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Council Building
2 High Street
Perth
PH1 5PH

Tuesday, 27 November 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, 28 November 2018** at **10:00**.

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

KAREN REID
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 Colin Stewart (Vice-Convener)	
Councillor Alasdair Bailey	
Councillor Bob Band	
Councillor Stewart Donaldson	
Councillor Dave Doogan	
Councillor John Duff	
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, 28 November 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/SUBSTITUTES**
- 2 DECLARATIONS OF INTEREST**
- 3 MINUTES**
 - 3(i) MINUTE OF MEETING OF THE STRATEGIC POLICY AND RESOURCES COMMITTEE OF 12 SEPTEMBER 2018 FOR APPROVAL AND SIGNATURE** **5 - 10**
(copy herewith)
 - 3(ii) MINUTE OF MEETING OF PROPERTY SUB-COMMITTEE OF THE STRATEGIC POLICY AND RESOURCES COMMITTEE FOR 16 APRIL 2018 FOR NOTING** **11 - 14**
(copy herewith)
 - 3(iii) MINUTE OF MEETING OF THE CORPORATE HEALTH, SAFETY AND WELLBEING CONSULTATIVE COMMITTEE OF 11 JUNE 2018 FOR NOTING** **15 - 20**
(copy herewith)
 - 3(iv) MINUTE OF MEETING OF THE EMPLOYEES JOINT CONSULTATIVE COMMITTEE OF 24 MAY 2018 FOR NOTING** **21 - 26**
(copy herewith)
 - 3(v) MINUTE OF MEETING OF THE PERTH AND KINROSS INTEGRATION JOINT BOARD OF 22 JUNE 2018 FOR NOTING** **27 - 34**
(copy herewith)
- 4 REVENUE BUDGET 2018/19 - MONITORING REPORT NUMBER 2** **35 - 62**
Report by Head of Finance (copy herewith 18/384)
- 5 COMPOSITE CAPITAL BUDGET 2018/28 & HOUSING INVESTMENT PROGRAMME 2018/23 - MONITORING REPORT NUMBER 2** **63 - 94**
Report by Head of Finance (copy herewith 18/385)

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| 6 | RURAL PERTH AND KINROSS MICRO ENTERPRISE FUND
AND MICRO CREDIT FUND
Report by Depute Chief Executive (copy herewith 18/393) | 95 - 102 |
| 7 | TRANSFORMATION PROGRAMME 2015-2020
Report by Depute Chief Executive, Chief Operating Officer (copy herewith 18/386) | 103 - 116 |
| 8 | CORPORATE PROPERTY ASSET MANAGEMENT
TRANSFORMATION PROGRAMME
Report by Executive Director (Housing and Environment) (copy herewith 18/387) | 117 - 132 |
| 9 | FLEET AND MECHANICAL EQUIPMENT ASSETS ANNUAL
STATUS REPORT
Report by Executive Director (Housing and Environment) (copy herewith 18/388) | 133 - 156 |
| 10 | DATA PROTECTION POLICY
Report by Head of Legal and Governance Services (copy herewith 18/389) | 157 - 166 |
| 11 | JOINT WORKING AGREEMENTS
Report by Corporate Human Resources Manager (copy herewith 18/390) | 167 - 192 |
| 12 | EUROPEAN SOCIAL FUND EMPLOYABILITY PROGRAMMES
This report has been withdrawn from the agenda. | |
| 13 | ARMED FORCES COVENANT - ANNUAL PROGRESS REPORT
Report by Depute Chief Executive (copy herewith 18/392) | 193 - 198 |

IT IS RECOMMENDED THAT THE PUBLIC AND PRESS SHOULD BE EXCLUDED DURING CONSIDERATION OF THE FOLLOWING ITEM(S) IN ORDER TO AVOID THE DISCLOSURE OF INFORMATION WHICH IS EXEMPT IN TERMS OF SCHEDULE 7A TO THE LOCAL GOVERNMENT (SCOTLAND) ACT 1973

- P1 CHIEF OFFICER, PERTH & KINROSS HEALTH AND SOCIAL CARE PARTNERSHIP**

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PERTH AND KINROSS COUNCIL
STRATEGIC POLICY AND RESOURCES COMMITTEE
12 SEPTEMBER 2018

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 12 September 2018 at 10.00am.

Present: Councillors M Lyle, P Barrett, C Stewart, B Band, S Donaldson, D Doogan, J Duff, A Forbes, A Jarvis (substituting for C Purves), G Laing, R McCall, S McCole, X McDade (substituting for A Bailey), A Parrott and C Shiers.

In Attendance: K Reid, Chief Executive; J Valentine, Depute Chief Executive and Chief Operating Officer; L Aitchison, L Cameron, K Donaldson, C Flynn, S MacKenzie, M Mahmood, S Richards, F Robertson, L Simpson, G Taylor, S Walker and C Irons (all Corporate and Democratic Services); S Devlin and J Cockburn (Education and Children's Services); B Renton, N Copland, F Crofts and D Fraser (all Housing and Environment) and J Smith, Perth and Kinross Health and Social Care Partnership.

Apologies: Councillors A Bailey and C Purves and Provost D Melloy.

Councillor M Lyle, Convener, Presiding.

496. WELCOME AND APOLOGIES

The Convener welcomed all those present to the meeting. Apologies were noted.

497. DECLARATIONS OF INTEREST

There were no declarations of interest in terms of the Councillors' Code of Conduct.

498. MINUTES OF PREVIOUS MEETINGS

(i) Strategic Policy and Resources Committee

The minute of meeting of the Strategic Policy and Resources Committee of 13 June 2018 (Arts. 321-329) was submitted, approved as a correct record and authorised for signature.

(ii) Executive Sub-Committee of the Strategic Policy and Resources Committee

The minute of meeting of the Executive Sub-Committee of 20 August 2018 was submitted and noted. (*Appendix I*)

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(iii) Property Sub-Committee of the Strategic Policy and Resources Committee

The minute of meeting of the Property Sub-Committee of 26 February 2018 was submitted and noted. **(Appendix II)**

(iv) Property Sub-Committee of the Strategic Policy and Resources Committee

The minute of meeting of the Property Sub-Committee of 14 March 2018 was submitted and noted. **(Appendix III)**

(v) Provost's Sub-Committee of the Strategic Policy and Resources Committee

The minute of meeting of the Provost's Sub-Committee of 27 June 2018 was submitted and noted. **(Appendix IV)**

(vi) Employees Joint Consultative Committee

The minute of meeting of the Employees Joint Consultative Committee of 30 November 2017 was submitted and noted. **(Appendix V)**

(vii) Corporate Health, Safety and Wellbeing Consultative Committee

The minute of meeting of the Corporate Health, Safety and Wellbeing Consultative Committee of 12 March 2018 was submitted and noted. **(Appendix VI)**

(viii) Perth and Kinross Integration Joint Board

The minute of meeting of the Integration Joint Board of 23 March 2018 was submitted and noted. **(Appendix VII)**

(ix) Tay Cities Region Joint Committee

The minute of meeting of the Tay Cities Region Joint Committee of 18 May 2018 was submitted and noted. **(Appendix VIII)**

499. REVENUE BUDGET 2018/19 – MONITORING REPORT NUMBER 1

There was submitted a report by the Head of Finance (18/284), providing an update (1) on progress with the 2018/19 General Fund Revenue Budget based on the June 2018 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 18/284 be noted.
- (ii) The adjustments to the 2018/19 Management Revenue Budget, as detailed in Appendices 1 and 2 to and Sections 2 and 3 of Report 18/284, be approved.

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- (iii) The 2018/19 service virements, as summarised in Appendices 2 and 6 to Report 18/284, be approved.
- (iv) The Health and Social Care projected outturn, as summarised in Paragraphs 3.3 to 3.10 of and Appendix 5 to Report 18/284, be noted.
- (v) The Housing Revenue Account projected outturn summarised in Section 4 of and Appendix 6 to Report 18/284, be noted.

500. COMPOSITE CAPITAL BUDGET 2018/28 AND HOUSING INVESTMENT PROGRAMME 2018/23 – MONITORING REPORT NUMBER 1

There was submitted a report by the Head of Finance (18/285), (1) providing a summary position to date for the 10 year Composite Capital Programme for 2018/19 to 2027/28 and the 5 year Housing Investment Programme 2018/19 to 2022/23 and (2) seeking approval for adjustments to the programmes.

Motion (Councillors M Lyle and P Barrett):

- (i) **The contents of Report 18/285, be noted.**
- (ii) **The proposed budget adjustments to the 10 year Composite Capital Budget 2018/19 to 2027/28, as set out in Sections 2 and 3 of and summarised at Appendices I and II to Report 18/285, be approved.**
- (iii) **The proposed budget adjustments to the Housing Investment programme Budget 2018/19 to 2022/23, as set out in section 4 of and summarised at Appendix III to Report 18/285, be approved.**

Amendment (Councillors D Doogan and X McDade)

- (i) The contents of Report 18/285, be noted.
- (ii) The proposed budget adjustments to the 10 year Composite Capital Budget 2018/19 to 2027/28, as set out in Sections 2 and 3 of and summarised at Appendices I and II to Report 18/285, be approved, with the exception of the proposal in Paragraph 3.3.3 relating to the transfer of £550,000 for the Perth City Vennels and £500,000 from the Perth Lighting Action project to the Perth City Hall budget within Corporate and Democratic Services.
- (iii) The proposed budget adjustments to the Housing Investment programme Budget 2018/19 to 2022/23, as set out in section 4 of and summarised at Appendix III to Report 18/285, be approved.

In terms of Standing Order 58, a roll call vote was taken.

8 members voted for the Motion as follows:

Councillors P Barrett, J Duff, A Forbes, A Jarvis, M Lyle, R McCall, C Shiers and C Stewart.

6 members voted for the Amendment as follows:

Councillors B Band, S Donaldson, D Doogan, G Laing, S McCole and X McDade.

Councillor A Parrott abstained.

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Resolved:

In accordance with the Motion.

501. ANNUAL EFFICIENCY STATEMENT 2017/18

There was submitted and noted a report by the Head of Finance (18/286) summarising the efficiency gains made by Perth and Kinross Council during financial year 2017/18 and describing how, in the context of a challenging financial climate, the Council might make further efficiency gains in future financial years.

502. SAVING ARISING FROM EARLY RETIREMENT DECISIONS TAKEN IN 2017/18

There was submitted and noted a report by the Head of Finance (18/282) providing information on the costs and savings arising from early retirement and redundancy decisions taken in financial year 2017/18.

503. CULTURAL TRUSTS TRANSFORMATION PROJECT: UPDATE REPORT (Art 325)

There was submitted a report by the Depute Chief Executive and Chief Operating Officer (18/238) providing an update on progress with the Cultural Trusts Transformation Project.

Resolved:

The progress with the review of Cultural Trusts; the scoring criteria for the options appraisal; and the key assumptions to date which are informing the options appraisal process, be noted.

504. TRANSFORMATION PROGRAMME 2015-2020

There was submitted a report by the Depute Chief Executive and Chief Operating Officer (18/288), providing (1) an update on the Transformation Programme approved by Council on 1 July 2015; (2) an update on the Can Do Challenge Bid.

Resolved:

- (i) The progress related to the Transformation Programme, as detailed in Appendices 1 and 2 to Report 18/288, be noted.
- (ii) The progress with the Can Do Challenge Fund bid for Perth Smart Energy Network, be noted.

505. CORPORATE AND DEMOCRATIC SERVICES BUSINESS MANAGEMENT AND IMPROVEMENT PLAN 2018-21

There was submitted a report by the Depute Chief Executive and Chief Operating Officer (18/287) presenting the Business Management and Improvement Plan for Corporate and Democratic Services for 2018-2021.

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Resolved:

- (i) The Corporate and Democratic Services Business Management and Improvement Plan for 2018-21, be approved.
- (ii) It be noted that the report would be submitted to the Scrutiny Committee later in the day for scrutiny and comment.

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## PROPERTY SUB-COMMITTEE

Minute of meeting of the Property Sub-Committee of the Strategic Policy and Resources Committee held in the Council Chambers, Ground Floor, Council Building, 2 High Street, Perth on Monday 16 April 2018 at 10.00am.

Present: Councillors M Lyle, B Band, P Barrett, D Doogan, G Laing, R McCall and C Stewart.

In Attendance: S Crawford, T Flanagan, G Key and K Lear (all Housing and Environment); G Boland (Education and Children's Services); C Flynn, G Fogg and C Irons (all Corporate and Democratic Services).

Councillor M Lyle, Presiding

### 1. WELCOME AND APOLOGIES

The Convener welcomed all those present to the meeting. There were no apologies.

### 2. DECLARATIONS OF INTEREST

There were no declarations of interest In terms of the Councillors' Code of Conduct.

### 3. MINUTES

- (i) The minute of meeting of the Property Sub-Committee of 26 February 2018 was submitted and approved as a correct record.
- (ii) The minute of meeting of the Special Property Sub-Committee of 14 March 2018 was submitted and approved as a correct record.

### 4. APPOINTMENT OF VICE-CONVENER

Councillor M Lyle seconded by Councillor R McCall, nominated Councillor P Barrett for the position of Vice-Convener of the Sub-Committee.

Councillor P Barrett was unanimously elected as Vice-Convener of the Sub-Committee.

### 5. SCHOOL ESTATE PROGRAMME PROGRESS UPDATE

There was submitted a report by the Executive Director (Education and Children's Services) (18/130) (1) updating the Committee on the progress and proposals for delivering the current school projects within the Education and Children's Services School Estate Programme, (2) detailing key milestones which had been achieved and (3) detailing future projects.

#### **Resolved:**

- (i) The significant milestones achieved since the report to the Sub-Committee on 25 October 2017, be noted.

- (ii) The forward planning, as detailed in paragraphs 4.1 to 4.4 of Report 18/130, be noted.

## **6. ENERGY CONSUMPTION IN COUNCIL BUILDINGS**

There was submitted a report by the Executive Director (Housing and Environment) (18/131 - Revised) with regard to energy consumption within the Property Estate, taking account of management initiatives and monitoring arrangements in place to deliver energy reduction and cost savings.

### **Resolved:**

- (i) The efforts of the energy and engineering team in reducing energy consumption within the property estate, be noted.
- (ii) It be noted that the opportunity for future energy savings will become more challenging as the overall property estate was made more efficient through upgrade and refurbishment programmes.
- (iii) The Executive Director (Housing and Environment) be requested to submit a report to the sub-committee on the energy consumption within the property estate in a year's time.

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

## **P1. PROPOSAL FOR 2 LEASES IN AND 1 LEASE OUT AT BROXDEN, PERTH**

There was submitted a report by the Executive Director (Housing and Environment) (18/132) seeking approval to (1) lease in land for a Solar Array and also for the installation and operation of a Hydrogen Dispensing Station and (2) lease out car parking spaces at Broxden Park and Ride to Tesla Motors Limited for electrical vehicle charging stations.

### **Resolved:**

- (i) A long ground lease from the John Dewar Lamberkin Trust (JDLT) be approved for a site of approximately 0.69ha shown in appendix 1 to report 18/132, adjacent to the current Broxden Park and Ride site for a solar array. The lease to 2 January 2083 be on terms as detailed in Report 18/132, and otherwise on terms to the satisfaction of the Executive Director (Housing and Environment) and the Head of Legal and Governance. It be noted that the lease will also be subject to obtaining the relevant Planning consent and Tay Cities deal funding.
- (ii) A lease from JDLT be approved for a site approximately 225m<sup>2</sup> of land, shown in appendix 2 of Report 18/132, to facilitate the installation of a hydrogen dispensing station. The lease for 20 years be on terms as detailed in Report 18/132 and otherwise on terms to the satisfaction of the Executive Director (Housing and Environment) and the Head of Legal and Governance. It be noted that the lease will also be subject to obtaining the relevant Planning consent and Tay Cities deal funding.
- (iii) A 15 year lease be granted to Tesla Motors Limited for the sole use of twelve car parking spaces at the Broxden Park and Ride to install vehicle charging

stations for Tesla cars only. An appraisal of the proposed site be undertaken to ensure the charging stations were in a prominent location. The lease be granted on terms as detailed in Report 18/132, and otherwise on terms to the satisfaction of the Executive Director (Housing and Environment) and the Head of Legal and Governance.

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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 June 2018 at 10.00am.

Present: **Representing Perth and Kinross Council**
Councillor K Baird
Councillor E Drysdale
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)

Trade Union Safety Representatives and Elected Representatives of Employee Safety Committees
M Blacklaws, SSTA
L McLaren, Unite
S Peddie, EIS (Substituting for M Swan)
S Hope (UNISON)

In attendance: S Crawford, Head of Property Services, The Environment Service
J Handling, Health, Safety and Wellbeing Manager, The Environment Service
L McGeorge, Property Compliance Team Leader, Environment Service
K Molley, Professional Trainee, Corporate and Democratic Service

Apologies: Councillor P Barrett, M Swan EIS, J Dickson, the Environment Service, T Todd, Unite.

1. DECLARATIONS OF INTEREST

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

2. MINUTES

The Minute of meeting of the Corporate Health, Safety and Wellbeing Consultative Committee of 12 March 2018 was submitted and approved as a correct record.

3. MATTERS ARISING

(i) Corporate Health Safety and Wellbeing Consultative Committee Review on Constitution and Remit Update

In response to a query from Councillor Drysdale, Councillor McCole stated that the constitution and remit review meeting had been rescheduled to after the Consultative Committee meeting and a further update would be brought back to the next committee meeting.

5. HEALTH AND SAFETY PERFORMANCE INDICATORS – QUARTERLY REPORT

There was submitted a report by the Health, Safety and Wellbeing Manager (Housing & Environment) (G/18/64) to inform and assist the Corporate Health, Safety & wellbeing Consultative Committee in monitoring health and safety performance across Perth and Kinross Council and (2) the report asks for the progress to be noted.

Resolved:

- (i) An overview of the Performance Monitoring Review outcomes for Quarter 4, 2017/2018, be noted.
- (ii) A summary of incidents reported to the Health and Safety Executive (HSE) for the period 1 January to 31 March 2018, be noted.
- (iii) Graph 1 summarises the cause of these reportable incidents and provides a comparison with incidents reported in the same period for 2016/17 and 2015/16. Four reportable incidents on Quarter 4 2017/18, be noted.
- (iv) A comparison of all employee reported incidents for Quarters 4 from 2017/18, 2016/17 and 2015/16, be noted.
- (v) An overview of the types of violence and aggression incidents reported by employees and non-employees, be noted.
- (vi) With regard to incidents reported by individuals who are not employees of the Council, Graph 3 shows neither a decrease nor increase in the number of incidents in comparison to Quarter 3 of 2016/17 however a decrease compared with Quarter 3 of 2015/16, be noted.
- (vii) The highest numbers of non-employee incidents were in relation to sharp objects incidents followed by Slip, Trip, Falls on same level, and explosion/fire/flammable materials. The majority of non-employee incidents involved Pupils, be noted.

6. FIRE SAFETY QUARTERLY REPORT

There was submitted a report by the Health, Safety and Wellbeing Manager (G/18/63) preparing to inform and assist the Corporate Health, Safety & Wellbeing Consultative Committee in monitoring fire safety performance across Perth and Kinross Council; and (2) proving the Committee with the Fire Safety Key Performance Indicators for Quarter 4 of 2017/18 for noting.

Resolved:

- (i) Four reported incidents of fire in Council premises, be noted.
- (ii) Twenty-two premises have outstanding actions from previous quarters' fire risk assessments, be noted.
- (iii) Scottish Fire and Rescue Service carried out 3 audits of Council premises, be noted.
- (iv) Five premises have outstanding actions from previous quarters' Scottish Fire and Rescue Audits, be noted.
- (v) Seven premises with outstanding actions from previous quarters, be noted.
- (vi) Three numbers of premises with outstanding actions from previous Scottish Fire and Rescue Service Audits, be noted.
- (vii) Four reported incidents of fire during Quarter 4 2017/18, be noted.

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**PERTH AND KINROSS COUNCIL  
STRATEGIC POLICY AND RESOURCES COMMITTEE  
EMPLOYEES JOINT CONSULTATIVE COMMITTEE**

Minute of meeting of the Employees Joint Consultative Committee, held in Room 410 (Committee Room), 2 High Street, Perth on Thursday 24 May 2018 at 10.00am.

**Present:                   Representing Perth and Kinross Council:**

Councillors H Anderson; D Illingworth (on behalf of Councillor M Lyle), R McCall and S McCole (all Perth and Kinross Council); K Robertson (on behalf of Executive Director (Education and Children Services)).

**Present:                   Representing Trade Unions:**

S Hope, F Fraser, T Maric and M Dickson (UNISON); S Robertson, L McLaren and T Todd (Unite the Union).

**In Attendance:** K Donaldson (Corporate Human Resources Manager); S Flannigan (Environment Service); K Molley and P Steel (both Corporate and Democratic Services).

**Apologies:** Councillor M Lyle (Perth and Kinross Council) and H Meldrum (GMB)

*S Hope in the Chair*

**1. APPOINTMENT OF CONVENER AND VICE-CONVENER**

Nominations were sought for the appointment of Convener and Vice-Convener.

F Fraser seconded by T Maric nominated S Hope for the Office of Convener.

There being no other nominations S Hope was duly appointed Convener until February 2019.

Councillor R McCall seconded by Councillor D Illingworth nominated Councillor M Lyle for the Office of Vice-Convener.

There being no other nominations Councillor M Lyle was duly appointed Vice Convener until February 2019.

**2. APPOINTMENT OF JOINT SECRETARY**

Nominations were sought for the appointment of Joint Secretary for the Trade Union side.

S Hope seconded by F Fraser nominated L McLaren.

There being no other nominations L McLaren was duly appointed Joint Secretary for the Trade Union side.

### **3. DECLARATIONS OF INTEREST**

There were no declarations of interest in terms of the Councillors' Code of Conduct.

### **4. MINUTE OF THE PREVIOUS MEETING**

The minute of meeting of the Employees Joint Consultative Committee of 30 November 2017 was submitted and approved.

### **5. MATTERS ARISING**

#### **(i) Council Construction Charter**

K Donaldson reported that P Steel had been involved in trying to incorporate the Council construction charter into the procurement strategy. G Ramsay was happy with the changes that had been made. In moving forward, K Donaldson emphasised the importance of meeting the requirements of the Council Construction Charter.

#### **(ii) Job Families and Job Matching**

K Donaldson reported that drafts proposals of job families are nearly at the stage of completion. Once this occurs, draft proposals will be sent out to unions for comments and feedback.

#### **(iii) Voluntary Severance Scheme (VSS)**

K Donaldson reported that 39 people had asked to go through the voluntary Severance Scheme (VSS). This will be monitored until the end of March 2019 in terms of service delivery to view the financial implications. K Donaldson suggested at looking into other options instead of using the Voluntary Severance Scheme (e.g flexible retirement and changes to working hours).

#### **(iv) Early Years Expansion**

K Robertson provided a handout of the report on Early Years Expansion which was agreed at the Life Long Learning Committee on 16 May 2018 (18/156) expanding funded Early Learning and Childcare (ELC) from 600 to 1140 hours by 2020. In terms of learning and teaching, it is necessary to engage and get staff involved as much as possible to see what their preferences are on the change of hours.

## **6. CORPORATE WORKFORCE PLAN**

There was a presentation by K Donaldson on the Corporate Workforce Plan for Perth & Kinross Council 2018-2021. K Donaldson reported that the Council has now approved the Corporate Workforce Plan which is a vital tool for shaping the future workforce. Trade unions had been involved in a focus group when developing the plan. K Donaldson suggested in moving forward it is important to look at future skill requirements and take a sustainable approach.

In response to a query from L McLaren on reference to salary levels for HGV Drivers, K Donaldson reported that grades are determined through the Job evaluation scheme.

### **Resolved:-**

The Corporate Workforce Plan be noted.

## **7. TRADE UNION ACT 2017 – FACILITY TIME OFF REPORTING REQUIREMENT**

There was a report submitted (G/18/62) by Human Resources Manager providing information about the requirement for time spent on Trade Unions activities by Council employees to be recorded and reported on each year, as laid out in the Trade Union (Facility Time Publications Requirements) Regulations 2017.

T Todd expressed his concern of his service not having access to my MyView to enter any short time absences for trade union activities from work. P Steel emphasised that in moving forward access to the system should be made electronically so all employees can use MyView to record any absences. In response to a query from L McLaren on ensuring accuracy of timings of absences, P steel mentioned that it is possible to go online and edit the time later if you are unable to enter the details at the current time to show a correct record of absence.

K Donaldson highlighted that it is important to look at the system over the current year and analyse how well it is working.

### **Resolved:**

The report on Trade Union Act 2017 – Facility Time off Reporting Requirement be noted.

## **8. FIXED TERM CONTRACTS**

There was a report submitted (G/18/63) by Human Resources Manager, updating the Employees Joint Consultative Committee on changes to the Council's approach to fixed term contracts by introducing the option to recruit to a fixed term vacancy on a permanent basis where there is a clear business case and; (2) this approach will support the organisation in preparing for an

emerging future, ensuring we have a resilient, adaptable workforce and providing a return on the investment in skills and talent.

K Donaldson reported that the change in focus in the Customer and Business Support Review means it is now possible to review the higher than normal number of fixed term contracts which are in place. Having a permanent contract helps support the financial wellbeing of staff and removes uncertainty which can help reduce turnover. K Donaldson added that it would be worth looking at market testing roles where there is high turnover.

In response to a query from S Hope on competition across Scotland increasing despite single status, K Donaldson reported that each Council sets their own grades and has their own structure put in place under the evaluation scheme so similar jobs across different councils may be paid differently. K Donaldson explained the council uses benchmarking to compare ourselves with other local authorities to ensure grades are competitive.

**Resolved:**

The report on Fixed Term Contracts be noted.

**9. ETHICAL CARE CHARTER**

The Ethical Care Charter was submitted by UNISON focusing on home care and how well residents are being looked after in their own home. K Donaldson reported that the new framework agreements for the commissioning of homecare address most aspects of the charter. The Service continues to commission 15 minute visits and work is in progress to minimise this where possible. Care plans are outcomes focussed but visits are still commissioned on a task and time basis. The aim is to move to a different way of commissioning those visits and there will be a workshop later this year with care providers and social work teams to explore how we can move towards a system that allows providers and service users agree how their assessed needs can be met, improving the use of technology and minimising 15 minute visits.

**Resolved:**

The Ethical Care Charter be noted.

**10. MAXIMISING ATTENDANCE POLICY**

A verbal update was given by P Steel on the maximising attendance policy. P Steel reported that a meeting was being held with relevant officers to re-examine our approach to wellbeing and the Maximising Attendance Policy and ensuring that they reflect the General Data Protection Regulations. In moving forward, it is important to see what the current issues are and how the new framework can be implemented to reduce any problems.

S Robertson emphasised that it is necessary to review the new data regulations over the summer period and assess how we are using data and what we do with it.



**Resolved:**

The update on Maximising Attendance Policy, be noted.

**11. OTHER COMPETENT BUSINESS**

There were no other items of business to be considered.

**12. DATE OF NEXT MEETING**

27 September 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 22 June 2018 at 9.30am.

Present:

Voting Members

Councillor C Stewart, Perth and Kinross Council (Vice-Chair)
Councillor C Ahern, Perth and Kinross Council
Councillor E Drysdale, Perth and Kinross Council
Councillor A Jarvis, Perth and Kinross Council
S Hay, Tayside NHS Board (Chair)
L Birse-Stewart, 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
J Foulis, NHS Tayside (up to and including Item 10.3)
Dr C Rodriguez

Additional Members

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

Stakeholder Members

A Drummond, Staff Representative, NHS Tayside
H MacKinnon, Third Sector Interface
M Summers, Carer Public Partner (substituting for B Campbell)
S Auld, Service User Public Partner (substituting for L Lennie)

In Attendance:

G Taylor, Clerk; S Hendry, C Mailer, and S Richards (all Perth and Kinross Council); H Dougall, V Aitken, C Jolly, D Mitchell, K Ogilvy and S Gourlay (all Perth and Kinross Health and Social Care Partnership); and D Huband, NHS Tayside.

Apologies:

Dr R Peat, Tayside NHS Board
Dr D Carey, Independent Contractor
Dr A Noble, External Advisor to Board
Dr D Walker, NHS Tayside
F Fraser, Staff Representative, Perth and Kinross Council
B Campbell, Carer Public Partner
L Lennie, Service User Public Partner
D Fraser and E Devine (both Perth and Kinross Health and Social Care Partnership)

1. WELCOME AND APOLOGIES

S Hay welcomed all those present to the meeting and apologies were noted as above.

2. DECLARATIONS OF INTEREST

There were no Declarations of Interest made in terms of the Perth and Kinross Integration Joint Board Code of Conduct.

3. MINUTE OF PREVIOUS MEETING

The minute of meeting of the Perth and Kinross Integration Joint Board of 23 March 2018 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 22 June 2018 (G/18/90).

5. MATTERS ARISING

(i) Correspondence (Item 9.1 refers)

S Hay referred to discussions that had taken place at the meeting of Perth and Kinross Council on 25 April 2018 regarding the decision at the previous meeting of the Board on the closure of Beechgrove Care Home.

It was confirmed that S Hay had subsequently held discussions with the Leader of Perth and Kinross Council, and that further meetings would be taking place between the Chief Officer, Chairman and Chief Executive of NHS Tayside and other Council Leaders within Tayside regarding communications between the relevant organisations.

6. BOARD MEMBERSHIP UPDATE

There was submitted a report by the Clerk to the Board (G/18/91) updating the Board on a number of recent appointments to the voting members of the Board. The report also made proposals in terms of the appointment of non-voting members to the Board, as well as further appointments to the Audit and Performance Committee.

Resolved:

- (i) The updated membership of the Board, set out in Appendix 1 of Report G/18/91, be noted;
- (ii) It be further noted that as of 21 July 2018, the voting members from Perth and Kinross Council would be Councillors C Stewart, C Purves, E Drysdale and X McDade, with Councillors C Ahern, A Jarvis, T McEwan and A Bailey as Proxy members;
- (ii) Dr Douglas Lowden / Dr Cesar Rodriguez be appointed as non-voting / co-members of the Board.
- (iii) The terms of office for both Bernie Campbell and Maureen Summers in their respective roles as public partners be extended until 31 May 2019.
- (iv) Dr R Peat be appointed to the Audit and Performance Committee;

- (v) Councillor C Purves be appointed a member and Chair of the Audit and Performance Committee from 21 July 2018.

7. POSITION OF CLERK TO THE BOARD AND STANDARDS OFFICER

The Board noted that the current Clerk to the Board, G Taylor, Head of Democratic Services, Perth and Kinross Council was retiring from her post on 30 November and would be resigning as Clerk with effect from 30 September 2018.

It was agreed that S Hendry, Team Leader (Committee Services), Perth and Kinross Council be appointed as Clerk and Standards Officer with effect from 1 October 2018.

8. REDESIGN OF SUBSTANCE USE SERVICES IN PERTH AND KINROSS

There was submitted a report (G/18/92) by C Mailer, Chair of the Perth and Kinross Alcohol and Drug Partnership, providing an update on the redesign of substance use services and the implementation of a Recovery Oriented System Of Care in Perth and Kinross.

C Mailer and K Ogilvy provided the Board with a slide based presentation on the redesign of substance use services in Perth and Kinross.

Resolved:

- (i) The progress to date, as set out in Report G/18/92, be noted;
- (ii) The proposed redesign in patient detox beds at Kinclaven, as set out in Report G/18/92, be noted;
- (iii) The redesign of community based substance use services, as set out in Report G/18/92, be approved;
- (iv) The Chair of the Alcohol and Drug Partnership be instructed to provide a further report on both reviews to the Board in June 2019.

9. FINANCE AND GOVERNANCE

9.1 REVISION TO INTEGRATION SCHEME

The Carers (Scotland) Act 2016 came into force on 1 April 2018. As part of the requirements of the legislation, provisions from the Act required to be incorporated into those regulations that support the Public Bodies (Joint Working) (Scotland) Act 2014. Local Authorities and Health Boards were required to revise Integration Schemes for Joint Boards to include the new list of functions and duties for delegation to the Boards. As this was a technical amendment to the Integration Scheme, Scottish Ministers have approved these revisions made under delegated powers.

The Board noted the position and the updated Integration Scheme available at www.pkc.gov.uk/ijb.

IT WAS AGREED TO VARY THE ORDER OF BUSINESS AT THIS POINT

9.3 2017/18 FINANCIAL POSITION

There was submitted a report by the Chief Finance Officer (G/18/94) providing a summary of the issues impacting on the Board's financial position of Perth and Kinross IJB in 2017/18, for the year ended 31 March 2018.

Resolved:

The year end out-turn for 2017/18, as detailed in Appendix 1 to Report G/18/94, be noted.

9.5 AUDIT AND PERFORMANCE COMMITTEE - UPDATE

Councillor C Ahern, Chair of the Audit and Performance Committee, provided the Board with a verbal update from the last [meeting of the Committee on 19 June 2018.](#)

It was noted that in relation to governance and accountability arrangements, that the Chief Officer was continuing to have meetings with senior officers from both Perth and Kinross Council and NHS Tayside with work in progress.

It was noted that in relation to Clinical and Care Governance, it was agreed that a sub-committee of the Audit and Performance Committee be established to replace the current remit of the Clinical and Care Governance Forum.

It was noted that further discussions had taken place in relation to complaints for 2017/18, the Annual Performance Report for 2017/18, Annual Governance Statement and the Chief Internal Auditor's Annual Report and Assurance Statement 2017/18 for the IJB. The Unaudited Annual Accounts for 2017/18 had been approved by the Committee for consideration by the Board and T Gaskin and Fife, Tayside and Forth Valley (FTF) Internal Audit Services had been approved as the IJB's Chief Internal Auditor and Internal Auditors for 2018/19.

The Board noted the update.

9.2 UNAUDITED ANNUAL ACCOUNTS 2017/18

There was submitted a report by the Chief Finance Officer (G/18/93) presenting the Board's Unaudited Annual Accounts for the financial year 2017/18 in accordance with the Local Authority Accounts (Scotland) Regulations 2014.

It was noted that in relation to section 3.2 of the report, 2016/17 should be replaced by 2017/18. It was further noted that in relation to page 23 of the Accounts, the word reinstated should be added under the income and expenditure section.

Resolved:

The Chief Officer be authorised to sign the Unaudited Annual Accounts, as appended to Report G/18/93, prior to submission of the Accounts to the Controller of Audit by 30 June 2018.

9.4 2018/19 FINANCE UPDATE

There was submitted a report by the Chief Finance Officer (G/18/95) setting out an update on the development of the Board's 2018/19 Financial Plan and setting out the key financial risks to delivery of financial balance for the year ahead.

Resolved:

- (i) It be noted that a gap of £920k remains in the 2018/19 Financial Plan driven by Inpatient Mental Health and GP Prescribing, as set out in Report G/18/95.
- (ii) The key financial risks that may further impact on the ability of the Board to deliver financial balance, as set out in Report G/18/95, be noted;
- (iii) The non-recurring budget to be allocated by NHS Tayside in 2018/19 to meet specific Board funding commitments which have slipped from 2017/18, as set out in Report G/18/95, be noted;
- (iv) The confirmation of the £1.685M Scottish Government earmarked recurring funding to meet Primary Care and Mental Health priorities in Perth and Kinross be noted.

THERE FOLLOWED A RECESS AND THE MEETING RECONVENED AT 11.22AM

10. DEVELOPING STRATEGIC OBJECTIVES

10.1 CHIEF OFFICER STRATEGIC UPDATE

There was submitted a report by the Chief Officer (G/18/96) providing an update on progress against tasks outlined in the rolling actions list for the Board.

Resolved:

- (i) The updates within Report G/18/96 on the following areas be noted:
 - Integrated Workforce Plan
 - Development of a Healthy Organisational Culture
 - Mental Health Transformation Programme
 - Working with Public Partners
 - Strategic Planning.
- (ii) The Chief Officer to submit a forward planner for 2019 Board meetings to the next meeting of the Board.

10.2 GP ENGAGEMENT FUNDING

There was submitted a report by the Clinical Director (G/18/97) seeking approval for 2018/19 GP Engagement Funds to support effective GP Prescribing.

Resolved:

The investment of £211k in 2018/19 for the GP Engagement Programme, as detailed in Report G/18/97, be approved.

10.3 TAYSIDE PRIMARY CARE IMPROVEMENT PLAN 2018 TO 2021

There was submitted a report by the Clinical Director (G/18/98) seeking approval from the Integration Joint Board for the NHS Tayside Primary Care Improvement Plan.

Dr H Dougall and C Jolly provided the Board with a slide based presentation on the contents and proposals within the Improvement Plan.

Resolved:

- (i) The content of the Tayside Primary Care Improvement Plan, in so far as it pertains to Perth and Kinross, and attached as Appendix 1 of Report G/18/98, be approved;
- (ii) The programme management approach being taken in Perth and Kinross in respect to the ongoing delivery of changes to General Medical Services, as detailed in Report G/18/98, be endorsed;
- (iii) In terms of the timescales, the Executive Management Team of the Perth and Kinross Health and Social Care Partnership be given authority to begin the necessary recruitment processes in line with the purpose of the Improvement Plan;
- (iv) The Chief Officer to meet with A Drummond regarding the concerns raised on the job evaluation process and report back to the next meeting of the Board;
- (v) The Clinical Director be instructed to submit updates on business cases to future meetings of the Board for information.

J FOULIS LEFT THE MEETING AT THIS POINT

10.4 ANNUAL PERFORMANCE REPORT 2017/18

Due to the timescales involved in the publication of the Annual Performance Report 2017/18 by 31 July 2018, the Chief Officer be instructed to circulate the draft report to Board members for comment and a special meeting of the Audit and Performance Committee to be called to approve the report prior to 31 July 2018.

11. UPDATE REPORTS FOR INFORMATION

There were submitted and noted the following reports for information:

- 11.1 **2017/18 WINTER PLAN REVIEW** – Report by Chief Officer (G/18/99)
- 11.2 **UPDATE ON THE IMPLEMENTATION OF THE SOCIAL CARE (SELF DIRECTED SUPPORT) (SCOTLAND) ACT 2013 IN PERTH AND KINROSS** – Report by Chief Officer (G/18/101)

Note – a further update on the above report to be provided to the Board in 12 months time.

- 11.3 **EQUALITY OUTCOMES PROGRESS REPORT** – Report by Chief Officer (G/18/101)

- 11.4 **TECHNOLOGY AND INNOVATION IN HEALTH AND SOCIAL CARE –**
Report by Scottish Parliament Health and Sport Committee (G/18/102)
- 11.5 **ANNUAL REPORT FOR VOLUNTEERING IN NHS TAYSIDE 2017 –** Report
by NHS Tayside (G/18/103)

12. FUTURE MEETING DATES 2018

Friday 24 August 2018 at 9.30am – Briefing Session

Monday 24 September 2018 – Training Workshop – Standards Commission
for Scotland

Friday 28 September 2018 at 9.30am – Board Meeting

Friday 26 October 2018 at 9.30am – Briefing Session

Friday 30 November 2018 at 9.30am – Board Meeting

13. VALEDICTORY

The Chair referred to this being the last meeting of the Board for Helen MacKinnon from PKAVS who represented the Third Sector Interface. The Chair thanked Helen for her contribution to the work of the Board and wished her well in her new role.

PERTH & KINROSS COUNCIL

Strategic Policy & Resources Committee

28 November 2018

REVENUE BUDGET 2018/19 – MONITORING REPORT NUMBER 2

Report by Head of Finance (Report No. 18/384)

PURPOSE OF REPORT

This report provides an update on progress with the 2018/19 General Fund Revenue Budget based upon the August 2018 ledger, updated for any subsequent known material movements, and the projected financial position of the Housing Revenue Account.

The total net projected over spend on the 2018/19 General Fund Management Budget is £929,000 (see Appendix 1).

1. BACKGROUND / MAIN ISSUES

- 1.1. This is the second report updating the Committee on progress with the 2018/19 Revenue Budget. Appendix 1 to this report summarises the current projected year end (outturn) position for each Service based upon the August 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 2018/19 on 22 February 2018 (Report No. 18/47 refers). In addition, adjustments that were approved by the Council on 20 June 2018 (Report No 18/213 refers) and the Strategic Policy and Resources Committee on 18 April and 12 September 2018 (Report Nos. 18/133 and 18/284 refer) are reflected in Appendix 1 (Column 2).
- 1.3. The Council's Financial Regulations allow Executive 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 2018/19 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 £882,000 which represents 0.33% of total net Service expenditure. (In the corresponding report in November 2017, the projected under spend was £1,785,000 which represented 0.67% of total net Service expenditure).

2.1.2 The utilisation of these Service under spends is considered throughout the financial year and may also be considered as part of the Revenue Budget strategy for future years.

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 £594,000 less than budget – a movement of £284,000 from the position last reported to Committee.

2.1.4 The movement in the projected net under spend is made up as follows -

- Staff costs (increase in projected under spend of £255,000) due to additional slippage in excess of budgeted levels.
- Property Costs (increase in projected over spend of £11,000) due to minor works.
- Supplies & Services (increase in projected under spend of £29,000) due, to a reduction in the projected uptake of school meals.
- Transport costs (reduction in projected under spend of £44,000) due, primarily, to increased client travel costs within Services to Children, Young People and Families.
- Home to School Transport (increase in projected over spend of £351,000) due to contract variations, partial omission of taxi contract values from the anticipated pressure and increased demand for additional support needs and looked after children provision.
- Third Party Payments (increase in projected under spend of £8,000) due, in the main, to a lower than anticipated uptake for continuing care.
- Residential Schools / Foster Care & Kinship Care (net reduction in projected under spend of £253,000) due primarily, to changes in activity (including the number and type of placements) and the number of foster carers.
- Loan Charges (increase in projected under spend of £222,000) due to reductions in the Prudential Borrowing costs following changes to the debt repayment periods.
- Income (increase in projected over spend of £76,000) due, primarily, to a reduction in the level of funding for Unaccompanied Asylum Seeking Children.
- Criminal Justice Services (increase in projected over spend of £63,000) due to property works at St Martin's House, Westbank and West Mill Street partially offset by additional income.
- Due to delays to the developers programme for the delivery of the permanent utilities at Bertha Park High School, the Council is currently incurring unforeseen temporary costs in order to ensure the completion date is achieved (up to £500,000) . At this time is anticipated that these costs will be recovered from the developer.

- 2.1.5 There is a projected under spend of £758,000 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 2019/20.
- 2.1.6 The projected carry forward of £758,000 represents 0.84% 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 £522,000 less than the allocation from the Scottish Government of £1,661,520. In line with the terms of this funding, it is anticipated that this under spend will be carried forward to 2019/20 to meet commitments in the current academic year.
- 2.1.8 **Housing & Environment:** The projected outturn is currently anticipated to be £54,000 less than budget – a movement of £6,000 from the position last reported to Committee.
- 2.1.9 The movement in the projected net under spend is made up as follows –
- Service Wide Budgets (increase in projected over spend of £300,000) due to non-achievement of slippage target at this time.
 - Planning & Development (net increase in projected under spend of £30,000) due to reduced activity on employability initiatives following a reduction in demand partially offset by anticipated costs in relation to the examination stage of the Local Development Plan.
 - Roads & Transport (increase in projected under spend of £525,000) due to slippage on the delivery of new 20mph limits and zones, the expansion of rural footpaths and cycle networks and unadopted roads. These are partially offset by projected also savings on the contract costs of the reinstatement works on the River Erich and street lighting energy due to the impact of the LED programme.
 - Operations, Waste Strategy & Fleet Management (reduction in projected over spend of £50,000) due to additional income from recyclates.
 - Safer Communities (increase in projected under spend of £4,000) due to additional staff slippage.
 - Property (increase in projected over spend of £350,000) due to a projected short fall in professional fee income and demolition costs associated with Fairfield Community Neighbourhood Centre. In addition there is a projected over spend of £600,000 due to unforeseen, emergency ground works at Kinnoull Primary School. It is proposed that this is funded by projected savings from within property maintenance (£200,000) and transfers from earmarked and unearmarked Reserves (£200,000 from each).
 - Business & Resources (increase in projected under spend of £47,000) due to additional staff slippage and the accelerated delivery of approved savings.

2.1.10 **Corporate and Democratic Services:** The projected outturn is currently anticipated to be £234,000 less than budget – a movement of £172,000 from the position last reported to Committee.

2.1.11 The movement in the projected under spend is made up as follows –

- Housing Benefits Subsidy (increase in projected under spend of £179,000) due to improved performance in the administration of Housing Benefits.
- Other net over spends across all Divisions (reduction in projected under spend of £7,000).

2.2 Movements in Funding

2.2.1 Since Revenue Monitoring Report No. 1 was approved by the Strategic Policy & Resources Committee on 12 September 2018 (Report No. 18/284 refers), notification has been received of additional funding of £625,708 in the current financial year. This funding 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.

2.2.2 **ACTION:** The Committee is asked to note the receipt of £625,708 of additional resources, with this funding being reflected within Education & Children's Services and Housing & Environment as additional grant income. The current projected outturn assumes that all of these additional resources will be fully expended in 2018/19.

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 20 June 2018 – Report No. 18/213 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 £72,000 which reflects the latest treasury management activity.

2.3.3 There is also an increase in the projected level of income from Interest on Revenue Balances of £189,000 which is due, in part, to a higher interest rate being earned on Balances. These projections reflect the financial implications of treasury management activity in the year to date and will be subject to further change.

2.3.4 **ACTION:** The Committee is requested to approve the virement of £72,000 to the Capital Financing Costs (Loan Charges) Budget and £189,000 from Interest on Revenue Balances with a net increase of £117,000 in the

projected Contribution to the Capital Fund. These adjustments have been reflected in Appendix 1 (Column 3) to this report.

Service Virements

- 2.3.5 In order to ensure that the 2018/19 Management Revenue Budget continues to reflect current Service needs and operational requirements, a virement of £149,000 is required from Housing & Environment to Corporate & Democratic Service to further reflect Building Ambition – a blueprint for a 21st Century Council (considered by the SP&R Committee on 7 February 2018 (Report No. 18/44 refers)).
- 2.3.6 **ACTION:** The Committee is asked to approve the adjustment to Service Revenue Budgets listed in 2.3.5 above. This adjustment is reflected in Appendix 1 (Column 4) to this report.

2.4 Movements in Reserves

Transformation Programme (including Workforce Management and Organisational Change)

- 2.4.1 Approval is sought to adjust the budgets for a number of approved transformation projects as set out in Appendix 4 to reflect changes in the phasing of expenditure.
- 2.4.2 **ACTION:** The Committee is asked to transfer £284,000 to Reserves from Corporate & Democratic Services (£210,000) and Health & Social Care (£74,000) and £40,000 from Reserves to Housing & Environment as set out in Appendix 4 to reflect revised expenditure profiles in relation to Transformation. These adjustments are reflected in Appendix 1 (Column 5) to this report and have no overall impact on the budgeted level of uncommitted Reserves.

Culture Programme

- 2.4.3 The 2018/19 Revenue Budget includes funding towards the development of the cultural offering across Perth and Kinross (including the redevelopment of the City Hall) and is attributable to staff, marketing, conservation and business planning costs. These resources require to be rephased in line with the actual works. On that basis approval is sought to transfer £225,000 from Corporate & Democratic Services to an earmarked Reserve to be drawn down as required.
- 2.4.4 **ACTION:** The Committee is asked to approve the transfer of £225,000 from Corporate & Democratic Services to an earmarked Reserve for future expenditure on cultural activities. This adjustment is reflected in Appendix 1 (Column 5) to this report and has no overall impact on the budgeted level of uncommitted Reserves.

Kinnoull Primary

- 2.4.5 The Executive Director (Housing & Environment) is currently managing an issue in relation to unforeseen emergency ground works at Kinnoull Primary School. The anticipated cost of these works is around £600,000. The Service has identified £200,000 from existing budgets to contribute towards these unavoidable costs. Approval is therefore sought to direct Reserves towards meeting the balance of the cost of these works. It is proposed that the earmarked Reserve of £200,000 for Energy and Water Management and £200,000 from unearmarked Reserves are applied to provide the additional funding. There is no impact on future service delivery following the application of the earmarked Reserves referred to above.
- 2.4.6 **ACTION:** The Committee is asked to approve the transfer of £400,000 from Reserves to Housing & Environment (£200,000 from the energy and water earmarked Reserve and £200,000 from unearmarked Reserves) towards ground works at Kinnoull Primary School. These adjustment are reflected in Appendix 1 (Column 5) to this report

Provision of Affordable Housing - Council Tax 2nd Home and Long Term Empty Property Discount

- 2.4.7 As a result of the continued success of the Empty Homes Initiative there is further demand from landlords to bring empty properties back into use. As a result of this, the Committee is asked to approve an additional contribution of £50,000 in 2018/19 from the earmarked Reserve for Affordable Housing towards Vacant Property Grants.
- 2.4.8 **ACTION:** The Committee is asked to approve the transfer from Reserves of £50,000 to Housing & Environment for further expenditure on the Empty Homes Initiative (Vacant Property Grants). This adjustment is reflected in Appendix 1 (Column 5) to this report and has no overall impact on the budgeted level of uncommitted Reserves.

3. CORPORATE BUDGETS

Health & Social Care - Perth & Kinross Integration Joint Board

- 3.1 The projected outturn for Health & Social Care is split between that which is delegated to Perth & Kinross Integration Joint Board and that which remains with the Council. Full details of the projected outturn for Health & Social Care are set out in Appendix 5.
- 3.2 The meeting of Perth & Kinross Integration Joint Board of 30 November 2018 will consider a financial update as at 30 September 2018 from the Board's Chief Finance Officer which will set out a projected net over spend of £2,009,000. – a net movement of £596,000 from the position last reported to Committee.

- 3.3 The movement in the projected net over spend is made up as follows:-
- Within Adult Support & Wellbeing the forecast cost of learning disabilities and mental health placements and community support packages have increased by £425,000 due to increased demand. This has been offset by a £274,000 increase in forecast non-recurring income from a review of contracts.
 - Within Older People the forecast cost of care homes placements and physical disability packages has increased by £251,000 due to increased demand. In addition, there has been a £156,000 increase in expenditure for local authority residential care homes due to the alarm system being upgraded and an increase in supplies costs. These increased costs have been offset by £45,000 increased vacancy level forecast within the Home Access Response Team.
 - Other miscellaneous over spends across the Service contribute a further £83,000 towards the projected outturn.
- 3.4 The Strategic Policy and Resources Committee of 12 September 2018 were advised of the process set out in the approved Integration Scheme that should be undertaken following the identification of a projected over spend on social care in Revenue Monitoring Report No.1 (Report No. 18/284 refers).
- 3.5 In response to the current projected over spend, the Chief Executives of the Council and NHS Tayside have jointly written to Perth & Kinross Integration Joint Board seeking a formal recovery plan by 19 November 2018. At the time of this report being issued the formal response had not been received. A verbal update will be provided to the Committee at the meeting.
- 3.6 There are a number of functions that are not devolved to Perth & Kinross Integration Joint Board and, therefore, remain with the Council. In respect of these non-devolved functions there is a projected under spend of £7,000 – a movement of £18,000 from the position last reported to Committee.
- 3.7 The main reason for this movement in the projected net under spend is due to the non-achievement of slippage targets at this time.
- 3.8 The total projected over spend on Health & Social Care is £2,402,000 (a movement of £614,000 from the position last reported to Committee) which is set out in Appendix 5.

Contribution to Tayside Valuation Joint Board

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

Unfunded Pension Costs

- 3.10 The latest projected outturn, based on current recharges from the Tayside Pension Fund, indicates an under spend of £50,000 which is reflected in Appendix 1.

Apprenticeship Levy

- 3.11 The latest projected outturn, based on current levels of remittance to HM Revenue & Customs, indicates an under spend of £4,000 which is reflected in Appendix 1.

Council Tax Reduction Scheme

- 3.12 The latest monitoring indicates a projected under spend of £299,000 on the Council Tax Reduction Scheme. This is based on the latest activity in this area and will be subject to review as the financial year progresses.

Discretionary Non-Domestic Rates Relief Scheme

- 3.13 On 13 September 2017 the Strategic Policy & Resources Committee approved a package of “Assistance to Business Occupation of Key Vacant Property in Perth & Kinross through Non-Domestic Rates Relief” (Report No. 17/281 refers). The maximum cost of this non-recurring proposal was estimated at £100,000 and this amount was earmarked in Reserves.
- 3.14 To date, financial support from this discretionary scheme has been awarded at a cost of £62,000 which is reflected in Appendix 1 to the report.

Council Tax Income

- 3.15 The monitoring of Council Tax Income as at 30 September 2018 indicates that additional income in excess of budget in the order of £300,000 will be generated in the current year. 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.
- 3.16 These projections are indicative at this stage and are subject to further review. This additional income is reflected in Appendix 1.

4. HOUSING REVENUE ACCOUNT (HRA)

- 4.1 The Executive Director (Housing & Environment) 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 £22,000) due to further staff slippage.
 - Perth City and Specialist (reduction in projected over spend of £3,000) due to the non achievement of slippage targets at this time.
 - Administration (reduction in projected over spend of £258,000) due to savings on loan charges following changes to repayment periods for historic debt.
 - Income (projected under spend of £4,000) due to increased rent collection.

- 4.2 The net projected under spends described above result in an increase in the projected contribution to Capital Financed from Current Revenue (CFCR) (£287,000) available for the HRA Capital Programme.
- 4.3 Full details of the movement against the HRA Revenue Budget are set out in Appendix 6.

5. CONCLUSION AND RECOMMENDATIONS

- 5.1. The total net projected over spend on the 2018/19 General Fund, as set out in Appendix 1 to this report, is £929,000.
- 5.2. Additionally, the projected under spend on the Devolved School Management Budget currently stands at £758,000 and £522,000 on the Pupil Equity Fund.
- 5.3. There is a projected over spend on Health & Social Care of £2,402,000.
- 5.4. The Executive Director (Housing & Environment) is currently projecting a break even position on the Housing Revenue Account in 2018/19.
- 5.5. The Committee is requested to:
- Note the contents of the report;
 - Approve the adjustments to the 2018/19 Management Revenue Budget detailed in Appendices 1 to 6 and Section 2, 3 & 4 above;
 - Approve 2018/19 Service virements summarised in Appendices 2, 5 and 6;
 - Note the Health & Social Care projected outturn summarised in Paragraphs 3.1 to 3.8 and Appendix 5;
 - Note the Housing Revenue Account projected outturn summarised in Section 4 above and Appendix 6.

Author(s)

Name	Designation	Contact Details
Scott Walker	Chief Accountant	chxfinance@pkc.gov.uk

Approved

Name	Designation	Date
Stewart Mackenzie	Head of Finance	16 November 2018
Jim Valentine	Depute Chief Executive and Chief Operating Officer	16 November 2018

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1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

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

1. Strategic Implications

Corporate Plan

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

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

1.2 This report relates to all 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 Executive Officer Team 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 1 – General Fund 2018/19 Revenue Budget - Summary
Appendix 2 – General Fund 2018/19 Projected Outturn – Service Analysis
Appendix 3 – Other 2018/19 Funding
Appendix 4 – Corporate Transformation Funding 2018/19
Appendix 5 – Health & Social Care 2018/19 Projected Outturn
Appendix 6 – Housing Revenue Account 2018/19 Projected Outturn

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

APPENDIX 1

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	2018/19 Council Approved Budget Feb-18	Previously Approved Adjustments (Net)	Movements in Funding	Virements	Movements in Reserves	2018/19 Revised Mgt Budget	Projected Outturn	Variance to Revised Mgt Budget	Variance to Revised Mgt Budget
<i>Reference: Section in Report</i>									
SERVICE	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	%
Education & Children's Services	162,855	3,171				166,026	165,432	(594)	(0.36%)
Housing & Environment	71,746	936		(149)	490	73,023	72,969	(54)	(0.07%)
Corporate & Democratic Services	25,310	6,195		149	(435)	31,219	30,985	(234)	(0.75%)
Sub - Total: Service Budgets	259,911	10,302	0	0	55	270,268	269,386	(882)	(0.33%)
Corporate Budgets									
Health & Social Care	49,175	834			(74)	49,935	52,337	2,402	4.81%
Contribution to Valuation Joint Board	1,145					1,145	1,145	0	0.00%
Capital Financing Costs	17,651	(3,696)		72		14,027	14,027	0	0.00%
Interest on Revenue Balances	(200)	67		(189)		(322)	(322)	0	0.00%
Net Contribution to/(from) Capital Fund	1,626	3,703		117		5,446	5,446	0	0.00%
Contribution to/(from) Insurance Fund	200					200	200	0	0.00%
Contribution from Renewal and Repair Fund	0	(20)				(20)	(20)	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	1,595					1,595	1,545	(50)	(3.13%)
Apprenticeship Levy	680					680	676	(4)	(0.59%)
Council Tax Reduction Scheme	6,499					6,499	6,200	(299)	(4.60%)
Discretionary Relief	150					150	212	62	41.33%
Net Expenditure (General Fund)	336,194	11,190	0	0	(19)	347,365	348,594	1,229	0.35%
Financed By:									
Revenue Support Grant	(190,744)	60				(190,684)	(190,684)	0	0.00%
Ring Fenced Grant	(1,775)	(2,716)				(4,491)	(4,491)	0	0.00%
Non Domestic Rate Income	(51,953)					(51,953)	(51,953)	0	0.00%
Council Tax Income	(85,300)	(74)				(85,374)	(85,674)	(300)	(0.35%)
Capital Grant	(1,400)	(480)				(1,880)	(1,880)	0	0.00%
Total Financing	(331,172)	(3,210)	0	0	0	(334,382)	(334,682)	(300)	(0.09%)
Financed from/(returned to) Reserves including use of Budget Flexibility (£3.738m)	5,022	7,980	0	0	(19)	12,983	13,912	929	

PERTH & KINROSS COUNCIL - GENERAL FUND 20018/19 PROJECTED OUTTURN - SERVICE ANALYSIS
(Based on Expenditure to 31 August 2018)

SERVICE	Variance £'000	Variance £'000	Summary of Service Variances
Education & Children's Services			
Total	(594)		
		(440)	Devolved School Management (DSM)
			Staff Costs Teachers salaries are projected to under spend by £1,716,000 due to staff turnover. Single Status staff are projected to under spend by £423,000 also due to staff turnover. This is offset by a slippage target for 2017/2018 of £1,699,000. These projections will be updated once head teachers confirm their spending plans for the 2018/19 academic year.
		(220)	Supplies & Services Projected under spend on educational materials which will be carried forward into the 2018/19 academic school year.
		(98)	Income Projected additional income which offsets additional expenditure on staff costs included above for secondments and Scottish Qualifications Agency work.
		758	The projected DSM carry forward for 2018/19 is £758,000 which is a reduction of £447,000 on the balance brought forward from 2017/18. This level of carry forward represents approximately 0.84% of the overall DSM budget.
		(522)	Pupil Equity Fund The majority of schools within Perth and Kinross Council have been allocated a share of £1,661,520 of Pupil Equity Funding from the Scottish Government as a ring fenced grant as well as £720,000 that has been carried forward from financial year 2017/18. The funding covers the school academic year (i.e. 1 July 2018 to 30 June 2019) and at this early stage in the academic year it is projected that £522,000 will be carried forward to 2019/20.
		522	Projected carry forward of Pupil Equity Funding.
		(523)	Other Education & Children's Services Sectors: Staff Costs This projected under spend is made up of movements across all sectors and cost centres and is after recognising a slippage target of £865,000.
		0	Property Costs There is a projected over spend small property works (£11,000) partially offset by savings on the Investment in Learning Contract (£11,000).
		(323)	Supplies and Services Under spend from approved Revenue Budget flexibility brought forward from 2017/18 amounting to (£440,000) that is no longer required in 2018/19 (E2S - £300,000, as this has now been mainstreamed and School Estate £140,000). These under spends are partially offset by projected over spends within Children Young People & Families on Through Care/Aftercare (£11,000) and School Meals (£106,000).
		(1)	Transport Costs Projected under spend on car allowances and travel (£35,000) offset by a projected over spend on client travel within Children, Young People and Families. (£34,000).
		551	Home to School Transport Projected over spend due to contract variations, the partial omission of taxi contract values from the anticipated pressure and additional demand on Additional Support Need and Looked after Children provision e.g. young people transferring to external placements due to increased demand.
		(44)	Third Party Payments There is a projected under spend due to slippage on the Continuing Care budget (£55,000) and the facilities management contract (£13,000) that is partially offset by projected over spends within Children Young People and Families, Supporting Young People (£24,000).

PERTH & KINROSS COUNCIL - GENERAL FUND 20018/19 PROJECTED OUTTURN - SERVICE ANALYSIS
(Based on Expenditure to 31 August 2018)

SERVICE	Variance £'000	Variance £'000	Summary of Service Variances
		202	Residential Schools/Foster Care and Kinship Care: 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.
		(68)	The budget for young people with complex behavioural issues which includes a number of pupils placed within residential schools is projected to under spend based on current activity levels.
		29	Support in the Community is projected to over spend based on the existing number of placements.
		(356)	There is a projected under spend on foster care due to 15 fewer external placements (£489,000) partially offset by a projected over spend on the kinship care budget due to additional kinship carers (£133,000).
		(222)	Loan Charges Projected under spend on prudential borrowing costs due to changes in the debt repayment periods.
		98	Income Projected shortfall in income from Breakfast Clubs (£66,000), the Renewable Heat Incentive Programme due to alterations in the Breadalbane Community Campus biomass boiler (£54,000), Out of School Kids Clubs (£10,000) and Wellbank House rents (£5,000). This is partially offset by additional income from recharging other authorities for Foster carer Placements (£21,000) and grant income in relation to unaccompanied asylum seeking children (£16,000).
		63	Criminal Justice Services Projected over spend on property costs at St Martin's House (£72,000), Westbank and West Mill Street (£21,000) and non-achievement of slippage (£7,000) partially offset by additional income (£37,000).
		500	Bertha Park High School Potential additional interim utilities costs in relation to Bertha Park High School.
		(500)	Additional income from the developer.
Housing & Environment			
Total	(54)		
		340	Service-Wide Budgets Non-achievement of third year procurement saving. Limited scope for further savings, however £1,085,000 of savings have already been generated from targeted reductions in price across a range of supplies, services and commodities.
		300	Projected non- achievement of Service staff slippage target.
		(150)	Planning & Development Projected additional commercial rental income arising from annual rent reviews and higher occupancy levels.
		50	Projected consultancy and legal costs relating to the examination stage of the Local Development Plan.
		(80)	Projected under spend on match-funding towards European Social Fund projects due to lower than anticipated demand for employability initiatives.
		100	Roads & Transport Operating expenditure for public transport tendered services higher than budget.
		(150)	Slippage on delivery of new 20mph limits and zones.
		(100)	Slippage on the development and expansion of rural footpaths and cycle networks.
		(50)	Slippage on providing financial assistance for the adoption of unadopted roads.
		(40)	Slippage on traffic staff budget to provide match-funding with Sustrans for a joint Project Officer post from 2019/20.
		(35)	Saving on reinstatement works at River Ericht.
		(150)	Projected saving in street lighting energy and carbon reduction commitment (CRC) payments due to impact of LED replacement programme.
		150	Operations, Waste Strategy & Fleet Management Projected increase in fuel costs arising from increased oil price
		(100)	Projected additional income from the sale of recyclates
		(330)	Car Parking Projected additional income from on and off street parking and penalty charge notices
		330	Contribution to Car Park Reserve

PERTH & KINROSS COUNCIL - GENERAL FUND 20018/19 PROJECTED OUTTURN - SERVICE ANALYSIS
(Based on Expenditure to 31 August 2018)

SERVICE	Variance £'000	Variance £'000	Summary of Service Variances
			<p><u>Property</u></p> <p>(250) Projected saving on energy costs and CRC payments due to reduced energy consumption.</p> <p>(50) Projected saving on water costs.</p> <p>200 Projected shortfall in fees arising from non-fee earning work.</p> <p>300 Virement from fee target to maintenance budget to reflect the revenue nature of the work being undertaken by fee earning staff.</p> <p>(300) Virement to maintenance budget from fee target to reflect the revenue nature of the work being undertaken by fee earning staff.</p> <p>600 Projected costs relating to unforeseen emergency ground works at Kinnoull Primary School.</p> <p>(170) Saving due to the actual settlement of invoices from 2017/18 being lower than the provision in the final accounts.</p> <p>(30) Saving on revenue budget provision for feasibility study at Perth High School.</p> <p>(200) Transfer from earmarked Reserve to part fund unforeseen emergency ground works at Kinnoull Primary School.</p> <p>(200) Further transfer from General Fund Reserves</p> <p>150 Projected costs relating to demolition works at Fairfield Community Neighbourhood Centre.</p> <p>70 Virement to staff cost budget from maintenance budget for the provision of fixed term staff to undertake building condition survey works - total virement £678,000 split 2018/19 £70,000, 2019/20 £213,000, 2020/21 £237,000 and 2021/22 £158,000 .</p> <p>(70) Virement from maintenance budget to staff cost budget for the provision of fixed term staff to undertake building condition survey works.</p> <p><u>Housing</u></p> <p>32 Homeless temporary accommodation - projected over spend on property and capital costs associated with sale of RIO House.</p> <p><u>Safer Communities</u></p> <p>(14) Projected under spend on staff and property costs.</p> <p><u>Business & Resources</u></p> <p>(207) Projected under spend on staff costs and the accelerated delivery of approved 2019/20 savings.</p>

PERTH & KINROSS COUNCIL - GENERAL FUND 20018/19 PROJECTED OUTTURN - SERVICE ANALYSIS
(Based on Expenditure to 31 August 2018)

SERVICE	Variance £'000	Variance £'000	Summary of Service Variances
<u>Corporate and Democratic Services</u>			
Total	(234)		<p><u>Core Costs</u></p> <p>(27) Projected net under spend on staff costs due to slippage.</p> <p><u>Legal Services</u></p> <p>(23) Projected net under spend on staff costs.</p> <p>30 Projected net over spend on other costs across the Division.</p> <p>(16) Projected additional income from Licensing.</p> <p><u>Finance</u></p> <p>(4) Projected net under spend primarily due to staff slippage in excess of budgeted levels.</p> <p><u>Democratic Services</u></p> <p>12 Projected net over spend on staff costs due to non-achievement of slippage target at this point.</p> <p>33 Projected net over spend on other costs across the Division.</p> <p>(46) Projected additional income across a number of functions including the Registration Service.</p> <p><u>Human Resources</u></p> <p>(7) Various net projected under spends across staff costs, supplies and services, third party payments and transport costs.</p> <p><u>IT</u></p> <p>(5) Various net projected under spends across staff costs, supplies and services, third party payments and transport costs.</p> <p><u>Strategic Commissioning & Organisational Development</u></p> <p>(13) Projected net under spend primarily due to staff slippage in excess of budgeted levels.</p> <p><u>Cultural and Community Services</u></p> <p>15 Various net projected over spends across staff costs, supplies and services, third party payments and transport costs.</p> <p><u>Revenues & Benefits</u></p> <p>(179) Improved performance in the administration of housing benefit claims.</p> <p><u>Customer Service Centre</u></p> <p>(4) Staff slippage in excess of targets.</p>
TOTAL	(882)		

APPENDIX 3

Other 2018/19 Funding

Education & Children's Services	
Youth Music Initiative	£245,208
Scottish Government – Scottish Attainment Challenge: Care Experienced Children and Young People Funding	£154,000
Cycling Scotland – Play On Pedals: Additional Cycle Fleet	£3,500
Education Scotland – Food For Thought	£3,000
Housing & Environment	
Scottish Government – Chargeplace Scotland Network	£160,000
Paths for all – Smarter Choices Smarter Places Additional Funding	£60,000
TOTAL	£625,708

APPENDIX 4

Corporate Transformation Projects

Corporate & Democratic Services	
Electronic Data Management Systems	-£110,000
Corporate Procurement	-£100,000
Housing & Environment	
Cultural Project	£40,000
Health & Social Care	
Communities First	-£30,000
Residential & Day Care Services	-£2,000
Community Care Packages	-£42,000
TOTAL	-£244,000

HEALTH AND SOCIAL CARE - 2018/19 PROJECTED OUTTURN
(Based on Expenditure to 30 September 2018)

SERVICE	Variance £'000	Variance £'000	Summary of Service Variances
Perth & Kinross Health & Social Care Partnership			
Older People			
Total	1,070		
		990	Care at Home - Demand There is a projected over spend on external care at home services (£585,000) due to higher demand than anticipated, and the cost of interim care home placements (£405,000) whilst clients await a care at home service following their discharge from hospital. These projections include a projected sum (£45,000) for the cost of the provider retainer fee project as the Service attempts to address delayed discharge from hospitals.
		(423)	Care at Home - Under Spend There are projected under spends in the internal teams (£162,000) due to delays in recruitment and slippage on the implementation of the revised model of Intermediate Care Services (£261,000).
		270	Joint Equipment Loan Store/Occupational Therapy/Telecare There are projected over spends on staff costs (£90,000) due to all posts being filled and therefore not meeting slippage target, plus the approval additional temporary staff including the Control Room to meet growing demand. In addition there is a projected over spend on Occupational Therapy Adaptations (£181,000) due to increased demand.
		354	External Residential & Nursing Home Placements Physical disability placements are projecting an over spend (£68,000) based on current client numbers and their assessed needs. Older People Placements are projecting an overspend (£286,000) based on client numbers in placement. This is after offsetting the non-recurring balance of carers monies in the current year under the Shifting the Balance of Care project. This projection also includes a projected cost for 15 crisis placements for which there is no budget. There are currently 929 permanent placements against a budget available to fund 902 - this represents an overspend of 27 placements as the Service moves to full implementation of the Shifting the Balance of Care project.
		(26)	Local Authority Residential Homes Additional income is being generated across the two local authority residential homes due to the financial profile of individual residents and increased occupancy levels.
		(36)	Services to Carers There is a projected in year under spend on the investment monies for New Carers Services due to the part year implementation (£6,000) plus small underspends on other grants paid to carers groups (£30,000).
		(95)	Uncommitted Budgets These are uncommitted recurring budgets (£65,000) and non-recurring budgets (£30,000).
		36	Other There is a projected over spend within Self Directed Support (£49,000) due to individual approved care packages. These are being partially offset by projected under spends in day care (£8,000) and lunch clubs (£5,000).

HEALTH AND SOCIAL CARE - 2018/19 PROJECTED OUTTURN
(Based on Expenditure to 30 September 2018)

SERVICE	Variance £'000	Variance £'000	Summary of Service Variances
Adult Support & Wellbeing			
Total	618	1,455	<p>Learning Disability - Demand There is a projected over spend on learning disability placements (£700,000) due to the number of clients in placement and an increase in their care needs. This projection includes the full year effect of placement activity changes during 2017/18 plus new activity in the current financial year. In addition, there is a projected overspend on learning disability community support packages (£476,000) based on approved care packages that reflect growing client numbers and the costs of individual care packages. There is also a projected overspend on learning disability direct payments (£212,000) due to an increase in the number of clients receiving a Direct Payment and the costs of their individual assessed care packages. An analysis of the individual packages is being undertaken. Further, learning disability day care services are projecting an over spend on transport costs (£39,000) based on the latest projections received from the Public Transport Unit, and an over spend on purchased services (£28,000) based on approved care package costs.</p> <p>135 Mental Health - Demand There is a projected over spend on Mental Health placements due to the number of clients in placement and an increase in their care needs. This projection includes the full year effect of placements activity changes during 2017/18 plus new activity in the current financial year.</p> <p>(964) Learning Disability - Underspend There is additional staff slippage in learning disability services as a consequence of vacancies (£31,000), slippage on the Invergowrie project (£244,000) due to delays in the building works, a reduction in monies paid to providers as prior years' surpluses have been recovered (£550,000), a reduction in the current year payments to projects (£132,000) to reflect lower occupancy levels, and an under spend across providers (£20,000) pending the final settlement of sleepover rates to be paid (awaiting Scottish Government guidance). These are partially offset by other miscellaneous over spends (£13,000).</p> <p>(8) Other There is a projected net under spend due to additional staff slippage.</p>
Localities and Early Intervention & Prevention			
Total	30	30	<p>Early Intervention & Prevention There is a projected over spend on staff costs due to not achieving slippage targets (£71,000) which is partially offset by small under spends on transport and third party costs (£41,000).</p>
Management & Commissioned Services			
Total	(203)	(88)	<p>Management There is a projected under spend due to an over-recovery of contributions policy income based on the most recent analysis.</p> <p>(115) Commissioned Services The underspend reflects the latest projected position in relation to grant payments and the accelerated delivery of approved savings.</p>
Savings Delivery			
Total	494	494	<p>Savings Delivery There is a projected in-year over spend at Beechgrove (£200,000) due to delays in achieving the closure (now complete). There are also projected over spends due to not meeting approved savings relating to procurement (£266,000) and IT/Workforce Productivity (£28,000).</p>
TOTAL (Perth & Kinross Health & Social Care Partnership)	2,009		

HEALTH AND SOCIAL CARE - 2018/19 PROJECTED OUTTURN
(Based on Expenditure to 30 September 2018)

SERVICE	Variance £'000	Variance £'000	Summary of Service Variances
Adult Social Care (Non Perth & Kinross Health & Social Care Partnership)			
Total	393		<p>24 Mental Health Officers Projected over spend on staff costs due to non- achievement of slippage target at this time.</p> <p>(9) Learning & Development Projected under spend on staff costs.</p> <p>(36) Forensic Team Projected under spend on staff costs.</p> <p>14 Planning & Commissioning Projected over spend on staff costs due to non- achievement of slippage target at this time.</p> <p>400 Charging Following the decision of the Executive Sub-Committee of the Strategic Policy & Resources Committee to defer implementation of the revised charging policy (Report No. 18/262 refers) there is a projected over spend.</p>
TOTAL	2,402		
(Health & Social Care)			

PERTH & KINROSS COUNCIL - HOUSING REVENUE ACCOUNT 2018/19 PROJECTED OUTTURN
(Based on Expenditure to 31 August 2018)

£'000	Summary of Service Variances
(28)	Improvements and South Staff slippage in excess of budget.
(3)	Letham and North Staff slippage in excess of budget.
36	Perth City and Specialist Staff slippage not achieving budgeted target at this point.
1	Housing Management Projected over spend due to car park security costs at Pomarium flats.
(229)	Administration Projected under spend on loan charges due to changes in repayment periods for historic debt.
(4)	Income Projected increase in income from rents (£76,000) offset by increased void rent loss (£37,000) and reduced interest on revenue balances (£33,000)
227	Capital Financed from Current Revenue 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.
0	

PERTH AND KINROSS COUNCIL

Strategic Policy and Resources Committee

28 November 2018

**COMPOSITE CAPITAL BUDGET 2018/28 & HOUSING INVESTMENT
PROGRAMME 2018/23 – MONITORING REPORT NUMBER 2**

Report by Head of Finance (Report No. 18/385)

PURPOSE OF REPORT

This report provides a summary position to date for the 10 year Composite Capital Programme for 2018/19 to 2027/28 and the 5 year Housing Investment Programme 2018/19 to 2022/23, and seeks approval for adjustments to the programmes.

1. BACKGROUND / MAIN ISSUES

- 1.1 At its meeting on 12 September 2018, this Committee approved a revised ten-year Gross Composite Capital Budget for 2018/19 to 2027/28 totalling £608,478,000 (report 18/285 refers). The Committee also approved a revised five year Housing Investment Programme for 2018/19 to 2022/23 totalling £71,917,000.
- 1.2 This report advises on expenditure to 31 October 2018 and the latest estimate of the projected outturn for each of the years to 2027/28 for the Composite Programme and to 2022/23 for the Housing Investment Programme.
- 1.3 The Capital Programme Exceptions Report (Appendix IV) provides summary information on the latest position for individual projects reported within Sections 3 and 4 of this report.

2. COMPOSITE CAPITAL PROGRAMME – CAPITAL RESOURCES

- 2.1 The current estimated total gross capital resources available over the ten years 2018/19 to 2027/28 amount to £608,707,000. Movements from the revised Budget approved on 12 September 2018 are summarised in the table below, and the constituent elements for each year are shown at Appendix I.

	Total Composite Capital Resources		
	Approved 12 Sept 2018	Current Estimate	Movement
	£'000	£'000	£'000
2018/19	77,843	71,444	(6,399)
2019/20	72,555	72,062	(493)
2020/21	117,596	114,033	(3,563)
2021/22	117,456	127,148	9,692
2022/23	80,698	81,174	476
2023/24	37,022	38,269	1,247
2024/25	26,327	26,709	382
2025/26	26,327	26,827	500
2026/27	26,327	26,450	123
2027/28	26,327	24,591	(1,736)
Total	608,478	608,707	229

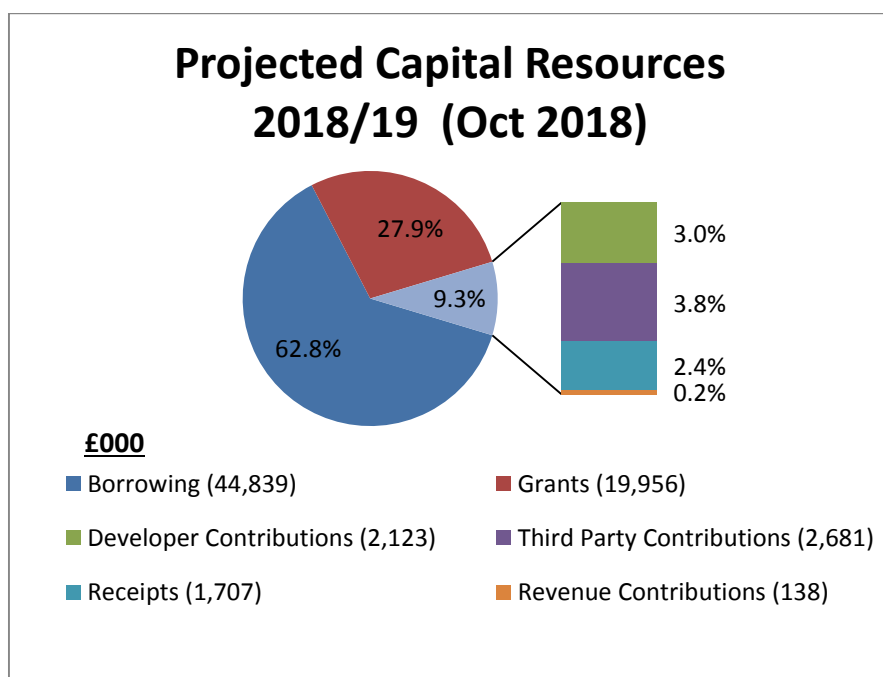
- 2.2 The movement in the Gross Resources at Section 2.1 above can be summarised as follows:

	£'000
Decrease in Commercial Property Receipts (Section 2.3)	(13)
Increase in Housing Receipts (Section 2.3)	5
Increase in Third Party Contributions (Section 2.3)	223
Increase in Revenue Contributions (Section 2.3)	23
Decrease in Resources c/f to future years (Section 2.3)	13
Decrease in Borrowing Requirement (Section 2.4 & 2.5)	(22)
Increase in Gross Capital Resources (Section 2.1)	229

- 2.3 The movement in Gross Resources is, in part, due to an increase of £223,000 over the ten year period in Third Party Contributions. This relates to various contributions, the most significant of which are £130,000 from community groups in relation to Play Areas and Parks (Section 3.3.7), a contribution from Sustrans towards the Core Path Implementation programme of £45,000 (Section 3.3.8) and a further contribution from Sustrans of £20,000 towards the Cycling Walking and Safer Street programme (Section 3.3.3). Revenue Contributions have increased overall by £23,000 as a result of a £28,000 contribution from the Central Energy Efficiency Fund (Section 3.3.10), offset by a reduction of £5,000 in other contributions. Commercial property receipts have been revised, and whilst there has been no change in the estimated value of the receipts, there has been an increase of £13,000 in the associated disposal expenses, thus reducing the amount available for re-investment in the Commercial Property Investment Programme. There is also a small increase in estimated Housing Receipts of £5,000.
- 2.4 The projected Borrowing Requirement in 2018/19, which is effectively the balancing item for resources, is £44,839,000, which is £4,760,000 lower than the Borrowing Requirement approved on 12 September 2018. The total Borrowing Requirement in the subsequent years 2019/20 to 2027/28 has increased by £4,738,000 to £335,624,000, resulting in an overall decrease of £22,000 across the whole ten year programme.
- 2.5 All movements in the Borrowing Requirement are shown in the Proposed Budget Adjustment column within Appendix II, and summarised in the table below:

	2018/19	2019/20	2020/21	Later Years	Total
	£'000	£'000	£'000	£'000	£'000
Increase/(Reduction) in Borrowing on The Environment Services Prudential Borrowing Programme (Section 3.3.10)	(1,834)	1,817	(25)	25	(17)
Increase in Housing Receipts (Section 2.3)	0	0	0	(5)	(5)
Net Movements arising from re-phasing of other expenditure and receipts (Appendix II)	(2,926)	(2,695)	(5,038)	10,659	0
Increase/(Decrease) in Borrowing Requirement	(4,760)	(878)	(5,063)	10,679	(22)

- 2.6 The chart below shows the Capital Resources required to fund the 2018/19 Composite Capital Programme following the proposed budget adjustments detailed throughout this report.



- 2.7 Following the recent announcements by the Scottish and UK Governments on the Tay City Deal headline funding, detailed negotiations with each constituent authority have commenced. At the time of writing, there are no movements on the projects in the current approved budget, nor any new proposals, to report at this stage. Proposals will be brought forward to the Council once these negotiations have been concluded.

3. COMPOSITE CAPITAL PROGRAMME – EXPENDITURE

3.1 Total Expenditure and Proposed Budget Adjustments to the Current Programme

- 3.1.1 Total expenditure (net of grants and contributions) to 31 October 2018 on the Composite Capital Programme amounts to £21,251,000, which is detailed at Appendix II and can be summarised as follows:

	Gross Expenditure to 31 Oct 2018	Total Grants & Contributions to 31 Oct 2018	Net Expenditure to 31 Oct 2018
	£'000	£'000	£'000
Education and Children's Services	3,681	(4,881)	(1,200)
Housing & Environment	21,420	(664)	20,756
Health and Social Care	212	0	212
Corporate & Democratic Services	1,483	0	1,483
Total	26,796	(5,545)	21,251

- 3.1.2 Net Expenditure to date for Education and Children's Services in the current year is distorted by the inclusion of £4,800,000 of grant funding received in August 2018 from the Scottish Government for Early Learning & Childcare expansion.
- 3.1.3 In addition, General Capital Grant received to 31 October 2018 amounts to £9,818,000 and capital receipts amount to £2,102,000. Therefore, the borrowing requirement to 31 October 2018, after allowing for the movement in receipts brought forward of £776,000 and carried forward of £2,352,000 (Appendix II), totals £10,907,000.
- 3.1.4 A comprehensive monitoring exercise has been carried out, which is detailed at Appendix II. The most significant features are discussed below.

3.2 Education and Children's Services

- 3.2.1 The Executive Director (Education & Children's Services) has reviewed the programme for their Service and proposes the following budget adjustments.
- 3.2.2 It was previously approved by this committee on 12 September 2018 (Report 18/285 refers) to include a Third Party Contribution from Hubco of £81,000 within the Housing & Environment Service, under Property Services, which increased the available Property Capital Improvement budget by the same amount. As this contribution relates to a range of projects undertaken within the School Estate, it is proposed to transfer the budget to Education and Children's Services by increasing the Investment in the School Estate budget in 2018/19 by the same amount.
- 3.2.3 In line with the detailed plans for Early Learning & Childcare expansion submitted to the Scottish Government, it is proposed to draw down funding from the Early Learning & Childcare budget in order to progress with expansion works at various schools. It is, therefore, proposed to allocate a total of £12,306,000 over the financial years 2018/19, 2019/20 and 2020/21 to allow projects to progress at the following schools :-
- Letham Primary School Upgrade - £5,774,000
 - Oakbank Primary School Upgrade- £651,000
 - St Ninians Primary School Upgrade - £700,000
 - Rattray Primary School Upgrade - £3,381,000
 - Inchtute Primary School Upgrade - £1,800,000
- 3.2.4 However, these projects are at various stages of planning and full project costs have yet to be finalised.
- 3.2.5 The Executive Director (Education & Children's Services) also proposes to draw down funding from the Investment in the School Estate budget and the Early Learning and Childcare budget for Longforgan Primary School, in order to undertake the refurbishment of the Grade B listed main building and replacement of the hall, dining centre and classrooms as well as nursery expansion works. Following the report to the Property Sub Committee on 22nd

October 2018 detailing the progress on the School Estate programme (Report 18/333 refers), it is proposed to allocate £6,000,000 to the Longforgan Primary School Upgrade project as follows:

- £4,000,000 from Investment in the School Estate in 2019/20.
- £1,615,000 from Investment in the School Estate in 2020/21.
- £385,000 from Early Learning & Childcare in 2018/19.

3.2.6 It is further proposed to rephase the project in line with the latest schedule of works with £150,000 of expenditure budgeted for 2018/19 and the remaining £5,850,000 in 2019/20. Additionally, it is proposed to rephase the budget for the Investment in the School Estate programme in line with the latest schedule of works. It is, therefore, proposed to move £519,000 from 2018/19 to 2020/21.

3.2.7 It is also proposed to rephase £1,300,000 of the Perth Academy New Sports Hall budget from 2018/19 to 2020/21, whilst a full review of the scope and works required is undertaken. In addition, it is proposed to rephase various other projects to match the current anticipated expenditure, and all these adjustments have been included at Appendix II.

3.3 Housing & Environment

3.3.1 The Executive Director (Housing & Environment) has reviewed the programme for their Service and proposes various budget adjustments, the most significant of which are described below.

3.3.2 Following the allocation of additional resources approved by the Council when setting the new 10-year budget on 20 June 2018 (Report 18/213 refers), a review of the programmes of work within the Structural Maintenance and Bridge Refurbishment programmes has been undertaken. Consequently, it is proposed to rephase the budgets in order to smooth the expenditure profile over the whole ten-year period.

3.3.3 It is also proposed to consolidate the Road Safety Initiative programmes within a single budget heading from the financial year 2019/20 onwards. However, it is also proposed to transfer £692,000 of the current programme of works scheduled in 2018/19 to 2019/20 to reflect the revised timing of the works, with mainly design works being undertaken in this financial year. The current year is also enhanced by an additional Third Party Contribution of £20,000 from Sustrans towards providing cycle lockers in the Carse of Gowrie within the Cycling Walking & Safer Streets programme.

3.3.4 Construction on the A9/A85 Road Junction Improvements project is progressing well and is ahead of programme. However, as reported to the Council meeting on 20 June 2018 (report 18/213 refers) a project of this scale and complexity would normally be subject to a number of compensation events. These compensation events are a result of issues such as unforeseen ground conditions, work variations and design issues. In June the Council approved additional funding of £3,000,000 to address these compensation

events based upon the estimates available at the time, whilst acknowledging the potential for further costs as works progress. The latest projected outturn has been updated to reflect further compensation events agreed with the main contractor since June, along with an assessment of potential claims through to completion of the project in 2019. These compensation events equate to around 8% of the contract value compared to an industry standard of between 10% and 14%. Now that the public utility works have been completed on site, a review of the original cost

estimates has been undertaken resulting in these being higher than anticipated. In addition, following further discussions with agents and landowners, a review of the land cost estimates prepared by the District Valuer Service has also been undertaken with additional provision for the likely outcome of these land compensation negotiations included in the latest projected outturn. As a result, it is proposed to vire £2,300,000 from the Structural Maintenance budget to the A9/A85 Road Junction Improvement project in 2018/19 in order to fund these additional unavoidable costs. The budget is also enhanced by a £5,000 Third Party Contribution relating to the scheme.

- 3.3.5 Advanced works on the Perth Transport Futures project have been progressing in the current year, particularly relating to ground investigations. Accordingly, it is proposed to bring forward £124,000 to the current year and a further £90,000 to 2019/20, by rephasing the budgets in later years.
- 3.3.6 The planned works on the Broich Road Development, Crieff will take place after scheduled third party works on the gas network are completed. Following a delay in these gas network works commencing, it is proposed to rephase the budget in line with a revised programme for the project. It is, therefore, proposed to move £238,000 from 2018/19 to 2019/20. As a result, it is also proposed to realign £113,000 of Developer Contributions and a Third Party Contribution of £60,000, which were originally budgeted in 2018/19, to 2019/20. It is anticipated that the project will be completed by May 2019.
- 3.3.7 Within Community Greenspace, additional Third Party funding totalling £130,000 has been secured from various community groups for works within the Play Areas and Parks. As a result of community consultations and the subsequent design work, it is proposed to carry forward £218,000 of the budget to 2019/20 when it is scheduled to undertake the works. It is also proposed to consolidate the Play Areas and Play Parks budgets into a single budget heading. It is further proposed to transfer part of the budgets in the current year to next year for Countryside sites (£156,000), The Knock (£85,000) and Kinnoull Hill (£105,000) following a period of community consultation on the proposed works.
- 3.3.8 Within the Core Path Implementation programme a Third Party Contribution of £45,000 has been secured from Sustrans for the design work on the path network between Crieff and Comrie. Accordingly, this has been incorporated into the budget at Appendix II.

- 3.3.9 Within the Software Licences programme it is proposed to accelerate £180,000 from future years into 2018/19 in order to fund the scheduled renewals of licences within the current financial year. It is also proposed to increase the budget for the Corporate Programme Management System by transferring £20,000 from the currently unallocated funds of £55,000 held within the Structural Maintenance budget to meet the cost of incorporating a financial reporting module in to the system.
- 3.3.10 The Council has been allocated a further £12,000 from Salix Finance towards the cost of installing energy efficiency building management controls at Fairview school. The total cost of the work is estimated at £40,000 with the balance of £28,000 being met by a Revenue Contribution from the Central Energy Efficiency Fund (CEEF). There are also other proposed budget movements within the Property Services programme between years to reflect the current phasing of the programmes.
- 3.3.11 Within the Prudential Borrowing programme, it is proposed to re-profile £40,000 of the Smart City Waste budget from 2018/19 to 2019/20, together with a corresponding £17,000 movement in external funding, in relation to identifying sites for underground waste systems. In addition, it is proposed to move £708,000 within the Perth Harbour Dredging project in 2018/19 to 2019/20 whilst negotiations continue with pipeline owners and Scottish National Heritage with a view to obtaining a Marine Licence. It is further proposed to move the Technology & Innovation Incubator Units budget of £1,000,000 from 2018/19 to 2019/20, as progress with the project is tied to potential Tay Cities Deal funding becoming available. In addition, a saving of £17,000 has been realised upon completion of the Canal Street Car Park project, and it is therefore proposed to reduce the Prudential Borrowing on this programme in 2018/19 by this amount.
- 3.3.12 All the above proposed adjustments have been reflected in Appendices I and II.

3.4 Corporate & Democratic Services

- 3.4.1 The Depute Chief Executive (Chief Operating Officer) has reviewed the programme for their projects and proposes the budget adjustments described below.

Cultural Attractions

- 3.4.2 Following a review of the current programme of works within the City Hall project, it is proposed to accelerate £700,000 from 2019/20 to 2018/19 to reflect the revised schedule of works. The budget for the consolidated City Hall project including Public Realm, Lighting and Vennel works remains at £22,500,000 over the 10 year Composite Capital programme. Including prior year expenditure of £732,000, the overall budgeted cost of the City Hall project and associated public realm improvements is £23,232,000.

- 3.4.3 Due to the revised timescales surrounding the Tay Cities Deal, it is proposed to realign the Third Party Contributions of £1,500,000 budgeted in 2018/19 to 2020/21.

Community Planning

- 3.4.4 It is proposed to rephase the budget for the Letham Wellbeing Hub with £1,236,000 transferring from 2018/19 to 2019/20 whilst development of the business case continues. In the interim period, the former Letham Recreation Centre facility is planned to be opened from December 2018 to allow access to Letham for All.

Information Technology

- 3.4.5 The Head of Corporate IT and Revenues has reviewed the programme for their projects and proposes the budget adjustments described below.
- 3.4.6 It is proposed to combine the total MS Licences & Microsoft Office 365 project with the ongoing ICT Infrastructure programme. The ICT infrastructure is a rolling programme of works, licences and network infrastructure improvements which aims to deliver an ICT environment which is fit for purpose, for which the MS Licences & Microsoft Office 365 project is a key component. It is therefore proposed to move the £4,400,000 MS Licences & Microsoft Office 365 budget in 2020/21 to the ICT Infrastructure budget. Additionally, it is also proposed to rephase the combined ICT Infrastructure budget in line with the latest expenditure profile across the 10 year programme.
- 3.4.7 Following a review of the works scheduled within the School Audio Visual Upgrades project, it is proposed to accelerate £100,000 from 2019/20 to 2018/19 in order to commence the proposed works in the current year.
- 3.4.8 The above proposed adjustments have been reflected in Appendices I and II.

4. HOUSING INVESTMENT PROGRAMME

- 4.1 The current estimated expenditure, net of contributions, for the Housing Investment Programme over the 5 years 2018/19 to 2022/23 amounts to £73,172,000. Movements from the previous estimates approved by this committee on 12 September 2018 are as follows, and detailed in Appendix III:

	Approved 12 Sep 2018	Current Estimate	Movement
	£'000	£'000	£'000
2018/19	18,917	19,423	506
2019/20	9,273	10,228	955
2020/21	7,758	7,552	(206)
2021/22	8,481	8,481	0
2022/23	27,488	27,488	0
Total	71,917	73,172	1,255

4.2 Total Expenditure to 31 October 2018 (Housing Investment Programme)

Net expenditure for 2018/19 to 31 October 2018 amounts to £9,805,000 and receipts amount to £1,499,000, giving a borrowing requirement of £8,306,000 for the year to date.

	Gross Expenditure to 31 Oct 2018	Total Grants & Contributions to 31 Oct 2018	Net Expenditure to 31 Oct 2018
	£'000	£'000	£'000
Housing Investment Programme	12,010	(2,205)	9,805

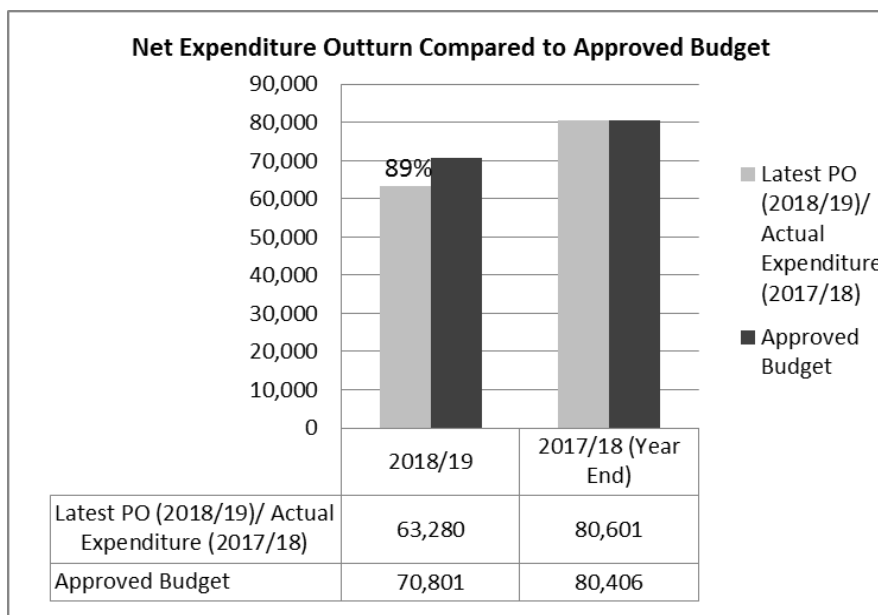
- 4.3 The Executive Director (Housing & Environment) has reviewed the Housing Investment Programme and proposes the following budget adjustments which are included at Appendix III.
- 4.4 Within the Council House New Build programme it is proposed to move £200,000 from 2018/19 to 2019/20 for the Invergowrie New Build project to reflect the revised expected start date.
- 4.5 Following the completion of improvement works at the Pomarium Flats, Perth, as part of the Multi Storey Flats programme, it has become apparent that additional controlled door entry installation is required. It is, therefore, proposed to move £24,000 from the Multi Storey Flats programme to the Controlled Door Entry programme in 2018/19 to fund these works.
- 4.6 Following a review of the Bathroom Replacement programme, it is proposed to move £170,000 from the Kitchen Modernisation programme in 2020/21 to the Bathroom Replacement programme in 2018/19. This proposed movement reflects the revised phasing of the improvement works and an increased demand from tenants for bathroom adaptations.
- 4.7 A revised schedule of works has been proposed within the Kitchen Modernisation programme in 2018/19. It is, therefore, also proposed to accelerate £36,000 from 2020/21 into 2018/19 within the Kitchen Modernisation programme and move £69,000 from the Shops and Offices programme in order to reflect this revised schedule of works and current priorities and demand.
- 4.8 Following the launch of the New Supply Shared Equity Scheme (NSSE) which aims to help people on low to moderate incomes buy an affordable, new build home, thirteen new build houses have become available for purchase from the Council from July 2018 at Blackthorn Place, Blairgowrie. The NSSE scheme allows the purchaser to own between 60% and 100% of the property. The development consists of seven 2-bedroom and six 3-bedroom properties, and eleven of the thirteen property sales have now been concluded. The total estimated disposal proceeds for the whole scheme amounts to £1,255,000. Total estimated gross expenditure on the Blackthorn Place development is £4,979,000, which is partially offset by Scottish Government Grant Income of

£1,888,000 and Council Tax Second Home income of £480,000, giving a net cost of the development (excluding sales) of £2,611,000 (Report 18/285 refers).

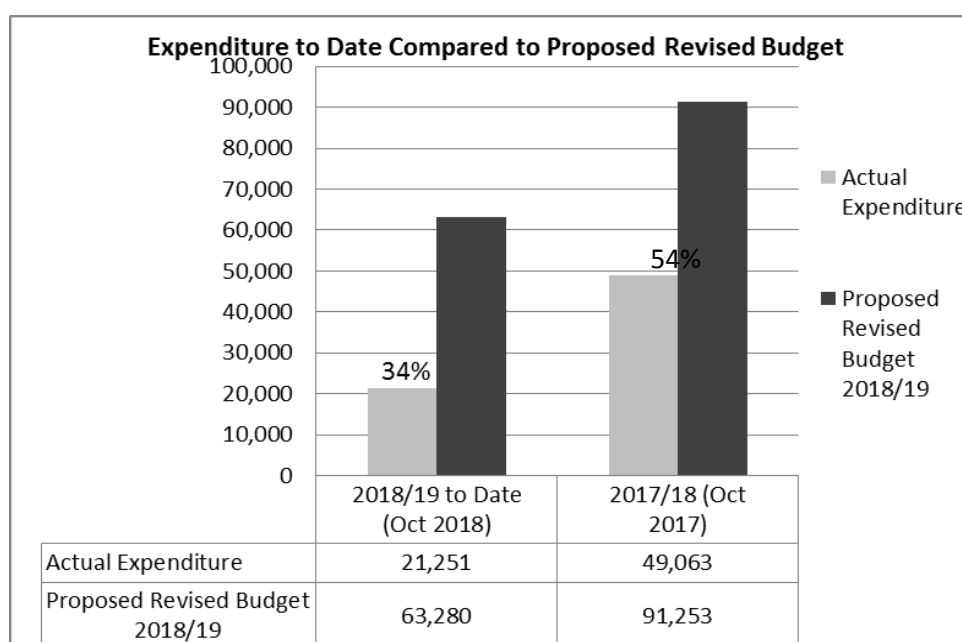
- 4.9 It is proposed to apply the disposal proceeds of £1,255,000 from the Blackthorn Place development to the Bathroom Modernisation programme in order to undertake works mainly arising through Occupational Therapy referrals following a change in tenant circumstances. These works typically included a redesign of bathrooms or installation of level access wet rooms to allow tenants to remain in their own home. It is, therefore, proposed to increase the Bathroom Modernising programme by £500,000 in 2018/19 and £755,000 in 2019/20.
- 4.10 It is proposed to move £155,000 from the Fire Precautions budget to the Central Heating Upgrade programme in 2018/19 to reflect smoke detector upgrade works which were undertaken as part of central heating installation works.
- 4.11 Capital Receipts for the year so far in 2018/19 are £79,000 higher than originally anticipated. It is therefore proposed to rephase the Income Budgets accordingly by reducing the 2019/20 budget by a corresponding amount.
- 4.12 The total Housing Investment Programme borrowing requirement as a result of all the above proposed adjustments over the five year period to 31 March 2023 remains unchanged from the position approved by this committee on 12 September 2018 (report 18/285 refers).

5. BUDGET OVERVIEW

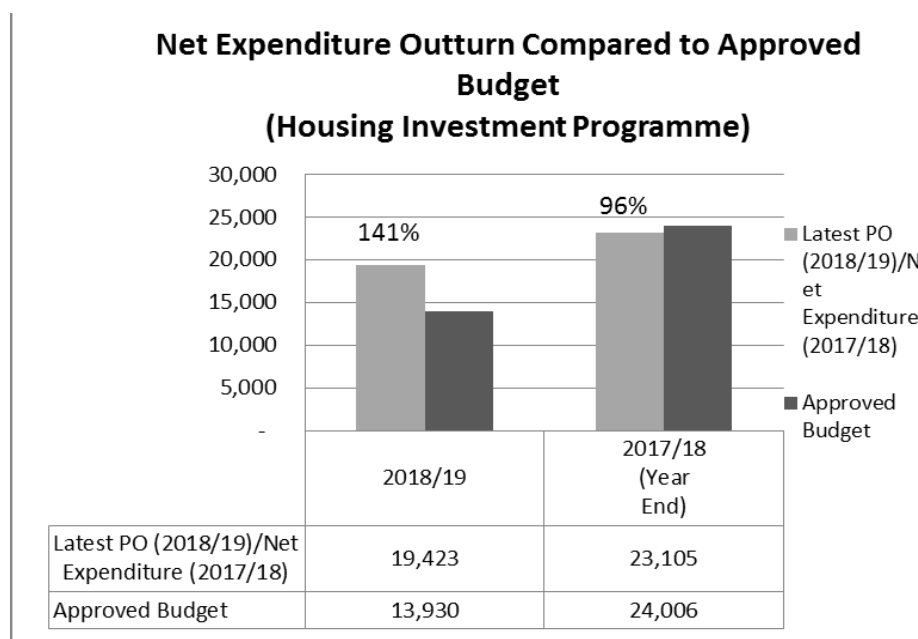
- 5.1 The Composite Capital Budget approved by this committee on 12 September 2018 has been reviewed and updated to reflect the latest monitoring.
- 5.2 The latest projected 2018/19 net expenditure outturn for the Composite Capital Programme represents 89% of the 2018/19 budget approved on 20 June 2018:



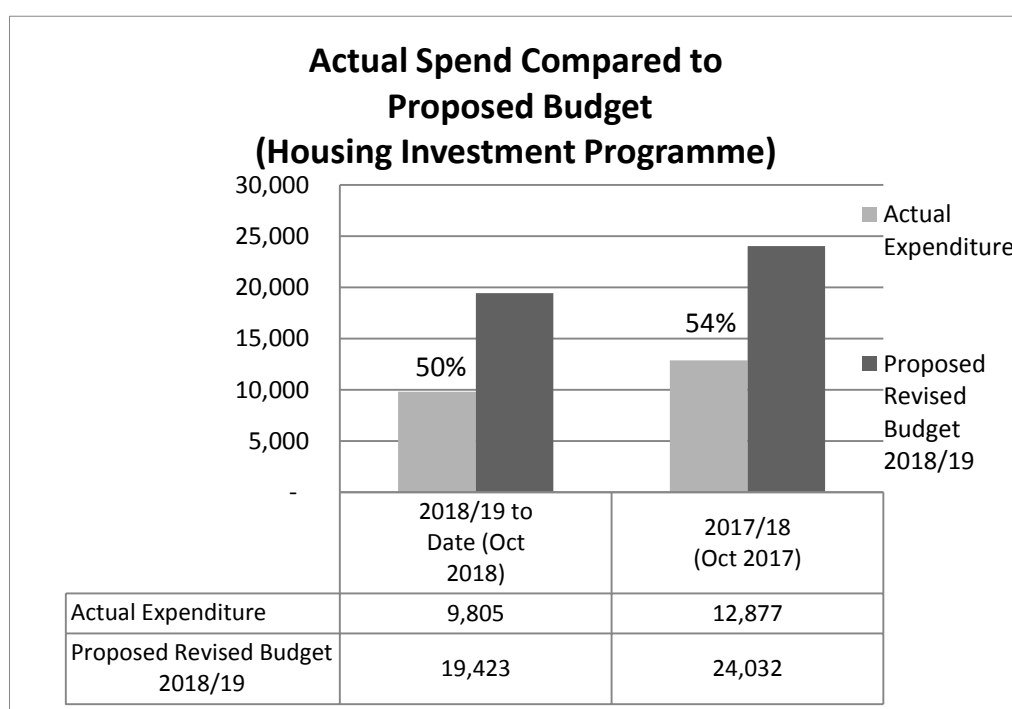
- 5.3 This difference is a result of the proposed budget adjustments included within this report, together with the movements approved by this committee on 12 September 2018. The most significant adjustments relate to the re-phasing of the Perth Academy New Sports Hall project (Section 3.2.7), Technology and Innovation Incubator Units (Section 3.3.11), and the Letham Wellbeing Hub (Section 3.4.4).
- 5.4 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. Actual net expenditure to 31 October 2018 on the programme represents 34% of the proposed revised 2018/19 budget:



- 5.5 Expenditure to date in the current year is distorted by the inclusion of £4,800,000 of grant funding received from the Scottish Government for Early Learning & Childcare in August 2018. Excluding this, net expenditure to date would be 41% of the net budget.
- 5.6 The latest projected net expenditure outturn for the Housing Investment Programme represents 141% of the 2018/19 budget approved this Committee on 18 April 2018 (Report 18/134 refers).



- 5.7 Actual net expenditure at 31 October 2018 on the Housing Investment Programme represents 50% of the proposed revised 2018/19 budget:



- 5.8 This report identifies revised projected expenditure and proposed budget movements on a number of Capital projects and programmes. As detailed in Section 2.5, the proposed borrowing requirement on the 10 year Composite Programme has reduced by £22,000. Proposed movements on the Housing Investment Programme are detailed at Section 4. As detailed in Section 4.12, the borrowing requirement over the 5 year budget remains unchanged from the position approved by this committee on 12 September 2018.

6. RECOMMENDATIONS

6.1 It is recommended that the Committee:

- (i) Notes the contents of this report.
- (ii) Approves the proposed budget adjustments to the ten year Composite Capital Budget 2018/19 to 2027/28 set out in Sections 2 and 3 of this report and summarised at Appendices I and II.
- (iii) Approves the proposed budget adjustments to the Housing Investment Programme Budget 2018/19 to 2022/23 set out in Section 4 of this report and summarised at Appendix III.
- (iv) Notes the position for individual projects reported within Sections 3 and 4 of this report, as summarised at Appendix IV.

Author(s)

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Stewart MacKenzie	Head of Finance	

Approved

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

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1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

Strategic Implications	Yes / None
Community Plan / Single Outcome Agreement	None
Corporate Plan	Yes
Resource Implications	
Financial	Yes
Workforce	Yes
Asset Management (land, property, IST)	Yes
Assessments	
Equality Impact Assessment	Yes
Strategic Environmental Assessment	Yes
Sustainability (community, economic, environmental)	Yes
Legal and Governance	None
Risk	None
Consultation	
Internal	Yes
External	None
Communication	
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 the Executive 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 2018/19 to 2027/28
- Appendix II – Composite Capital Programme - Summary of Capital Resources and Expenditure 2018/19 to 2027/28
- Appendix III – Housing Investment Programme – Summary of Capital Resources and Expenditure 2018/19 to 2022/23
- Appendix IV – Capital Programme Exceptions Report 2018/19

PERTH AND KINROSS COUNCIL
COMPOSITE CAPITAL PROGRAMME
Estimated Capital Resources 2018/19 to 2027/28

	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 2023/24 (£'000) Revised Budget	Capital Resources 2024/25 (£'000) Revised Budget	Capital Resources 2025/26 (£'000) Revised Budget	Capital Resources 2026/27 (£'000) Revised Budget	Capital Resources 2027/28 (£'000) Revised Budget	Capital Resources TOTAL (£'000) Revised Budget
Capital Grants											
Cycling, Walking & Safer Streets (CWSS)	205	242	200	200	200	200	200	200	200	200	2,047
Early Learning & Childcare	4,800	5,600	3,800	0	0	0	0	0	0	0	14,200
General Capital Grant	14,951	17,354	25,341	25,220	15,191	14,000	14,000	14,000	14,000	14,000	168,057
Total Capital Grants	19,956	23,196	29,341	25,420	15,391	14,200	14,200	14,200	14,200	14,200	184,304
General Capital Receipts											
General Fund - Capital Receipts	751	497	491	271	550	250	250	250	250	250	3,810
General Fund - Housing Receipts	4	3	3	4	4	0	0	0	0	0	18
General Fund - Ring Fenced Receipts	340	372	256	221	354	300	300	300	300	300	3,043
Total General Capital Receipts	1,095	872	750	496	908	550	550	550	550	550	6,871
Commercial Property Receipts											
Capital Receipts brought-forward	776	1,708	2,693	1,883	1,772	2,202	2,007	2,107	2,107	2,107	776
Commercial Property Capital Receipts	1,544	1,775	510	184	725	100	100	0	0	0	4,938
Capital Receipts carried-forward	(1,708)	(2,693)	(1,883)	(1,772)	(2,202)	(2,007)	(2,107)	(2,107)	(2,107)	(2,107)	(2,107)
Total Commercial Property Receipts Applied	612	790	1,320	295	295	295	0	0	0	0	3,607
Contributions											
Third Party Contributions	2,681	5,190	5,000	0	0	0	0	0	0	0	12,871
Developer Contributions	2,123	1,810	1,810	2,010	2,020	2,100	2,100	2,100	2,100	2,100	20,273
Revenue Budget Contributions	138	180	0	0	0	0	0	0	0	0	318
Total Contributions	4,942	7,180	6,810	2,010	2,020	2,100	2,100	2,100	2,100	2,100	33,462
Capital Borrowing Requirement	44,839	40,024	75,812	98,927	62,560	21,124	9,859	9,977	9,600	7,741	380,463
TOTAL CAPITAL RESOURCES/ GROSS BUDGET EXPENDITURE	71,444	72,062	114,033	127,148	81,174	38,269	26,709	26,827	26,450	24,591	608,707

PERTH AND KINROSS COUNCIL
COMPOSITE CAPITAL PROGRAMME
Estimated Capital Resources 2018/19 to 2027/28

APPENDIX I
(REVISED)

Movements in Resources from Approved Budget - 12 September 2018

	Revised Budget 2018/19 £'000	Revised Budget 2019/20 £'000	Revised Budget 2020/21 £'000	Revised Budget 2021/22 £'000	Revised Budget 2022/23 £'000	Revised Budget 2023/24 £'000	Revised Budget 2024/25 £'000	Revised Budget 2025/26 £'000	Revised Budget 2026/27 £'000	Revised Budget 2027/28 £'000	Revised Budget TOTAL £'000
Increase/(Decrease) in:											
Capital Receipts - General Fund	0	0	0	0	0	0	0	0	0	0	0
Capital Receipts - Commercial Property	(316)	303	0	0	0	0	0	0	0	0	(13)
Capital Receipts - Housing Receipts	0	0	0	1	4	0	0	0	0	0	5
Capital Receipts - Ring Fenced	0	0	0	0	0	0	0	0	0	0	0
Capital Grants:											
Cycling, Walking & Safer Streets (CWSS)	0	0	0	0	0	0	0	0	0	0	0
Early Learning & Childcare	0	0	0	0	0	0	0	0	0	0	0
General Capital Grant	0	0	0	0	0	0	0	0	0	0	0
Third Party Contributions	(1,467)	190	1,500	0	0	0	0	0	0	0	223
Revenue Contributions	23	0	0	0	0	0	0	0	0	0	23
Developer Contributions	0	0	0	0	0	0	0	0	0	0	0
Resources b/f	0	(121)	(13)	(13)	(13)	(13)	(13)	(13)	(13)	(13)	0
Resources c/f to future years	121	13	13	13	13	13	13	13	13	13	13
Borrowing Requirement	(4,760)	(878)	(5,063)	9,691	472	1,247	382	500	123	(1,736)	(22)
Total Increase/(Decrease) in Resources	(6,399)	(493)	(3,563)	9,692	476	1,247	382	500	123	(1,736)	229
Approved Resources 18 September 2018	77,843	72,555	117,596	117,456	80,698	37,022	26,327	26,327	26,327	26,327	608,478
Revised Resources	71,444	72,062	114,033	127,148	81,174	38,269	26,709	26,827	26,450	24,591	608,707

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

	Approved Budget 18-Sep-18 2018/19 (£'000)	Proposed Budget Adjustment Report 2 2018/19 (£'000)	Revised Budget Report 2 2018/19 (£'000)	Actuals to 31-Oct-18 2018/19 (£'000)	Projected Outturn 2018/19 (£'000)	Approved Budget 18-Sep-18 2019/20 (£'000)	Proposed Budget Adjustment Report 2 2019/20 (£'000)	Revised Budget Report 2 2019/20 (£'000)	Approved Budget 18-Sep-18 2020/21 (£'000)	Proposed Budget Adjustment Report 2 2020/21 (£'000)	Revised Budget Report 2 2020/21 (£'000)
EDUCATION AND CHILDREN'S SERVICES	6,635	(3,055)	3,580	(1,200)	3,580	21,639	(5,022)	16,617	42,928	204	43,132
HOUSING & ENVIRONMENT	55,426	(2,964)	52,462	20,756	52,462	25,051	4,047	29,098	48,307	401	48,708
HEALTH AND SOCIAL CARE	572	0	572	212	572	340	0	340	340	0	340
CORPORATE AND DEMOCRATIC SERVICES	5,602	1,064	6,666	1,483	6,666	14,131	292	14,423	18,265	(5,668)	12,597
TOTAL NET EXPENDITURE	68,235	(4,955)	63,280	21,251	63,280	61,161	(683)	60,478	109,840	(5,063)	104,777
(NET OF GRANTS, REVENUE AND 3RD PARTY CONTRIBUTIONS, AND RING FENCED RECEIPTS)											
GENERAL CAPITAL GRANT	(14,951)	0	(14,951)	(9,818)	(14,951)	(17,354)	0	(17,354)	(25,341)	0	(25,341)
DEVELOPER CONTRIBUTIONS	(2,123)	0	(2,123)	(0)	(2,123)	(1,810)	0	(1,810)	(1,810)	0	(1,810)
CAPITAL RECEIPTS	(2,615)	316	(2,299)	(2,102)	(2,299)	(1,972)	(303)	(2,275)	(1,004)	0	(1,004)
ANNUAL BORROWING REQUIREMENT	48,546	(4,639)	43,907	9,331	43,907	40,025	(986)	39,039	81,685	(5,063)	76,622
CAPITAL RECEIPTS BROUGHT FORWARD	(776)	0	(776)	(776)	(776)	(1,829)	121	(1,708)	(2,706)	13	(2,693)
CAPITAL RECEIPTS CARRIED FORWARD	1,829	(121)	1,708	2,352	1,708	2,706	(13)	2,693	1,896	(13)	1,883
TOTAL NET BORROWING REQUIREMENT	49,599	(4,760)	44,839	10,907	44,839	40,902	(878)	40,024	80,875	(5,063)	75,812

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

**APPENDIX II
(REVISED)**

	Approved Budget 18-Sep-18 2021/22 (£'000)	Proposed Budget Adjustment Report 2 2021/22 (£'000)	Revised Budget Report 2 2021/22 (£'000)	Approved Budget 18-Sep-18 2022/23 (£'000)	Proposed Budget Adjustment Report 2 2022/23 (£'000)	Revised Budget Report 2 2022/23 (£'000)	Approved Budget 18-Sep-18 2023/24 (£'000)	Proposed Budget Adjustment Report 2 2023/24 (£'000)	Revised Budget Report 2 2023/24 (£'000)	Approved Budget 18-Sep-18 2024/25 (£'000)	Proposed Budget Adjustment Report 2 2024/25 (£'000)	Revised Budget Report 2 2024/25 (£'000)
EDUCATION AND CHILDREN'S SERVICES	44,199	7,700	51,899	27,260	0	27,260	13,450	0	13,450	4,650	0	4,650
HOUSING & ENVIRONMENT	69,479	973	70,452	49,694	(279)	49,415	19,895	305	20,200	18,000	(50)	17,950
HEALTH AND SOCIAL CARE	370	0	370	320	0	320	320	0	320	320	0	320
CORPORATE AND DEMOCRATIC SERVICES	2,987	1,019	4,006	2,870	755	3,625	2,857	942	3,799	2,857	432	3,289
TOTAL NET EXPENDITURE	117,035	9,692	126,727	80,144	476	80,620	36,522	1,247	37,769	25,827	382	26,209
(NET OF GRANTS, REVENUE AND 3RD PARTY CONTRIBUTIONS, AND RING FENCED RECEIPTS)												
GENERAL CAPITAL GRANT	(25,220)	0	(25,220)	(15,191)	0	(15,191)	(14,000)	0	(14,000)	(14,000)	0	(14,000)
DEVELOPER CONTRIBUTIONS	(2,010)	0	(2,010)	(2,020)	0	(2,020)	(2,100)	0	(2,100)	(2,100)	0	(2,100)
CAPITAL RECEIPTS	(458)	(1)	(459)	(1,275)	(4)	(1,279)	(350)	0	(350)	(350)	0	(350)
ANNUAL BORROWING REQUIREMENT	89,347	9,691	99,038	61,658	472	62,130	20,072	1,247	21,319	9,377	382	9,759
CAPITAL RECEIPTS BROUGHT FORWARD	(1,896)	13	(1,883)	(1,785)	13	(1,772)	(2,215)	13	(2,202)	(2,020)	13	(2,007)
CAPITAL RECEIPTS CARRIED FORWARD	1,785	(13)	1,772	2,215	(13)	2,202	2,020	(13)	2,007	2,120	(13)	2,107
TOTAL NET BORROWING REQUIREMENT	89,236	9,691	98,927	62,088	472	62,560	19,877	1,247	21,124	9,477	382	9,859

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

APPENDIX II
(REVISED)

	Approved Budget 18-Sep-18 2025/26 (£'000)	Proposed Budget Adjustment Report 2 2025/26 (£'000)	Revised Budget Report 2 2025/26 (£'000)	Approved Budget 18-Sep-18 2026/27 (£'000)	Proposed Budget Adjustment Report 2 2026/27 (£'000)	Revised Budget Report 2 2026/27 (£'000)	Approved Budget 18-Sep-18 2027/28 (£'000)	Proposed Budget Adjustment Report 2 2027/28 (£'000)	Revised Budget Report 2 2027/28 (£'000)	Revised Budget Report 2 TOTAL (£'000)
EDUCATION AND CHILDREN'S SERVICES	4,650	0	4,650	4,650	0	4,650	4,650	173	4,823	174,711
HOUSING & ENVIRONMENT	18,000	(50)	17,950	18,000	(50)	17,950	18,000	(2,350)	15,650	339,835
HEALTH AND SOCIAL CARE	320	0	320	320	0	320	320	0	320	3,542
CORPORATE AND DEMOCRATIC SERVICES	2,857	550	3,407	2,857	173	3,030	2,857	441	3,298	58,140
TOTAL NET EXPENDITURE	25,827	500	26,327	25,827	123	25,950	25,827	(1,736)	24,091	576,228
(NET OF GRANTS, REVENUE AND 3RD PARTY CONTRIBUTIONS, AND RING FENCED RECEIPTS)										
GENERAL CAPITAL GRANT	(14,000)	0	(14,000)	(14,000)	0	(14,000)	(14,000)	0	(14,000)	(168,057)
DEVELOPER CONTRIBUTIONS	(2,100)	0	(2,100)	(2,100)	0	(2,100)	(2,100)	0	(2,100)	(20,273)
CAPITAL RECEIPTS	(250)	0	(250)	(250)	0	(250)	(250)	0	(250)	(8,766)
ANNUAL BORROWING REQUIREMENT	9,477	500	9,977	9,477	123	9,600	9,477	(1,736)	7,741	379,132
CAPITAL RECEIPTS BROUGHT FORWARD	(2,120)	13	(2,107)	(2,120)	13	(2,107)	(2,120)	13	(2,107)	(776)
CAPITAL RECEIPTS CARRIED FORWARD	2,120	(13)	2,107	2,120	(13)	2,107	2,120	(13)	2,107	2,107
TOTAL NET BORROWING REQUIREMENT	9,477	500	9,977	9,477	123	9,600	9,477	(1,736)	7,741	380,463

	Revised Budget Report 1 2018/19 (£'000)	Proposed Budget Adjustment Report 2 2018/19 (£'000)	Revised Budget Report 2 2018/19 (£'000)	Actual to 31-Oct-18 2018/19 (£'000)	Projected Outturn 2018/19 (£'000)	Revised Budget Report 1 2019/20 (£'000)	Proposed Budget Adjustment Report 2 2019/20 (£'000)	Revised Budget Report 2 2019/20 (£'000)	Revised Budget Report 1 2020/21 (£'000)	Proposed Budget Adjustment Report 2 2020/21 (£'000)	Revised Budget Report 2 2020/21 (£'000)	Revised Budget Report 1 2021/22 (£'000)	Proposed Budget Adjustment Report 2 2021/22 (£'000)	Revised Budget Report 2 2021/22 (£'000)	Revised Budget Report 1 2022/23 (£'000)	Proposed Budget Adjustment Report 2 2022/23 (£'000)	Revised Budget Report 2 2022/23 (£'000)	Revised Budget Report 1 2023/24 (£'000)	Proposed Budget Adjustment Report 2 2023/24 (£'000)	Revised Budget Report 2 2023/24 (£'000)
EDUCATION AND CHILDREN'S SERVICES																				
Arts Strategy Phase 1 - Redevelopment of Perth Theatre	107		107		107	0		0	0		0	0		0	0	0		0	0	0
MIS - Procurement & Integration	507		507	102	507	49		49	49		49	74		74	0		0	0	0	0
Almondbank Cottages - REACH Project	100		100		100	0		0	0		0	0		0	0		0	0	0	0
Blairgowrie Recreation Centre - Replacement	283		283		283	6,000	(5,000)	1,000	8,400		8,400	0	5,000	5,000	0		0	0	0	0
Schools Modernisation Programme																				
Investment in the School Estate	1,138	(438)	700	234	700	5,555	(4,000)	1,555	8,754	(1,096)	7,658	4,650		4,650	4,650		4,650	4,650	4,650	4,650
Third Party Contribution	0	(81)	(81)	(81)	(81)	0		0	0		0	0		0	0		0	0	0	0
Pitcairn Primary School Upgrade Project	900		900	225	900	700		700	0		0	0		0	0		0	0	0	0
Longforgan Primary School Upgrade Project	0	150	150		150	0	5,850	5,850	0		0	0		0	0		0	0	0	0
Early Learning & Childcare	2,381	(2,311)	70	40	70	10,212	(8,015)	2,197	3,800	(2,365)	1,435	0		0	0		0	0	0	0
Scottish Government Grant	(4,800)		(4,800)	(4,800)	(4,800)	(5,600)		(5,600)	(3,800)		(3,800)	0		0	0		0	0	0	0
Letham Primary School Upgrade Project	0	600	600		600	0	4,200	4,200	0	974	974	0		0	0		0	0	0	0
Oakbank Primary School Upgrade Project	0	42	42		42	0	550	550	0	59	59	0		0	0		0	0	0	0
St.Ninians Primary School Upgrade Project	0	18	18		18	0	650	650	0	32	32	0		0	0		0	0	0	0
Rattray Primary School Upgrade Project	0	150	150		150	0	2,500	2,500	0	731	731	0		0	0		0	0	0	0
Inchture Primary School Upgrade Project	0	81	81		81	0	1,150	1,150	0	569	569	0		0	0		0	0	0	0
Alyth Primary School Upgrade Project	56		56		56	0		0	0		0	0		0	0		0	0	0	0
Blackford Primary School (Developer Contribution)	0		0		0	173	(173)	0	0		0	0		0	0		0	0	0	0
Kinross Primary School Upgrade Project	789		789	254	789	0		0	0		0	0		0	0		0	0	0	0
Tulloch Primary School Upgrade Project	1,328		1,328	598	1,328	0		0	0		0	0		0	0		0	0	0	0
North/West Perth - New Primary School	0		0		0	0		0	0		0	500		500	8,500		8,500	5,350	5,350	5,350
North Perth - Primary School Replacement	0		0		0	750		750	5,000		5,000	10,250		10,250	0		0	0	0	0
Technology Upgrades	180		180	47	180	500		500	500		500	675		675	0		0	0	0	0
Perth Academy - New Sports Facilities	1,359	(1,300)	59	15	59	150		150	0	1,300	1,300	0		0	0		0	0	0	0
Perth Academy - Refurbishments	1,701		1,701	1,127	1,701	200		200	3,000		3,000	6,000		6,000	3,085		3,085	0	0	0
Perth Grammar School - Upgrade Programme Phase 3	176	34	210	197	210	2,950	(2,734)	216	3,750		3,750	0	2,700	2,700	0		0	0	0	0
Perth High School - Internal Services & Refurbishment	430		430	842	430	0		0	0		0	0		0	0		0	0	0	0
Perth High School - New School Investment	0		0		0	0		0	13,475		13,475	22,050		22,050	11,025		11,025	3,450	3,450	3,450
TOTAL: EDUCATION AND CHILDREN'S SERVICES	6,635	(3,055)	3,580	(1,200)	3,580	21,639	(5,022)	16,617	42,928	204	43,132	44,199	7,700	51,899	27,260	0	27,260	13,450	0	13,450
HOUSING & ENVIRONMENT																				
Traffic & Road Safety																				
Road Safety Initiatives (20mph Zones etc..)	165		165	49	165	43	450	493	50	100	150	50	100	150	50	100	150	100	100	200
Road Safety Initiatives	907	(692)	215	16	215	450	242	692	100	(100)	0	100	(100)	0	100	(100)	0	100	(100)	0
Vehicle Activation Signs	39		39	22	39	0		0	0		0	0		0	0		0	0		0
Cycling Walking & Safer Streets (CWSS)	205	20	225	74	225	242		242	200		200	200		200	200		200	200		200
Scottish Government Grant - CWSS	(205)		(205)		(205)	(242)		(242)	(200)		(200)	(200)		(200)	(200)		(200)	(200)		(200)
Third Party Contribution	0	(20)	(20)		(20)	0		0	0		0	0		0	0		0	0		0
Car Parking Investment	100		100	35	100	0		0	0		0	0		0	0		0	0		0
Car Parking Investment - Pitlochry	0		0		0	150		150	0		0	0		0	0		0	0		0
Strathmore Cycle Network	0		0		0	0		0	100		100	0		0	0		0	0		0
Sub-Total	1,211	(692)	519	196	519	643	692	1,335	250	0	250	150	0	150	150	0	150	200	0	200
Asset Management - Roads & Lighting																				
Structural Maintenance	13,603	(1,918)	11,685	5,448	11,685	9,808	380	10,188	9,678	380	10,058	9,678	380	10,058	9,678	380	10,058	9,800	380	10,180
Third Party Contribution	(253)	(2)	(255)	(2)	(255)	0		0	0		0	0		0	0		0	0		0
Street Lighting Renewals - Upgrading/Unlit Areas	158		158	96	158	161		161	150		150	0		0	0		0	0		0
Traffic Signal Renewals - Upgrading	132	(34)	98	25	98	63	34	97	65		65	65		65	67		67	100		100
Unadopted Roads & Footways (Match Funding)	105	(63)	42	1	42	0	61	61	0		0	0		0	0		0	0		0
Third Party Contributions	(17)	2	(15)	(9)	(15)	0		0	0		0	0		0	0		0	0		0
Footways	587		587	124	587	435		435	435		435	435		435	435		435	435		435
Investment in Local Footpaths	0		0		0	0		0	100		100	100		100	0		0	0		0
Road Safety Barriers	65	19	84	21	84	50		50	59	(19)	40	0		0	0		0	0		0
Third Party Contribution	(29)		(29)		(29)	0		0	0		0	0		0	0		0	0		0
Pedestrian Gritters	0	20	20		20	50	(20)	30	0		0	0		0	0		0	0		0
Sub-Total	14,351	(1,976)	12,375	5,704	12,375	10,567	455	11,022	10,487	361	10,848	10,278	380	10,658	10,180	380	10,560	10,335	380	10,715
Asset Management - Bridges																				
Bridge Refurbishment Programme	240	(240)	0		0	426	265	691	615	75	690	615	75	690	615	75	690	740	(50)	690
West of Fearnan Culvert	42		42		42	0		0	0		0	0		0	0		0	0		0
Pitcur Culvert	15		15	8	15	0		0	0		0	0		0	0		0	0		0
Vehicular Bridge Parapets Programme - Assess & Upgrade	109	(73)	36		36	50		50	0	35	35	0	38	38	0		0	0		0
Sub-Total	406	(313)	93	8	93	476	265	741	615	110	725	615	113	728	615	75	690	740	(50)	690
Improvement Schemes																				
New Rural Footways	21		21		21	0		0	0		0	0		0	0		0	0		0
A9/A85 Road Junction Improvements	10,243	2,305	12,548	6,674	12,548	0		0	0		0	0		0	0		0	0		0
Third Party Contribution	0	(5)	(5)	(5)	(5)	0		0	0		0	0		0	0		0	0		0
Perth Transport Futures	2,638	124	2,762	1,770	2,762	1,235	90	1,325	11,175		11,175	34,690	500	35,190	27,194	(714)	26,480	0		0
A977 Upgrades	529		529	17	529	0		0	0		0	0		0	0		0	0		0
Brioch Road, Crieff - Road Realignment & Safety Measures	320	(238)	82	4	82	0	238	238	0		0	0		0	0		0	0		0
Third Party Contribution (Developers)	(195)	113	(82)		(82)	0	(113)	(113)	0		0	0		0	0		0	0		0
Third Party Contribution (Sustrans)	(60)	60	0		0	0	(60)	(60)	0		0	0		0	0		0	0		0
Sub-Total	13,496	2,359	15,855	8,460	15,855	1,235	155	1,390	11,175	0	11,175	34,690	500	35,190	27,194	(714)	26,480	0	0	0

	Revised Budget Report 1 2018/19 (£'000)	Proposed Budget Adjustment Report 2 2018/19 (£'000)	Revised Budget Report 2 2018/19 (£'000)	Actual to 31-Oct-18 2018/19 (£'000)	Projected Outturn 2018/19 (£'000)	Revised Budget Report 1 2019/20 (£'000)	Proposed Budget Adjustment Report 2 2019/20 (£'000)	Revised Budget Report 2 2019/20 (£'000)	Revised Budget Report 1 2020/21 (£'000)	Proposed Budget Adjustment Report 2 2020/21 (£'000)	Revised Budget Report 2 2020/21 (£'000)	Revised Budget Report 1 2021/22 (£'000)	Proposed Budget Adjustment Report 2 2021/22 (£'000)	Revised Budget Report 2 2021/22 (£'000)	Revised Budget Report 1 2022/23 (£'000)	Proposed Budget Adjustment Report 2 2022/23 (£'000)	Revised Budget Report 2 2022/23 (£'000)	Revised Budget Report 1 2023/24 (£'000)	Proposed Budget Adjustment Report 2 2023/24 (£'000)	Revised Budget Report 2 2023/24 (£'000)
Rural Flood Mitigation Schemes																				
Almondbank Flood Protection Scheme	4,477	11	4,488	2,752	4,488	0		0	0		0	0		0	0	0		0	0	0
Third Party Contribution	0	(11)	(11)	(11)	(11)	0		0	0		0	0		0	0	0		0	0	0
Comrie Flood Prevention Scheme	433		433	166	433	931		931	11,143		11,143	11,597		11,597	0		0	0	0	0
Milnathort Flood Prevention Scheme	79		79		79	55		55	1,629		1,629	10		10	0		0	0	0	0
South Kinross Flood Prevention	145		145		145	95		95	150		150	1,848		1,848	924		924	0	0	0
Scone Flood Prevention	75		75		75	45		45	495		495	30		30	0		0	0	0	0
Sub-Total	5,209	0	5,209	2,907	5,209	1,126	0	1,126	13,417	0	13,417	13,485	0	13,485	924	0	924	0	0	0
Rural Iniatives																				
Conservation of Built Heritage	616		616	1	616	0		0	0		0	0		0	0		0	0	0	0
Third Party Contribution	(100)		(100)		(100)	0		0	0		0	0		0	0		0	0	0	0
Sub-Total	516	0	516	1	516	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Perth & Kinross Place-making																				
Mill Street Environmental Improvements	146		146		146	0		0	0		0	0		0	0		0	0	0	0
St Paul's Church	1,545		1,545	67	1,545	549		549	0		0	0		0	0		0	0	0	0
Auchterarder	0		0		0	300		300	0		0	0		0	0		0	0	0	0
Perth City Centre Golden Route (Rail Station)	97		97		97	400		400	0		0	0		0	0		0	0	0	0
Green Network Routes	49		49		49	114		114	0		0	0		0	0		0	0	0	0
City Greening	90		90		90	100		100	100		100	0		0	0		0	0	0	0
Tay Street, Perth	0		0		0	170		170	500		500	1,200		1,200	0		0	0	0	0
Mill St, Perth (Phase 3) - Shared Space at Bus Station	50		50		50	550		550	0		0	0		0	0		0	0	0	0
South Street, Perth - Transport Hub	0		0		0	0		0	0		0	200		200	900		900	0	0	0
Perth & Kinross Lighting Action Plan	1,335		1,335	97	1,335	818		818	749		749	819		819	453		453	0	0	0
Sub-Total	3,312	0	3,312	164	3,312	3,001	0	3,001	1,349	0	1,349	2,219	0	2,219	1,353	0	1,353	0	0	0
Other Planning Projects																				
Creative Exchange (former St. John's Primary School)	4,040		4,040	286	4,040	7		7	0		0	0		0	0		0	0	0	0
Third Party Contribution	(1,625)		(1,625)	(435)	(1,625)	0		0	0		0	0		0	0		0	0	0	0
	2,415	0	2,415	(149)	2,415	7	0	7	0	0	0	0	0	0	0	0	0	0	0	0
Community Greenspace																				
Play Areas - Improvements Implementation Strategy	866	62	928	157	928	0	368	368	0	150	150	0	150	150	0	150	150	0	150	150
Third Party Contribution	(42)	(130)	(172)	(25)	(172)	0		0	0		0	0		0	0		0	0	0	0
Play Parks	150	(150)	0		0	150	(150)	0	150	(150)	0	150	(150)	0	150	(150)	0	150	(150)	0
3G Pitch, Blairgowrie	0		0		0	0		0	0		0	0		0	0		500	0	500	0
Countryside Sites	165	(156)	9	1	9	0	156	156	0		0	0		0	0		0	0	0	0
Community Greenspace Sites	0		0		0	740	(25)	715	784		784	0		0	0		300	0	300	0
Small Parks	30		30	4	30	0		0	0		0	0		0	0		0	0	0	0
Community Greenspace Bridges	6	25	31	8	31	0		0	0		0	0		0	0		0	0	0	0
Core Path Implementation	40	45	85	1	85	0		0	0		0	0		0	0		0	0	0	0
Third Party Contribution	0	(45)	(45)		(45)	0		0	0		0	0		0	0		0	0	0	0
Pitlochry Recreation Park	6		6		6	0		0	0		0	0		0	0		0	0	0	0
Alyth Environmental Improvements	543	(5)	538	5	538	0		0	0		0	0		0	0		0	0	0	0
Third Party Contributions	(33)		(33)		(33)	0		0	0		0	0		0	0		0	0	0	0
Revenue Contribution	(25)	5	(20)		(20)	0		0	0		0	0		0	0		0	0	0	0
Air Quality Improvements	0		0		0	0		0	100		100	0		0	0		0	0	0	0
Premier Parks	75		75		75	0		0	0		0	0		0	0		0	0	0	0
The Knock	94	(85)	9		9	0	85	85	0		0	0		0	0		0	0	0	0
Kinnoull Hill	114	(105)	9		9	0	105	105	0		0	0		0	0		0	0	0	0
Countryside Access	10		10	3	10	0		0	0		0	0		0	0		0	0	0	0
Cemetery Extensions	197		197	2	197	95		95	100		100	100		100	100		100	100	100	100
Sub-Total	2,196	(539)	1,657	156	1,657	985	539	1,524	1,134	0	1,134	250	0	250	250	0	250	1,050	0	1,050
Support Services																				
<u>PC Replacement & IT Upgrades</u>																				
Hardware	20		20		20	20		20	20		20	20		20	20		20	20	20	20
Licenses	59	180	239		239	89	(45)	44	75	(45)	30	75	(45)	30	77	(45)	32	120	120	120
Corporate Programme Management System	23	20	43	32	43	0		0	0		0	0		0	0		0	0	0	0
Third Party Contribution (HRA)	(3)		(3)		(3)	0		0	0		0	0		0	0		0	0	0	0
Sub-Total	99	200	299	32	299	109	(45)	64	95	(45)	50	95	(45)	50	97	(45)	52	140	0	140
Property Services																				
DDA Adaptation & Alteration Works Programme	204		204	120	204	275		275	200		200	200		200	200		200	200	200	200
Property Compliance Works Programme	764		764	118	764	400		400	790		790	790		790	792		792	650	650	650
Capital Improvement Projects Programme	1,464	(81)	1,383	612	1,383	800		800	2,200		2,200	2,500		2,500	2,500		2,500	2,000	2,000	2,000
Third Party Contribution	(81)	81	0		0	0		0	0		0	0		0	0		0	0	0	0
Fire Audit Works - Robert Douglas Memorial school	343	26	369	240	369	26	(26)	0	0		0	0		0	0		0	0	0	0
Pitlochry High School - Upgrade Programme	806		806	6	806	502		502	502		502	502		502	502		502	0	0	0
Salix Energy Efficiency Programme	0	40	40		40	0		0	0		0	0		0	0		0	0	0	0
Third Party Contribution (Salix)	0	(12)	(12)		(12)	0		0	0		0	0		0	0		0	0	0	0
Revenue Contribution (CEEF)	0	(28)	(28)		(28)	0		0	0		0	0		0	0		0	0	0	0
Sub Total	3,500	26	3,526	1,096	3,526	2,003	(26)	1,977	3,692	0	3,692	3,992	0	3,992	3,994	0	3,994	2,850	0	2,850
Commercial Property Investment Programme																				
North Muirton Industrial Estate - Site Servicing & Provision of Units	292		292	32	292	423		423	1,023		1,023	0		0	0		0	0	0	0
Western Edge, Kinross - Site Servicing	20		20	8	20	0		0	0		0	0		0	0		0	0	0	0
Additional Infrastructure Investment - Broxden	50		50		50	0		0	0		0	0		0	0		0	0	0	0
Creative Industries Land/Advance Units	250		250		250	0		0	0		0	0		0	0		0	0	0	0
Rural Business Units Programme	195	(195)	0		0	172	195	367	297		297	295		295	295		295	295	295	295
Sub-Total	807	(195)	612	40	612	595	195	790	1,320	0	1,320	295	0	295	295	0	295	295	0	295

	Revised Budget Report 1 2018/19 (£'000)	Proposed Budget Adjustment Report 2 2018/19 (£'000)	Revised Budget Report 2 2018/19 (£'000)	Actual to 31-Oct-18 2018/19 (£'000)	Projected Outturn 2018/19 (£'000)	Revised Budget Report 1 2019/20 (£'000)	Proposed Budget Adjustment Report 2 2019/20 (£'000)	Revised Budget Report 2 2019/20 (£'000)	Revised Budget Report 1 2020/21 (£'000)	Proposed Budget Adjustment Report 2 2020/21 (£'000)	Revised Budget Report 2 2020/21 (£'000)	Revised Budget Report 1 2021/22 (£'000)	Proposed Budget Adjustment Report 2 2021/22 (£'000)	Revised Budget Report 2 2021/22 (£'000)	Revised Budget Report 1 2022/23 (£'000)	Proposed Budget Adjustment Report 2 2022/23 (£'000)	Revised Budget Report 2 2022/23 (£'000)	Revised Budget Report 1 2023/24 (£'000)	Proposed Budget Adjustment Report 2 2023/24 (£'000)	Revised Budget Report 2 2023/24 (£'000)
Prudential Borrowing Projects																				
Wheeled Bin Replacement Programme - Domestic Bins	199		199	94	199	200		200	200		200	200		200	200	200		200	200	200
Wheeled Bin Replacement Programme - Commercial Bins	8		8		8	7		7	12		12	12		12	18		18	20	20	20
Recycling Containers, Oil Banks & Battery Banks Replacement Pro	95	(20)	75	41	75	56	20	76	56		56	60		60	62		62	65		65
Litter Bins	25		25		25	25		25	50	(25)	25	0		25	0	25		50	(25)	25
Smart Cities - Smart Waste	155	(40)	115	74	115	0	40	40	0		0	0		0	0		0	0		0
Third Party Contribution (EDRF)	(63)	17	(46)	(7)	(46)	0	(17)	(17)	0		0	0		0	0		0	0		0
Vehicle Replacement Programme	3,583	(66)	3,517	1,236	3,517	3,235	66	3,301	2,559		2,559	2,206		2,206	3,543		3,543	3,000		3,000
Capital Receipts - Vehicle Disposals	(340)		(340)	(155)	(340)	(372)		(372)	(256)		(256)	(221)		(221)	(354)		(354)	(300)		(300)
Energy Conservation & Carbon Reduction Programme	368		368	26	368	145		145	145		145	145		145	145		145	150		150
Canal Street Car Park Improvements	(18)	(17)	(35)	(10)	(35)	0		0	0		0	0		0	0		0	0		0
Crematorium - Memorial Garden Enhancement	54		54	5		0		0	0		0	0		0	0		0	0		0
Crematorium - Abatement Works	479		479	296	479	0		0	0		0	0		0	0		0	0		0
Street Lighting Renewal - LED & Column Replacement	1,031		1,031	314	1,031	1,008		1,008	1,007		1,007	1,008		1,008	1,028		1,028	1,100		1,100
Smart Cities - Intelligent Street Lighting	327		327	186	327	0		0	0		0	0		0	0		0	0		0
Third Party Contribution (EDRF)	(132)		(132)		(132)	0		0	0		0	0		0	0		0	0		0
Third Party Contribution (CIF)	(15)		(15)	(15)	(15)	0		0	0		0	0		0	0		0	0		0
Perth Harbour - Dredging	728	(708)	20	5	20	0	708	708	0		0	0		0	0		0	0		0
Land Purchase & Development	0		0		0	0		0	1,000		1,000	0		0	0		0	0		0
Technology & Innovation Incubator Units	1,000	(1,000)	0		0	0	1,000	1,000	0		0	0		0	0		0	0		0
Sub Total	7,484	(1,834)	5,650	2,090	5,650	4,304	1,817	6,121	4,773	(25)	4,748	3,410	25	3,435	4,642	25	4,667	4,285	(25)	4,260
Housing Projects																				
Gypsy Travellers Site Improvement Works	61		61	51	61	0		0	0		0	0		0	0		0	0		0
Housing with Care - Communal Facilities	363		363		363	0		0	0		0	0		0	0		0	0		0
Sub Total	424	0	424	51	424	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL: HOUSING & ENVIRONMENT	55,426	(2,964)	52,462	20,756	52,462	25,051	4,047	29,098	48,307	401	48,708	69,479	973	70,452	49,694	(279)	49,415	19,895	305	20,200
Health & Social Care																				
Occupational Therapy Equipment	250		250	148	250	250		250	250		250	250		250	250		250	250		250
Software Licences	85		85	56	85	90		90	90		90	120		120	70		70	70		70
Developing Supported Tenancies	229		229		229	0		0	0		0	0		0	0		0	0		0
Refurbish & Extend Lewis Place Day Care Centre for Older People	8		8	8	8	0		0	0		0	0		0	0		0	0		0
TOTAL: HEALTH & SOCIAL CARE	572	0	572	212	572	340	0	340	340	0	340	370	0	370	320	0	320	320	0	320
CORPORATE AND DEMOCRATIC SERVICES																				
<u>City Centre Developments - Cultural Attractions</u>																				
Perth City Hall	695	700	1,395	550	1,395	10,552	(700)	9,852	10,753		10,753	500		500	0		0	0		0
Revenue Contribution	(90)		(90)		(90)	(180)		(180)	0		0	0		0	0		0	0		0
Perth Museum & Art Gallery (PMAG)	624		624	5	624	3,787		3,787	1,977		1,977	48		48	0		0	0		0
Collections Store	2,452		2,452		2,452	937		937	20		20	0		0	0		0	0		0
Third Party Contribution	(1,500)	1,500	0		0	(5,000)		(5,000)	(3,500)	(1,500)	(5,000)	0		0	0		0	0		0
<u>Community Planning</u>																				
Letham Wellbeing Hub	1,250	(1,236)	14	14	14	0	1,236	1,236	0		0	0		0	0		0	0		0
<u>Information Systems & Technology</u>																				
ICT Infrastructure & Replacement and Upgrade Programme	2,031		2,031	912	2,031	2,560	(144)	2,416	2,450	232	2,682	1,939	1,019	2,958	2,405	755	3,160	2,392	942	3,334
MS Licences & Microsoft Office 365	0		0		0	0		0	4,400	(4,400)	0	0		0	0		0	0		0
School Audio-Visual (AV) Equipment Replacement Programme	0	100	100		100	435	(100)	335	425		425	425		425	425		425	425		425
Swift Social Work System Replacement	0		0		0	1,000		1,000	1,700		1,700	0		0	0		0	0		0
Council Contact Centre	140		140	2	140	40		40	40		40	75		75	40		40	40		40
TOTAL: CORPORATE AND DEMOCRATIC SERVICES	5,602	1,064	6,666	1,483	6,666	14,131	292	14,423	18,265	(5,668)	12,597	2,987	1,019	4,006	2,870	755	3,625	2,857	942	3,799
TOTAL COMPOSITE NET EXPENDITURE	68,235	(4,955)	63,280	21,251	63,280	61,161	(683)	60,478	109,840	(5,063)	104,777	117,035	9,692	126,727	80,144	476	80,620	36,522	1,247	37,769
(NET OF GRANTS, REVENUE AND 3RD PARTY CONTRIBUTIONS, AND RING FENCED RECEIPTS)																				
CAPITAL RECEIPTS																				
General Capital Grant - Scottish Government	(14,951)		(14,951)	(9,818)	(14,951)	(17,354)		(17,354)	(25,341)		(25,341)	(25,220)		(25,220)	(15,191)		(15,191)	(14,000)		(14,000)
Developer Contributions	(2,123)		(2,123)	(0)	(2,123)	(1,810)		(1,810)	(1,810)		(1,810)	(2,010)		(2,010)	(2,020)		(2,020)	(2,100)		(2,100)
General Fund - Capital Receipts/Disposal	(751)	0	(751)	(484)	(751)	(497)	0	(497)	(491)	0	(491)	(271)	0	(271)	(550)	0	(550)	(250)	0	(250)
Commercial Property - Capital Receipts/Disposal	(1,860)	316	(1,544)	(1,616)	(1,544)	(1,472)	(303)	(1,775)	(510)	0	(510)	(184)	0	(184)	(725)	0	(725)	(100)	0	(100)
General Fund Housing Receipts	(4)		(4)	(2)	(4)	(3)		(3)	(3)		(3)	(3)	(1)	(4)	0	(4)	(4)	0		0
Total: Capital Receipts	(19,689)	316	(19,373)	(11,920)	(19,373)	(21,136)	(303)	(21,439)	(28,155)	0	(28,155)	(27,688)	(1)	(27,689)	(18,486)	(4)	(18,490)	(16,450)	0	(16,450)
Annual Composite Borrowing Requirement	48,546	(4,639)	43,907	9,331	43,907	40,025	(986)	39,039	81,685	(5,063)	76,622	89,347	9,691	99,038	61,658	472	62,130	20,072	1,247	21,319
CAPITAL RECEIPTS BROUGHT FORWARD	(776)	0	(776)	(776)	(776)	(1,829)	121	(1,708)	(2,706)	13	(2,693)	(1,896)	13	(1,883)	(1,785)	13	(1,772)	(2,215)	13	(2,202)
CAPITAL RECEIPTS CARRIED FORWARD	1,829	(121)	1,708	2,352	1,708	2,706	(13)	2,693	1,896	(13)	1,883	1,785	(13)	1,772	2,215	(13)	2,202	2,020	(13)	2,007
TOTAL NET COMPOSITE BORROWING REQUIREMEN	49,599	(4,760)	44,839	10,907	44,839	40,902	(878)	40,024	80,875	(5,063)	75,812	89,236	9,691	98,927	62,088	472	62,560	19,877	1,247	21,124

EDUCATION AND CHILDREN'S SERVICES

	Revised Budget Report 1 2024/25 (£'000)	Proposed Budget Adjustment Report 2 2024/25 (£'000)	Revised Budget Report 2 2024/25 (£'000)	Revised Budget Report 1 2025/26 (£'000)	Proposed Budget Adjustment Report 2 2025/26 (£'000)	Revised Budget Report 2 2025/26 (£'000)	Revised Budget Report 1 2026/27 (£'000)	Proposed Budget Adjustment Report 2 2026/27 (£'000)	Revised Budget Report 2 2026/27 (£'000)	Revised Budget Report 1 2027/28 (£'000)	Proposed Budget Adjustment Report 2 2027/28 (£'000)	Revised Budget Report 2 2027/28 (£'000)	Revised Budget Report 2 TOTAL (£'000)
Arts Strategy Phase 1 - Redevelopment of Perth Theatre	0		0	0		0	0		0	0		0	107
MIS - Procurement & Integration	0		0	0		0	0		0	0		0	679
Almondbank Cottages - REACH Project	0		0	0		0	0		0	0		0	100
Blairgowrie Recreation Centre - Replacement	0		0	0		0	0		0	0		0	14,683
Schools Modernisation Programme													
Investment in the School Estate	4,650		4,650	4,650		4,650	4,650		4,650	4,650		4,650	42,463
Third Party Contribution	0		0	0		0	0		0	0		0	(81)
Pitcairn Primary School Upgrade Project	0		0	0		0	0		0	0		0	1,600
Longforgan Primary School Upgrade Project	0		0	0		0	0		0	0		0	6,000
Early Learning & Childcare	0		0	0		0	0		0	0		0	3,702
Scottish Government Grant	0		0	0		0	0		0	0		0	(14,200)
Letham Primary School Upgrade Project	0		0	0		0	0		0	0		0	5,774
Oakbank Primary School Upgrade Project	0		0	0		0	0		0	0		0	651
St.Ninians Primary School Upgrade Project	0		0	0		0	0		0	0		0	700
Rattray Primary School Upgrade Project	0		0	0		0	0		0	0		0	3,381
Inchture Primary School Upgrade Project	0		0	0		0	0		0	0		0	1,800
Alyth Primary School Upgrade Project	0		0	0		0	0		0	0		0	56
Blackford Primary School (Developer Contribution)	0		0	0		0	0		0	0	173	173	173
Kinross Primary School Upgrade Project	0		0	0		0	0		0	0		0	789
Tulloch Primary School Upgrade Project	0		0	0		0	0		0	0		0	1,328
North/West Perth - New Primary School	0		0	0		0	0		0	0		0	14,350
North Perth - Primary School Replacement	0		0	0		0	0		0	0		0	16,000
Technology Upgrades	0		0	0		0	0		0	0		0	1,855
Perth Academy - New Sports Facilities	0		0	0		0	0		0	0		0	1,509
Perth Academy - Refurbishments	0		0	0		0	0		0	0		0	13,986
Perth Grammar School - Upgrade Programme Phase 3	0		0	0		0	0		0	0		0	6,876
Perth High School - Internal Services & Refurbishment	0		0	0		0	0		0	0		0	430
Perth High School - New School Investment	0		0	0		0	0		0	0		0	50,000
TOTAL: EDUCATION AND CHILDREN'S SERVICES	4,650	0	4,650	4,650	0	4,650	4,650	0	4,650	4,650	173	4,823	174,711

HOUSING & ENVIRONMENT

Traffic & Road Safety													
Road Safety Initiatives (20mph Zones etc..)	100	100	200	100	100	200	100	100	200	100	100	200	2,108
Road Safety Initiatives	100	(100)	0	100	(100)	0	100	(100)	0	100	(100)	0	907
Vehicle Activation Signs	0		0	0		0	0		0	0		0	39
Cycling Walking & Safer Streets (CWSS)	200		200	200		200	200		200	200		200	2,067
Scottish Government Grant - CWSS	(200)		(200)	(200)		(200)	(200)		(200)	(200)		(200)	(2,047)
Third Party Contribution	0		0	0		0	0		0	0		0	(20)
Car Parking Investment	0		0	0		0	0		0	0		0	100
Car Parking Investment - Pitlochry	0		0	0		0	0		0	0		0	150
Strathmore Cycle Network	0		0	0		0	0		0	0		0	100
Sub-Total	200	0	200	200	0	200	200	0	200	200	0	200	3,404
Asset Management - Roads & Lighting													
Structural Maintenance	9,800		9,800	9,800		9,800	9,800		9,800	9,800	(2,300)	7,500	99,127
Third Party Contribution	0		0	0		0	0		0	0		0	(255)
Street Lighting Renewals - Upgrading/Unlit Areas	0		0	0		0	0		0	0		0	469
Traffic Signal Renewals - Upgrading	100		100	100		100	100		100	100		100	892
Unadopted Roads & Footways (Match Funding)	0		0	0		0	0		0	0		0	103
Third Party Contributions	0		0	0		0	0		0	0		0	(15)
Footways	435		435	435		435	435		435	435		435	4,502
Investment in Local Footpaths	0		0	0		0	0		0	0		0	200
Road Safety Barriers	0		0	0		0	0		0	0		0	174
Third Party Contribution	0		0	0		0	0		0	0		0	(29)
Pedestrian Gritters	0		0	0		0	0		0	0		0	50
Sub-Total	10,335	0	10,335	10,335	0	10,335	10,335	0	10,335	10,335	(2,300)	8,035	105,218
Asset Management - Bridges													
Bridge Refurbishment Programme	740	(50)	690	740	(50)	690	740	(50)	690	740	(50)	690	6,211
West of Fearnan Culvert	0		0	0		0	0		0	0		0	42
Pitcur Culvert	0		0	0		0	0		0	0		0	15
Vehicular Bridge Parapets Programme - Assess & Upgrade	0		0	0		0	0		0	0		0	159
Sub-Total	740	(50)	690	740	(50)	690	740	(50)	690	740	(50)	690	6,427
Improvement Schemes													
New Rural Footways	0		0	0		0	0		0	0		0	21
A9/A85 Road Junction Improvements	0		0	0		0	0		0	0		0	12,548
Third Party Contribution	0		0	0		0	0		0	0		0	(5)
Perth Transport Futures	0		0	0		0	0		0	0		0	76,932
A977 Upgrades	0		0	0		0	0		0	0		0	529
Brioch Road, Crieff - Road Realignment & Safety Measures	0		0	0		0	0		0	0		0	320
Third Party Contribution (Developers)	0		0	0		0	0		0	0		0	(195)
Third Party Contribution (Sustrans)	0		0	0		0	0		0	0		0	(60)
Sub-Total	0	0	0	0	0	0	0	0	0	0	0	0	90,090

	Revised Budget Report 1 2024/25 (£'000)	Proposed Budget Adjustment Report 2 2024/25 (£'000)	Revised Budget Report 2 2024/25 (£'000)	Revised Budget Report 1 2025/26 (£'000)	Proposed Budget Adjustment Report 2 2025/26 (£'000)	Revised Budget Report 2 2025/26 (£'000)	Revised Budget Report 1 2026/27 (£'000)	Proposed Budget Adjustment Report 2 2026/27 (£'000)	Revised Budget Report 2 2026/27 (£'000)	Revised Budget Report 1 2027/28 (£'000)	Proposed Budget Adjustment Report 2 2027/28 (£'000)	Revised Budget Report 2 2027/28 (£'000)	Revised Budget Report 2 TOTAL (£'000)
Rural Flood Mitigation Schemes													
Almondbank Flood Protection Scheme	0		0	0		0	0		0	0		0	4,488
Third Party Contribution	0		0	0		0	0		0	0		0	(11)
Comrie Flood Prevention Scheme	0		0	0		0	0		0	0		0	24,104
Milnathort Flood Prevention Scheme	0		0	0		0	0		0	0		0	1,773
South Kinross Flood Prevention	0		0	0		0	0		0	0		0	3,162
Scone Flood Prevention	0		0	0		0	0		0	0		0	645
Sub-Total	0	0	0	0	0	0	0	0	0	0	0	0	34,161
Rural Iniatives													
Conservation of Built Heritage	0		0	0		0	0		0	0		0	616
Third Party Contribution	0		0	0		0	0		0	0		0	(100)
Sub-Total	0	0	0	0	0	0	0	0	0	0	0	0	516
Perth & Kinross Place-making													
Mill Street Environmental Improvements	0		0	0		0	0		0	0		0	146
St Paul's Church	0		0	0		0	0		0	0		0	2,094
Auchterarder	0		0	0		0	0		0	0		0	300
Perth City Centre Golden Route (Rail Station)	0		0	0		0	0		0	0		0	497
Green Network Routes	0		0	0		0	0		0	0		0	163
City Greening	0		0	0		0	0		0	0		0	290
Tay Street, Perth	0		0	0		0	0		0	0		0	1,870
Mill St, Perth (Phase 3) - Shared Space at Bus Station	0		0	0		0	0		0	0		0	600
South Street, Perth - Transport Hub	0		0	0		0	0		0	0		0	1,100
Perth & Kinross Lighting Action Plan	0		0	0		0	0		0	0		0	4,174
Sub-Total	0	0	0	0	0	0	0	0	0	0	0	0	11,234
Other Planning Projects													
Creative Exchange (former St. John's Primary School)	0		0	0		0	0		0	0		0	4,047
Third Party Contribution	0		0	0		0	0		0	0		0	(1,625)
Sub-Total	0	0	0	0	0	0	0	0	0	0	0	0	2,422
Community Greenspace													
Play Areas - Improvements Implementation Strategy	0	150	150	0	150	150	0	150	150	0	150	150	2,496
Third Party Contribution	0		0	0		0	0		0	0		0	(172)
Play Parks	150	(150)	0	150	(150)	0	150	(150)	0	150	(150)	0	0
3G Pitch, Blairgowrie	0		0	0		0	0		0	0		0	500
Countryside Sites	0		0	0		0	0		0	0		0	165
Community Greenspace Sites	300		300	300		300	300		300	300		300	2,999
Small Parks	0		0	0		0	0		0	0		0	30
Community Greenspace Bridges	0		0	0		0	0		0	0		0	31
Core Path Implementation	0		0	0		0	0		0	0		0	85
Third Party Contribution	0		0	0		0	0		0	0		0	(45)
Pitlochry Recreation Park	0		0	0		0	0		0	0		0	6
Alyth Environmental Improvements	0		0	0		0	0		0	0		0	538
Third Party Contributions	0		0	0		0	0		0	0		0	(33)
Revenue Contribution	0		0	0		0	0		0	0		0	(20)
Air Quality Improvements	0		0	0		0	0		0	0		0	100
Premier Parks	0		0	0		0	0		0	0		0	75
The Knock	0		0	0		0	0		0	0		0	94
Kinnoull Hill	0		0	0		0	0		0	0		0	114
Countryside Access	0		0	0		0	0		0	0		0	10
Cemetery Extensions	100		100	100		100	100		100	100		100	1,092
Sub-Total	550	0	550	550	0	550	550	0	550	550	0	550	8,065
Support Services													
<u>PC Replacement & IT Upgrades</u>													
Hardware	20		20	20		20	20		20	20		20	200
Licenses	120		120	120		120	120		120	120		120	975
Corporate Programme Management System	0		0	0		0	0		0	0		0	43
Third Party Contribution (HRA)	0		0	0		0	0		0	0		0	(3)
Sub-Total	140	0	140	140	0	140	140	0	140	140	0	140	1,215
Property Services													
DDA Adaptation & Alteration Works Programme	200		200	200		200	200		200	200		200	2,079
Property Compliance Works Programme	650		650	650		650	650		650	650		650	6,786
Capital Improvement Projects Programme	2,000		2,000	2,000		2,000	2,000		2,000	2,000		2,000	19,383
Third Party Contribution	0		0	0		0	0		0	0		0	0
Fire Audit Works - Robert Douglas Memorial school	0		0	0		0	0		0	0		0	369
Pitlochry High School - Upgrade Programme	0		0	0		0	0		0	0		0	2,814
Salix Energy Efficiency Programme	0		0	0		0	0		0	0		0	40
Third Party Contribution (Salix)	0		0	0		0	0		0	0		0	(12)
Revenue Contriubution (CEEF)	0		0	0		0	0		0	0		0	(28)
Sub Total	2,850	0	2,850	2,850	0	2,850	2,850	0	2,850	2,850	0	2,850	31,431
Commercial Property Investment Programme													
North Muirton Industrial Estate - Site Servicing & Provision of Units	0		0	0		0	0		0	0		0	1,738
Western Edge, Kinross - Site Servicing	0		0	0		0	0		0	0		0	20
Additional Infrastructure Investment - Broxden	0		0	0		0	0		0	0		0	50
Creative Industries Land/Advance Units	0		0	0		0	0		0	0		0	250
Rural Business Units Programme	0		0	0		0	0		0	0		0	1,549
Sub-Total	0	0	0	0	0	0	0	0	0	0	0	0	3,607

	Revised Budget Report 1 2024/25 (£'000)	Proposed Budget Adjustment Report 2 2024/25 (£'000)	Revised Budget Report 2 2024/25 (£'000)	Revised Budget Report 1 2025/26 (£'000)	Proposed Budget Adjustment Report 2 2025/26 (£'000)	Revised Budget Report 2 2025/26 (£'000)	Revised Budget Report 1 2026/27 (£'000)	Proposed Budget Adjustment Report 2 2026/27 (£'000)	Revised Budget Report 2 2026/27 (£'000)	Revised Budget Report 1 2027/28 (£'000)	Proposed Budget Adjustment Report 2 2027/28 (£'000)	Revised Budget Report 2 2027/28 (£'000)	Revised Budget Report 2 TOTAL (£'000)
Prudential Borrowing Projects													
Wheeled Bin Replacement Programme - Domestic Bins	200		200	200		200	200		200	200		200	1,999
Wheeled Bin Replacement Programme - Commercial Bins	20		20	20		20	20		20	20		20	157
Recycling Containers, Oil Banks & Battery Banks Replacement Pro	65		65	65		65	65		65	65		65	654
Litter Bins	50		50	50		50	50		50	50		50	350
Smart Cities - Smart Waste	0		0	0		0	0		0	0		0	155
Third Party Contribution (EDRF)	0		0	0		0	0		0	0		0	(63)
Vehicle Replacement Programme	3,000		3,000	3,000		3,000	3,000		3,000	3,000		3,000	30,126
Capital Receipts - Vehicle Disposals	(300)		(300)	(300)		(300)	(300)		(300)	(300)		(300)	(3,043)
Energy Conservation & Carbon Reduction Programme	150		150	150		150	150		150	150		150	1,698
Canal Street Car Park Improvements	0		0	0		0	0		0	0		0	(35)
Crematorium - Memorial Garden Enhancement	0		0	0		0	0		0	0		0	54
Crematorium - Abatement Works	0		0	0		0	0		0	0		0	479
Street Lighting Renewal - LED & Column Replacement	0		0	0		0	0		0	0		0	6,182
Smart Cities - Intelligent Street Lighting	0		0	0		0	0		0	0		0	327
Third Party Contribution (EDRF)	0		0	0		0	0		0	0		0	(132)
Third Party Contribution (CIF)	0		0	0		0	0		0	0		0	(15)
Perth Harbour - Dredging	0		0	0		0	0		0	0		0	728
Land Purchase & Development	0		0	0		0	0		0	0		0	1,000
Technology & Innovation Incubator Units	0		0	0		0	0		0	0		0	1,000
Sub Total	3,185	0	3,185	3,185	0	3,185	3,185	0	3,185	3,185	0	3,185	41,621
Housing Projects													
Gypsy Travellers Site Improvement Works	0		0	0		0	0		0	0		0	61
Housing with Care - Communal Facilities	0		0	0		0	0		0	0		0	363
Sub Total	0	0	0	0	0	0	0	0	0	0	0	0	424
TOTAL: HOUSING & ENVIRONMENT	18,000	(50)	17,950	18,000	(50)	17,950	18,000	(50)	17,950	18,000	(2,350)	15,650	339,835
Health & Social Care													
Occupational Therapy Equipment	250		250	250		250	250		250	250		250	2,500
Software Licences	70		70	70		70	70		70	70		70	805
Developing Supported Tenancies	0		0	0		0	0		0	0		0	229
Refurbish & Extend Lewis Place Day Care Centre for Older People	0		0	0		0	0		0	0		0	8
TOTAL: HEALTH & SOCIAL CARE	320	0	320	320	0	320	320	0	320	320	0	320	3,542
CORPORATE AND DEMOCRATIC SERVICES													
<u>City Centre Developments - Cultural Attractions</u>													
Perth City Hall	0		0	0		0	0		0	0		0	22,500
Revenue Contribution	0		0	0		0	0		0	0		0	(270)
Perth Museum & Art Gallery (PMAG)	0		0	0		0	0		0	0		0	6,436
Collections Store	0		0	0		0	0		0	0		0	3,409
Third Party Contribution	0		0	0		0	0		0	0		0	(10,000)
<u>Community Planning</u>													
Letham Wellbeing Hub	0		0	0		0	0		0	0		0	1,250
<u>Information Systems & Technology</u>													
ICT Infrastructure & Replacement and Upgrade Programme	2,392	432	2,824	2,392	550	2,942	2,392	173	2,565	2,392	441	2,833	27,745
MS Licences & Microsoft Office 365	0		0	0		0	0		0	0		0	0
School Audio-Visual (AV) Equipment Replacement Programme	425		425	425		425	425		425	425		425	3,835
Swift Social Work System Replacement	0		0	0		0	0		0	0		0	2,700
Council Contact Centre	40		40	40		40	40		40	40		40	535
TOTAL: CORPORATE AND DEMOCRATIC SERVICES	2,857	432	3,289	2,857	550	3,407	2,857	173	3,030	2,857	441	3,298	58,140
TOTAL COMPOSITE NET EXPENDITURE	25,827	382	26,209	25,827	500	26,327	25,827	123	25,950	25,827	(1,736)	24,091	576,228
(NET OF GRANTS, REVENUE AND 3RD PARTY CONTRIBUTIONS, AND RING FENCED RE													
CAPITAL RECEIPTS													
General Capital Grant - Scottish Government	(14,000)		(14,000)	(14,000)		(14,000)	(14,000)		(14,000)	(14,000)		(14,000)	(168,057)
Developer Contributions	(2,100)		(2,100)	(2,100)		(2,100)	(2,100)		(2,100)	(2,100)		(2,100)	(20,273)
General Fund - Capital Receipts/Disposal	(250)	0	(250)	(250)	0	(250)	(250)	0	(250)	(250)	0	(250)	(3,810)
Commercial Property - Capital Receipts/Disposal	(100)	0	(100)	0	0	0	0	0	0	0	0	0	(4,938)
General Fund Housing Receipts	0		0	0		0	0		0	0		0	(18)
Total: Capital Receipts	(16,450)	0	(16,450)	(16,350)	0	(16,350)	(16,350)	0	(16,350)	(16,350)	0	(16,350)	(197,096)
Annual Composite Borrowing Requirement	9,377	382	9,759	9,477	500	9,977	9,477	123	9,600	9,477	(1,736)	7,741	379,132
CAPITAL RECEIPTS BROUGHT FORWARD	(2,020)	13	(2,007)	(2,120)	13	(2,107)	(2,120)	13	(2,107)	(2,120)	13	(2,107)	(776)
CAPITAL RECEIPTS CARRIED FORWARD	2,120	(13)	2,107	2,120	(13)	2,107	2,120	(13)	2,107	2,120	(13)	2,107	2,107
TOTAL NET COMPOSITE BORROWING REQUIREMEN	9,477	382	9,859	9,477	500	9,977	9,477	123	9,600	9,477	(1,736)	7,741	380,463

PERTH AND KINROSS COUNCIL
HOUSING INVESTMENT PROGRAMME
SUMMARY OF CAPITAL RESOURCES AND EXPENDITURE 2018/19 to 2022/23

	Approved Budget 12-Sep-18 2018/19 £'000	Proposed Budget Adjustment Report 2 2018/19 £'000	Revised Budget Report 2 2018/19 £'000	Actual to 31-Oct-18 2018/19 £'000	Projected Outturn Report 2 2018/19 £'000	Approved Budget 12-Sep-18 2019/20 £'000	Proposed Budget Adjustment Report 2 2019/20 £'000	Revised Budget Report 2 2019/20 £'000	Approved Budget 12-Sep-18 2020/21 £'000	Proposed Budget Adjustment Report 2 2020/21 £'000	Revised Budget Report 2 2020/21 £'000	Approved Budget 12-Sep-18 2021/22 £'000	Proposed Budget Adjustment Report 2 2021/22 £'000	Revised Budget Report 2 2021/22 £'000	Approved Budget 24-Jan-18 2022/23 £'000	Proposed Budget Adjustment Report 2 2022/23 £'000	Revised Budget Report 2 2022/23 £'000	Revised Budget Report 2 TOTAL £'000
<u>Council House New Build Programme</u>																		
Invergowrie, Main street - 5 Units	997	(200)	797	14	797	200	200	400	0		0	0		0	0	0		1,197
Council Tax (Second Income)	(100)		(100)	0	(100)	0		0	0		0	0		0	0	0		(100)
Scottish Government Subsidy	(295)		(295)	0	(295)	0		0	0		0	0		0	0	0		(295)
	602	(200)	402	14	402	200	200	400	0	0	0	0	0	0	0	0	0	802
Birch Avenue, Scone - 20 Units	1,072		1,072	1,014	1,072	0		0	0		0	0		0	0	0		1,072
Council Tax (Second Income)	0		0	0	0	0		0	0		0	0		0	0	0		0
Scottish Government Subsidy	0		0	0	0	0		0	0		0	0		0	0	0		0
	1,072	0	1,072	1,014	1,072	0	0	0	0	0	0	0	0	0	0	0	0	1,072
208, Crieff Road, Perth	2,707		2,707	1,535	2,707	0		0	0		0	0		0	0	0		2,707
Council Tax (Second Income)	(480)		(480)	0	(480)	0		0	0		0	0		0	0	0		(480)
Scottish Government Subsidy	(1,092)		(1,092)	(1,092)	(1,092)	0		0	0		0	0		0	0	0		(1,092)
	1,135	0	1,135	443	1,135	0	0	0	0	0	0	0	0	0	0	0	0	1,135
New Build - Blackthorn Place, Blairgowrie	2,684		2,684	1,724	2,684	0		0	0		0	0		0	0	0		2,684
Council Tax (Second Income)	(480)		(480)	0	(480)	0		0	0		0	0		0	0	0		(480)
Scottish Government Subsidy	(710)		(710)	(710)	(710)	0		0	0		0	0		0	0	0		(710)
	1,494	0	1,494	1,014	1,494	0	0	0	0	0	0	0	0	0	0	0	0	1,494
Milne Street, Perth	240		240	0	240	1,050		1,050	0		0	0		0	0	0		1,290
Council Tax (Second Income)	0		0	0	0	(456)		(456)	0		0	0		0	0	0		(456)
Scottish Government Subsidy	0		0	0	0	(160)		(160)	0		0	0		0	0	0		(160)
	240	0	240	0	240	434	0	434	0	0	0	0	0	0	0	0	0	674
Future Developments	782		782	0	782	3,076		3,076	3,158		3,158	3,241		3,241	18,367		18,367	28,624
Council Tax (Second Income)	0		0	0	0	0		0	0		0	0		0	0		0	0
Scottish Government Subsidy	0		0	0	0	0		0	0		0	0		0	0		0	0
	782	0	782	0	782	3,076	0	3,076	3,158	0	3,158	3,241	0	3,241	18,367	0	18,367	28,624
Total Council House New Build	5,325	(200)	5,125	2,485	5,125	3,710	200	3,910	3,158	0	3,158	3,241	0	3,241	18,367	0	18,367	33,801
<u>Increase in Council House Stock</u>																		
Council House Buy-Backs	3,318		3,318	2,844	3,318	0		0	0		0	0		0	0		0	3,318
Scottish Government Subsidy	(840)		(840)	(385)	(840)	0		0	0		0	0		0	0		0	(840)
	2,478	0	2,478	2,459	2,478	0	0	0	0	0	0	0	0	0	0	0	0	2,478
Lock-ups and Garage Sites	362		362	5	362	0		0	0		0	0		0	0		0	362

	Approved Budget 12-Sep-18 2018/19 £'000	Proposed Budget Adjustment Report 2 2018/19 £'000	Revised Budget Report 2 2018/19 £'000	Actual to 31-Oct-18 2018/19 £'000	Projected Outturn Report 2 2018/19 £'000	Approved Budget 12-Sep-18 2019/20 £'000	Proposed Budget Adjustment Report 2 2019/20 £'000	Revised Budget Report 2 2019/20 £'000	Approved Budget 12-Sep-18 2020/21 £'000	Proposed Budget Adjustment Report 2 2020/21 £'000	Revised Budget Report 2 2020/21 £'000	Approved Budget 12-Sep-18 2021/22 £'000	Proposed Budget Adjustment Report 2 2021/22 £'000	Revised Budget Report 2 2021/22 £'000	Approved Budget 24-Jan-18 2022/23 £'000	Proposed Budget Adjustment Report 2 2022/23 £'000	Revised Budget Report 2 2022/23 £'000	Revised Budget Report 2 TOTAL £'000
Standard Delivery Plan																		
Central Heating and Rewiring Works	1,447	155	1,602	853	1,602	500		500	1,300		1,300	1,000		1,000	750		750	5,152
Rewiring/Infrastructure	0		0	0	0	0		0	0		0	0		0	1,000		1,000	1,000
Triple Glazing	1,250		1,250	923	1,250	0		0	400		400	200		200	0		0	1,850
Controlled Door Entry	220	24	244	222	244	10		10	10		10	10		10	10		10	284
Kitchen Moderisation Programme	185	105	290	166	290	25		25	280	(206)	74	2,000		2,000	3,250		3,250	5,639
Bathroom Moderisation Programme	365	670	1,035	635	1,035	15	755	770	65		65	25		25	0		0	1,895
External Fabric - less Third Party Contribution	2,112 (14)		2,112 (14)	1,312 0	2,112 (14)	1,300 0		1,300 0	1,200 0		1,200 0	1,270 0		1,270 0	2,250 0		2,250 0	8,132 (14)
Energy Efficiency - less Third Party Contribution	1,383 (7)		1,383 (7)	240 (18)	1,383 (7)	1,046 0		1,046 0	700 0		700 0	200 0		200 0	0 0		0 0	3,329 (7)
Multi Storey Flats	1,000	(24)	976	1	976	1,646		1,646	100		100	50		50	0		0	2,772
Environmental Improvements	630		630	241	630	100		100	145		145	200		200	176		176	1,251
Fire Precaution Measures	340	(155)	185	22	185	249		249	50		50	50		50	400		400	934
Sound Insulation	0		0	0	0	0		0	0		0	0		0	250		250	250
Structural	0		0	0	0	0		0	0		0	0		0	750		750	750
Total Standard Delivery Plan	8,911	775	9,686	4,597	9,686	4,891	755	5,646	4,250	(206)	4,044	5,005	0	5,005	8,836	0	8,836	33,217
Other Investment in Council House Stock																		
Muirton Shops Development	1		1	1	1	0		0	0		0	0		0	0		0	1
Total Major Adaptations to Council House Stock	364		364	49	364	250		250	80		80	0		0	0		0	694
Balmoral Road, Rattray, Refurbishment (3 Units)	275		275	0	275	0		0	0		0	0		0	0		0	275
Anchor House Conversion, Perth, 5 Units	200		200	0	200	0		0	0		0	0		0	0		0	200
149-151 Dunkeld Road, Perth	195		195	0	195	0		0	0		0	0		0	0		0	195
Shops & Offices	137	(69)	68	0	68	50		50	70		70	50		50	70		70	308
Greyfriars and Satellites	40		40	0	40	0		0	0		0	50		50	0		0	90
Sheltered Housing	155		155	8	155	25		25	0		0	25		25	0		0	205
Sheltered Housing - Housing Add'l Support	222		222	169	222	0		0	0		0	0		0	0		0	222
Recharge General Capital Works	20		20	21	20	100		100	100		100	10		10	115		115	345
Upgrade and Replacements to Lifts Programme	0		0	0	0	147		147	0		0	0		0	0		0	147
ICT Expenditure	182		182	11	182	50		50	50		50	50		50	50		50	382
Mortgage to Rent	50		50	0	50	50		50	50		50	50		50	50		50	250
Total Other Investment in Council House Stock	1,841	(69)	1,772	259	1,772	672	0	672	350	0	350	235	0	235	285	0	285	3,314
Total Net Expenditure	18,917	506	19,423	9,805	19,423	9,273	955	10,228	7,758	(206)	7,552	8,481	0	8,481	27,488	0	27,488	73,172
CAPITAL RECEIPTS (Muirton)	(216)	(79)	(295)	(295)	(295)	(220)	79	(141)	(220)		(220)	(220)		(220)	0		0	(876)
OTHER INCOME	0	(1,255)	(1,255)	(1,204)	(1,255)	0		0	0		0	0		0	0		0	(1,255)
CFCR	(2,672)		(2,672)	0	(2,672)	(3,272)		(3,272)	(4,114)		(4,114)	(4,677)		(4,677)	(5,192)		(5,192)	(19,927)
TOTAL BORROWING REQUIREMENT	16,029	(828)	15,201	8,306	15,201	5,781	1,034	6,815	3,424	(206)	3,218	3,584	0	3,584	22,296	0	22,296	51,114

Capital Programme Exceptions Report 2018/19

November 2018

Service	Total No of projects	Number on track	Number slipping	Number accelerating	Total %age spend	General Fund	HRA
ECS	25	24	1	0	Projected Outturn as percentage of 2018/19 Budget approved 18 April 2018	89%	139%
CDS	9	6	1	2	Net Expenditure at 31 October 2018 as percentage of Revised 2018/19 Budget	34%	50%
HE - HRA	34	34	0	0			
HE	88	81	5	2			
HSC	4	4	0	0			
TOTAL	160	149	7	4			

Service	Project Name	Target Date for Completion	Project Delivery on Target	Budget Adjustment	Comments	Corrective Actions
Accelerated Projects				Reflected in narrative in Main report paragraph:		
HE	Perth Transport Futures	August 2023	Yes	3.3.4	Excellent progress has been made in the early planning stages of the project allowing various elements of work - including ground investigations, specimen design, archaeological and geotechnical testing - to be accelerated into the current financial year. The design process is progressing on programme with comprehensive stakeholder engagement ongoing.	Budget to be accelerated and rephased
HE	Software Licenses Programme	Ongoing programme of works	Yes	3.3.9	The software licencing programme has been reprofiled in line with the most recent organisational expenditure needs.	Budget to be accelerated and rephased
CADS	Cultural Attractions - Perth City Hall	May 2021	Yes	3.4.2	In order to accommodate the 2018/19 spend profile for the project it is necessary to reprofile and accelerate future year budgets. This is partly the result of progress being made meeting the planning stage programme of works, with various surveys and investigations now either ongoing or complete.	Budget to be accelerated and rephased
CADS	School Audio Visual Upgrades	Ongoing programme of works	Yes	3.4.7	Following a review of the current works scheduled within the School Audio Visual Upgrades project, an acceleration of future year budgets is required to fund these proposed works in the current year.	Budget to be accelerated and rephased
Slipping Projects						
ECS	Perth Academy Sports Hall	August 2020	No	3.2.7	A comprehensive planning and feasibility exercise is ongoing to identify the most effective programme of works for the infrastructure required to support the education provision for Perth Academy. Only essential maintenance will be undertaken while this exercise is ongoing.	Budget to be rephased
HE	Road Safety Initiatives	Ongoing programme of works	No	3.3.3	A revision to the original programme has been made which removes Glasgow Road site works from the 2018/19 programme.	Budget to be rephased
HE	Brioch Road Development, Crieff	May 2019	No	3.3.6	The planned works on the Brioch Road Development, Crieff will take place after scheduled third party works on the gas network are completed. Following a delay in these gas network works commencing, it is proposed to rephase the budget in line with the revised schedule of works.	Budget to be rephased
HE	Play Parks and Countryside Sites Programmes	Ongoing programme of works	No	3.3.6	The proposed phasing reflects the most current programme of works.	Budget to be rephased
HE	Perth Harbour Dredging	March 2020	No	3.3.11	The Perth Harbour Dredging project has been reprofiled from 2018/19 into 2019/20 whilst negotiations continue with pipeline owners and Scottish National Heritage with a view to obtaining a Marine Licence.	Budget to be rephased
HE	Technology and Innovation Incubator Units	Unknown	No	3.3.11	Due to this project's dependency on Tay Cities Deal funding, it is proposed to move the Technology & Innovation Incubator Units budget 2018/19 to 2019/20.	Budget to be rephased

Service	Project Name	Target Date for Completion	Project Delivery on Target	Budget Adjustment	Comments	Corrective Actions
CADS	Letham Wellbeing Hub	October 2019	No	3.4.4	The Letham Wellbeing Hub budget was reduced as an outcome of the June 2018 budget setting process. As a response to a significant reduction in funding it is necessary for officers to review the project in the context of the original business case outcomes and amend accordingly to ensure all stakeholders are informed of any significant changes to the original project objectives. This process is ongoing and a revised programme of works will be agreed on its conclusion.	Budget to be rephased

PERTH AND KINROSS COUNCIL

Strategic Policy and Resources Committee

28 November 2018

RURAL PERTH AND KINROSS MICRO ENTERPRISE FUND AND MICRO CREDIT FUND

Report by Depute Chief Executive (Report No. 18/393)

PURPOSE OF REPORT

This report updates the Strategic Policy & Resources Committee on the proposed Rural Micro Enterprise Fund and Micro Credit Fund. Funding was allocated in the 2018/19 and 2019/20 budgets for a Rural Business Property Fund (£100K in 2018/19 and £100K in 2019/20); and for £100K in 2019/20 for a Micro Credit project. The Committee is asked to approve the creation of a grants scheme targeted at small rural businesses and community enterprise projects. They are also asked to approve in principle the creation of a Micro Credit Fund.

1. BACKGROUND

- 1.1 In February 2018, the Council approved additional funding towards a Rural Business Property Fund £100,000 in both 2018/19 and 2019/20; and £100K in 2019/20 for a Micro Credit project.
- 1.2 Currently, no funding is available to directly support businesses through the Council's Economic Development budgets. The Council has, in the past, established grant funds to support business development which have proved popular with the business community. Increasingly, there are limited sources of public sector grant funding available to businesses. Loan finance is more readily available, in the main via either Business Loans Scotland for loans between £25,000 and £100,000; or from the Scottish Micro Finance Loan Fund operated by DSL Business Finance for loans less than £25,000.

2. PROPOSALS

Rural Micro Enterprise Fund

- 2.1 The proposal is to widen the scope of the previously proposed Rural Business Property Fund to establish a new Rural Micro Enterprise Fund to support micro businesses, social enterprises and constituted community organisations (all employing less than ten employees). The Fund will support them to invest in projects which will make a positive economic impact on their businesses and on the wider local economy.
- 2.2 Appendix 1 outlines the proposed criteria for the Rural Micro Enterprise Fund. The business, social enterprise or community organisation must be able to demonstrate clearly that the project is essential to support the growth of the business. A wide range of types of projects will be able to be supported

across all business sectors. The funding was originally proposed to support rural businesses; therefore it is proposed that the three Perth City wards be excluded from the Fund.

- 2.3 The Fund will be operational from early December 2018 if approved by Committee; and funding available until March 2020 (with £100,000 available in 2018/19 and £100,000 available in 2019/20). It is proposed the minimum grant will be £1500, and the maximum £10,000, with a grant rate of up to 90% available.

Micro Credit Loan Fund

- 2.4 The Financial Conduct Authority (FCA) regulate the provision of credit to individuals and businesses in the UK. All organisations require to be licensed by the FCA to provide financial products; there are very limited exceptions for Local Authorities, which means that it would be impractical for us to establish and operate a micro credit fund for businesses. However, we could outsource the running of the Fund to an organisation which is regulated by the FCA such as the Perth and Kinross Credit Union.
- 2.5 A variety of methods will be utilised to market the financial assistance to potential applicants. Press releases and articles will be inserted in relevant publications and on websites, and social media will be widely utilised. In addition, we will use the communication channels of our Community Planning partners; including the Perthshire Chamber of Commerce, the Federation of Small Businesses, the Business Gateway, Perth College UHI, Scottish Enterprise and Growbiz to highlight the new Micro Enterprise Fund and proposed Credit Fund to potential applicants.

3. CONCLUSION AND RECOMMENDATIONS

- 3.1 The proposed new Rural Micro Enterprise Fund and Micro Credit Loan Fund will support small businesses/social enterprises/community organisations to grow and new ones to be established over the next 18 months, in what are currently difficult trading conditions.
- 3.2 It is recommended that the Committee:-
- i. Approves the Rural Micro Enterprise Fund as set out in Appendix 1
 - ii. Authorises the Head of Finance to continue discussions with interested parties; and, if agreed, enter into a Service Level Agreement with them to deliver a micro credit loan fund.

Author

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Approved

Name	Designation	Date
Jim Valentine	Depute Chief Executive (Chief Operating Officer)	20 November 2018

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1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

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

1. Strategic Implications

Community Plan

- 1.1 The activities contribute to the Community Plan's strategic objectives of 'Promoting a prosperous, inclusive and sustainable economy', and the outcomes of 'a thriving, expanding economy' and 'employment opportunities for all'.

Corporate Plan

- 1.2 Perth and Kinross Council Corporate Plan sets out five strategic objectives:
- (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.
- 1.3 This report relates to Objective (iii) 'Promoting a prosperous, inclusive and sustainable economy' and the outcome of 'Thriving, expanding economy' by encouraging enterprising businesses and communities.

2. Resource Implications

Financial

- 2.1 Funding was allocated via a Budget Motion in both the 2018/19 and 2019/20 budget for a Rural Business Property Fund (£100K in 2018/19 and 2019/20). This funding will be utilised to establish the Rural Micro Enterprise Fund. In addition, funding was allocated via a Budget Motion in February 2018 to create a Micro Business Loan Fund in 2019/20.

Workforce

- 2.2 Existing staff within the Planning and Development Division will be allocated to administer the new Rural Enterprise Fund.

Asset Management

- 2.3 There are no Asset Management implications arising as a result of this report.

3. Assessments

Equality Impact Assessment

- 3.1 Not applicable.

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. No further action is required as it does not qualify as a PPS as defined by the Act and is therefore exempt.

Sustainability

- 3.3 Under the provisions of the Local Government in Scotland Act 2003 the Council has to discharge its duties in a way which contributes to the achievement of sustainable development. 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. The activities in this report will contribute towards sustainable economic development in Perth and Kinross.

Legal and Governance

- 3.4 The consideration of the report is in line with the Council's Scheme of Administration and specifically the role of the Environment and Infrastructure Committee in developing measures to support and promote economic activity.

Risk

- 3.5 Risks and the controls required to mitigate any risks will be reported through the Council's risk management process

4. Consultation

Internal

- 4.1 The Heads of Legal and Governance, Democratic Services, and Finance, have been consulted in the preparation of this report.

5. Communication

- 5.1 Any communications required will be undertaken by the Council. However we will also utilise the communication channels of our Community Planning partners (including the Perthshire Chamber of Commerce, the Federation of Small Businesses, the Business Gateway, Perth College UHI, Scottish Enterprise and Growbiz) to highlight the new Micro Enterprise Fund and proposed Loan Fund to potential applicants.

2. BACKGROUND PAPERS

- 2.1 There were no background papers utilised in the preparation of this report.

3. APPENDICES

- 3.1 Appendix 1 - Rural Perth & Kinross Micro Enterprise Fund – Proposed Criteria

Appendix 1

Rural Perth & Kinross Micro Enterprise Fund – Proposed Criteria

Overall Aim

“To support business growth and business start-ups in Rural Perth & Kinross”

The Rural Micro Enterprise Fund has been designed to assist rural businesses and other organisations looking to undertake viable growth projects, and individuals looking to set up a business. The recipient must be able to demonstrate that any proposed project is essential to ongoing business growth, and that it will have a positive economic impact on the local area. Potentially viable projects include the purchase of capital equipment, product or market development and commercial property acquisition or improvement.

Eligibility – Businesses employing fewer than 10 people, including sole traders, constituted community groups, social/community enterprises and co-operatives.

Level of Grant – Grants of between £1,500 and £10,000 covering up to 90% of eligible costs.

Sectors – All business sectors are eligible for support with the exception of betting shops.

Eligible costs – Supporting capital equipment and property acquisition for the purposes of business expansion (excluding vehicles), the development of e-commerce platforms or digital transformation activities, specialist consultancy support, targeted marketing in relation to new markets, and as leverage for co-finance to secure additional investment through debt or asset finance etc. The invoice value must be for at least 10% more than the amount of grant applied for.

Payment – on receipt of paid invoices.

Eligible Areas/Wards – all of Perth & Kinross **excluding the 3 Perth City wards.**

Fund value - £100,000 in 2018/19 and £100,000 in 2019/20.

Applications will need to include:

- A detailed description of how the proposed investment will benefit the business or organisation
- Accounts for the last two years where these exist
- Cash flow forecasts for two years
- A business plan will be required for all applications exceeding £5,000
- A minimum of two quotes. Perth & Kinross Council reserves the right to restrict grant funding to 90% of the lowest quote.

Conditions:

- The Council reserves the right to request a meeting with the applicant prior to reaching a decision
- Monitoring report to be submitted 12 months after grant payment. The grant cannot be used for working capital including the payment of rent
- Project must not be started prior to approval being given
- Grant may be fully repayable if business ceases trading or moves out with the Perth & Kinross area within 3 years of receiving the grant
- The full costs need to be met by the recipient and the receipt(s)/copy invoice(s) then submitted to Perth & Kinross Council
- Only 1 grant per business/social enterprise/community organisation.
- The project must be completed and grant claim invoices received within 6 months of the date of the letter of offer
- Following payment of the grant, the recipient will be required to provide a report on the outcomes achieved by the investment
- Business should be prepared, if required, to participate in publicity initiatives arranged by Perth & Kinross Council to promote this grants scheme.

PERTH AND KINROSS COUNCIL

Strategic Policy and Resources

28 November 2018

TRANSFORMATION PROGRAMME 2015-2020

Report by Depute Chief Executive, Chief Operating Officer (Report No. 18/386)

PURPOSE OF REPORT

This report gives an update on phase four of the Transformation Programme approved by the Council on 1 July 2015 (Report 15/473) and provides an overview of progress with the Tayside Collaborative.

1. BACKGROUND / MAIN ISSUES

- 1.1 The Council's Transformation programme supports the Council's approach to public service reform and aims to encourage innovation, creativity, flexibility and greater entrepreneurship to meet the significant challenges ahead.
- 1.2 A major part of the Council's transformation strategy is being delivered through a programme of transformation reviews. The current programme has 16 projects aimed at developing new ways of working to sustain high quality service delivery, and for some, achieving a challenging level of savings.
- 1.3 We are now into phase four of the transformation programme initiated over the past three years, this phase being agreed by council in April 2018 (Report 18/137). Two new projects agreed by committee are included in phase 4: - Sponsorship of Events, and Low Carbon Energy Production. A further project was agreed in June (report 18/194) for Cultural Trusts Transformation Project for a fixed term post to support this delivery (£40,000).

2. PROGRESS TO DATE

- 2.1 Progress on each of the projects is provided in Appendix 1 and 2 reported through the project management system (VERTO). Appendix 1 gives an overview of the status of each project and more detail is provided in Appendix 2.
- 2.2 In relation to the status of the 16 transformation projects, 7 are on target; 6 projects have 'some issues' identified; 2 are reported as being at risk; and 1 project requires remedial action.
- 2.3 Savings to date from completed projects amount to £2 million, excluding the savings achieved by the transformation projects which are now reported to the Integrated Joint Board (IJB) for Health and Social Care.

- 2.4 The project previously marked as 'on hold', Customer and Business Support Services, has been rescope and closed within the Transformation reporting system Verto. No savings were attached to this project. Further work to develop a Customer Services Blueprint has been agreed in outline and will be implemented without additional resources from Transformation monies.
- 2.5 Work is in progress to review the delivery model options for the Cultural Trusts Transformation Project supported by a fixed term post (£40,000) as per (report 18/194). No reporting of this project has been submitted through Verto, and a separate report will be submitted to SP+R.
- 2.6 The Sponsorship of Events and Low Carbon Energy Production projects are still to start and will report in due course.

3. TAYSIDE COLLABORATIVE PROJECTS

- 3.1 Working together across Tayside and other Councils provides an opportunity to deliver better outcomes for our communities. Collaboration provides opportunities to reduce duplication and encourage the sharing of assets, as well as sharing investment and standardising services around best practices. All of this will help create more efficient services as we face challenging financial times ahead. Collaborative working among local authorities creates access to a wider pool of specialist staff to support communities across the whole area and offers new opportunities for colleagues, including career paths and opportunities for advancement.
- 3.2 The Tayside Collaborative has a number of current projects underway. At a recent meeting, the three Chief Executives agreed that some of this work needed to be prioritised including:
- Children, Young People and Families Services
 - Procurement and Commissioning
 - Digital Transformation
 - Tay Cities Deal including a regional approach to economic development
- as well as some work around key corporate services.
- 3.3 The Chief Executives intend to present a joint paper to their respective Strategic Policy and Resources Committees in due course to reinforce their commitment to collaboration as a key element of transformational change.

4. CONCLUSION AND RECOMMENDATIONS

- 4.1 This report updates the Strategic Policy and Resources Committee on the Council's five-year transformation programme. It summarises the progress across 16 projects, identifies those on target and those with issues and risks, which are managed by project boards and the Corporate Transformation Board.

4.2 The Strategic Policy and Resources Committee is asked to:

- (a) Note the progress related to the Transformation Programme, as detailed in Appendices 1 and 2;
- (b) Note the progress related to the Tayside Collaborative work being undertaken.
- (c) Agree the allocation of funding of £40,000 from the Earmarked Transformation Reserve for the Cultural Trusts Transformation Project

Author

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Caroline Mackie	Service Manager	01738 475000

Approved

Name	Designation	Date
Jim Valentine	Depute Chief Executive (Chief Operating Officer)	15 November 2018

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1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

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

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. Under the Climate Change (Scotland) Act 2009 the Council also has a duty relating to climate change and, in exercising its functions must act:
- in the way best calculated to delivery of the Act's emissions reduction targets;
 - in the way best calculated to deliver any statutory adaptation programmes; and
 - in a way that it considers most sustainable.
- 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 Senior Management teams and the Corporate Transformation Board were 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 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)
- Report to Council on 13 June 2018 (Report No 18/198)
- Report to Council on 12 September 2018 (Report No 18/288)
- Highlight Reports of each project are available on the ERIC Transformation page
- Hard copies of The Transformation Strategy are available from transformationenq@pkc.gov.uk

3. APPENDICES

- Appendix 1 – Verto Project Report – Programme Dashboard
- Appendix 2 – Progress Report (by line) on active Transformation reviews Progress Status

Programme Dashboard

Building Ambition

Total Number of Projects in the Programme	16			
	Approved Savings (£000's)	Project Savings (£000's)	Approved Funding (£000's)	Project Spend (£000's)
Programme Financial Information	£7,040	£6,974	£5,676	£4,982

	On Target	Some Issues	At Risk	Remdial Action	Slippage	Completed	None
Projects Overall Status - Current	7	6	2	1	0	0	0
Projects Overall Status - Previous	7	6	2	1	0	0	0
Milestones	7	7	1	0	0	0	0
Risks	11	3	1	1	0	0	0
Issues	6	6	3	0	0	0	0
Cost Status	14	1	1	0	0	0	0
Savings	8	2	3	1	0	1	1
Non-Cashable Benefits	14	1	1	0	0	0	0

	18/19	19/20	20/21	21/22
Projects Due To End	1	4	11	0

Appendix 2

Project Status

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 - 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 Hold	On Target	On Target	On Target	Completed	On Target
			Comments from Change and Transformation Board					Alternative routes to undertake the work of the project have been explored and will be reported on next month.							
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 neighbourhood planning.	0	0	0	316	86	On Target	On Target	Some Issues	On Target	On Target	On Target	None	On Target
			Comments from Change and Transformation Board					Noted at Corporate ICT Transformation Board 26 October							

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	Some Issues	Some Issues	Some Issues	On Target	Some Issues	On Target	Some Issues	On Target
			Comments from Change and Transformation Board					Not discussed at Corporate Transformation Board as no meeting in October							
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	Some Issues	On Target	On Target	On Target	On Target	On Target
			Comments from Change and Transformation Board					Progress report discussed and approved at ICT Transformation Board 26 October 2018							
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.	810	813	813	1,284	1,284	Some Issues	Some Issues	Some Issues	Some Issues	Some Issues	On Target	Some Issues	On Target
			Comments from Change and Transformation Board					Update presented, discussed and progress noted at ICT Transformation Board 26 October							

Building Ambition	Corporate - Council Assets for Commercial Sponsorship	Using the Council's existing assets to generate income by offering sponsorship and advertising opportunities. The revenue generated from this project can offset the costs of providing valuable public services.	150	150	82	52	52	Remedial Action Required	Remedial Action Required	Some Issues	Remedial Action Required	At Risk	On Target	Remedial Action Required	On Target
			Comments from Change and Transformation Board					No Comment as the Board did not meet in October. Rearranged for 06/11/18.							
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
Red, Amber and Green statuses not set for 5 out of 6 sections. Updated report to follow. This is September’s status.			Comments from Change and Transformation Board					Progress reported to the ICT transformation board on the 26th October and no issues were raised .							
Education and Children's Services															
Building Ambition	ECS - REACH: Implementation Project (formerly Remodelling 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	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 in relation to the timescale for delivery of the capital project. The completion date for construction, initially planned for 9 November 2018 is now projected to be 10 December 2018. This delay is not anticipated to have any impact on the "go live" date of January 2019.							

Building Ambition	ECS - Review of Catering Services	Examining optimum production, menu and service arrangements across Tayside and looking at options for a Central Production Unit (CPU) and partnership working to ensure the most efficient and effective catering service.	200	200	200	0	0	At Risk	At Risk	Some Issues	On Target	Some Issues	On Target	At Risk	On Target
			Comments from Change and Transformation Board					This project is being reported as At Risk as there is a delay in approving the proposals for a Tayside Wide CPU in order for the project to commence. As a result the savings attached to this project are currently delayed, however savings within Catering are currently being identified. Due to the delay in the project commencing thus far it is not anticipated that the CPU will be operational any earlier than April 2020.							
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	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 and all deliverables are expected to be completed within the timescales stated.							
Building Ambition	ECS - Securing the Future of the School Estate	Reviewing the school estate to make the most effective and efficient use of school buildings, and staff across the school estate.	200	200	200	0	0	Some Issues	Some Issues	On Target	Some Issues	Some Issues	On Target	On Target	Some Issues
			Comments from Change and Transformation Board					This project is progressing as planned although there are some issues 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 well and the targets for additional foster carer recruitment are on schedule to be met. This project is marked as some issues however as we have not been in a position to generate a management fee from other Local Authorities, as was initially intended. As a result the project team have prepared an Outline Business Case to explore options for sustainability of the project going forward.							

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 acheives savings of £500k	500	500	500	0	0	Some Issues	Some Issues	Some Issues	Some Issues	At Risk	On Target	At Risk	On Target
			Comments from Change and Transformation Board					No comments/approvals this month as the project is at the implementation stage.							
The Environment Service															
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	On Target	On Target	On Target	On Target
			Comments from Change and Transformation Board					Monitored through Team Plan update. 18 month report taken to Environment and Infrastructure Committee September 2018.							
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	At Risk	At Risk	At Risk	At Risk	At Risk	At Risk
			Comments from Change and Transformation Board					Paper to SP+R November 2018 with update							

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 (ie 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	186	On Target	On Target	On Target	On Target	Project Delayed	Some Issues	On Target	On Target
			Comments from Change and Transformation Board					Not discussed this month as no Corporate Transformation Board in October							
Totals			7,040	6,199	6,974	5,676	4,982								

PERTH AND KINROSS COUNCIL

Strategic Policy and Resources Committee

28 November 2018

CORPORATE PROPERTY ASSET MANAGEMENT TRANSFORMATION PROGRAMME

Report by Executive Director (Housing and Environment) (Report No. 18/387)

PURPOSE OF REPORT

The purpose of this report is to seek approval for the over-arching principles and methodology in respect of the Corporate Property Asset Management Transformation Programme, to provide an overview of the delivery plan for the programme.

1. BACKGROUND / MAIN ISSUES

- 1.1 Property Asset Management is the process which aligns business and property asset strategies, ensuring the optimisation of an organisation's property assets in a way which best supports its key business goals and objectives.
- 1.2 Asset Management is widely recognised by the UK and Scottish Governments, property professionals and public bodies as vital to optimising the use and management of properties, with the aim of releasing financial and service benefits.
- 1.3 Property asset management is an increasingly important part of the national agenda. For example, the Commission into the Future Delivery of Public Services (the 'Christie Commission') ([link](#)) of 2011 directed organisations towards the establishment of one public property estate. The Scottish Futures Trust ([link](#)) was established to assist in delivering this principle. In addition, recent Best Value Assurance reports such as Glasgow City (August 2018) ([link](#)) and Fife Council (May 2018) ([link](#)) have highlighted aspects of good practice in property asset management.
- 1.4 These highlight the requirement for a strategic approach to property asset management. This transformation project will deliver this through a robust Perth and Kinross wide, rather than a localised, or service based, assessment of the property estate.
- 1.5 In line with the principles of a one public property estate, this strategic approach will look to maximise the opportunities afforded by more integrated service delivery between the Council and Community Planning partners. As such, work will continue with the Scottish Futures Trust and ongoing engagement with NHS Tayside, Police Scotland and Scottish Fire and Rescue Service, along with Perth & Kinross Association of Voluntary Service (PKAVS).

- 1.6 To achieve the Council's strategic objectives and future service needs, the approach will require a combination of investment and disinvestment in the property estate, linking to the Council's 10 year Capital Investment Programme.
- 1.7 Perth and Kinross Council aims to become a sector leader in the adoption and application of digital technology through maximising its use in the delivery of services. Maximising the use of digital technology will increase the opportunities for home based and mobile working and will support the reduction to a smaller property estate.
- 1.8 Perth & Kinross Council has an extensive and diverse property estate spread over a large geographical area. Most of the property portfolio involves direct provision of public services for which the Council has a statutory or discretionary responsibility.
- 1.9 Perth and Kinross Council has demonstrated an effective track record in property rationalisation, having recognised the benefits of improved service delivery with reduced costs through two earlier property asset management projects: Service Needs and Property Issues (SNAPI) and the Perth Office Programme (POP).
- 1.10 The Strategic Policy and Resources Committee in September 2010 (Report No. 10/485 refers) approved the principles of SNAPI and how these would be applied to the property estates in Aberfeldy, Auchterarder, Blairgowrie, Crieff and Kinross. In summary, SNAPI involved establishing the service delivery needs in those areas and rationalising the property estate in the most cost effective way to meet these.
- 1.11 Since 2010, significant work has been undertaken to implement SNAPI. The project has been challenging and a number of important lessons have been learned, most notably:
 - the need for a consistent corporate approach
 - the importance of clear and factual communications
 - the need for early and ongoing communications with affected communities and PKC staff.

- 1.12 Through utilising the SNAP1 principles, the following properties have been removed from the operational estate since 2010, reducing the overall estate annual running costs by £360k:

Settlement	Property	Current Status
Aberfeldy	Lawers View Cottage	Sold by auction
	Aberfeldy Roads Office (retained part of depot)	Property sold
	Craignair	Sold
	Crieff Road Store	Sold along with Library
	Aberfeldy Town Hall	Sold
	PC Burnside	Surplus – Operational
	Aberfeldy Recreation Centre	Demolished as part of Breadalbane Community Campus Development
	LSO Depot (Aberfeldy)	Surplus. Demolished
	Offices & Registrars, Library	Sold
	House (Wellbank)	Sold
	Donnachie House	The property has been sold and is now a private dwelling
Auchterarder	Depot	Sold at auction
Blairgowrie	Hill Primary School	Sold for private housing
	Rowanbank Community Learning Centre	Sold for private housing
	St Stephens Primary School	Site was relinquished
	Hill Primary School Nursery Annexe (Rowanbank)	Sold for private housing
	Kinloch Schoolhouse	Sold
	Balmoral Road, Rattray	Being converted into Council housing
Crieff	Crieff Primary School	Vacant property
	Crieff Community Learning Centre	Sold to Strathearn Artspace
	Strathearn Recreation Centre	Part of Strathearn Community Campus
	Library	Sold to Strathearn Artspace
Kinross	Kinross High School	Sold for private housing
	Kinross Town Hall/Offices/Library	Sold for private housing
	County Buildings (inc. Former Library)	Sold
	Sub Depot Store	Vacant property on HRA
	Swansacre C.P.O.	Sold
	Offices, Mill Street	Site now a car park

- 1.13 The principles of the Perth Office Programme (POP) were detailed in the Report to Council 19 December 2012 (Report No.12/597 refers). Subsequent updates on the Programme were provided to the Strategic Policy and Resources committee of October 2014 (as a private paper) and November 2015 (Report No.15/536 refers).

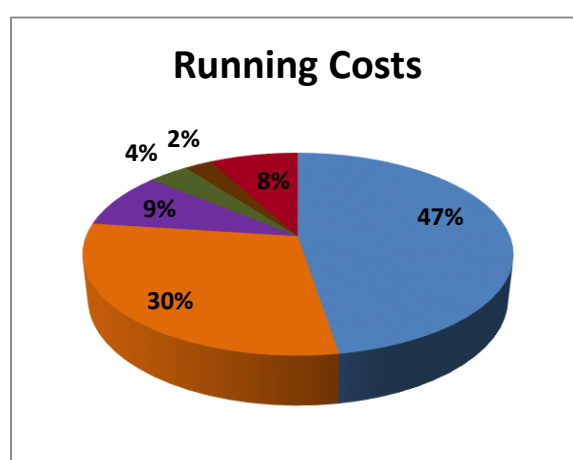
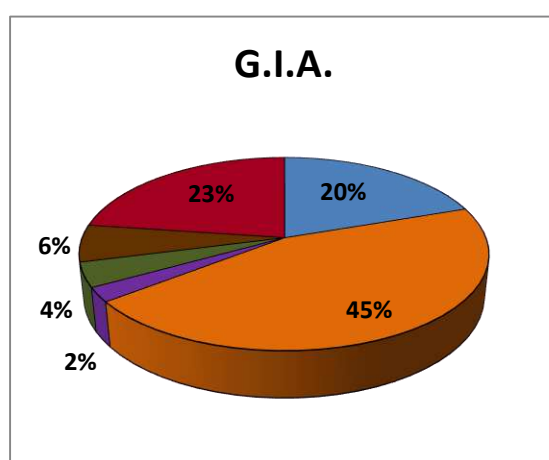
- 1.14 In summary, POP involved the reduction of the Council's Perth office estate from seven main offices to three, consolidating front line service delivery in 2 High Street, Pullar House and Carpenter House and delivering annual recurring savings of £500k. The high level details of POP are summarised below:

Property	Tenure	Annual Running Costs (£,000)
2 High Street	Owned	
Pullar House	PFI	
Carpenter House	Owned	
The Atrium	Leased	360
Whitefriars	Leased	180
Blackfriars	Leased	372
Riverside House	Leased	90

- 1.15 The programme was highly complex, affecting the Council's activities and directly impacting on the public, elected members and staff. Key in all aspects of its delivery was the need for a clear and consistent approach to the programme's rationale and implementation, the communication of this to all relevant stakeholders at key points of the programme delivery. In addition to the cost savings, POP has achieved efficiencies in time and quality of output through staff and resources being co-located.
- 1.16 Between 2012 and 2016, POP delivered on all its targets. The update report on the Perth Office Programme approved by the Strategic Policy and Resources Committee of November 2015 (Report No.15/536 refers) confirmed the allocation of savings from POP to the Corporate Property Asset Management Transformation programme.
- 1.17 Key to the success of both programmes has included officers working closely with elected members and our customers to ensure services continue to be provided through the most cost effective property estate. As a result, the Council has recognised that a more cost effective property estate presents opportunities for savings which would mitigate service delivery savings and staffing reductions.
- 1.18 The Council approved the Corporate Property Asset Management Transformation Programme to undertake a review of the non-domestic operational property estate with a view to rationalising it and delivering a recurring saving of £1.8m (this is the equivalent to the annual cost of approximately 40 teachers, or 40 social workers or the Council's entire grounds maintenance squad).

1.19 A high level analysis of the property estate is shown below.

Category	GIA (Gross internal area) m ²	% of total estate GIA	Average Running Cost p/a (£)	% total Estate Average running cost
Total Estate	394,715	100%	38,345,454	100%
IIL School Estate	78,082	20%	18,183,806	47%
Non IIL School Estate	176,559	45%	11,372,311	30%
PFI Office Estate	9,462	2%	3,417,919	9%
Non PFI Office Estate	16,080	4%	1,399,594	4%
ALEO/Trust Estate	24,457	6%	938,187	2%
Other Buildings Estate	90,074	23%	3,033,636	8%



This table shows that those elements of the estate funded through Private Finance Initiative (PFI) and Investment in Learning (IIL) account for 22% of the total Gross Internal Area (87,544m²) and 56% of the annual average running costs (£21,601,725). These are contractually fixed and cannot be amended through the Corporate Property Asset Management Programme.

- 1.20 Of the remaining 78% of GIA (307,170m²) and 44% annual average running costs (£16,743,728), the non IIL School Estate accounts for 57% of GIA (176,559m²) and 68% of average annual running costs (£11,372,311).
- 1.21 The properties run by the Arms-length External Organisations (ALEO's), but owned by the Council, (excluding the village halls) account for 8% (24,457m²) of this remaining GIA and 6% (£938,187) of remaining average annual running costs.
- 1.22 The remaining 35% GIA (26% average annual running costs) is made up predominantly of car park buildings, care homes, the Crematorium, operational depots and village halls/heritage buildings, therefore, the realisation of the £1.8m will be challenging.

- 1.23 The Transformation School Estate Review (Report No.16/347 refers) is currently ongoing. The Property Asset Management programme has significant dependencies to this review particularly in the areas of reduced ongoing property running costs associated with a smaller school estate. Progress of the School Estate Review is reported regularly to the Lifelong Learning Committee.
- 1.24 While it is clear that changes to the school estate are subject to ongoing consultation, if the savings from the review are not delivered in full, the opportunities for savings from the wider Property Asset Management Review are focussed on an even smaller number of properties. In addition, the earlier rationalisation exercises tended to focus on leased properties. Consideration of reductions in the Council owned estate has potentially more risks and issues.
- 1.25 It is noted that, if the anticipated savings from the Corporate Property Asset Management programme are not met, this will have a significant impact on the Council's revenue budget in future years.
- 1.26 The £1.8m saving is currently profiled as shown below:

Financial Year	2018/19	2019/20	2020/21
Cumulative Recurring Saving (£,000)	795	1,295	1,795

The budgeted savings for the current financial year are on target to be achieved through a combination of planned closures/transfers, POP savings and if required, budget flexibility.

- 1.27 Since the programme was approved, substantial work has been undertaken to understand, and gather the metrics to support future decision making and refine the principles to be used for this review. This has involved the collation of information on properties along with stakeholder workshops to review both the estate and our future approach to service delivery.
- 1.28 In addition, the principles established through SNAPi and POP continued to be applied with the relocation of Council services in Crieff into James Square and Strathearn Community Campus. It has also included the transfer from the General fund to the Housing Revenue Account of surplus office accommodation, for example, Balmoral Road, Blairgowrie and Dunkeld Road Perth, for conversion into affordable housing (Report No.18/285 refers).

2. CONDITION OF THE PROPERTY ESTATE

- 2.1. In line with the Scottish Government Condition Core Facts methodology ([link](#)), Perth and Kinross Council undertakes condition and suitability surveys of its property estate.
- 2.2. These surveys provide an assessment on how suitable a property is for its current function and an assessment of the condition of a property, allowing an indicative level of future maintenance costs for the property.

- 2.3. The surveys assess the suitability and condition of a property in line with the following criteria:

Suitability		
Rank		Description
A	Good	Performing well and operating efficiently (supports the needs of staff and delivery of Services).
B	Satisfactory	Performing well but with minor problems (Generally supports the needs of staff and delivery of Services).
C	Poor	Showing major problems and/or not operating optimally. (Impedes the performance of staff and/or delivery of Services).
D	Unsuitable	Does not support the delivery of Services (Seriously impedes the delivery of Services).

Condition		
Rank		Description
A	Good	Performing as intended and operating efficiently.
B	Satisfactory	Performing as intended but showing minor deterioration.
C	Poor	Showing major defects and/or not operating as intended.
D	Unsuitable	Life expired and/or serious risk of imminent failure.

- 2.4. The results of these surveys are reported as part of the Local Government Benchmarking Framework, an overall summary of the Council's performance for the last five years is shown below:

	2012/13	2013/14	2014/15	2015/16	2016/17
Percentage of total Estate in Condition A or Condition B	94%	94%	94%	91%	92%
Percentage of total Estate in Suitability A or Suitability B	86%	85%	86%	84%	83%

- 2.5. In common with other local authorities, the results show a property estate, which despite ongoing planned investment, is deteriorating in condition and suitability.
- 2.6. Following the building failures experienced by the Edinburgh School estate and the tragedy at Grenfell Tower, the UK and Scottish Governments have engaged with local authorities as part of an ongoing consultation exercise to review building standards legislation. Changes to statutory building standard regulations are likely to result in additional revenue and capital costs for local authorities. This includes increased fire stopping, increased construction supervision, post contract review and ongoing property surveys.
- 2.7. Properties have unavoidable lifecycle costs associated with them. The condition survey output for a property provides an indication of the scale and timing of significant planned maintenance works, for example, rewiring,

heating replacement, etc. These types of work are often intrusive, involving breaking in to areas of the property structure normally hidden. Experience suggests that the actual level of works required (direct or associated) can be greater than originally estimated – for example the discovery of asbestos will impact on the timescale and cost of a rewiring project.

- 2.8. Maintaining the property estate at its current size and with its current level of funding is likely to result in the continuing deterioration of the estate.

3. PROPERTY ASSET MANAGEMENT PROGRAMME – PROGRESS TO DATE

- 3.1. As a result of work undertaken as part of the project, there is a better understanding of the Council's property estate and, through significant engagement with Services, its future service delivery needs.
- 3.2. Alongside the overall delivery of the programme, the Project Team has been active in identifying property savings opportunities resulting from service redesign and has successfully managed the planned closures of Beechgrove House and Lewis Place Day Care Centre.
- 3.3. A number of workshops have been held with an extended Corporate Management Group which included all key internal stakeholders, to consider and develop an agreed set of objective principles as the basis for the overarching property estate review. These draft principles are:

1.	The property estate is recognised and treated as a shared strategic corporate resource.
2.	This is about saving money while delivering services effectively; people not properties.
3.	There will be no changes made to the Council's property estate without the authorisation of the Executive Director – Housing and Environment.
4.	The property estate will be reviewed in the context of settlement and neighbourhood and recommendations made accordingly.
5.	The property estate will be reviewed to identify opportunities for co-location and shared services, and recommendations made accordingly.
6.	The property estate will be reviewed to identify opportunities for co-location with community planning partners, and recommendations made accordingly.
7.	There is a presumption that the community will have access to the property estate.
8.	There is a presumption that Community Asset Transfer legislation will be used whenever possible.
9.	The property estate will be affordable, sustainable and fit for purpose based on service need now and in future.

- 3.4. The Communities Empowerment (Scotland) Act 2015 strengthens the opportunities available for communities to pursue asset transfer of public service facilities. The Council is addressing community asset transfer, as this supports communities in making decisions about the things that affect them. It also means there are opportunities for savings on building operational running costs through community asset transfer. At the time of writing there are eighteen live applications being progressed for community asset transfer in Perth and Kinross.

4. PROGRAMME PROPOSALS

Blairgowrie and Alyth

- 4.1. The Project Team proposes that, as the final phase of the SNAPi project, a review of property within Blairgowrie and Alyth should be undertaken. This will be carried out in accordance with the over-arching principles and with the appropriate local elected member and community consultation.
- 4.2. To progress this review, the Scottish Futures Trust has agreed to facilitate a 'one public service estate' workshop, to include all other public bodies, for the Blairgowrie area, to maximise the benefits from a wider review of property assets used by public services in the area.

Perth Office Estate

- 4.3. The Project Team recognise the opportunity for a further review of the Perth property estate through a second phase Perth Office Programme (POP2). This review would focus on 1 – 5 High Street and the remaining leased office accommodation within Perth, notably Highland House, York Place and St. Martin's House.
- 4.4. This will be a significant piece of work that will require additional staffing capacity. It is proposed to make a bid to the corporate Transformation Fund for the resources to deliver this. In addition the Pullar House PFI contract expires in 2025, which will give the Council sufficient lead-in to consider its options, including how much future floor space is required in Pullar House.
- 4.5. The original Perth Office Programme was delivered predominately through prudential borrowing, which included costs for redesign and refurbishment of the retained office estate. Work is ongoing to investigate the further use of prudential borrowing to fund this element of rationalisation.

Perth City North

- 4.6. The project team will work with 'Stronger Communities' colleagues and the communities of Fairfield, Letham and Tulloch to support their aspirations for community facilities.

Other Community Facilities Across the Council Area

- 4.7. On completion of the above reviews, the remaining estate across all other areas of Perth and Kinross will be subject to review. These remaining areas comprise mainly of operational and community facilities. These are likely to have significant levels of local interest along with small levels of recurring savings.
- 4.8. Appropriate officer and elected member consultations will take place throughout the project, with final recommendations reported to SP&R for formal consideration/approval. This process is outlined in Appendix 1.

5. RECOMMENDATIONS

- 5.1. It is recommended that the Committee endorses the :
- progress made with the Property Asset Management programme
 - recognition of the dependencies on delivering the anticipated programme savings, in particular that of the School Estate Review
 - savings profile as shown in paragraph 1.26 above
- 5.2. It is recommended that the Committee approves the :
- overarching principles detailed in paragraph 3.3 above
 - programme proposals outlined in Section 4 above

Author

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Approved

Name	Designation	Date
Barbara Renton	Executive Director Housing & Environment	19 October 2018

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All Council Services can offer a telephone translation facility.

1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

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

1. Strategic Implications

Corporate Plan

- 1.1 The Council's Corporate Plan 2013/18 lays out five outcomes focussed strategic objectives which provide strategic direction, inform decisions at corporate land service level and shape resource allocation:
- (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 The report relates to (iii) and (v) above.

2. Resource Implications

Financial

- 2.1 This report has revenue and potentially capital implications.

Revenue

- 2.2 The programme is required to achieve recurring revenue savings of £1.8m per annum from April 2020, some of which has been mitigated by savings from the Perth Office Programme.

Capital

- 2.3 Options for property rationalisation will be presented throughout the programme that may require capital expenditure to ensure buildings remain fit for purpose for service delivery.

Workforce

- 2.4 There are no anticipated workforce implications arising directly from this report.

Asset Management (land, property, IT)

- 2.5 The premise of this report and the Corporate Property Asset Management Transformation Programme is that savings will be made through property rationalisation and therefore a reduction in the Council's operational estate. At this stage it isn't possible to quantify this reduction.

3. Assessments

Equality Impact Assessment

- 3.1 Following an assessment using the Integrated Appraisal Toolkit, it has been determined that the proposal is not relevant.

Strategic Environmental Assessment

- 3.2 The proposals have been considered under the Act and no further action is required as it does not qualify as a PPS and is therefore exempt.

Legal and Governance

- 3.4 The Head of Legal and Governance and the Head of Democratic Services have been consulted in the preparation of this report.

4. Consultation

Internal

- 4.1 The content of this report was discussed with the Executive Officer Team, Corporate Management Group and the Project Review Team.

External

4.2 Not applicable.

5. Communication

5.1 Communication with regard to the programme will be carried out through the most appropriate medium.

Generally, communication with regard to programme updates will be through Verto reports, which are then cascaded to SMT, EOT and the Transformation Board. Additional communication through the medium of committee report will be submitted as appropriate. More informal communication will be carried out with management and staff as appropriate through verbal or written media.

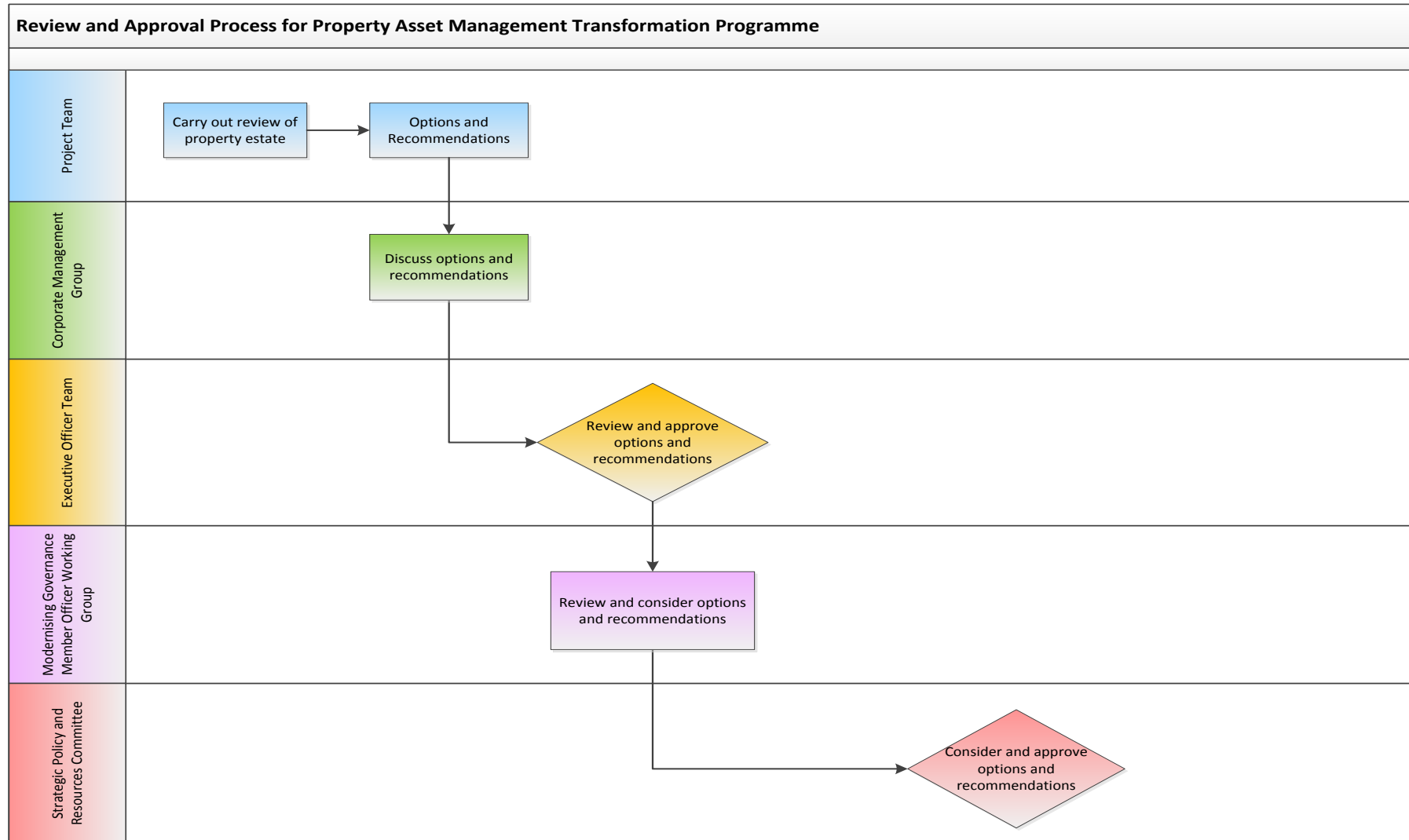
2. BACKGROUND PAPERS

2.1 Not applicable.

3. APPENDICES

3.1 Appendix 1.

Appendix 1: Review and Approval Process for Property Asset Management Transformation Programme



PERTH AND KINROSS COUNCIL

Strategic Policy and Resources Committee

28 November 2018

FLEET AND MECHANICAL EQUIPMENT ASSETS ANNUAL STATUS REPORT

Report by Executive Director (Housing and Environment) (Report No. 18/388)

PURPOSE OF REPORT

The Fleet and Mechanical Equipment (FaME) Asset Management Plan as approved by the Strategic Policy and Resources Committee on 17 June 2015 (Report No: 15/255 refers) requires the publication of an annual status report.

This report presents a status summary of the Council's FaME assets as at 31 March 2018. It describes the current condition of the asset and provides an opportunity to confirm the Fleet Replacement Programme approved in the FaME Asset Management Plan within current agreed funding.

1. BACKGROUND

- 1.1. The role of Fleet Management is to ensure that Perth & Kinross Council has the right vehicle, plant and equipment in the right place at the right time and at the right cost. Our fleet must fully meet regulatory requirements and support the strategic, corporate and service objectives of the Council and assist good service delivery.
- 1.2. A Fleet and Mechanical Equipment (FaME) asset is defined as; 'All fleet and mechanical equipment that requires maintenance, calibration and/or a safety & inspection test'.
- 1.3. The FaME Asset Management Plan was approved by the Strategic Policy and Resources Committee on 17 June 2015 (Report No: 15/255 refers). The Plan requires the publication of an annual status report.
- 1.4. The Council's asset management system used to record data on FaME assets is Key2. This holds detailed information on all FaME assets and enables whole life costing and accurate spend forecasting to be carried out.
- 1.5. The current gross book value of FaME assets on the Perth & Kinross Council asset register is £18,797,388.
- 1.6. This report presents a status summary of the Council's FaME assets as at 31 March 2018 and updates the future Capital Investment replacement programme for 2018/19, as approved in the FaME Asset Management Plan. This summary is derived from information as at 31 March 2018 unless otherwise stated.

- 1.7. The Council's fleet replacement programme has historically been procured through the Council's capital programme, using prudential borrowing with the subsequent loan charges borne by Service revenue budgets.
- 1.8. The funding of the Council's fleet replacement programme is vital to the delivery of key Council services, it enables the Fleet Management team to deliver a service that is compliant with all relevant statutory provisions relating to health and safety and road transport operations.
- 1.9. The Fleet Management team aims to replace each asset at an 'optimum point' within its life span rather than a fixed time period, taking into account elements such as vehicle mileage, maintenance costs, and vehicle performance history. Fleet management work closely with services to determine future need. In addition it is not uncommon for high performing vehicles to continue operating after the end of expected life cycle due to continued reliable performance.
- 1.10. In line with Council approved procurement rules, fleet management purchase assets through a number of approved framework agreements. These are managed nationally and ensure the Council complies with legislative requirements. However, it should be noted that these frameworks limit the Council to specific manufacturers.
- 1.11. Regular consideration is given to determine whether to purchase or lease replacement vehicles. The main benefits of direct purchase are:
- Flexibility and control of vehicle life span as outlined in paragraph 1.9.
 - An established, budgeted whole life cost - past use of lease, agreements have resulted in non-budgeted high return costs.
 - Flexibility and control of vehicle usage – lease agreements are specific to original anticipated use.
 - Control of continuity of vehicle provision - if a leasing company goes into administration vehicles could be removed at short notice.
- 1.12. In 2009, the Council introduced New Ways of Working for its operational staff. This involved introducing new working patterns to allow for the greater utilisation of the Council's assets. This means that the assets are being used to deliver services 7 days a week and for longer periods during the day.

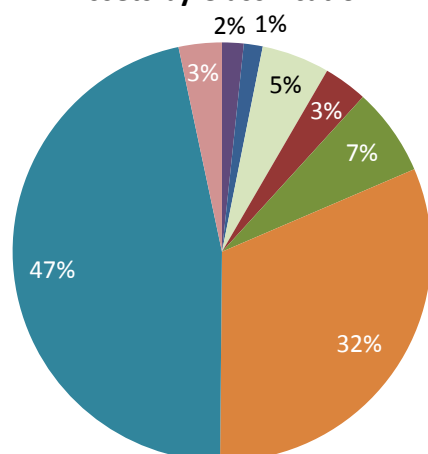
2. CONDITION

- 2.1 The status of the FaME asset is summarised by current asset age, usage and number.

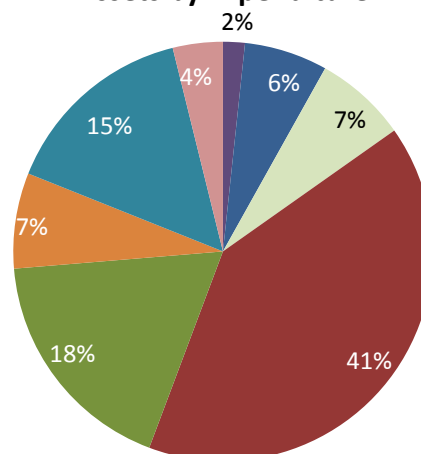
2.2 The Council's current FaME assets comprises the following:

Asset Classification	No	Total Acquisition Cost
Car	126	£1,386,479
Commercial over 3.5 tonne	81	£7,895,530
Commercial under 3.5 tonne	163	£3,503,693
Demountable Body	40	£328,300
Minibus	35	£1,252,534
Other e.g. Skips, Recycling Bells, Containers & Vehicle Ramps	758	£1,436,857
Plant	1116	£2,941,054
Trailer - semi & towed	80	£752,017
Total	2399	£19,496,464

Percentage Breakdown of FaME Assets by Classification

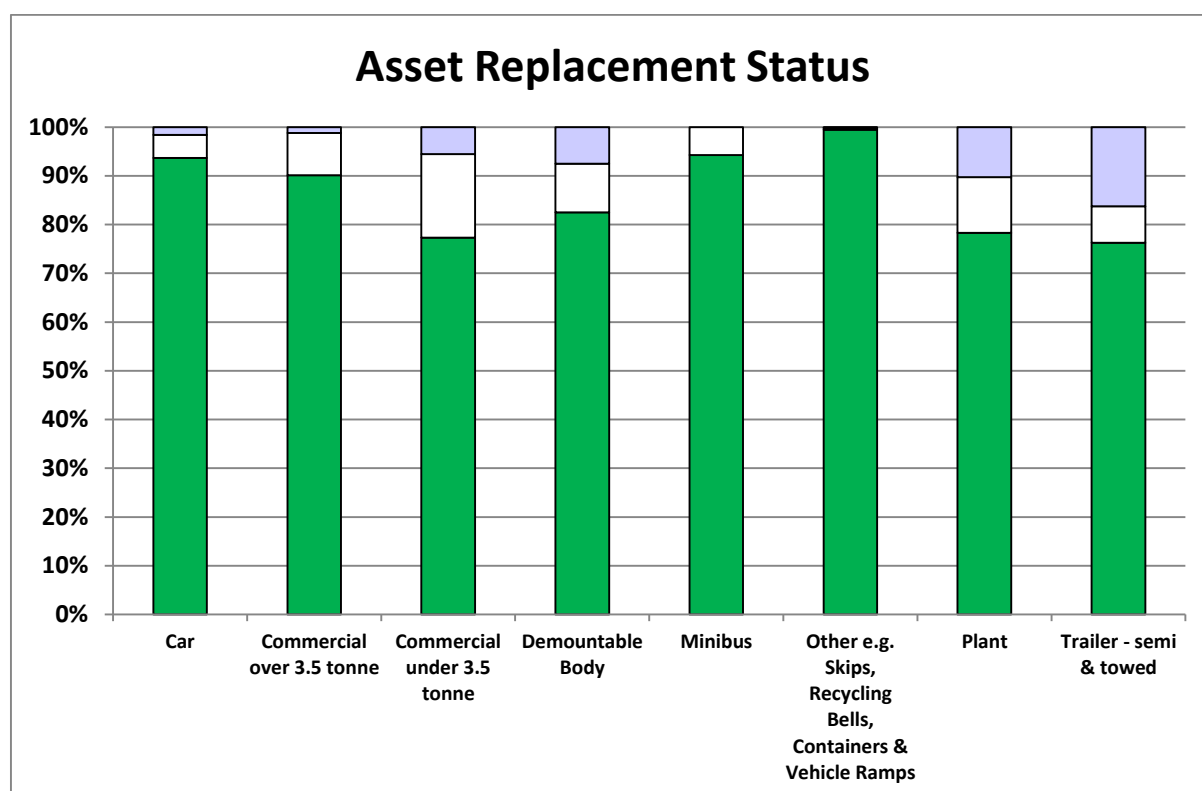


Percentage breakdown of FaME Assets by Expenditure



Car
Commercial over 3.5 tonne
Commercial under 3.5 tonne
Demountable Body
Minibus
Other e.g. Skips, Recycling Bells, Containers & Vehicle Ramps
Plant
Trailer - semi & towed

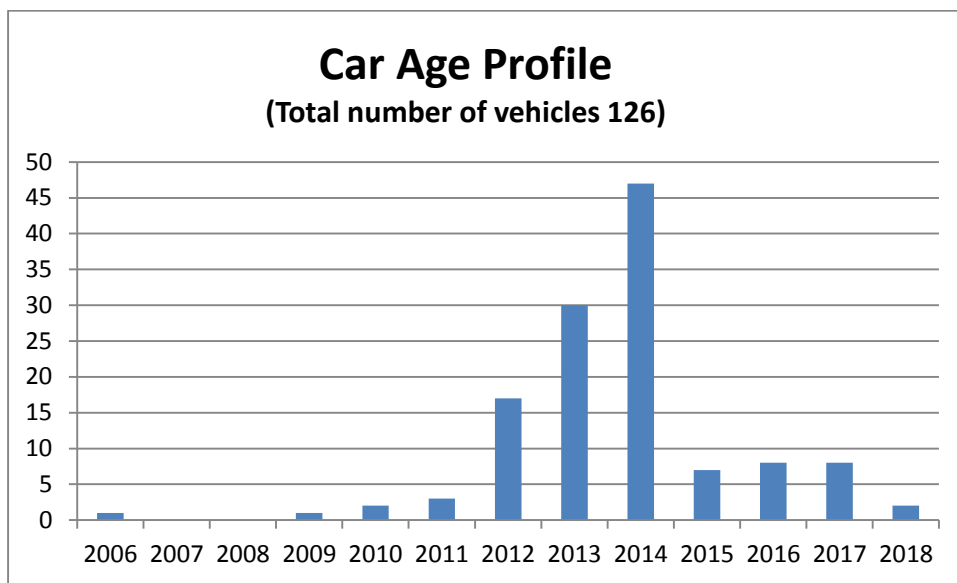
- 2.3 The anticipated life of assets is reviewed at regular intervals based on the information held on Key2, as noted in the FaME Asset Management Plan.
- 2.4 As an asset approaches its replacement date, Fleet Management determine whether to replace the asset using set criteria as outlined in the FaME Asset Management Plan. The asset will be subject to rigorous checks to ensure that replacement offers best value, with consideration of extending the asset life, if appropriate.
- 2.5 The chart below shows a breakdown of FaME assets by classification and the stage at which they are assessed in terms of expected lifestyle.



Green	The asset is not due for replacement
White	The asset has passed its replacement date by up to 1 year
Purple	The asset has passed its replacement date by over 1 year

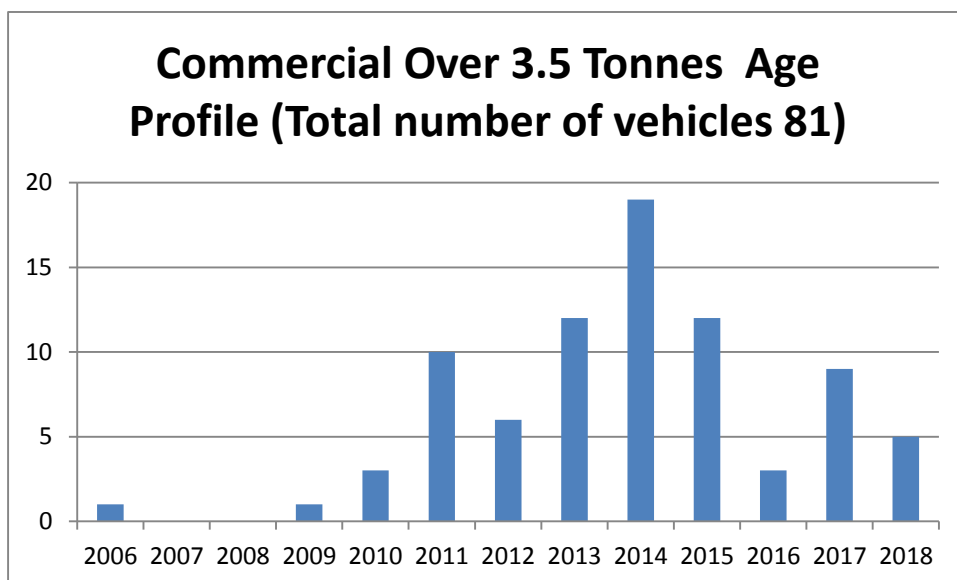
- 2.6 The chart illustrates that, through a programme of systematic checking, fleet management currently assess those assets which can continue to be safely used beyond their expected replacement date. This saves unnecessary replacement costs. Commercial under 3.5 tonne vehicles are the asset type most frequently in operation beyond their expected replacement date. These vehicles are assessed on an individual basis when the replacement date is approaching with the decision to replace or not based on usage, vehicle condition and mileage.

2.7 The age profile for cars is shown below.



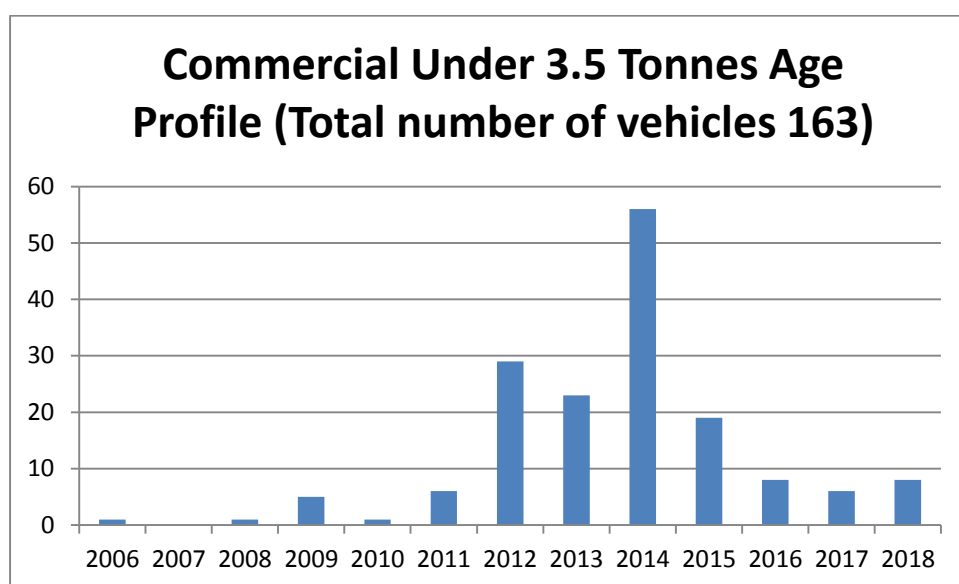
2.8 In 2008, there were an additional 32 cars purchased for Homecare officers within the former Housing and Community Care Service to reduce payments to “Grey Fleet” users (the grey fleet is a term used to describe staff use of private vehicles for business mileage). These vehicles were replaced through the scheduled vehicle replacement programme in 2013 and 2014 which accounts for the significant increase in these years .

2.9 The age profile for commercials over 3.5 Tonnes is shown below.



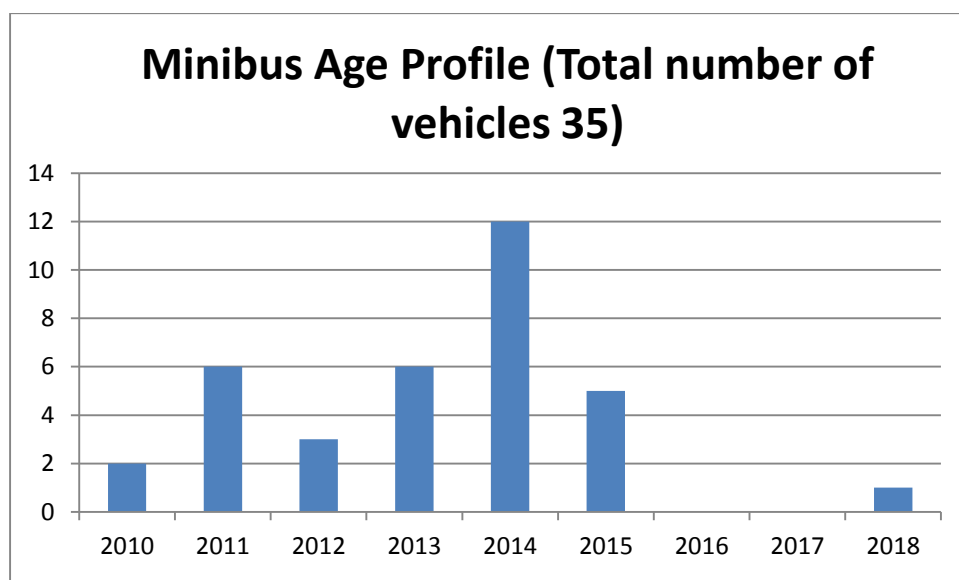
2.10 The chart shows the vehicles being replaced in line with the scheduled vehicle replacement programme.

2.11 The age profile for commercials under 3.5 Tonnes is shown below:



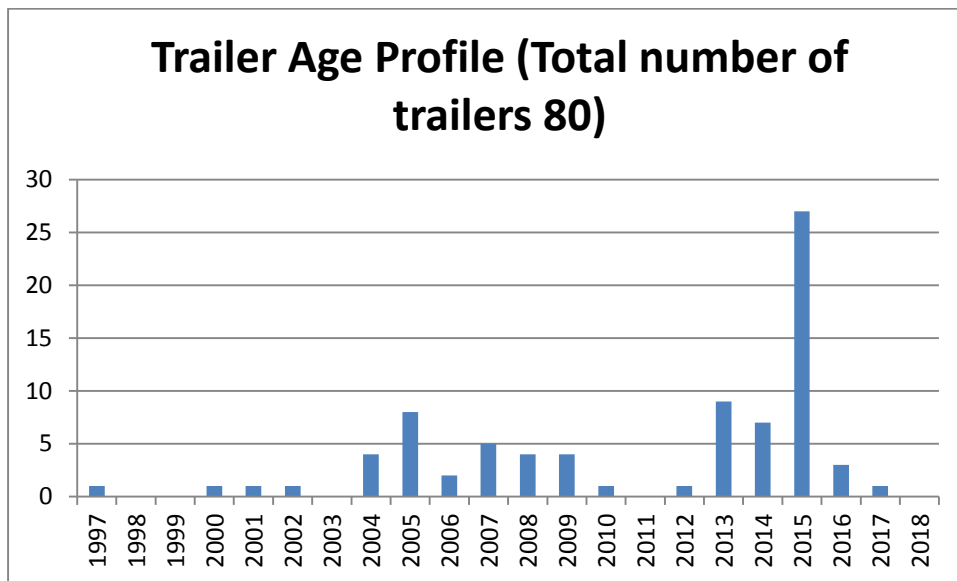
2.12 The chart shows an increase in vehicles purchased in 2014 due to an increase in Fleet Management spare pool panel vans and vehicles purchased for Building Services to reduce external hires. Perth and Kinross Council also became responsible for procurement on behalf of Joint Equipment Loan Service which was previously procured through the National Health Service.

2.13 The age profile for minibuses is shown below:



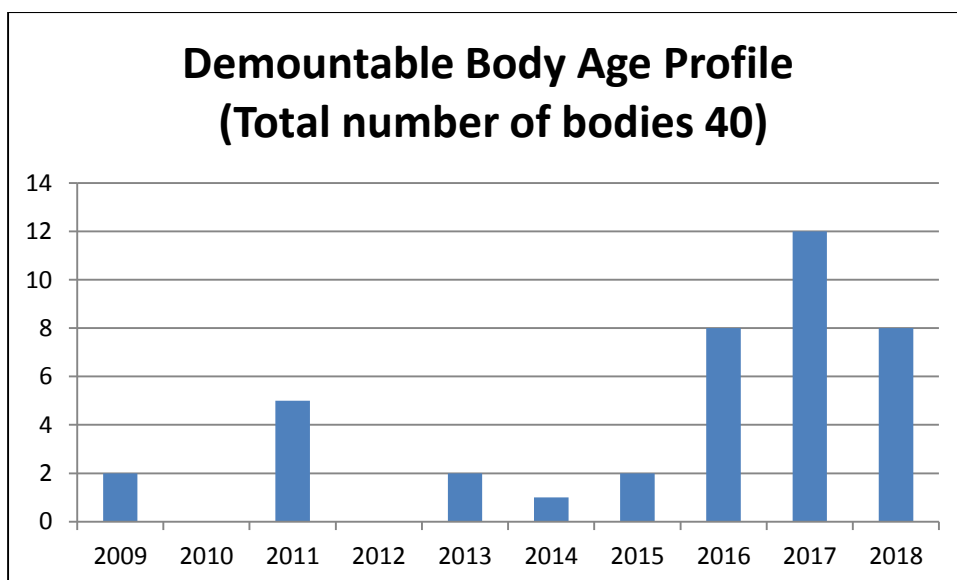
2.14 In 2005, there was agreement with Services that minibuses would be transferred to the scheduled vehicle replacement programme, having previously been funded from predominantly non-recurring funding sources. In 2013 and 2014, these vehicles were replaced which has resulted in the number of vehicles increasing significantly over these 2 years. In 2016 and 2017, no minibuses were due for replacement in these years.

2.15 The age profile for trailers is shown below:



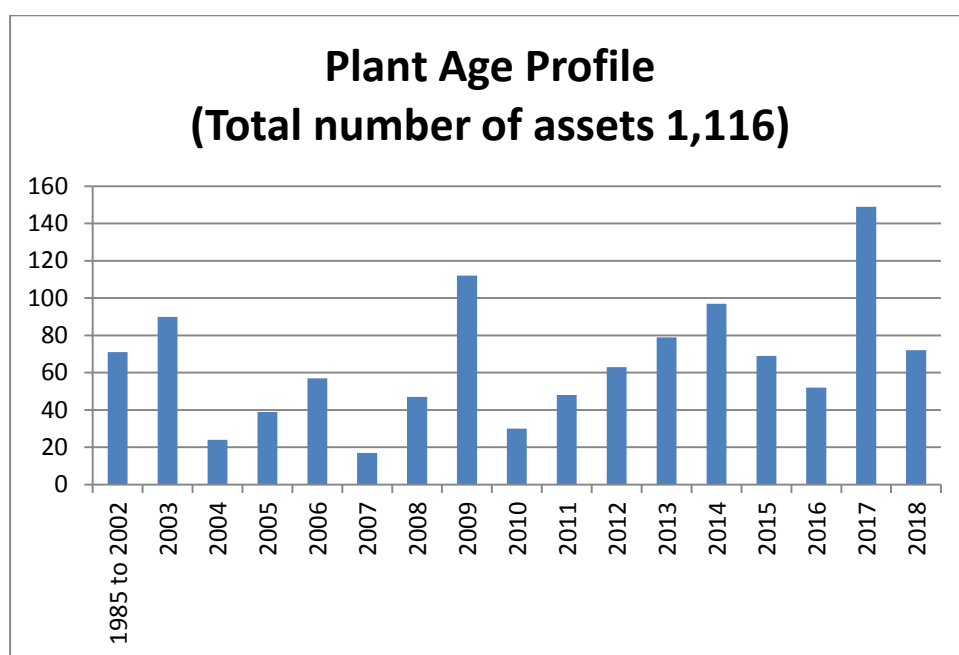
2.16 In 2014, a review of trailer requirements within ground maintenance to meet Service needs was undertaken. It was determined that larger trailers were required, resulting in an increase in purchases in 2015 to suit the needs of the user, however, overall there was a reduction in the total amount of trailers within grounds maintenance.

2.17 The age profile for demountable bodies is shown below:



2.18 The chart shows that demountable bodies are replaced in line with the scheduled vehicle replacement programme.

- 2.19 Plant covers an extensive range of equipment from handheld trimmers, backpack blowers, mowers, to diggers, forklifts and the loading shovel. The age profile for plant is shown below:



- 2.20 Each item of plant has a replacement date which is reviewed annually. However, due to the type of work and frequency of use, if the asset is still in safe working order, a revised replacement date will be given and reviewed accordingly. When the asset becomes uneconomical to repair, it will be replaced.

3. PERFORMANCE INDICATORS

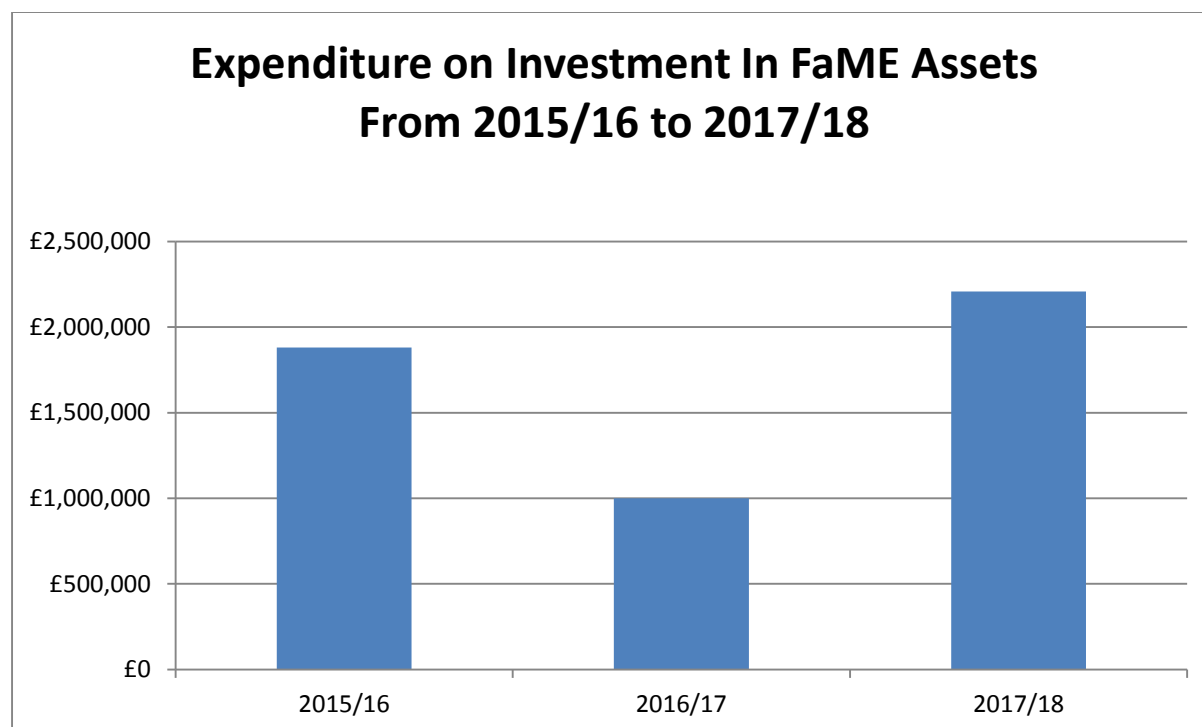
- 3.1 As stated in the approved FaME asset management plan, a number of indicators are used to measure the performance of the FaME assets.
- 3.2 The Driver and Vehicle Standards Agency (DVSA) monitor performance against their nationally standardised performance indicators and issue the results monthly. Following a Fleet Internal Audit Report in June 2014, it was agreed that the frequency of HGV safety inspections be benchmarked internally to measure compliance. Performance against targets for financial year 2017/18 is shown in Appendix 1, indicating compliance in all key areas of activity.
- 3.3 The Council's Fleet Management team are members of the APSE Transport and Mechanical Advisory Group which establishes standard performance indicators to benchmark against other local authorities. Perth & Kinross Council have submitted their annual return for financial year 2017/18. The results provided by the APSE performance network should help drive performance improvement by benchmarking against other local authorities. It should be noted that only a small percentage of authorities have made returns which currently makes it difficult to draw comparisons.

Fleet Management will continue to liaise with APSE to assist in developing this area.

4. FINANCE

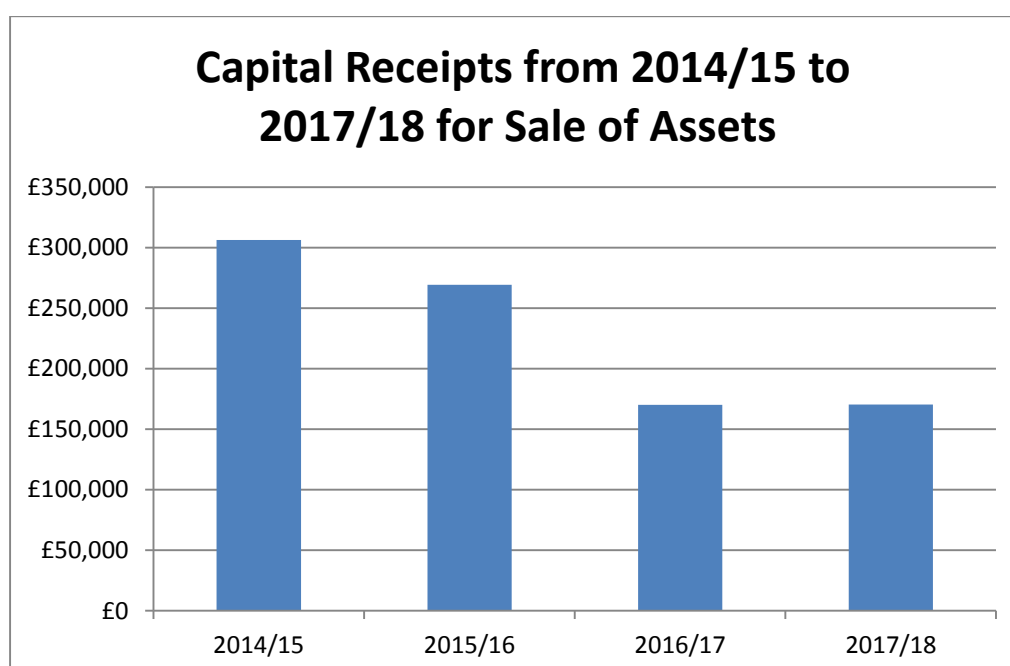
Vehicle Replacements

- 4.1 Investment in fleet and mechanical assets is funded from Capital through prudential borrowing. The annual replacement budget fluctuates in line with the fleet replacement programme and for 2017/18 was £2.208 million.



- 4.2 The table above shows an increase of expenditure in 2017/18 compared to 2016/17 due to a number of vehicles scheduled for replacement in 2016/17 being delivered in 2017/18. This represents an additional £850,000 of replacement costs in 2017/18 which would have been attributed to 2016/17.
- 4.3 Appendix 2 shows a breakdown of asset types purchased between 2015/16 and 2017/18. It also provides a breakdown of the scheduled fleet replacement programme by asset type 25 cars were due to be replaced in 2017/18. However upon reviewing usage, vehicle condition and mileages, it was identified that the replacement dates for 22 cars could be extended into later years.
- 4.4 In the asset type panel vans, 22 vans were due for replacement in 2017/18 with 3 vans being purchased. Following a review of usage, vehicle condition and mileages, it was again identified that 19 vehicles could remain in the fleet and have their replacement dates extended.

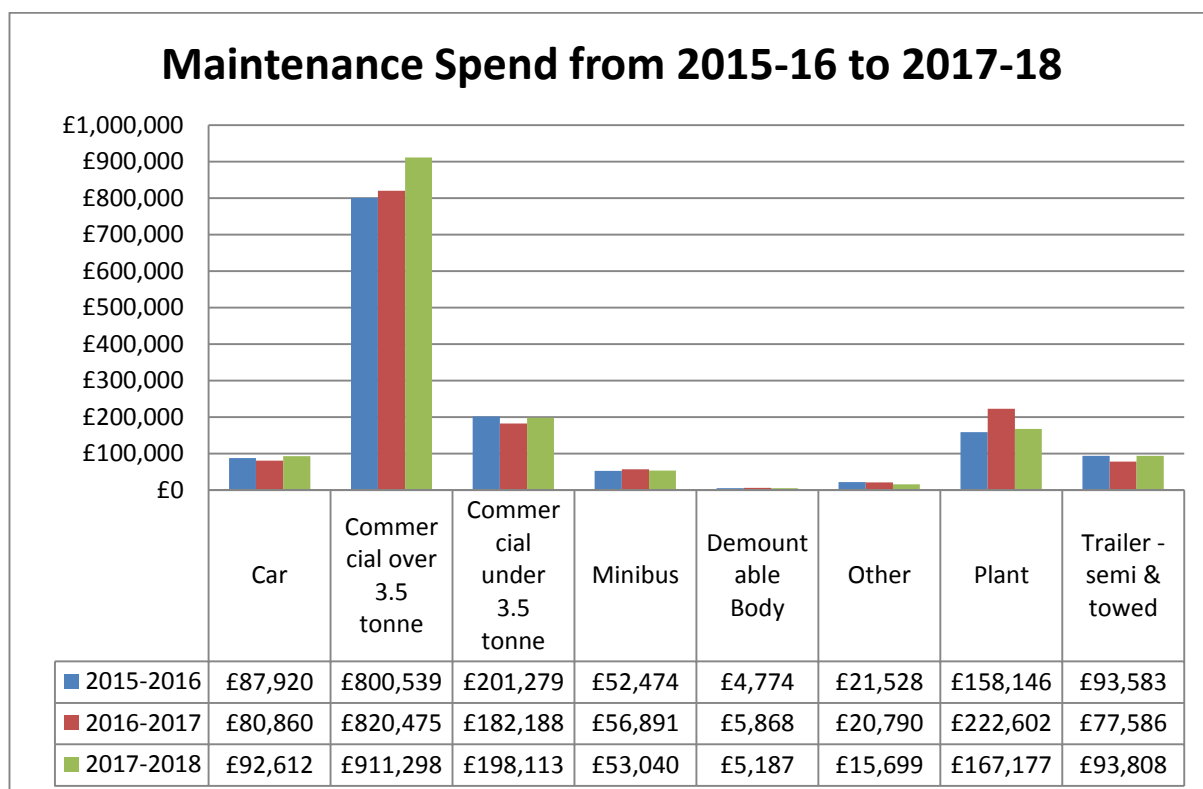
- 4.5 Vehicles which are not replaced on their due date will be re-assessed annually, in line with the set criteria, to ensure they are replaced at the most economically advantageous time.
- 4.6 The 2 axle hooklift and demountable bodies asset type were programmed for replacement in 2016/17 and were replaced in 2017/18 as outlined in 4.2 above.
- 4.7 Two refuse collection vehicles were purchased in 2017/18 to replace vehicles that had previously been extended but now require to be replaced.
- 4.8 In the other asset classification, 14 skips were replaced due to being beyond economical repair following annual inspection. These are funded through Waste Services.
- 4.9 In the plant classification, the table shows an increase in the quantity purchased. This is largely due to increased usage of battery operated equipment within grounds maintenance which is now classified in 3 parts ie replacing a single item is now counted as item, charger and battery. 18 pieces of old plant would now show as 43 when the item, charger and battery were included. This equipment also reduces the risk of staff developing hand arm vibration syndrome.
- 4.10 Appendix 3 shows the vehicle replacement programme for 2018/19. Fleet Management has identified that a large number of plant allocated to Community Greenspace is due for replacement and a full audit of condition and usage will be carried out during 2018/19.
- 4.11 When an asset reaches the end of its life, it will be disposed of in accordance with the Fleet Disposal Policy. If the asset is sold at auction or scrapped, this will result in a capital receipt which is used to offset prudential borrowing. The table below shows the capital receipts for the last 4 years.



- 4.12 The amount of capital receipts can vary substantially year on year depending on the number, type and value of the asset disposed. Appendix 4 gives a breakdown of asset types disposed of between 2014/15 and 2017/18.

Maintenance

- 4.13 The ongoing revenue costs of maintaining the Council's FaME assets together with associated Fleet Management costs and prudential borrowing loan charges are met from Service budgets based on their asset use.



- 4.14 The maintenance spend for FaME assets over the last 3 years is detailed above and has been calculated using the Council's Key2 system, separated into asset type.
- 4.15 The chart clearly shows that commercial vehicles over 3.5 tonnes represent the highest costs. This is due to the frequency of inspections and subsequent repair and maintenance works arising from these highly utilised vehicles.
- 4.16 Additional costs of £268,000 for insurance and £91,875 for Road Fund Licences are excluded from the graph as these costs are determined by external sources to Fleet Management. However, these costs are recovered through the annual recharge to Services.
- 4.17 As part of the Council's Transformation Programme 2015-2020, the Committee has previously approved a Council Vehicle Fleet Utilisation and Optimisation Review (Report No: 15/397 refers). The review focuses on the use of the Council's smaller vehicle fleet. The annual mileage of these

vehicles varies with a large number of vehicles returning low annual mileages. The review objective is to identify route optimisation and more efficient utilisation of the vehicles through the use of technology, while also reducing business mileage payments from grey fleet users.

- 4.18 As from 18 September 2017, all council vehicles are fitted with trackers. The trackers provide detailed information on usage which will be used to identify efficiencies to meet the approved £150k savings target approved by Council.

5. Conclusion

- 5.1 Expenditure on the FaME asset remains well managed and controlled in line with planned funding levels.
- 5.2 The fleet fully meets regulatory requirements and supports service delivery across the council. Fleet management will work with APSE performance networks to develop improvements in benchmarking with other local authorities.
- 5.3 It is recommended that the Committee:
- i. endorses the contents of the report.
 - ii. requests the Executive Director (Housing and Environment) to continue to submit an annual report on the performance of, and investment in, the Council's Fleet and Mechanical Equipment Assets in accordance with the approved Asset Management Plan including benchmarking information.

Authors

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Approved

Name	Designation	Date
Barbara Renton	Executive Director (Housing & Environment)	13 November 2018

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

All Council Services can offer a telephone translation facility.

1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

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

1. Strategic Implications

Community Plan / Single Outcome Agreement

- 1.1 The proposals relate to the delivery of the Perth and Kinross Community Plan/ Single Outcome Agreement in terms of the following priorities:

- (i) Promoting a prosperous, inclusive and sustainable economy;
- (ii) Supporting people to lead independent, healthy and active lives; and
- (iii) Creating a safe and sustainable place for future generations.
- (iv) Supporting people to lead independent, healthy and active lives
- (v) Creating a safe and sustainable place for future generations

Corporate Plan

- 1.2 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 resource allocation. These 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, health and active lives; and
- (v) Creating a safe and sustainable place for future generations.

- 1.3 This report contributes to objective (iii).

2. Resource Implications

Financial

- 2.1 There are no direct financial or resource implications arising from this report. Financial requirements for FaME maintenance and replacement will be addressed through the existing budget.

Workforce

- 2.2 There are no workforce implications directly associated with this report.

Asset Management (land, property, IT)

- 2.3 This report is the Fleet and Mechanical Equipment Asset Annual Status Report.

3. Assessments

Equality Impact Assessment

- 3.1 Assessed as not relevant for the purposes of EqIA.

Strategic Environmental Assessment

- 3.2 Strategic Environmental Assessment (SEA) is a legal requirement under the Environmental Assessment (Scotland) Act 2005 that applies to all qualifying plans, programmes and strategies, including policies (PPS).
- 3.3 The matters presented in this report were considered under the Environmental Assessment (Scotland) Act 2005 and no further action is required as it does not qualify as a PPS as defined by the Act and is therefore exempt.

Sustainability

- 3.4 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.
- 3.5 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

- 3.6 No direct legal implications within this report.

Risk

- 3.7 There is a risk to the travelling public and reputational/legal risk to the Council if our Fleet is not maintained.

4. Consultation

Internal

- 4.1 Fleet Management and Corporate Finance Teams have all been consulted in the preparation of this report. The Head of Finance and the Head of Legal and Governance have also been consulted in the preparation of the report.

External

- 4.2 No external communication took place.

5. Communication

- 5.1 None.

2. BACKGROUND PAPERS

- 2.1 There are no background papers with this report.

3. APPENDICES

- 3.1 Appendix 1 – Summary of current DVSA performance indicators.
- 3.2 Appendix 2 - Historical Investment Breakdown by Asset Type.
- 3.3 Appendix 3 – Summary of capital replacement programme 2018/19.
- 3.4 Appendix 4 - Breakdown of assets types disposed of between 2014/15 and 2017/18.

The table below shows a summary of the current DVSA Performance Indicators:

Appendix 1

Performance Measure	2017/18 Target	2017/18 Achieved	Description of Indicator
Operator Compliance Risk Score (OCRS) Roadworthiness	Green	Green	<p>The OCRS system is based on data collected by the Driver and Vehicle Standards Agency (DVSA) over a 3-year rolling period.</p> <p>Data is taken from vehicle tests (first tests, subsequent annual tests), 'vehicle encounters' (fleet check inspections at operator premises, roadside inspections).</p> <p>An operator receives points when a test or inspection finds a defect or infringement of the rules. The more serious the defect or infringement, the more points.</p> <p>The operator is given a score, which will be shown as Red - highest risk, Amber - medium risk or Green - lowest risk.</p>
Operator Compliance Risk Score (OCRS) Overall Traffic	Green	Green	<p>The OCRS system is based on data collected by the DVSA over a 3-year rolling period.</p> <p>Data is taken from roadside inspections and prosecutions (eg. for driver hours and tachograph offences, weighing checks)</p> <p>An operator receives points when a test or inspection finds a defect or infringement of the rules. The more serious the defect or infringement, the more points.</p> <p>The operator is given a score, which will be shown as Red - highest risk, Amber - medium risk or Green - lowest risk.</p>
Monitoring of FaME Asset HGV pass rate benchmarked against National Average supplied by DVSA	Higher than National average Rolling National Average 85.99%	91.89%	The percentage of HGVs passing test.
Outsourced Work benchmarked against budget and reported quarterly to divisional service managers meeting.	Remain within Budget £142,000	£226,745 Majority of additional costs due to volume of damaged vehicles caused by initial issues at landfill site as a result of new contract. These issues have now been rectified.	External providers are used where there isn't capacity within the workshop to manage the workload or where the work is specialised.

Percentage of HGV Safety Inspections completed on time, benchmarked against compliance, and reported quarterly to divisional service managers meeting.	Achieve Compliance of 100%	99% 7 safety inspections not completed in time	Number of Safety Inspections due & Number completed on time.
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Historical Investment Breakdown by Asset Type

Appendix 2

Asset Classification	Asset Type	Due Replacement 2015/16	Quantity Purchased 2015/16	Capital Spend 2015/16	Due Replacement 2016/17	Quantity Purchased 2016/17	Capital Spend 2016/17	Due Replacement 2017/18	Quantity Purchased 2017/18	Capital Spend 2017/18
Car	Car	12	9	£86,942	23	13	£163,027	25	3	£36,444
Commercial over 3.5 tonne	RCV	5	5	£1,023,442	0	1	£270,610	0	2	£1,193,645
	Tippers	1	2		0	0		0	0	
	2 Axle Hooklift	2	2		4	0		3	7	
	4 Axle Hooklift	0	0		1	0		0	2	
	Sweeper	0	0		0	0		0	0	
	Hiab	0	0		0	0		0	0	
	Library Vehicle	0	0		0	0		1	0	
	Skip Loader	0	0		1	1		0	0	
	Artic	0	0		2	0		0	2	
	Food Waste Lorry	0	0		0	0		0	0	
Commercial over 3.5 tonne Total		8	9		8	2		4	13	
Commercial under 3.5 tonne	Panel Van	7	3	£445,644	4	6	£184,988	22	3	£600,534
	Car Derived Van	5	5		0	0		7	0	
	Van Derived MPV	0	0		0	0		2	0	
	Pickup	0	1		0	0		5	3	
	Sweeper	4	3		0	2		7	2	
	Luton Van	0	0		0	0		0	1	
	Tipper	5	5		0	0		10	10	
	Dropside	0	0		0	0		0	0	
Commercial under 3.5 tonne Total		21	17		4	8		53	19	

Historical Investment Breakdown by Asset Type

Appendix 2

Asset Classification	Asset Type	Due Replacement 2015/16	Quantity Purchased 2015/16	Capital Spend 2015/16	Due Replacement 2016/17	Quantity Purchased 2016/17	Capital Spend 2016/17	Due Replacement 2017/18	Quantity Purchased 2017/18	Capital Spend 2017/18
Demountable Body	Demountable Bodies	8	0	£0	11	0	£0	9	20	£235,650
Minibus	Mobility Minibus	1	1	£57,476	0	0	£0	0	1	£62,593
	Minibus	0	0		0	0		2	0	
Minibus Total		1	1		0	0		2	1	
Other e.g. Skips, Recycling Bells, Containers & Vehicle Ramps		0	4*	*£6,589	3	19*	£41,343*	0	14*	£29,472*
Plant	Plant	71	19	£36,791	120	116	£312,687	44	91	£79,572
Trailer - semi & towed	Bulk Ejection Trailer	4	4	£229,796	0	1	£69,263	0	0	£0
	Towed Trailers	3	0		0	2		0	0	
Trailer - semi & towed Total		7	4		0	3		0	0	
Grand Total		128	63	£1,886,681	169	161	£1,041,918	137		£2,237,910

*Skips funded from Waste Services

Summary of Vehicle Replacement Programme 2018/19

Appendix 3

Asset Classification	Asset Type	Due Replacement 2018/19
Car	Car	13
Commercial over 3.5 tonne	RCV	3
	Tipplers	5
	2 Axle Hooklift	0
	4 Axle Hooklift	1
	Sweeper	3
	Hiab	0
	Library Vehicle	0
	Skip Loader	0
	Artic	0
	Food Waste Lorry	0
Commercial over 3.5 tonne Total		11
Commercial under 3.5 tonne	Panel Van	6
	Car Derived Van	0
	Van Derived MPV	0
	Pickup	1
	Sweeper	1
	Luton Van	0
	Tipper	1
	Dropside	0
Commercial under 3.5 tonne Total		9

Summary of Vehicle Replacement Programme 2018/19

Appendix 3

Asset Classification	Asset Type	Due Replacement 2018/19
Demountable Body	Demountable Bodies	0
Minibus	Mobility Minibus	0
	Minibus	2
Minibus Total		2
Other e.g. Skips, Recycling Bells, Containers & Vehicle Ramps		0*
Plant	Plant	91
Trailer - semi & towed	Bulk Ejection Trailer	0
	Towed Trailers	1
Trailer - semi & towed Total		1
Grand Total		128

*Skips funded from Waste
Services

Breakdown of assets types disposed of between 2014/15 and 2017/18

Appendix 4

Asset Classification	Asset Type	Quantity Disposed 2014/15	Quantity Disposed 2015/16	Quantity Disposed 2016/17	Quantity Disposed 2017/18
Car	Car	35	10	10	9
Commercial over 3.5 tonne	Refuse Collection Vehicle	4	6	0	3
	Tippers	5	1	0	2
	2 Axle Hooklift	2	1	3	6
	4 Axle Hooklift	0	0	0	1
	Sweeper	3	0	0	0
	Hiab	0	0	0	0
	Artic	0	2	0	0
	Panel Van	0	0	0	0
	Library Vehicle	2	0	0	0
	Skip Loader	0	0	1	0
	Recovery Vehicle	0	0	0	1
Commercial over 3.5 tonne Total		16	10	4	13
Commercial under 3.5 tonne	Panel Van	20	5	6	1
	Car Derived Van	2	5	0	0
	Van Derived MPV	2	0	0	1
	Pickup	6	6	0	1
	Sweeper	0	2	4	2
	Tipper	2	5	0	2
Commercial under 3.5 tonne Total		32	23	10	7
Demountable Body	Demountable Bodies	2	1	5	17
Minibus	Mobility Minibus	4	6	1	0
	Minibus	5	3	3	0
Minibus Total		9	9	4	0
Other e.g. Skips, Recycling Bells, Containers & Vehicle Ramps		4	11	22	17
Plant	Plant	64	57	41	94

Asset Classification	Asset Type	Quantity Disposed 2014/15	Quantity Disposed 2015/16	Quantity Disposed 2016/17	Quantity Disposed 2017/18
Trailer - semi & towed	Bulk Ejection Trailer	0	0	5	0
	Towed Trailers	7	20	1	4
	Tanker	0	1	0	0
Trailer - semi & towed Total		7	21	6	4
Total		169	142	102	185

PERTH AND KINROSS COUNCIL

Strategic Policy & Resources Committee

28 November 2018

DATA PROTECTION POLICY

Report by Head of Legal and Governance Services (Report No. 18/389)

PURPOSE OF REPORT

This report presents a revised Data Protection Policy for approval. This revised policy takes account of the new legal requirements introduced by the General Data Protection Regulation ("GDPR") and the Data Protection Act 2018 ("the DPA").

1. BACKGROUND / MAIN ISSUES

- 1.1 GDPR and the DPA came into force on 25 May 2018 and, between them, affect all of the processing of personal data undertaken by the Council.
- 1.2 The GDPR introduces a new data protection principle, known as the "accountability principle". This requires the Council to be able to evidence its compliance with the data protection principles and an appropriate Data Protection policy will form part of that.
- 1.3 The DPA also sets out specific conditions for the processing of personal data related to special category data or law enforcement / criminal offences. One of the conditions is that there must be an appropriate policy document in place explaining the organisation's compliance with the legislation.
- 1.4 The revised policy is intended to satisfy these requirements.

2. SIGNIFICANT CHANGES

- 2.1 Whilst the revised policy reiterates much of the previous policy statement in terms of scope, roles and responsibilities, data sharing and impact assessments, the following are specific additions to comply with the new legislation;-
 - statement of policy
 - specification of role of elected members as data controllers
 - new requirements as regards contracts
 - role and responsibilities of the new statutory Data Protection Officer
- 2.2 Furthermore, the following sections contained within the previous data protection policy have been removed from this revised policy on the basis that they are either no longer relevant in terms of the new legislation, or are the subject of separate specific guidance;-
 - Training
 - Notification to the Information Commissioner's Office

- Subject Access
- Direct Marketing

3. CONCLUSION AND RECOMMENDATIONS

- 3.1 To ensure compliance with data protection legislation, the Council must have in place an up to date Policy.
- 3.2 This revised Policy encompasses the changes introduced by the implementation of the GDPR.
- 3.3 The Committee is asked to approve the policy.

Author(s)

Name	Designation	Contact Details
Donald Henderson	Data Protection Officer	01738 475000

Approved

Name	Designation	Date
Jim Valentine	Depute Chief Executive (Chief Operating Officer)	1 November 2018

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1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

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

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 Under the Equality Act 2010, the Council is required to eliminate discrimination, advance equality of opportunity, and foster good relations between equality groups. Carrying out Equality Impact Assessments for plans and policies allows the Council to demonstrate that it is meeting these duties. The 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. The proposals have been considered under 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

- 3.3 Not applicable.

Legal and Governance

- 3.4 Not applicable.

Risk

Not applicable.

4. Consultation

Internal

- 4.1 This policy has been considered by the Policy & Governance Group which includes representatives of all Services.

External

- 4.2 Not applicable.

5. Communication

- 5.1 Once approved, the Policy will be published on the Council's Intranet along with an internal news bulletin and will be published on the Council's website.

2. BACKGROUND PAPERS

None.

3. APPENDICES

Appendix 1 - Proposed Data Protection Policy

PERTH & KINROSS COUNCIL

Data Protection Policy

In this policy, the term 'the data protection laws' means EU 2017/679 (the General Data Protection Regulation), the Data Protection Act 2018, any related legislation, and any other relevant legislation impacting on the privacy of personal data.

Specific terms, such as personal data, controller, processor and processing, within this policy are used with the same meaning and intent as defined in the data protection laws.

Scope

This policy will apply to all elected members, employees, agents and volunteers of Perth & Kinross Council.

Violations of this policy may result in disciplinary action for an employee, referral of an elected member to the Standards Commission, and may constitute a criminal offence.

This policy applies to all processing of personal data by the Council.

Statement of Policy

The Council has to process a large amount of personal data in order to conduct its business. We will take all reasonable steps to ensure that we comply with the data protection laws in doing so.

We will ensure that we have identified the legal basis for all processing of personal information carried out by the Council. We will inform individuals appropriately about the processing that we undertake and will make it clear to individuals what is happening with and to their personal data.

We will ensure that we identify and document the purpose(s) for which we are processing personal data.

We will also ensure that we only gather and process the personal data we need to achieve a specified purpose.

We will ensure that we identify how accurate the personal data needs to be and that we can maintain it appropriately.

The Council has a retention schedule that details how long information should be kept. We will ensure that personal data is kept no longer than is specified in the schedule.

The Council has a policy, standards and practices for the security of information which meet recognised government and national standards. We will ensure that personal data is held and processed in accordance with these at all times.

In addition, before we

- start to process personal data for a new purpose
- make changes to the reason we process personal data, or
- change the means we use to process personal data

we will carry out an assessment of the impact on data protection at the earliest possible stage in the planning process.

Roles and Responsibilities

The Council will appoint an officer to fulfil the statutory role of Data Protection Officer (DPO).

The Head of Legal and Governance Services is responsible for the development, maintenance, publication and administration of this policy, and for the development and provision of appropriate data protection training for the Council.

Service Senior Management Teams are responsible for all aspects of compliance with this policy and the data protection laws within their Service.

Elected members, employees, agents and volunteers are required to comply with this policy and the data protection laws.

Elected Members

Elected members will be given access to such personal data as is required to carry out their duties as members of the Council or its Committees. All Elected Members with access to personal data must be familiar with the requirements of the data protection laws and undertake any data protection training required by the Council.

Elected members will be given access to personal data to fulfil their role as elected representatives when officers are satisfied that the elected member is acting at the request of the individual. An appropriate mandate from the individual will be required to give an elected member access to special category data or large amounts of personal data.

Individual elected members will act as data controllers in their own right for the duration of their tenure in office and, as such, are responsible for their individual compliance with the data protection laws. The Council will administer their registration as data controllers and pay the statutory fee on their behalf. The Council will act as a data processor for the elected members and will prepare a standard contractual undertaking for the relationship. The Council will also make appropriate standard documentation available for elected members.

Elected members must, when their term of office expires or for some other reason they cease to be an elected member, arrange for the secure disposal, or transfer to their successor, of all personal information held by them or by support staff on their behalf. Where information is being transferred, the Head of Legal & Governance Services, in consultation with the DPO will make the necessary arrangements for the transfer.

Employees

Employees will be given access to such personal data as is required to carry out their duties, but should only access personal data when necessary to fulfil those duties. All employees with access to personal data must be familiar with the requirements of the data protection laws and undertake any data protection training required by the Council.

Employees should only record information about an individual that is relevant and should be aware that they may be required to justify what is recorded and be prepared for the information to be disclosed to the individual.

Any employee who is found to have inappropriately accessed, amended, deleted, disclosed, or otherwise processed personal data may be subject to investigation under the Council's disciplinary procedure, which may result in dismissal and possible legal action.

Contracts

Where an organisation processes personal data on behalf of the Council there must be a contract (this includes a Service Level Agreement) in place with the organisation that contains the Council's standard data protection clauses or equivalent clauses approved by the Head of Legal and Governance Services and the DPO.

The Council's Information Security Manager must be satisfied that the information security measures adopted by the other organisation are adequate before the contract is agreed.

Data Sharing

Data sharing occurs when personal data is passed to another organisation for its purposes (rather than, for example, the organisation processing the personal data on behalf of the Council).

An appropriate written agreement for the sharing of personal data (known as a data sharing agreement or information sharing protocol) must be in place before any systematic or large-scale personal data sharing takes place. The DPO must be consulted prior to any such agreement being made.

Services are responsible for retaining and maintaining these agreements. The DPO will maintain a register of the agreements.

Data Protection Impact Assessments

A Data Protection Impact Assessment (DPIA) will be undertaken to identify and minimise the privacy risks of any new project or policy that will involve processing personal data. The lead officer for the project or policy will be responsible for ensuring that the DPIA is undertaken. The DPO will assist Services to identify the need for a DPIA, provide guidance for the assessment process, and make recommendations to ensure the Council's compliance with the data protection laws.

The DPO will maintain a register of completed DPIAs.

Data Protection Officer

The Data Protection Officer will

- develop the Council's strategic response to the data protection laws and provide technical and professional advice and guidance to support the Council to comply with the legislation
- monitor the Council's compliance with the data protection laws and Council policies and procedures, including the carrying out of audits and ensuring that responsibilities have been assigned and training provided to employees in accordance with the law and this policy

- provide advice to help the Council carry out assessments in connection with data protection compliance
- liaise as necessary with the Information Commissioner's Office, including reporting data breaches when appropriate

The Council will give the DPO independence to carry out these tasks, ensure the DPO is able to do them freely and impartially, and will provide the DPO with adequate resources to undertake them.

The Council will involve the DPO when making any decision that relates to, or will result in, the processing of personal data.

Governance

The Council's Policy and Governance Group will act as the forum for the consideration of any matters related to data protection policy. In particular, they will approve minor or non-material amendments to this policy. This policy will be reviewed at least every three years.

Services will identify lead officers for data protection. These officers will meet regularly with the Council's DPO to consider data protection practice and procedures.

All complaints about data protection matters received by the Council will be dealt with by the DPO.

The DPO will handle all requests to exercise data subject rights made to the Council.

All data breaches within the Council will be reported to, and investigated by, the DPO who will liaise with Service management about the breach, mitigating actions and recommendations.

The DPO will present a report on the Council's data protection compliance to the Council's Senior Management and the Scrutiny Committee annually or more frequently if considered necessary.

PERTH AND KINROSS COUNCIL

Strategic Policy & Resources Committee

28 November 2018

JOINT WORKING AGREEMENTS

Report by Corporate Human Resources Manager (Report No. 18/390)

PURPOSE OF REPORT

This report seeks approval of :

- A. A set of principles to be followed when entering into, managing, monitoring and reviewing partnership arrangements with other organisations and bodies.
- B. A 12 month pilot of the Joint Working Agreement to facilitate joint posts and working across the Perth & Kinross Health & Social Care Partnership (the Partnership). The agreement applies to all employees engaging in work in the Partnership employed by the Council and/or NHS Tayside (the Partners). The agreement will ensure formal governance arrangements are in place to protect the Council and its employees. It also ensures that we continue to promote fair, consistent and equitable treatment of employees.

1. BACKGROUND

A. Principles to be followed when entering into, managing, monitoring and reviewing partnership arrangements

- 1.1 It is recognised that the rapidly changing economic landscape makes it essential for public sector organisations to work together and with private, voluntary and community sector bodies. The Council also recognises the importance of ensuring that its partnerships serve a useful public purpose, are effective in achieving the Council's aims and provide best value. The Council itself is transforming and the expectations in the future to deliver services on a collaborative or partnership basis are increasing. The Council therefore needs to ensure that we are prepared for any new partnering or joint working arrangement. Any such arrangement must also provide robust governance, whilst ensuring fair, consistent and equitable treatment of our employees.
- 1.2 Partnerships can cover a wide range of joint working arrangements from simple agreements to co-ordinated activities to more complex arrangements such as the Perth & Kinross Health & Social Care Partnership, which delivers services over a wide area. Although arrangements for partnership working require to be adapted to specific partnership purposes there are recognised principles that can be applied when entering into, managing, monitoring and reviewing partnership arrangements to ensure that partnerships are financially accountable and that money is spent efficiently to achieve the intended outcomes. As such this report sets out principles that can be used to

for the formation and development of effective Partnership working to be applied in future.

B. Joint Working Agreement – Perth & Kinross Health & Social Care Partnership

- 1.3 The Scottish Government's Public Bodies (Joint Working) Act (Scotland) 2014 sets out the arrangements for the integration of health and social care across Scotland. In April 2016 the Perth and Kinross Health and Social Care Partnership (the Partnership) was formalised with the Integration Joint Board (IJB) and other structures moving towards integrated governance arrangements. The IJB is responsible for the operational oversight of the Partnership and staff who work within the management of the Health & Social Care Partnership continue to be employed by either NHS Tayside (NHST) or the Council (the Partners), retaining their respective terms and conditions.
- 1.4 We continue to work collaboratively with HR Colleagues in Angus Council, Dundee City Council and NHST to consider frameworks that support an environment which enables the Partnership to flourish. This HR Group has met with the staff side of NHST and trade unions in each Council to consider frameworks and principles which support effective joint working. We have common aims of promoting consistency, fairness and equity to partnership employees, as far as reasonably practical, given that employees continue to be managed in accordance with the existing management policies and procedures of their employing organisation. The HR Group is not a decision-making body but make recommendations for each respective employer to consider. As a result of these discussions two protocols agreed with NHST, their staff side and the unions of the Council were approved at the Strategic Policy & Resources Committee on 15 June 2016 (Report No. 16/271) to manage cross-employer issues i.e. Fairness at Work and Workforce Change.
- 1.5 The pace and extent of transformation and change within the Partnership and across both the Council and NHST has continued to evolve as the Partnership has matured. To ensure that the Council has robust formal governance arrangements in place to support fair, consistent and equitable treatment of our employees it is considered appropriate to have a Joint Working Agreement to enable joint working roles and structures to be strengthened.

2. PROPOSALS

A. Principles to be followed when entering into, managing, monitoring and reviewing partnership arrangements

- 2.1 It is proposed that when entering into partnerships, better alignment of services with the needs of the community and more efficient use of resources can be achieved by consistently following the principles set out below and that the Committee agrees to these principles being applied when entering into, managing, monitoring and reviewing partnership arrangements in the future.

2.2 These principles include:

- 1) Entering into partnership arrangements with other organisations and bodies where the following conditions are satisfied:
 - a. There is a clear purpose for the partnership that will contribute to fulfilling the Council's statutory duties and/or meeting its policy objectives.
 - b. this purpose cannot be achieved as effectively by the Council acting alone or by some other method;
 - c. the partnership will benefit the Council through providing resilience to its services, efficiency in the use of the Council's resources, potential savings and /or income to the Council in delivering services in a more efficient and joined-up way.
 - d. A proper analysis has been undertaken of how the partnership will enable the results to be achieved.
- 2) Taking a consistent approach when managing, monitoring and reviewing partnership agreements by ensuring that partnerships have:
 - a. clear purpose and focus
 - b. well defined roles and responsibilities
 - c. effective performance management
 - d. sound risk management e.g. financial etc.
 - e. commitment to learning and development
 - f. effective communications
 - g. regular review

2.3 These principles will be further developed into a template that can be used by any new partnership arrangements. The template will have a suite of options that should be considered by those considering any new partnership arrangement. Further work is being undertaken by representatives in each Service and key members of Finance, IT, HR and Information Compliance to ensure that the template sets out what the suite of options will be. If the Partnership is created then it is proposed that the Chief Executive will have delegated authority to approve the relevant partnership working arrangement details. This will include but not be restricted to recording and updating the financial regulations to incorporate the delegated authority levels if appropriate and any new scheme of delegation for HR policies and procedures.

B. Joint Working Agreement – Perth & Kinross Health & Social Care Partnership

2.4 The Joint Working Agreement, attached at Appendix 1, will enable staff from either the Council or NHST to line manage staff from the other Partner organisation. It is proposed that this arrangement is piloted in the Perth & Kinross Partnership for a minimum period of 12 months. This will enable the Partnership to review the effectiveness and for this to be considered for wider implementation across the other 2 Partnerships with NHST in Tayside i.e.

Angus and Dundee. The pilot will commence on a mutually agreed date to allow NHST and the Council to finalise the approval process of the Joint Working Agreement.

- 2.5 The joint working agreement will create the conditions to enable managers to act on behalf of the employing organisation applying the relevant employer's policies and procedures. This means that the employee will still be employed on the terms and conditions applicable within their employing organisation and in accordance with their contract of employment. However their manager may be employed by a different employer and they will be given the authority to issue reasonable instructions, direct staff and take on the role as if they were with the same employer as the employee. The relevant delegated authority for HR procedures is set out in the Scheme of Delegation at Appendix 2.
- 2.6 The managers will have access to, and will be familiar with, the relevant policies and procedures and will act upon advice from the relevant HR advisers, occupational health and any other specialist adviser from the employing organisation.
- 2.7 The Partners will work together to ensure that managers within both organisations have the necessary knowledge, support, training and authority to undertake their duties in relation to employees in the Partnership. Clear arrangements will be established to clarify expectations, content and mechanisms for supervision and development discussions/reviews prior to joint working commencing.
- 2.8 The managers will be able to take both informal and formal action (up to action short of dismissal) in relation to sickness, performance, disciplinary, grievance of either Partner employees managed by them. The Partner employer will be notified of any proposed action prior to action being taken. Any dismissals will be conducted by a manager of the employing Partner. All appeals against dismissal will be conducted in accordance with the existing employing organisations procedures.
- 2.9 Employee information pertaining to the individual's employment will be shared with the manager from the Partner organisation, when appropriate, to enable them to fully undertake their role as line manager.
- 2.10 Employees working in a joint team may also have access to the IT system of a partner organisation and will also be expected to act in accordance with the data protection and IT governance rules and administration processes of the partner organisation, which is not their employer. This will be highlighted to relevant employees by their line manager and contained in the letter to be sent to all employees aligned to the Health & Social Care Partnership. This will be in addition to adhering to their own employer's confidentiality provisions and the Council's policies and practices in relation to confidentiality.
- 2.11 The Partners will work together to respond to any Freedom of Information request regarding the joint service.

- 2.12 A letter will be sent to all employees of Perth & Kinross Council who are aligned to the Partnership advising them of the provisions for either managing or being managed by an individual who is not employed by the same employer as them. This will direct them to the terms of the Joint Working Agreement and will seek their consent to the data being shared with the other Partner. A similar letter has been arranged for all NHST employees aligned to Perth & Kinross Health & Social Care Partnership.

3 CONSULTATION

A. Principles to be followed when entering into managing, monitoring and reviewing partnership arrangements

- 3.1 Consultation has taken place with a senior representative of each Service, Head of Finance, Head of Legal & Governance, Head of IT and the Council's Information Compliance Manager. The principles have been developed as a result of these discussions. In addition further more detailed information will be developed to create a suite of options for inclusion in any new arrangements and a template for any future Partnership discussions will be prepared for future use.

B. Joint Working Agreement – Perth & Kinross Health & Social Care Partnership

- 3.2 The draft Agreement has been developed nationally with input from Scottish Government, NHS and local authorities, professional bodies such as SOLAR and SPDS, and trade unions. Originally it was intended to have this framework agreed nationally and to mandate it across all partnerships. However, not every partnership wanted this as they had taken a different route e.g. the issue of honorary contracts; or simply carried on with integration without anything specific on these issues. The draft agreement was issued for consultation in the summer of 2017 and was therefore intended to be guidance and adoption would be determined locally. However the guidance has not been issued formally by the national group.
- 3.3 Local representatives were given a mandate from their respective national executive branch in February 2018 to discuss the content of the national guidance locally across Tayside. There have been a number of meetings with the Trade Unions of the three Councils (Angus, Dundee and Perth & Kinross) and staff side of NHST to consult them on the principles contained in the draft Agreement. They are keen to ensure fair and equitable treatment of all employees. They welcome the formal governance arrangements because they recognise the protection it gives their members. The draft has also been discussed at the Council's Employee Joint Consultative Committee (EJCC) and the Perth & Kinross Health & Social Care Partnership Staff Forum. The feedback has been that they welcome the pilot in Perth & Kinross Health & Social Care Partnership.
- 3.4 A representative of each Service has been consulted on the draft and have agreed with the content and principles set out in both this report and

appendices 1 and 2. The three Council Chief Executives from Angus, Dundee and Perth & Kinross Council were also in agreement to a 12-month pilot of the joint working arrangements set out to be undertaken in the Perth & Kinross Partnership.

4 CONCLUSION AND RECOMMENDATIONS

- 4.1 When entering into partnerships, better alignment of services with the needs of the community and more efficient use of resources can be achieved by consistently following the recognised principles for effective and successful partnership working outlined in this report.
- 4.2 The principles and development of a suite of options for use by any new Partnerships will allow the Council to future proof and facilitate further joint working arrangements.
- 4.3 The template Joint Working Agreement will provide the principles to be fully considered and discussed between the Partners to ensure robust governance, clarity of expectation and fair and consistent treatment of employees.
- 4.4 The Health & Social Care Partnership Joint Working Agreement is a key policy framework for enabling joint working to be introduced for employment matters.
- 4.5 The Health & Social Care Partnership Joint Working Agreement will protect employees operating in the Partnership providing them with the appropriate delegated authority to act on behalf of each Partner employer setting out clear governance arrangements.
- 4.6 **It is recommended that the Strategic Policy & Resources Committee:**
 - Approve the principles to be followed when entering into, managing, monitoring and reviewing partnership arrangements.
 - Delegate authority to the Chief Executive for approving the details set out in all such other joint working or collaborative partnership arrangements that may be formed with Perth & Kinross Council.
 - Approve a 12 month pilot of the Health & Social Care Partnership Joint Working Agreement. The effective commencement date will be when both NHST and the Council have received formal authority of the documents and pilot.
 - Approve the relevant delegated authority for HR procedures as set out in the Scheme of Delegation
 - Direct the Chief Executive to approve any amendments or final introduction and/or cessation of the Health & Social Care Partnership Joint Working Agreement at the end of the 12-month pilot period.

Author

Name	Designation	Contact Details
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Approved

Name	Designation	Date
Jim Valentine	Depute Chief Executive (Chief Operating Officer)	15 November 2018

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1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

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

1. Strategic Implications

Community Plan / Single Outcome Agreement

- 1.1 The report supports the overall delivery of the Perth and Kinross Community Plan / Single Outcome Agreement in terms of ensuring staff support the following priorities:

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

Corporate Plan

- 1.2 It is considered that the proposals contained within this report contribute to all five objectives.

2. Resource Implications

Financial

- 2.1 There are no financial implications arising directly from this report.

Workforce

- 2.2 The implications to the Council workforce of implementing a Joint Working Agreement for both those existing employees aligned to the Health & Social Care Partnership and to any other employees where joint working arrangements are introduced are:
- There will be formal governance arrangements in place to protect employees undertaking Partnership work activities.
 - It will allow genuine integration and efficiencies to occur and seamless line management from both Partners of any joint teams.
 - It gives clarity of the expectations of each of the Partners pertaining to employment matters.
 - It creates a culture of fair, consistent and equitable treatment within the Partnership.
 - It enables employees to adopt new roles and new ways of working.
- 2.3 This helps protect and sustain employability across Perth and Kinross and creates the conditions for collaborative and joint working to operate effectively.

Asset Management (land, property, IT)

- 2.4 There are no land, IT or property implications arising from this report.

3. Assessments

Equality Impact Assessment

- 3.1 Under the Equality Act 2010, the Council is required to eliminate discrimination, advance equality of opportunity, and foster good relations between equality groups. Carrying out Equality Impact Assessments for plans and policies allows the Council to demonstrate that it is meeting these duties. The Equality & Fairness Impact Assessment undertaken in relation to this report can be viewed clicking [here](#).
- 3.2 The Joint Working Agreement has been assessed as **relevant** as it impacts on the line management arrangements for Perth & Kinross and NHS Tayside employees working within the Perth & Kinross Health & Social Care Partnership. During the pilot period, employees of both partners will continue to be employed under their existing terms and conditions of employment.
- 3.3 The Equality Act (2010), the Public Sector Equality Duty and the Fairer Scotland Duty apply to both partners. Governance arrangements are being introduced to;
- Ensure fairness and consistency is applied
 - Provide clarity about delegated authority, for example, a NHS Tayside managers is not permitted to issue a sanction that results in the dismissal of a PKC employee

- Ensure managers in the partnership are supported where they are responsible for employees from the partner organisation
- 3.4 As a result of the above, the outcome of the assessment is that there will be no detrimental impact on employees.

Strategic Environmental Assessment

- 3.5 The Environmental Assessment (Scotland) Act 2005 places a duty on the Council to identify and assess the environmental consequences of its proposals. No further action is required as it does not qualify as a PPS as defined by the Act and is therefore exempt.

Sustainability

- 3.6 Under the provisions of the Local Government in Scotland Act 2003 the Council has to discharge its duties in a way which contributes to the achievement of sustainable development. Under the Climate Change (Scotland) Act 2009 the Council also has a duty relating to climate. The proposals contained in this report are assessed to have no sustainability related impacts.

Legal and Governance

- 3.7 The Head of Legal and Governance Services has been consulted in the preparation of this report.

Risk

- 3.8 The principles for joint working arrangement will ensure that financial and other risks are fully explored when creating the new joint working arrangements. The practices set out within this report are designed to ensure that the Council is resourced with a skilled workforce to enable it to modernise, transform and deliver its strategic objectives. It will provide robust governance arrangements and the infrastructure to support effective partnership working. By not delegating authority to dismiss within the Health & Social Care Partnership will minimise any risk related to employment matters as the employer will require to take any such decisions. .

4. Consultation

Internal

- 4.1 The Head of Legal and Governance Services, the S95 Finance Officer, Corporate Management Group and Executive Officer Team have been consulted on the content of this report. Several meetings and formal consultation has been undertaken with the Trade Unions on the Health & Social Care Joint Working Agreement.

External

- 4.2 NHS Tayside and the Staff Side/Trade Unions have been consulted on the Joint Working Agreement for the Partnership including the Scheme of Delegation.
- 4.3 The three Council Chief Executives from Angus, Dundee and Perth & Kinross were fully consulted on the Health & Social Care Partnership documents and confirmed their agreement to a 12-month pilot.

5. Communication

A Principles to be followed when entering into managing, monitoring and reviewing partnership arrangements

- 5.1 Further work will be undertaken to create a template based on the principles for effective partnership working involving all Services and relevant key staff. This template will be available and published internally to ensure that any new Partnership arrangements have access to and will operate within this framework.

B Joint Working Agreement – Perth & Kinross Health & Social Care Partnership

- 5.2 If approval is given for these proposals a communication plan will be developed to ensure that all employees are aware of and understand the approved changes. An implementation date of the next available month following the decision of both this Committee and NHST approval will be set to enable the communication of the changes to be undertaken. This will be through letter to all employees aligned in the Health & Social Care Partnership, Service Newsletters and face to face opportunities, such as briefings or team meetings. Training on policies and procedures will be undertaken as required in advance of those directly taking up management of employees of the Partner organisation. Employees will be directed to relevant policies and procedures in advance of their use, as required.

2. BACKGROUND PAPERS

There were no background papers relied upon in the preparation of this report.

3. APPENDICES

Appendix 1: Joint Working Agreement for Health & Social Care Partnership
Appendix 2: Scheme of Delegation for HR procedures

JOINT WORKING AGREEMENT**Between****Perth & Kinross Council****and****NHS Tayside****1 INTRODUCTION**

- 1.1 The Public Bodies (Joint Working) (Scotland) Act 2014 sets out the legislative framework for integrating health and social care. The Act requires Perth & Kinross Council and NHS Tayside (“the Partners”) to work together to deliver person centred, health and social care services.
- 1.2 This agreement outlines the arrangements for the management of employees working within integrated care services in relation to certain key areas. It is particularly relevant to employees who manage or are managed by an individual who is not employed by the same employer as them (the “Affected Employees”).
- 1.3 This agreement applies to all staff engaged in NHS Tayside Agenda for Change terms and conditions and employees of Perth & Kinross Council engaged in integrated care services.

2 EMPLOYMENT STATUS

- 2.1 All employees working within integrated care services who were in employment prior to the commencement of health and social care integration will continue to be employed by the same employer, as set out in their contract of employment.
- 2.3 Employees undertaking work as part of integrated care services who are required to access IT systems which are not those of their employer in order to perform their job, or who work at premises which are not managed by their employer may be asked to sign a written statement of agreement which enables them to be registered as users of the IT systems and ensures that they are covered in respect of their data protection, health, safety, wellbeing and statutory obligations. This will not affect their employment status or terms and conditions of employment with their employer.

Recruitment

- 2.4 Any newly developed posts within the integrated care services will be funded and owned by one of the Partners. Agreement as to who the employer shall be for any newly developed post will normally be reached prior to the commencement of the recruitment process and, if appropriate, involvement of employee representatives. Any such post will be offered on the terms and conditions of the employer

organisation. The recruitment procedures of the employer organisation will be followed.

- 2.5 In certain circumstances a joint appointment process will be initiated and the Partners will agree who will lead and co-ordinate the recruitment process, employees will then be given the choice of which employer they wish to work for and will be employed on their terms and conditions.
- 2.6 Any newly developed posts shall be evaluated for salary purposes by the employing organisation. The partner shall be responsible for gaining the necessary approvals, in relation to the post, through its own governance arrangements, including if appropriate, involvement of employee representatives, and for managing the recruitment process in relation to the post. However, the Partners shall co-operate in relation to new appointments, including in relation to short listing and interviewing. Interview panels shall contain a representative from both of the Partners, wherever appropriate.

3 TERMS AND CONDITIONS OF EMPLOYMENT

- 3.1 It is recognised that employees may be working together in integrated teams but with different employers and on different terms and conditions of employment. In future workforce planning, every effort will be made to understand these differences and to seek to minimise the effects of differences between terms and conditions.

4 PAYROLL ARRANGEMENTS

- 4.1 Each Partner shall operate its own payroll system and it will be responsible for all aspects of payroll, pay, pensions and benefits for its employees.
- 4.2 The line manager will be responsible for ensuring that appropriate salary notifications are completed and forwarded to the appropriate payroll/HR department(s) on the agreed date each month/week.
- 4.3 It is acknowledged that a line manager may need to discuss payroll issues with the payroll department of the other Partner, as appropriate. The Partners shall work collaboratively to ensure that payroll functions and obligations are met. When an employee is recruited, they will be placed on the payroll of the agreed employing organisation.

5 MANAGEMENT OF EMPLOYEES

- 5.1 It is acknowledged that some employees within the integrated care services will be managed on a day-to-day basis by a manager who is employed by the other Partner organisation.
- 5.2 The Partners shall work together to ensure that line managers within both organisations have the necessary knowledge, support, training and authority to undertake their duties in relation to Affected Employees of both organisations.

- 5.3 It is the duty of all managers who have responsibility for employees of the other Partner to ensure that they have access to, and are familiar with, the relevant policies and procedures that apply to the employees of the other Partner organisation. In particular, managers need to be familiar with the people management policies and procedures of both organisations and act upon advice from HR advisers, occupational health and other specialist advisers from the employing organisation. The Partners will ensure that appropriate support from advisers is made available to managers of integrated services employed by the other Partner. Managers must make sure that all management actions, including disciplinary action are carried out in line with the employing organisation's policies and procedures and agreed Scheme of Delegation.
- 5.4 Where there are any problems or difficulties relating to the employment or management of employees working within integrated care services, the aim will be to resolve these informally at a local management level whenever possible prior to moving to formal procedures, if necessary.
- 5.5 The Partners shall agree the extent of the authority managers within the integrated care services (Scheme of Delegation) shall have to take formal action in relation to disciplinary, performance, capability and grievance matters in respect of Affected Employees of either Partner organisation that are managed by them.
- 5.6 The Partners shall make and agree arrangements for professional accountability, reporting and supervision to ensure that both Partners meet their obligations in this regard.

6 APPLICATION OF POLICIES AND PROCEDURES

- 6.1 Employees within integrated care services will continue to be subject to the Human Resources and other policies and procedures of their employing organisation. However, it is recognised that this may, on occasion, be impracticable due to the subject matter of the issue or anomalies that may exist between procedures and working practices operated by the Partners. In such a circumstance, the parties involved shall agree the procedure to follow, with full involvement from employee representatives. If agreement cannot be reached then the employer of the employee(s) primarily concerned will make a decision on the policy/procedure to be applied.
- 6.2 Policies and procedures contribute significantly to the creation and maintenance of good employee relations by ensuring that employees are treated fairly and consistently and may help the Partners to avoid disputes or costly legal actions. Common themes which apply to a number of policies and procedures are the importance of identifying and resolving problems as early as possible by taking informal action; carrying out thorough investigations into any issues and progressing further action if problems cannot be resolved, through the formal stages of the appropriate policy/ procedure.

- 6.3 Policies and procedures of each partner organisation not mentioned specifically in this agreement continue to apply to employees of that organisation and it is agreed that line managers for designated integrated care services will have the authority to and must act in accordance with these policy requirements.
- 6.4 Each team within integrated care services holds its own operational policies for service delivery and is responsible for its own coding and reporting obligations.

Conduct, Performance, Capability Procedures

- 6.5 It is recognised that there will need to be collaboration between the Partners in relation to investigations which involve both organisations. It is agreed that the relevant manager within the integrated care services will have the authority, with appropriate support from Human Resources, to carry out investigations and present their findings to the relevant person in the employing organisation. This may include presenting a case at a formal hearing or chairing a Hearing as appropriate. Support from Human Resources may require to be from both Partners, in accordance with the Scheme of Delegation.
- 6.6 It is agreed that the relevant line manager within the integrated care services, supported, if appropriate, by Human Resources from the employee's employing organisation, will have the authority to take all necessary informal management action in relation to conduct, performance and capability at work matters for the Affected Employees.
- 6.7 A manager who is taking informal, or where it has been agreed between the Partners, formal action, in relation to an Affected Employee shall inform the Partner organisation of any issues and any action which is proposed in relation to its employee, prior to any action being taken.

Grievance and Bullying and Harassment Procedures

- 6.8 The grievance and/or bullying and harassment procedures of the employer organisation of the aggrieved employee shall be followed when grievances or complaints are raised.
- 6.9 It is recognised that there will need to be collaboration between the Partners in relation to investigations which involve both organisations. It is agreed that the relevant manager within the integrated care services will have the authority, with appropriate support from Human Resources, to carry out investigations and present their findings to the relevant person in the employing organisation. This may include presenting a case at a formal hearing. Support from Human Resources may require to be from both Partners.
- 6.10 If appropriate, an independent person will be appointed to investigate and this may be a person from either Partner. Any disciplinary action arising as a result of a grievance will be conducted in accordance with paragraphs above.

- 6.11 It is agreed that the relevant line manager within the integrated care services, supported, if appropriate, by Human Resources from the employee's employing organisation, will have the authority to take all appropriate action in relation to grievance issues for the employees that he or she manages.

Dismissal

- 6.12 Decisions in relation to any type of dismissal or retiral on health grounds and any process in relation to the award of ill health benefits will be by the employee's employing organisation in accordance with its procedures and practices and in accordance with the Scheme of Delegation, where relevant. Employees of either Partner may contribute to and participate in any relevant process as required. All appeals against dismissal will be conducted within the employing organisation in accordance with its procedures.

Attendance management

- 6.13 The day-to-day management of attendance at work for employees working within the integrated care services will be the responsibility of the immediate line manager. The line manager, in accordance with the employing organisation's policy, will also deal with any issues or concerns requiring informal or formal action, with support as necessary from Human Resources staff. Employees shall use the reporting arrangements for absence recording applicable to their respective employing organisation. Any action will be conducted in accordance with the employing organisation's procedures.
- 6.14 Human Resources staff from each Partner will make sure that there is regular monitoring and exchange of absence data so that managers are able to take appropriate action to manage employee attendance.

Supervision policy and staff development review

- 6.15 Line managers in the integrated care services shall supervise employees from both organisations in accordance with the principles and policies of the employing organisation. Prior to the commencement of any joint working, clear arrangements will be established to clarify expectations, content and mechanisms for supervision and development reviews. This will include arrangements for professional accountability and reporting, where relevant. Each employing organisation will undertake to ensure that any supervision or employee development review taking place conforms to the employing organisation's supervision policy and performance appraisal policy.

Confidentiality

- 6.16 It is acknowledged that employees of both partner organisations may have access to confidential information which is held by the other organisation. It is agreed that line managers will ensure that all employees are aware of their obligations in this regard

and will abide by their contractual obligations and the policies of their employer, regardless of the source of the information or how/ by whom it is held.

Whistle blowing policy

- 6.17 The policy to be used will be that of the employing organisation of the employee raising the concern. Where concerns are raised that involve employees from the other Partner, the concerns will be shared with relevant managers in the Partner organisation.
- 6.18 The Partners shall ensure that the principles of public interest disclosure are sustained.

Redeployment

- 6.19 The Partners shall work together to consider opportunities for redeployment but there is no entitlement for any employee to be redeployed to a role within the other partner organisation.

Freedom of information and data protection

- 6.20 Employees from both organisations must act in accordance with their employer's data protection and IT governance rules and administration processes which are in place to ensure compliance with data protection legislation and obligations.
- 6.21 It is acknowledged that employees working in the joint service may also need to act in accordance with the data protection and IT governance rules and administration processes of the partner organisation, which is not their employer. This will be highlighted to the employees by their line manager.
- 6.22 If necessary, the Partners shall work together in relation to any response to a Freedom of Information request regarding the joint service in accordance with GDPR requirements.

Intellectual property

- 6.23 All employees working within the integrated care services shall continue to be covered by their contract of employment and their employer's policies in relation to intellectual property. The fact that an employee works within a joint service does not alter the legal rights and responsibilities that arise in relation to intellectual property, as a result of their employment relationship with their employer.

7 ACCESS TO AND INFORMATION REGARDING EMPLOYEES WITHIN THE INTEGRATED CARE SERVICES

- 7.1 Managers within the integrated care services, in conjunction with support services colleagues, will, on request by the employing organisation, provide information in relation to that organisation's employees, including, details of any informal

processes/ action that has been taken and of any absences due to annual, sick or special leave or any unauthorised absence.

- 7.2 The Partners will keep up-to-date records of the resources (both employees and posts) they contribute to the integrated care services. These records will be reviewed each year as part of an annual review of the integrated care services.

8 EMPLOYEE INVOLVEMENT, INFORMATION AND CONSULTATION

- 8.1 All existing arrangements within each employer organisation in relation to informing and consulting employees and relevant Trade Unions will be observed by the Partners.
- 8.2 The Partners acknowledge that proper consultation may require the organisations to share information with each other and they agree to do so. The Partners shall co-operate to identify any issues which may impact on employees working within the integrated care services and shall agree the process to be followed in relation to consultation of employees, on matters of joint interest.
- 8.3 The Partners and relevant representatives will follow agreed negotiation and consultation mechanisms of their own organisations to discuss any proposed material changes in respect of local arrangements e.g. creation of newly developed posts as part of a review process; changes to patterns of work or any other local arrangement that may be considered operationally required within the integrated care services. This will not affect nationally agreed terms and conditions. Any negotiation and consultation will be undertaken in advance of any changes being implemented.
- 8.4 Agreement for facilities time will be in accordance with the Trade Union facilities agreements in place within each organisation. Joint commitment has been made to support both organisation's recognised Trade Unions or elected convenors, and every effort will be made to ensure employees are able to be released to act on union business. Costs will be absorbed in current financial arrangements. Any concerns of managers within the integrated care services about the release of employees to fulfil trade union commitments should be reported to the HR leads and management leads from the employing organisation, with a view to finding an appropriate resolution.

9 TRAINING, DEVELOPMENT AND APPRAISAL

- 9.1 The identification of training needs will be the responsibility of employees and their line managers within the integrated care services. Line managers will liaise with the employer organisation in relation to any training and development needs to establish the best method to meet these.
- 9.2 All employees working within the integrated care services will be expected to have personal development plans and the Partners shall agree where responsibility for training, development, supervision and appraisal shall sit. All employees shall remain responsible for maintaining their professional registration and for ensuring that they meet the requirements, for example, in relation to their fitness to practice,

imposed by their professional bodies. It shall remain the responsibility of each employer organisation to ensure that their employees are adequately trained and regularly appraised.

- 9.3 Line managers within the integrated services must be familiar with the training and appraisal policies and practices of both organisations and ensure that all employees that they line manage receive regular appraisals through the agreed process.

10 HEALTH AND SAFETY

- 10.1 The Partners agree to co-operate as necessary to ensure that their respective health and safety obligations are met.
- 10.2 The Partners shall provide each other with information and/ or access to premises as may reasonably be required in order to ensure that health and safety obligations are being met for their employees.
- 10.3 Where there is an identified health and safety issue, this should be resolved at a local level between management and the relevant organisation's health and safety representatives. In the event of a matter being unresolved, agreement will be reached by the Partners, in consultation with appropriate health and safety representatives, on how to progress the matter.
- 10.4 The health and safety representatives of each employing organisation shall liaise to identify health and safety training requirements and to ensure that all employees working within the joint service are appropriately trained. The representatives will work together to seek to avoid duplication of training, where joint training could be undertaken.
- 10.5 Existing policies, practices and arrangements in relation to all health and safety obligations and governance shall be followed by each employing organisation in relation to their own obligations. However, where necessary or beneficial, the Partners agree to co-operate with each other in relation to their obligations and, where necessary, to agree which organisation's policies should be used to meet specific issues.
- 10.6 Where employees are co-located, the senior person from the Partner who owns/leases the building will assume the role of Head of Establishment/Building Manager. The Head of Establishment/Building Manager is responsible for covering the range of tasks involved in ensuring that workplace premises are safe environments for employee and others to work in and visit. Affected employees must co-operate with the Head of Establishment/Building Manager in his/her efforts to comply with the Health and Safety at Work, etc. Act, 1974 and related legislation and regulations. This includes attending health and safety training and fulfilling health and safety roles as required by the Head of Establishment/Building Manager.

11 ACCIDENT AND INCIDENT REPORTING

- 11.1 There are established procedures within both organisations for reporting accidents and incidents. Line managers within the integrated care services shall be responsible for reporting all such accidents and incidents in line with the system used by the employing organisation of the employee involved. Where employees from both organisations are involved, or where both organisations need to know about the incident, duplicate reporting may be needed. This will be at the discretion of the lead officer within the integrated care service.

12 INSURANCE/INDEMNITY AND CLAIMS

- 12.1 In accordance with existing arrangements within the Partner organisations, indemnity/ insurance will remain the responsibility of the employing organisation and the employer will deal with any issues arising in relation to it.
- 12.2 The Partners shall ensure that any necessary indemnity arrangements/ insurance policies are in place in relation to their employees within the integrated care services.
- 12.3 The Partners agree to co-operate in the event of any indemnity/ insurance issues that may arise or in the event of a claim being raised against either employer organisation.
- 12.4 The Partners agree to co-operate in relation to the defence or settlement of any claim, including, providing reasonable access to information held by the other organisation and to their employees who may be required to give evidence. If there is a successful claim against one employing organisation and it is established that the other organisation or its employees are at fault then discussions will be held in relation to liability for the claim and each organisation reserves the right to seek a contribution from the other organisation towards any award or payment that requires to be made.

13 ACCOMMODATION

- 13.1 The relevant Partner organisation shall ensure that the accommodation that is provided meets all necessary legal requirements. The Partners will, where necessary, work together to address any accommodation issues that arise as a result of organisational change or service development with the involvement of the relevant trade unions, specialist advisors and management.
- 13.2 If necessary, the Partners shall agree which organisation's policy will apply to a particular situation, for example, where there is closure of a site and relocation of the employees. However, if no agreement can be reached, the policies of the employing organisation will apply to their own employees.

24 September 2018

APPENDIX 2

SCHEME OF DELEGATION

Perth & Kinross Health & Social Care Partnership

NHS Tayside and Perth & Kinross Council ('the Partners')

The attached Scheme of Delegation sets out the delegated authority levels for managers to take any appropriate informal and formal action in relation to employment matters (HR procedures) for employees working within Perth & Kinross Health & Social Care Partnership who are managing an individual who is not employed by the same employer as them.

The levels of delegated authority for taking any employment action in relation to employees of the same employer will be as per the existing employer's practices and processes.

It is the duty of all managers who have responsibility for employees of the other Partner to ensure that they have access to, and are familiar with, the relevant policies and procedures that apply to the employees of the other Partner organisation. In particular, managers need to be familiar with the people management policies and procedures of both organisations and act upon advice from HR advisers, occupational health, and other specialist advisers from the employing organisation.

The authority levels set out in this Scheme of Delegation for those managing employees of the Partner organisation are as detailed but **will not include dismissal**. All decisions to dismiss will be taken by a manager with appropriate authority to do so from the employing organisation.

Perth & Kinross Council Health & Social Care Partnership – Authority Levels for managers managing employees from the Partner Organisation

Officer/Level	Maximising Attendance - (PKC) Promoting Attendance at Work - (NHST)	Achieving & Maintaining Standards (Conduct) - (PKC) Employee Conduct Policy - (NHST)	Achieving & Maintaining Standards (Performance) – (PKC) Management of Capability Policy – (NHST)	Fairness At Work – (PKC) Grievance Policy – (NHST)
Appeal Sub-Committee - PKC	Appeal against dismissal	Appeal against dismissal	Appeal against dismissal	N/A
Chief Executive - NHST (No change – individual will follow existing employer policy)	Appeal against dismissal lodged with Chief Executive but may delegate to Chief Officer	Appeal against dismissal lodged with Chief Executive but may delegate to Chief Officer	Appeal against dismissal lodged with Chief Executive but may delegate to Chief Officer	Second and Final Formal Stage lodged with Chief Executive but may delegate to Chief Officer
Executive Director (E.D) / Chief Officer	Appeal lodged with Chief Officer but may delegate to Head of Service/ Head of Health or Service Manager/Locality Manager for all stages excluding dismissal	Appeal Lodged with E.D. or Chief Officer but may delegate to Head of Service/Head of Health or Service Manager/Locality Manager	Appeal Lodged with E.D. but may delegate to Head of Service/Head of Health or Service Manager/Locality Manager	PKC procedures: Appeal Lodged with E.D. but may delegate to Head of Service/Head of Health or Service Manager/Locality Manager NHST procedures: All Stages (excluding Second and Final Formal Stage unless delegated) Informal Grievance First Formal Grievance Hearing
Head of Service/Depute Director / Head of Health (HOH)	All Stages (excluding dismissal) Appeals (up to Final Improvement Period for PKC procedure and all appeals excluding against dismissal for NHST procedure)	All stages excluding dismissal Suspension Disciplinary Hearing Appeal (All Stages excluding dismissal)	All stages (excluding dismissal) Performance and/or Capability Hearing Performance Transfer Appeal (All Stages excluding dismissal)	PKC procedures: All stages Initial Assessment Formal Complaint Hearing Appeal (All Stages)

				NHST procedures: All stages (excluding Second Final Formal Stage) Informal Grievance First Formal Grievance Hearing
Locality Manager/Service Manager	All stages excluding dismissals Capability Hearing Appeals (up to Final Improvement Period for PKC procedures and all appeals excluding against dismissal for NHST procedure)	All stages excluding dismissal Investigation Suspension Disciplinary Hearing Appeals (All Stages excluding dismissal)	All stages excluding dismissal Performance and/or Capability Hearings Appeals (up to Final Improvement Period for PKC procedures and all stages excluding dismissal for NHST procedures)	PKC procedures: All stages Initial Assessment Formal Complaint Fairness At Work Hearing Appeals (up to Formal Complaint) NHST procedures: All stages (excluding Second and Final Formal Stage) Informal Grievance First Formal Grievance Hearing
Team Leader / Clinical & Professional Team Manager	PKC procedures: Keep in touch during absence Welcome Back Meetings Attendance Meetings/Outcome Letters Improvement Period or Final Improvement Period Early Intervention (including stress) Occupational Health Referrals Capability Transfer Ill Health Retirement/Transfers Appeals (Improvement Period) NHST procedures: All stages excluding dismissal (but can include ill-health retiral if delegated authority consent is evidenced)	All stages excluding dismissal Initial Assessment Investigation Disciplinary Hearing	PKC procedures: Informal performance plan Performance Hearing Performance Review Hearing (up to Final Improvement Period) NHST procedures: All stages excluding dismissal Initial approach/Informal Supported Improvement Plan Capability Hearing	PKC procedures: Initial Assessment Informal Complaint Formal Complaint NHST procedures: All stages (excluding Second and Final Formal Stage) Informal Grievance First Formal Grievance Hearing

HR is available for advice and guidance at any stage in the process from either NHST or PKC dependant on the employer policy being applied.

PERTH & KINROSS COUNCIL

Strategic Policy & Resources Committee

28 November 2018

ARMED FORCES COVENANT – ANNUAL PROGRESS REPORT

Report by Depute Chief Executive (Report No. 18/392)

PURPOSE OF REPORT

The purpose of this report is to provide members with an Annual Progress Report in relation to the Council's commitment under the Armed Forces Covenant.

1. BACKGROUND

- 1.1 Perth & Kinross Council has a long and proud tradition of supporting the Armed Forces. The Armed Forces Covenant was brought in under the Armed Forces Act 2011 to recognise sacrifices made by the armed forces and to work with businesses, local authorities, charities and community organisations to support the forces through services, policy and projects.
- 1.2 The Covenant is a promise from the nation to those who serve or who have served, and their families, which says the Council will do all it can to ensure they are treated fairly and not disadvantaged in their day to day lives.
- 1.3 At a local level, the Covenant is a declaration of mutual support between a civilian community and its local armed forces and is a public commitment by Perth & Kinross Council to support defence personnel; provide a supportive environment for reservists and to being a strong advocate of the Armed Forces.
- 1.4 The Covenant must be signed by a senior person in the authority who can ensure that commitments are implemented and maintained. Members will recall agreeing that the Council would reaffirm its commitment to the Armed Forces Covenant and this was done by the Provost at a Ceremony in September 2017.
- 1.5 Many local authorities have an 'Armed Forces Champion'. The role of a 'champion' is often to make sure that the local authority achieves its commitments to the armed forces community and any blockages are resolved. The Council has identified Councillor Chris Ahern as its champion for Veterans and the Armed Forces and he jointly chairs a Covenant Partnership Group with the Commanding Officer, 7 Scots. The Group consists of representatives from Council service, Veterans groups and partner agencies in the statutory and third sectors.
- 1.6 Members also agreed that an annual report be submitted to this Committee on progress of the support provided to the Armed Forces. This report provides

such a progress update on actions taken by the Council since the Covenant reaffirmation in September 2017.

2 PROGRESS ACTIONS

2.1 Consultation with Council Services has identified a range of examples of the Council's commitment to supporting Veterans and their families in the delivery of Services, in carrying out our civic responsibilities and as an employer. Examples include: -

- A 'Veterans First' guide to ensure those leaving the Armed Forces and choosing to settle in Perth and Kinross know what help and support is available to them when they are making their transition from military life in terms of housing options, employment, welfare advice etc was first published in 2012. This was updated in 2018 and relaunched by the Provost and Armed Forces and Veterans Champion on 30 August 2018. The guide has been widely issued across Perth and Kinross including GP surgeries; Council offices; libraries; to all Elected Members and a range of Veterans Support groups.
- An online version of the guide was also made available on the Council website simultaneously updating the range of information available to Veterans on the website in a dedicated area
<http://www.pkc.gov.uk/adviceforveterans>
- In addition, to having a named Armed Forces and Veterans Champion, the Council nominated the Corporate Equalities Team Leader as a named Armed Forces and Veterans Council Officer to co-ordinate any responses to Veterans issues. This officer attended an Unforgotten Forces Veterans project training course in September 2018. Both the Armed Forces and Veterans Champion and the named Council officer also represented the Council at the Armed Forces and Veterans Champions Gathering in Edinburgh in October 2018.
 - Hosted a number of Civic Events and represented the Council at a number of events for the military during the year including:
 - 5.11.17 Polish War Graves, wreath laying ceremony at Wellshill Cemetery – Provost attended as a guest.
 - 13.11.17 Poppy Scotland wreath laying event –Provost in attendance, facilitated by Council but it is Poppy Scotland's event.
 - 15.11.17 Remembrance Sunday, church service at St John's Kirk; Civic and Military parades, followed by Civic Reception in Civic Hall, 2 High Street.
 - 27.04.18 – Armed Forces & Veterans Champions Gathering in Angus
 - 25.06.18 Armed Forces Day – Flag Raising event, followed by Civic Reception at Balhousie Castle.
 - 26.06.18 – Armed Forces & Veterans meeting in Scottish Parliament
 - 30.06.18 – Stirling Military Show
 - 16.09.18 3 Scots Homecoming – parade followed by Civic Reception at Perth Concert Hall. 23.06.18 – Armed Forces Day Parade in Dundee

- 01.10.18 – Armed Forces & Veterans Champions Gathering in Edinburgh
- 2 x Perth & Kinross Armed Forces Covenant Meetings were also held during the year jointly chaired by the Council's Armed Forces and Veterans Champion and the local Military representative
- On 2 November 2017 the Provost accepted the Silver Award in the Armed Forces Employer Recognition Scheme on behalf of the Council in recognition of the support the Council gives to the Armed Forces, veterans and to the Cadet Forces.
- On 5 June 2018 during Volunteering Week, Regional Employer Engagement Director and Employer Engagement Admin Officer delivered an Awareness Raising Learning Lunch in Pullar House in relation to the role of the Reservists and Cadet Forces.
- Special leave with pay of up to 15 days per annum for reservists to attend annual training camps remains in place.
- Special leave with pay of up to 15 days per annum for Cadet Force Adult Volunteers to attend local detachments and annual camps remains in place.
- The 'Armed Forces Covenant for Frontline Workers' eLearning module is now available for all frontline employees with 15 staff completing it and 107 staff having the module 'in progress' since September 2017.
- Seven staff have attended Executive Leadership events in April and October 2018. Organised by the Reserve Forces and Cadets' Association in conjunction with the military, these action packed weekend events have given our staff access to the Armed Forces' much accredited leadership development opportunities.

2.2 Work will continue with Council services and Veterans Support organisations to respond to issues relating to Veterans in the year ahead.

3 PROPOSALS

The following proposals are being made:

3.1 The Council continues to commit to its responsibilities under the Armed Forces Covenant,

4 CONCLUSION AND RECOMMENDATIONS

4.1 It is recommended that the members approve the content of this report.

Authors

Name	Designation	Contact Details
David McPhee	Equalities Team Leader	equalities@pkc.gov.uk

Approved

Name	Designation	Date
Jim Valentine	Depute Chief Executive	15 November 2018

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

All Council Services can offer a telephone translation facility.

1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

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

a) Strategic Implications

This report supports the delivery of the Strategic Objectives within the Community Plan/Single Outcome Agreement 2013-2023 and Corporate Plan 2013-2023.

b) Consultation

Internal

All Council Services have been consulted in preparation of this report

c) Communication

Internal and external communication will be arranged to raise awareness and actively promote the Council's commitment in the Armed Forces Covenant will be arranged to Council employees and the wider community.

