### Workforce

2.2 Not applicable.

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

2.3 Not applicable.

### 3. Assessments

#### Equality Impact Assessment

3.1 Not applicable.

#### Strategic Environmental Assessment

3.2 Not applicable.

#### Sustainability

3.3 Not applicable.

#### Legal and Governance

3.4 Not applicable.

#### Risk

	Risk	Impact	Prob.	Action
1	Failure to adequately document our processing activities	High	High	Senior management support is sought to prioritise and resource this activity in services which are struggling to complete the task in the timescale.
2	Failure to develop all the necessary procedures, guidance, etc.	Medium	High	Best endeavours – this risk has been exacerbated by the extremely late publication of guidance and the as yet draft UK legislation
3	Lack of staff awareness and engagement	Medium	High	Senior management support is sought to encourage all staff and where required mandate key staff to engage in training.
4	Due to other demands, GDPR is not given the appropriate strategic prioritisation within the organisation	High	Medium	Regular updates to EOT/CMG Elected Member briefings Organisation wide communications

	Risk	Impact	Prob.	Action
5	Insufficient resources to complete all tasks required for implementation date	High	Medium	Prioritise activity based on risk. Continue to engage with other authorities to see where work can be shared. Seek management support to target barriers/ pressures
6	Lack of appropriate contractual terms with all suppliers	Medium	Medium	Prioritise contract amendment in terms of risk related to personal data

#### **4. Consultation**

##### Internal

4.1 Not applicable.

##### External

4.2 Not applicable.

#### **5. Communication**

5.1 The Council's Communication Team have been a key participant in the Implementation Group and the GDPR implementation has been included in the Council's corporate communications plan.

#### **2. BACKGROUND PAPERS**

None.

#### **3. APPENDICES**

None.

**PERTH AND KINROSS COUNCIL**

**Modernising Governance Member Officer Working Group  
16 April 2018**

**Strategic Policy & Resources Committee  
18 April 2018**

**TRANSFORMATION PROGRAMME 2015-2020**

**Report by the Depute Chief Executive, Chief Operating Officer**

This report comprises:

- An update on the Transformation Programme approved by Council on 1 July 2015 (Report No 473/15),
- New proposals submitted for Phase 4 of the Transformation programme.

**1. BACKGROUND / MAIN ISSUES**

**1.1 Overview**

- 1.1.1 The Transformation programme is focused on continuing Perth and Kinross Council's proactive approach to public service reform. The Transformation Strategy ([click here](#)) \* provides a framework for innovation, creativity, flexibility and greater entrepreneurship to meet the significant challenges ahead.
- 1.1.2 A major part of the Council's Transformation Strategy is being delivered through a programme of transformation reviews. The programme currently comprises 18 projects which are developing new ways of working to sustain high quality service delivery, whilst achieving a challenging scale of savings. These reviews are reported to each meeting of the Strategic Policy and Resources Committee.
- 1.1.3 The current programme consists of three phases of reviews, initiated over the past three years. The need for transformational change continues, and this report contains proposals supported and agreed by EOT for a fourth phase of transformation reviews, including proposals which are seeking funding support, through the Council's Earmarked Transformation Reserve.

**2. PROPOSALS**

**2.1 Progress with Current Transformation**

- 2.1.1 Progress to date on each of the projects is provided in Appendix 1 and 2, as reported through the project management system (VERTO). Appendix 1 is an 'at a glance' dashboard with more detail on a project by project basis, in Appendix 2.

- 2.1.2 The status of the 18 transformation projects is as follows - 9 projects are 'on target', 6 projects have "some issues", 2 projects are at risk and one project is marked as re-scoped.
- 2.1.3 In addition to the active projects which comprise the current programme, two projects (Review of Community Development and Engagement Functions, and Review of Community Campuses Contract and Charging Arrangements) have been completed since the last report on 7 February 2018 (Report number 18/43).
- 2.1.4 The Review of Community Development and Engagement functions realised recurring savings of £80,000 as part of this process. The project was supported with investment of £40,000, which was spent in full to facilitate this work.
- 2.1.5 The Review of Community Campuses Contract and Charging Arrangements realised recurring savings of £180,000. The project was supported with investment of £50,000 to facilitate this, of which £34,000 was spent.
- 2.1.6 Savings to date from completed projects amounts to £1.8 million. This does not include savings achieved by the Transformation projects which are now reported to, and monitored, by the Integrated Joint Board for Health and Social Care.
- 2.1.7 Monitoring of the current projects within the Transformation Programme has identified financial movements in the projects, with £142,000 funding no longer required. This is principally due to some projects being delivered under budget, or with a greater proportion of funding coming from mainstream revenue budgets. The details of the underspend are noted in the table below;

Project	Underspend (£000s)
Licensing transformation	20
Collaborative working (Teacher Supply pool)	20
Collaborative general TES	21
Roads	48
Waste review (collaborative)	33
TOTAL	142

- 2.1.8 This has been offset by requests totalling £126,000 from current Transformation projects for additional funding. These funding requests are detailed in Appendix 3.

## 2.2 Future Transformation Programme (Phase 4)

- 2.2.1 Appendix 4 identifies the proposed future programme of transformation reviews, based on new proposals nominated by Services. Further transformation proposals may arise over time and these will be reported to future Strategic Policy and Resources Committee.

2.2.2 The initial phase 4 proposals, including Outline Business Cases with bids for additional Transformation Funding, were approved by the Executive Officer Team on 27 March 2018.

2.2.3 Currently the available funding in the Earmarked Transformation Reserve is £500,000.

### 3. CONCLUSION AND RECOMMENDATIONS

3.1 It is recommended that the Committee:

- (a) Notes the progress related to the Transformation Programme, as detailed in Appendices 1 and 2.
- (b) Agrees the allocation of funding to address existing project cost pressures as detailed in Appendix 3.
- (c) Agrees the initial Phase 4 Transformation programme, including allocation of funding from the Earmarked Transformation Reserve as detailed in Appendix 4.

#### Author(s)

Name	Designation	Contact Details
Caroline Mackie	Transformation Manager	<a href="mailto:transformationenq@pkc.gov.uk">transformationenq@pkc.gov.uk</a> 01738 476476

#### Approved

Name	Designation	Date
Jim Valentine	Depute Chief Executive and Chief Operating Officer	4 April 2018

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## 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>None</b>
Asset Management (land, property, IST)	<b>None</b>
<b>Assessments</b>	
Equality Impact Assessment	<b>None</b>
Strategic Environmental Assessment	<b>None</b>
Sustainability (community, economic, environmental)	<b>None</b>
Legal and Governance	<b>None</b>
Risk	<b>Yes</b>
<b>Consultation</b>	
Internal	<b>Yes</b>
External	<b>No</b>
<b>Communication</b>	
Communications Plan	<b>No</b>

### 1. Strategic Implications

#### Community Plan / Single Outcome Agreement

- 1.1 This report supports the delivery of the Strategic Objectives within the Community Plan 2013-23 and the Corporate Plan 2018-2022.

### 2. Resource Implications

#### Financial

- 2.1 The projections for funding and savings for each project are detailed in Appendices 1 and 2.

#### Workforce

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

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

- 2.3 There are no direct asset management 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 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 proposals within this report have been considered under the terms of the act and no further action is required as it does not qualify as a PPS as defined by the Act and is therefore exempt.

#### 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.

#### Legal and Governance

- 3.7 Not applicable

#### Risk

- 3.8 The report presents progress on all aspects of the transformation programme including movements in financial projections. There are no additional risks which arise from this report.
- 3.9. Project risks are managed within the context of each project.

## **4. Consultation**

### Internal

- 4.1 The Executive Officer Team, Senior Management teams and the Corporate Transformation Board have been consulted in the preparation of this report.

### External

- 4.2 Not applicable.

## **5. Communication**

- 5.1 Communications with staff will be undertaken as part of the individual reviews/projects.

## **2. BACKGROUND PAPERS**

The background papers referred to within the report are:

- Report to Council on 1 July 2015 (Report No 473/15)
- Report to Council, Building Ambition: The Council's Transformation Strategy 2015-2020 and the Organisational Development Framework (report 15/292)
- Report to SP&R Committee in February 2016 (Report No: 16/187)
- Report to Council on 22 February 2017 (Report No: 17/82)
- Report to Strategic Policy and Resources Committee, 27 November 2017, (Report No: 17/393)
- Report to Council on 22 February 2018 (Report No 18/47)
- Highlight Reports of each project on the ERIC Transformation page, ([click here](#))
- \*Hard copies are available from [transformationenq@pkc.gov.uk](mailto:transformationenq@pkc.gov.uk)

## **3. APPENDICES**

- Appendix 1 – Verto Project Report –Programme Dashboard
- Appendix 2 – Progress Report on active Transformation reviews Progress Status
- Appendix 3 – Funding Requests in Current Programme
- Appendix 4 – New Bids in Future Programme

## Programme Dashboard - Building Ambition

Total Number of Projects in the Programme	18			
	Approved Savings (£000's)	Project Savings (£000's)	Approved Funding (£000's)	Project Spend (£000's)
Programme Financial Information	£8234.5	£8050.5	£5,910	£5,375

	On Target	Some Issues	At Risk	Remdial Action	Slippage	Completed	None	
Projects Overall Status - Current	9	6	2	0	0	0	0	^
Projects Overall Status - Previous	9	6	2	0	0	0	0	^
Milestones	11	4	0	0	0	0	1	* ^
Risks	13	2	1	0	0	0	1	^
Issues	5	8	1	0	0	0	2	* ^
Cost Status	14	0	0	0	0	1	1	^ ^
Savings	11	1	3	0	0	1	0	^ ^
Non-Cashable Benefits	15	0	1	0	0	0	1	^

	18/19	19/20	20/21	21/22
Projects Due To End	3	6	7	0

*	Project Delayed
^	Project Rescoped



# Project Status

# Appendix 2

Programme	Project Title	Brief Description	Approved Savings (£000's)	Approved (via current budget)	Projected Savings (£000's)	Approved Funding (£000's)	Projected Spend (£000's)	Previous	Current	Milestones	Risks	Issues	Costs	Savings	Non-Cashable Benefits
Corporate and Democratic Projects															
Building Ambition	Corporate - Tomorrow's Customer and Business Support Services Transformation	The Administrative and Support Functions Transformation Review will analyse how we deliver these functions now and consider how we may deliver these services in the future.	992	992	992	180	180	Rescoped	Rescoped	Rescoped	Rescoped	Rescoped	Rescoped	Rescoped	Rescoped
			Comments from Change and Transformation Board												
Building Ambition	Corporate - Modernising Performance Reporting Review	Using technology better to transform the presentation of performance management information, allowing more efficient, effective and instant access to Council performance data, for all users of the information.	34	34	34	80	80	On Target	On Target	On Target	On Target	On Target	On Target	Completed	On Target
			Comments from Change and Transformation Board					Position noted.							
Building Ambition	Corporate - Online Services and myAccount Review	Developing a whole organisation transformational approach to online services, and 'channel shift' (from face to face and telephone services, to online) which delivers savings, maximizes digital inclusion and improves customer satisfaction by giving access to Council services online anytime, anywhere, and from any device.	413	413	413	1,314	1,264	On Target	On Target	On Target	On Target	None	On Target	On Target	On Target
			Comments from Change and Transformation Board					<p>The Draft Annual plan was shared with the ICT Transformation Board on the 2nd Feb. The finalised plan will be taken to the Board in April for approval.</p> <p>An "Approach to Savings and Benefits Realisation" paper was approved by the Board on the 2nd February. It was agreed the report be shared with Financial Controllers and with the CMG.</p>							
Building Ambition	Corporate - Mobile Working Review	Implementing a corporate mobile solution which automates key tasks, processes and work flow to improve productivity, efficiency and quality, reducing the requirement for staff to navigate numerous systems and supporting the workforce to be more mobile, and work more efficiently and effectively.	812.50	812.50	812.50	1,284	1,284	Some Issues	Some Issues	On Target	On Target	None	On Target	On Target	On Target
			Comments from Change and Transformation Board					<p>Feb 2018 - ICT Transformation Board.</p> <p>Draft annual plan was shared with the ICT Transformation Board. Finalised plan will be taken to the Board in April for approval.</p> <p>Board "Approach to Savings and Benefits Realisation" document was approved by the Board. Paper to be shared with Financial Controllers -to discuss annual plan and their role - and with the CMG.</p>							
Building Ambition	Corporate - Smart Perth and Kinross: Perth and Kinross Open Data	Reviewing the publication of Council data, in collaboration with other Scottish cities, for better co-ordination, and to develop a locality based community information system, to help identify and tackle inequalities, engage and empower communities and assist with neighborhood planning.	0	0	0	316	316	On Target	On Target	On Target	On Target	On Target	On Target	On Target	On Target
			Comments from Change and Transformation Board												
Building Ambition	Corporate - Procurement Reform Review	Achieving further savings from procurement activities through closer management of suppliers, maximizing use of collaborative procurement consortia, development of professional procurement skills for staff, improved monitoring and reporting systems, and managing demand through re-specifying products and services.	2,500	1,945	2,500	770	770	On Target	On Target	Not Set	On Target	Some Issues	On Target	On Target	On Target
			Comments from Change and Transformation Board					No comments to report in this period.							

Building Ambition	Corporate - Council Assets for Commercial Sponsorship	This review aims to take an innovative approach by using the Councils existing assets as a means for producing a revenue stream by offering sponsorship and advertising opportunities to commercial organisations. The revenue generated from this project can offset the costs of providing valuable public services.	150	150	82	56	29	Some Issues	Some Issues	Some Issues	Some Issues	Some Issues	Completed	At Risk	On Target
			Comments from Change and Transformation Board					Progress noted, and further action required to continue to increase the profile across PKC of commercialisation of assets							
Building Ambition	Corporate Digital Platform	The Corporate Digital Platform Project will deliver Hybrid mail, a digital mailroom and back-scanning facility and EDMS with process redesign that will reduce bureaucracy and build an integrated paperless framework.	288	0	288	911	501	On Target	On Target	On Target	On Target	On Target	On Target	On Target	On Target
			Comments from Change and Transformation Board												
Education and Children's Services															
Building Ambition	ECS - Remodeling of Residential Care	To avoid escalating costs of residential care for children and young people to better meet increasing and changing demands. To implement an innovative solution to prevent the use of external residential placements and focus on keeping young people within their families and communities.	0	0	0	500	500	On Target	On Target	On Target	On Target	On Target	On Target	On Target	On Target
			Comments from Change and Transformation Board					This project is progressing as planned however there some issues regarding the recruitment of the manager position and the premises to base the new model. These issues will have a minor impact on timescales and will the Project Board is being kept informed of developments. All issues are expected to be resolved by the middle of March 2018.							
Building Ambition	ECS - Review of Catering Services	Examining optimum production, menu and service arrangements across Tayside and looking at options for area based kitchens and partnership working to ensure the most efficient and effective catering service.	200	200	200	0	0	At Risk	At Risk	Some Issues	None	Some Issues	On Target	At Risk	None
			Comments from Change and Transformation Board					This project is reported as at risk as there is a delay in approving the proposals for a Tayside Wide Central Production Unit (CPU) in order for the project to formally commence. As a result the savings attached to this project are currently delayed.							
Building Ambition	ECS - Review of Inclusion Services	Redesigning the delivery model which may result in some efficiencies but any savings or changes to service provision must be undertaken within legal duties held by the council.	0	0	0	50	50	Some Issues	Some Issues	Some Issues	On Target	On Target	On Target	On Target	On Target
			Comments from Change and Transformation Board					This project is progressing as planned and all deliverables are expected to be complete within stated timescales. <b>This project has no savings attached however is designed to mitigate against cost pressures and avoid escalating costs in future.</b>							
Building Ambition	ECS - Securing the Future of the School Estate	Reviewing the school estate to make the most effective and efficient use of buildings, and staff across the estate.	200	200	84	0	0	Some Issues	Some Issues	On Target	On Target	Some Issues	On Target	Some Issues	On Target
			Comments from Change and Transformation Board					This project is progressing however there are issues out with the control of the project which may have an impact on the savings. These issues are in relation to the uncertainty of outcomes from statutory consultations.							
Building Ambition	ECS - Expansion of Family Based Care	To meet the increasing demand for foster carers and family-based carers for children and young people looked after by Perth and Kinross Council	0	0	0	209	209	Some Issues	Some Issues	On Target	On Target	Some Issues	On Target	On Target	On Target
			Comments from Change and Transformation Board					This project is progressing as planned however there are some issues. The project funding needs to be re-phased to reflect the actual expenditure profile. It is also unlikely that the Council will receive a management fee for providing foster carers to other authorities within the timescales originally set out without having a negative impact on our own children and young people. This project has however significantly reduced the number of children and young people accommodated in external foster care placements in the first year. These young people have either returned home or moved into foster and kinship placements within the Local Authority. Analysis of the first year of the project is laid out in the progress report to the Executive Officer Team.							
Housing and Community Care															
Building Ambition	HCC - Review of HCC Repairs Service	Undertaking a detailed review and analysis of key areas of housing repairs to identify improvements to efficiency and productivity which both improves the service delivery model and achieves savings of £500k	500	500	500	0	0	Some Issues	Some Issues	Some Issues	Some Issues	Some Issues	On Target	On Target	On Target
			Comments from Change and Transformation Board					Implementation of new repairs structure is on track. Rollout of mobile working solution is expected to start with Wet Trades this month. Stores business case has been updated to reflect current options							

The Environment Service															
Building Ambition	TES - Review of Roads Activities	Examining potential efficiencies, including collaborative working with other Councils and working arrangements with current and potential future contractors.	200	200	200	50	2	On Target	On Target	On Target	On Target	Some Issues	Rescoped	Rescoped	On Target
			Comments from Change and Transformation Board												
Building Ambition	TES - Community Greenspace Review	Exploring the best way to work with our communities to take on smaller community greenspace sites for community benefit, reduce maintenance activities and explore potential alternative delivery mechanisms.	0	0	0	40	40	On Target	On Target	On Target	On Target	Some Issues	On Target	On Target	On Target
			Comments from Change and Transformation Board												
Building Ambition	TES - Council Vehicle Fleet Utilisation and Optimisation Review	The Council Vehicle Fleet Utilisation and Optimisation Review looks towards the better utilisation of the council's small vehicle fleet through the introduction of telematics and effective ongoing analysis of associated data. In addition the project proposes to undertake a review of the grey fleet (i.e. private vehicles used for council business) with the aim of reducing the extent to which delivery of Council Services rely on this.	150	150	150	150	150	On Target	On Target	Project Delayed	On Target	Project Delayed	On Target	On Target	On Target
			Comments from Change and Transformation Board					The Project Management Board are in agreement that the project has progressed well so far with the only issue being the delay of the Pool Car Booking System - the final specification will be received in February after which the system will be developed within 2-3 months.							
Building Ambition	TES - Corporate Property Asset Management Review	Reviewing the Council's property assets to; provide a property estate which is appropriately sized for requirements, well used, properly maintained, integrated with partner organisations' asset management plans, maximising collaborative opportunities, and is in appropriate geographical locations.	1,795	1,795	1,795	0	0	At Risk	At Risk	On Target	At Risk	At Risk	None	At Risk	At Risk
			Comments from Change and Transformation Board												
Totals			8234.5	7191.5	8050.5	5910	5375								





Project title	Reason for request	Funding Required	Year of spend
Securing the Future of the School Estate – Legal Support	Funding is required to provide additional Legal Services resource for 2018/19 to support the transformation project consultation process	£50,000	2018/19
Council Assets for Commercial Sponsorship	Additional funding is required to add to remaining funding of the project to provide admin support at GE2 level specifically for advertising and income generation	£12,000	2018/19
Corporate Digital Platform	One year license required for SharePoint 2016 update to overlap existing 2010 system. This will allow the roll out of EDMS in 2018/19 in line with project time line	£15,000	2018/19
Fairness Commission	Continuation for 6 months of the existing Inequalities post to work towards delivering the recommendations of the Fairness Commission, implementing the new socio-economic duty and developing our equalities activities with partners	£26,000	2018/19
Home First	To employ a Graduate Trainee to support the Private Sector activities which have been a key part of the successful Home First Transformation project alongside the development of a Private Sector Housing Strategy.	£23,000	2018/19
TOTAL		£126,000	



#### Appendix 4 - Future Transformation Programme 2018 - 2020 Bids

Project Title	Funding Requested £000	Funding Requested £000	Funding Requested £000	Total Funding Requested £000	Indicative estimated recurring/saving income (£000)				Estimated recurring savings by 2021 (£000)	Payback Ratio	Bid summary
	2018/19	2019/20	2020/21	2018/21	2018/19	2019/20	2020/21	2021/22			
Low Carbon Project	60	80	20	160	0	0	0	0		0.0	Future cost avoidance through compliance with impending regulations and cheaper energy provision. Opportunity to demonstrate leading practice in carbon management, and local community energy provision. Funding will provide capacity to access potentially £500m of other funding.
Smart Energy Network	50	0	0	50	0	0	0	0		0.0	Using PKC sites to use, store and sell locally generated electricity on PKC buildings (e.g Solar Power)  Not stand alone bid - this supports a "Can Do" Challenge Bid for £200k. Viability of project will rely on successful progression of "Can Do" application through 2nd stage. Savings not quantified.
Income generation	30	30		60	25	50	75		150	2.5	Capacity and expertise to increase the pace of income generation with focus to reflect prioritising income generation from events and sponsorship
Enabling		59		59							Funding for continuation of Transformation Manager post to 2020, and funding of project management system (VERTO)
<b>TOTAL OF BIDS SUPPORTED BY EOT</b>	<b>140</b>	<b>169</b>	<b>20</b>	<b>329</b>	<b>25</b>	<b>50</b>	<b>75</b>	<b>0</b>	<b>150</b>	<b>0.5</b>	

	£k
Funding available	500
Remaining	171

