



Securing the future... • *Improving services*
• *Enhancing quality of life* • *Making the best use of public resources*

Council Building
The Atrium
137 Glover Street
Perth
PH2 0LQ

Thursday, 15 September 2016

A Meeting of the **Strategic Policy and Resources Committee** will be held in the **Hay Room, Dewars Centre, Glover Street, Perth, PH2 0TH** on **Wednesday, 21 September 2016** at **10:00**.

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

BERNADETTE MALONE
Chief Executive

Those attending the meeting are requested to ensure that all mobile phones and other communication devices are in silent mode.

Members:

Councillor Ian Miller (Convener)
Councillor Alan Grant (Vice-Convener)
Councillor Bob Band
Councillor Peter Barrett
Councillor Ian Campbell
Councillor Dave Cuthbert
Councillor Dave Doogan
Provost Liz Grant (ex-officio)
Councillor John Kellas
Councillor Alan Livingstone
Councillor Alistair Munro
Councillor Douglas Pover
Councillor Mac Roberts
Councillor Barbara Vaughan
Councillor Willie Wilson
Councillor Anne Younger

Strategic Policy and Resources Committee

Wednesday, 21 September 2016

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**
 - (i) MINUTE OF MEETING OF THE STRATEGIC POLICY AND RESOURCES COMMITTEE OF 15 JUNE 2016 FOR APPROVAL AND SIGNATURE 5 - 10**
 - (ii) MINUTE OF MEETING OF THE APPEALS SUB-COMMITTEE OF 9 JUNE 2016 FOR NOTING 11 - 12**
 - (iii) MINUTE OF MEETING OF THE EXECUTIVE SUB-COMMITTEE OF 4 JULY 2016 FOR NOTING 13 - 16**
 - (iv) MINUTE OF MEETING OF THE EXECUTIVE SUB-COMMITTEE OF 23 AUGUST 2016 FOR NOTING 17 - 18**
- 4 REVENUE BUDGET 2016/17 - MONITORING REPORT NUMBER 1 19 - 46**
- 5 COMPOSITE CAPITAL BUDGET 2016/23 & HOUSING INVESTMENT PROGRAMME 2016/21 - MONITORING REPORT NUMBER 1 47 - 80**
- 6 GRANTING OF NON-DOMESTIC RATES RELIEF 81 - 88**

7	ANNUAL EFFICIENCY STATEMENT 2015/16	89 - 102
8	SAVINGS ARISING FROM EARLY RETIREMENT DECISIONS TAKEN IN 2015/16	103 - 110
9	TRANSFORMATION PROGRAMME 2015-2020 PROGRESS UPDATE AND EXPANSION OF FAMILY BASED CARE REQUEST FOR ADDITIONAL FUNDING	111 - 140
10	UPDATE ON PROCUREMENT STRATEGY AND ACTION PLAN	141 - 164
11	ANNUAL PROGRESS REPORT ON THE PERTH AND KINROSS DEVELOPING OUR YOUNG WORKFORCE ACTION PLAN	165 - 200
12	SMART PERTH AND KINROSS - OPEN DATA STRATEGY	201 - 222

IT IS RECOMMENDED 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 DISPOSAL OF 165 CRIEFF ROAD PERTH

**P2 INTRODUCTION OF THE LIVING WAGE IN THE SOCIAL CARE
SECTOR**

If you or someone you know would like a copy of
this document in another language or format,
(on occasion only, a summary of the document
will be provided in translation), this can be arranged
by contacting committee@pkc.gov.uk



Council Text Phone Number 01738 442573

STRATEGIC POLICY AND RESOURCES COMMITTEE

Minute of meeting of the Strategic Policy and Resources Committee held in the Gannochy Suite, Dewar's Centre, Glover Street, Perth on Wednesday 15 June 2016 at 10.00am.

Present: Councillors I Miller, A Grant, B Band, R Brock (substituting for D Cuthbert), I Campbell, D Doogan, A Gaunt (substituting for P Barrett), C Gillies (substituting for A Munro), J Kellas, D Pover, M Roberts, B Vaughan, A Younger and W Wilson.

In Attendance: B Malone, Chief Executive; John Fyffe, Senior Depute Chief Executive, ECS (Equality, Community Planning and Public Service Reform); K Donaldson, C Irons, L Simpson, P Steel, E Sturgeon, J Symon, G Taylor, S Walker and M Willis (all Corporate and Democratic Services); S Devlin, Education and Children Services; B Renton, S Homer, J McCrone, (up to Art ? – item 6) K McNamara and L Prentice all Environment Service; B Atkinson, L Brady and K Fraser, all Housing and Community Care.

Apologies for Absence: Provost L Grant and Councillors P Barrett, D Cuthbert, A Munro and A Stewart.

Councillor I Miller, Convener, Presiding.

. **WELCOME AND APOLOGIES**

The Convener welcomed all those present to the meeting and apologies were noted as above.

. **DECLARATIONS OF INTEREST**

Councillors A Gaunt and M Roberts declared a non-financial interest in Article ? (Item 6) in terms of the Councillors' Code of Conduct.

. **MINUTES OF PREVIOUS MEETINGS**

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

The minute of meeting of the Strategic Policy and Resources Committee of 20 April 2016 (Arts 297-309) was submitted, approved as a correct record and authorised for signature.

(ii) **Employees' Joint Consultative Committee**

The minute of meeting of the Employees' Joint Consultative Committee of 3 March 2016 was submitted and noted. (*Appendix I*)

(iii) **Provost's Sub-Committee**

The minute of meeting of the Provost's Sub-Committee of 20 April 2016 was submitted and noted. (*Appendix II*)

CORPORATE AND DEMOCRATIC SERVICES ANNUAL PERFORMANCE REPORT 2015/16

There was submitted a report by the Depute Chief Executive, HCC (Corporate and Community Development Services) and Chief Operating Officer (16/265) presenting the Annual Performance Report 2015/16 for Corporate and Democratic Services.

Resolved:

- (i) The Corporate and Democratic Services Annual Performance Report 16/265, be approved.
- (ii) The Annual Performance Report be referred to the Scrutiny Committee for scrutiny and comment.

RATES RELIEF – USE OF COMMUNITY EMPOWERMENT ACT 2015 TO EXPAND PROVISIONS OF SMALL BUSINESS BONUS AND FRESH START SCHEMES

There was submitted a joint report by the Depute Chief Executive, Environment (Sustainability, Strategic and Entrepreneurial Development) and the Head of Finance (16/266) outlining potential immediate actions to support Perth city centre in respect of potential rates relief following requests for assistance by the business community; and seeking approval for rates relief to support businesses in town centres and Perth city centre.

Motion (Councillors I Miller and A Grant)

- (i) (a) Expand the Small Business Bonus Scheme to all Perth City Centre and town centre properties by -
 - (i) Awarding a further 20% relief to those currently receiving 25% relief through the existing scheme
 - (ii) Award, where eligible, 20% to those with a rateable value of up to £25,000
 - (iii) Award, where eligible, 20% for those with a rateable value up to £30,000
- (b) Expand the Fresh Start Scheme to all Perth City Centre and town centre properties that have been empty for a minimum of 42 days and who are outwith the scope of existing rates relief schemes.
- (c) Delete the qualification outlined in paragraph 1.47 and expand the exclusions outlined in paragraphs 1.35 and 1.46 by specifically excluding all premises licenced for the sale of alcohol, the sale of legal highs and bookmaking or gaming (i.e. arcades).
- (ii) Delegate authority to the Depute Chief Executive, Environment to exclude or include any business from any rates relief scheme.
- (iii) In relation to the points raised in paragraphs 3.2 and 3.3, agree that there will be no discretion where a business does not meet the prescribed financial criteria, but delegate authority to the Depute Chief Executive, Environment to exercise discretion where a business meets the prescribed financial criteria, but lies on the periphery of the defined geographic boundaries.

- (iv) Approve the earmarking of a maximum £620,000 in the 2015/16 Unaudited Annual Accounts to fund Non Domestic Rates measures in 2016/17.

Amendment (Councillors B Vaughan and B Band)

- (i) (a) Expand the Small Business Bonus Scheme to all Perth City Centre and town centre properties by -
 - (i) Awarding a further 20% relief to those currently receiving 25% relief through the existing scheme
 - (ii) Award, where eligible, 20% to those with a rateable value of up to £25,000
 - (iii) Award, where eligible, 20% for those with a rateable value up to £30,000
- (b) Expand the Fresh Start Scheme to all Perth City Centre and town centre properties that have been empty for a minimum of 42 days and who are outwith the scope of existing rates relief schemes.
- (c) Include the qualification outlined in paragraph 1.47 that for off-sales, this relates to premises where off-sales are a substantial part of the business and does not include premises where small amounts are sold as gifts or similar.
- (ii) Delegate authority to the Depute Chief Executive, Environment to exclude or include any business from any rates relief scheme.
- (iii) In relation to the points raised in paragraphs 3.2 and 3.3, agree that there will be no discretion where a business does not meet the prescribed financial criteria, but delegate authority to the Depute Chief Executive, Environment to exercise discretion where a business meets the prescribed financial criteria, but lies on the periphery of the defined geographic boundaries.
- (iv) Approve the earmarking of a maximum £620,000 in the 2015/16 Unaudited Annual Accounts to fund Non Domestic Rates measures in 2016/17.

The meeting was adjourned for 10 minutes, recommencing at 10.55am.
Following the adjournment, Councillors Miller and Grant agreed to amend the wording of the motion as follows:

Amended Motion:

- (i) (a) Expand the Small Business Bonus Scheme to all Perth city centre and town centre properties by
 - (i) Awarding a further 20% relief to those currently receiving 25% relief through the existing scheme.
 - (ii) Award, where eligible, 20% to those with a rateable value of up to £25,000.
 - (iii) Award, where eligible, 20% for those with a rateable value up to £30,000.
- (b) Expand the Fresh Start Scheme to all Perth City Centre and town centre properties that have been empty for a minimum of 42 days and who are outwith the scope of existing rates relief schemes.
- (c) Expand the exclusions outlined in paragraphs 1.35 and 1.46 by specifically excluding all premises used for retail purposes licenced for the sale of alcohol, the sale of legal highs and bookmaking or gaming (i.e. arcades), but where this relates to off sales, this does not include

premises where the sale of alcohol is ancillary to the primary business use.

- (ii) Delegate authority to the Depute Chief Executive, Environment to exclude or include any business from any rates relief scheme.
- (iii) In relation to the points raised in paragraphs 3.2 and 3.3, agree that there will be no discretion where a business does not meet the prescribed financial criteria, but delegate authority to the Depute Chief Executive, Environment to exercise discretion where a business meets the prescribed financial criteria, but lies on the periphery of the defined geographic boundaries.
- (iv) Approve the earmarking of a maximum £620,000 in the 2015/16 Unaudited Annual Accounts to fund Non Domestic Rates measures in 2016/17.

Councillors Vaughan and Band agreed to withdraw the amendment.

Resolved:

In accordance with the amended Motion.

**SECURING THE FUTURE FOR CULTURE AND SPORT –
IMPLEMENTATION UPDATE**

There was submitted a report by Senior Depute Chief Executive, ECS (Equality, Community Planning and Public Service Reform) (16/267) (1) updating the Committee on the implementation of new contract arrangements for culture and sport services, (2) asking the Committee to note the progress made to date and seeking approval of the financial commitment to agree a service contract with Live Active Leisure for delivery over the period 2016/2017 - 2018/2019, contingent on Live Active Leisure meeting the continuous improvement requirements of the Council.

Resolved:

- (i) The work to date to revise contract arrangements with all three Trusts: Culture Perth and Kinross; Live Active Leisure; Horsecross Arts; from which the Council commissions culture and sport services, to secure Best Value, be noted.
- (ii) The award of a further two year contract to Live Active Leisure for the period 2017/2018 - 2018/2019, subject to the commitment to continuous improvement being met in 2016/17 (as detailed in section 2.9(b) of Report 16/267), be approved.
- (iii) A further report be submitted to this committee in twelve months time.

**TRANSFORMATION PROGRAMME 2015-2020 – PROGRESS UPDATE
AND CORPORATE DIGITAL PLATFORM BUSINESS CASE**

There was submitted a report by the Depute Chief Executive, Environment (Sustainability, Strategic and Entrepreneurial Development) (16/268) providing an update on the Transformation Programme and requesting permission to draw down up to £231,000 from the Earmarked Reserve for Transformation, to provide the capacity and support to secure the effective delivery of the Corporate Digital Platform transformation review.

Resolved:

- (i) The progress with the Transformation Programme, as detailed in Appendix 1 to Report 16/268, be noted.
- (ii) The release of £231,000 funding from the Earmarked Transformation Reserve, to provide capacity and support to secure the effective delivery of the review, be approved.

GOVERNANCE AND SUPPORT OF THE COUNCIL'S TRANSFORMATION PROGRAMME

There was submitted a report by Depute Chief Executive, Environment (Sustainability, Strategic and Entrepreneurial Development) (16/269) proposing a new governance arrangement to meet the evolving requirements of the Council's Transformation Programme (2015-2020).

Resolved:

- (i) The governance proposals for the Transformation Programme and supporting roles and responsibilities as detailed in Report 16/269, be noted.
- (ii) A review of these governance arrangements after 6 months, to assess their fitness for purpose, be approved.

FOLLOWING THE PUBLIC POUND

There was submitted a report by the Head of Legal and Governance Services (16/270) seeking approval for the revised Code of Guidance for Funding External Organisations and Following the Public Pound.

Resolved:

- (i) The revised Code of Guidance for Funding External Organisations and Following the Public Pound be approved.
- (ii) It be noted that the Head of Legal & Governance Services and the Corporate Procurement Manager will work with Service Management Teams to review and where applicable amend current arrangements to ensure that these are compliant with current procurement legislation and the new Code;
- (iii) It be noted that the outcome of the review of these arrangements will be reported back to Committee in the Following the Public Pound Annual Report 2016/17.

HR POLICIES – WORKFORCE CHANGE AND FAIRNESS AT WORK

There was submitted a report by Corporate Human Resources Manager (16/271) seeking approval of an updated Framework for Managing Workforce Changes.

Resolved:

- (i) The revised Framework for Managing Workforce Changes, including the Organisation Change Principles, be approved.
- (ii) The incorporation of the Fairness at Work in Integration Protocol in the Council's Fairness at Work Policy, be approved.

AUTHORITY TO WRITE OFF DEBTS AND OBSOLETE STOCK

There was submitted a report by the Head of Finance (16/272) seeking (1) approval to write off identified debts in respect of Sales Ledger; Council Tax (including Water & Waste Water charges); Non-Domestic Rates; Irrecoverable Rents; Housing Benefit Overpayments and Car Park Trading Account Income and (2) approval to write off obsolete stock and outstanding reconciliation items.

Resolved:

- (i) All amounts detailed in Section 2 and of Report 16/272 in Appendices 1-5 to Report 16/272 be written off for accounting purposes.
- (ii) It be noted that whilst these amounts are written off, the files are not closed and every effort will be made to collect outstanding debt wherever possible.

TENDERS ACCEPTED BY THE TAYSIDE PROCUREMENT CONSORTIUM AND COUNCIL SERVICES

There was submitted a report by the Depute Chief Executive, Environment (Sustainability, Strategic and Entrepreneurial Development) (16/273) providing information on tenders accepted by the Tayside Procurement Consortium and Council Services under delegated authority.

Resolved:

The tenders accepted under delegated authority as detailed in Appendices 1 and 2 to Report 16/273 be noted.

APPEALS SUB-COMMITTEE OF STRATEGIC POLICY AND RESOURCES COMMITTEE

Minute of Meeting of the Appeals Sub-Committee held in the Boardroom, Dewar's Centre, Glover Street, Perth on Thursday 9 June 2016 at 9.30am.

Present: Councillors H Anderson, D Cuthbert and B Vaughan.

In Attendance: Appellant; Service's Representative (J Heggie, Human Resources) and G Fogg, Legal Services.

1. APPOINTMENT OF CONVENER

It was unanimously agreed that Councillor B Vaughan be appointed Convener of the Appeals Sub-Committee.

Councillor B Vaughan took the Chair.

2. PROCEDURE TO BE USED FOR DISMISSAL APPEALS

Resolved:

The procedure, as issued for the information of all present, be adopted.

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

P1. DISMISSAL APPEAL

The Appeals Sub-Committee was convened to consider an appeal by a member of staff from Housing and Community Care against dismissal.

The Appeals Sub-Committee considered documentation lodged by both parties and heard evidence from the Service's representative and her witnesses, and from the Appellant. Thereafter the parties summed up their cases and withdrew.

Resolved:

That the dismissal was found to be fair and reasonable in the circumstances and the appeal be not upheld.

EXECUTIVE SUB-COMMITTEE OF THE STRATEGIC POLICY AND RESOURCES COMMITTEE

Minute of meeting of the Executive Sub-Committee of the Strategic Policy and Resources Committee held in Room W05, Second Floor, Council Building, The Atrium, Glover Street, Perth on Monday 4 July 2016 at 1.00pm

Present: Councillors I Miller, A Grant, D Cuthbert (substituting for Councillor A Munro), and B Vaughan (substituting for Councillor M Roberts).

In Attendance: J Fyffe, Senior Depute Chief Executive; B Renton, Director (Environment); P Dickson and S MacKenzie (The Environment Service); C Flynn and C Irons (Corporate and Democratic Services).

Apologies for Absence: Councillors P Barrett, A Munro and M Roberts.

Councillor I Miller, Convener, Presiding.

1. WELCOME AND APOLOGIES/SUBSTITUTES

The Convener welcomed all those present to the meeting and apologies/substitutes were noted as above.

2. DECLARATIONS OF INTEREST

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

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

P1. TAY CITIES DEAL STAFFING AND CONSEQUENTIAL ARRANGEMENTS

There was submitted a report by the Depute Chief Executive, Environment (Sustainability, Strategic and Entrepreneurial Development) (16/321) that addressed the workforce requirements to ensure adequate staffing resource for the Council's contribution to the Tay Cities Deal and consequential backfill arrangements within the Environment Service.

Resolved:

- (i) David Littlejohn, Head of Planning and Development, be released to fulfil the responsibilities of Head of City Deal for a period of approximately twenty three months from September 2016, with salary costs being shared equally amongst the four partner Councils;
- (ii) The Director (Environment) be authorised to progress the arrangements for interim roles of Head of Planning and Head of Economic Development, with internal applicants sought first of all and authority given to proceed to external recruitment if required;

- (iii) The Director (Environment) be authorised to make consequential regradings within budget in order to ensure appropriate technical and professional capacity.

P2. EARLY RETIREMENT REQUEST

There was submitted a report by the Director (Education and Children's Services) (16/322) seeking approval for a request for early retirement from within the chief officer cohort.

Resolved:

Peter McAvoy, Head of Education (Secondary and Inclusion) be released for early retirement on 14 October 2016 based on the terms and conditions set out in Report 16/322.

P3. HIGHLAND PERTSHIRE COMMUNITY PARTNERSHIP FUNDING ARRANGEMENTS

There was submitted a joint report by the Senior Depute Chief Executive, ECS (Equality, Community Planning and Public Service Reform), Head of Finance and Head of Legal and Governance (16/323) on funding arrangements for Highland Perthshire Community Partnership.

Resolved:

- (i) The contents of Report 16/323 be noted;
- (ii) It be noted that Highland Perthshire Community Partnership would have no further access to Community Broadband Scotland funding.
- (iii) It be agreed that the Council would provide no additional funding to Highland Perthshire Community Partnership for community broadband, but the Senior Depute Chief Executive, ECS (Equality, Community Planning and Public Service Reform) be instructed to explore alternative options for the delivery and roll out of broadband services in Highland Perthshire.
- (iv) It be agreed that an offer of £5000 funding to Highland Perthshire Community Partnership be made from the Community Development Budget to support core community activities, consistent with the first strategic aim of the Partnership's 2016 business plan. This funding to be subject to the following conditions:-
 - that Highland Perthshire Community Partnership agree to an independent due diligence exercise being undertaken by an external consultant immediately;
 - that Highland Perthshire Community Partnership work with the Council, Community Broadband Scotland and any other parties to ensure that community broadband is delivered in rural Perthshire through an alternative provider; and
 - that this funding cannot be used towards any payment of loans, debts or salaries.
- (v) It be agreed that no further additional funding requests in respect of core community activities be considered until the due diligence exercise has been

completed and any recommendations arising from this have been implemented by Highland Perthshire Community Partnership.

- (vii) It be agreed to pay £3,567 directly to British Telecom in respect of the broadband back haul supply, subject to Highland Perthshire Community Partnership's adherence to the requirement in resolution (v) above.

EXECUTIVE SUB-COMMITTEE OF THE STRATEGIC POLICY AND RESOURCES COMMITTEE

Minute of meeting of the Executive Sub-Committee of the Strategic Policy and Resources Committee held in the Boardroom, Ground Floor, Dewar's Centre, Glover Street, Perth on Tuesday 23 August 2016 at 2.00pm.

Present: Councillors I Miller, M Roberts and W Wilson (substituting for P Barrett)

In Attendance: J Fyffe, Senior Depute Chief Executive; K Donaldson, C Irons, L Potter, J Symon and G Taylor (all Corporate and Democratic Services).

Apologies: Apologies were received from Councillors P Barrett, A Grant and A Munro.

Councillor I Miller, Convener, Presiding.

1. WELCOME AND APOLOGIES/SUBSTITUTES

The Convener welcomed all those present to the meeting and apologies and substitutions were noted.

2. DECLARATIONS OF INTEREST

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

3. VOLUNTARY SEVERANCE SCHEME 2016

There was submitted a report by the Depute Chief Executive (Corporate and Community Development Services) (16/362) on (1) the promotion of a further Voluntary Severance Scheme to all staff, except teachers, as part of the Council's workforce management measures and (2) seeking approval for the enhancement of payments available to staff who are not in the Local Government Pension Scheme and who would only be entitled to a severance payment with no immediate access to pension.

Resolved:

- (i) The promotion of a voluntary severance scheme to all staff, excluding teachers, be noted.
- (ii) The use of the Pension Discretion available under the Local Government (Discretionary Payments and Injury Benefits) (Scotland) Regulations 1998 as amended by the 2009 Amendment Regulations of the same name to apply a maximum payment of 60 weeks' pay, as detailed within Report 16/362, be approved.
- (iii) An increased payment be made available to staff who were approved to leave on voluntary severance or voluntary redundancy through to March 2018 be approved.
- (iv) That the outcomes from the voluntary severance scheme would be reported to Council in February 2017, be noted.

PERTH AND KINROSS COUNCIL

Strategic Policy and Resources Committee – 21 September 2016

REVENUE BUDGET 2016/17 – MONITORING REPORT NUMBER 1

Report by the Head of Finance

PURPOSE OF REPORT

This report provides an update on progress with the 2016/17 General Fund Revenue Budget based upon the June 2016 ledger, updated for any subsequent known material movements, and the projected financial position of the Housing Revenue Account. The total net projected under spend on the 2016/17 General Fund Management Budget is £940,000 (see Appendix 1).

1. BACKGROUND / MAIN ISSUES

- 1.1 This is the first report updating the Committee on progress with the 2016/17 Revenue Budget. Appendix 1 to this report summarises the current projected year end (outturn) position for each Service based upon the June 2016 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 2016/17 on 11 February 2016 (Report No. 16/51 refers). In addition, adjustments that were approved by the Strategic Policy and Resources Committee on 20 April 2016 (Report No. 16/179 refers) are reflected in Appendix 1 (Column 2).
- 1.3 The Council's Financial Regulations allow Service Directors to vire budgets up to £100,000 within their Service. Any virements between Services or in excess of £100,000 are either included in the body of the revenue monitoring report or in the appendices for approval.
- 1.4 This report details the latest projected outturns and proposed adjustments to the 2016/17 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 £827,000 which represents 0.27% of total net Service expenditure. (In the corresponding report for financial year 2015/16 the projected under spend was £2,202,000 or 0.71%).

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

2.1.3 **Education & Children's Services:** The projected outturn (excluding Devolved School Management (DSM)) is currently anticipated to be £248,000 less than budget.

2.1.4 The latest revenue monitoring position includes projected under spends on:

- Staff costs (£248,000) due to additional slippage.
- Early learning and evidence to success (£516,000) due primarily to a rephasing of the planned expenditure profile.
- Additional income (£260,000) from a number of sources including secondments, out of school clubs and recharges to other Councils.
- The budget for young people with additional support needs (£497,000) due to a lower number of placements to that used in setting the original budget
- Residential schools (£114,000) based on the latest levels of activity in this area.
- Other net under spends across the Service (£92,000).

2.1.5 These projected under spends are partially offset by a projected over spends on:

- The Foster Care budget is projected to over spend (£1,119,000) due primarily to unprecedented high demand for external foster care placements.
- Projected slippage on the delivery of corporate transformation projects (£360,000).

2.1.6 There is also a projected under spend of £15,000 on Devolved School Management budgets (DSM) due to the receipt of income from staff secondments and the Scottish Qualifications Authority partially offset by a projected over spend on staff costs. It is anticipated that, in line with the approved DSM scheme, the eventual over and under spends will be carried forward into 2017/18.

2.1.7 The projected carry forward of £15,000 represents 0.02% of the overall DSM budget.

2.1.8 **Housing & Community Care:** The projected outturn is currently anticipated to be £403,000 less than budget.

2.1.9 This latest revenue monitoring position reflects projected under spends in:

- Finance and support (£168,000) due to reductions in levels of Housing Benefit Subsidy loss and overpayments, additional income and the accelerated delivery of savings.
- Older People due to under spends on Care at Home (£168,000) – staff slippage and external capacity issues; Care Teams (£182,000) – slippage during transition to locality team models; JELS/OT service (£92,000) – additional income and staff slippage; LA residential homes (£177,000) – additional income and staff slippage and day care (£176,000) – staff slippage and the accelerated delivery of approved savings. These under spends are partially offset by additional demand for external residential placements (£196,000).
- Learning Disabilities (£75,000) due to the accelerated delivery of savings and reduced purchases partially offset by additional external residential placements.
- Community Safety (£68,000) due to additional income and additional staff slippage.

2.1.10 These projected under spends are partially offset by net projected over spends in:

- Housing due to over spends on temporary accommodation (£140,000) as the Homefirst service delivery model is phased in and a projected reduction in income at Rio and Greyfriars (£133,000) as budget assumptions vary from actual usage. This is partially offset by additional staff slippage (£53,000).
- Mental Health Services (£133,000) due to increased residential placements and non-achievement of staff slippage targets partially offset by the accelerated delivery of savings and projected under spends on supported living spend (£72,000).
- Commissioned Services are projecting to over spend (£53,000) due to the implementation of the commitment to pay £8.25 per hour to social care workers including those in the independent and third sector.
- Addiction Services are projecting an over spend due to the loss of Alcohol & Drug Partnership funding and increased external residential placements (£95,000) which are partially offset by additional staff slippage and the accelerated delivery of savings (£64,000).
- Management cost centres are projected to overspend by (£196,000) due to the non-achievement of slippage targets and expenditure on supplies and services. This is partially offset by additional income from the approved Contributions Policy (£54,000).

2.1.11 **The Environment Service:** The projected outturn is currently anticipated to be on target against budget.

2.1.12 This latest revenue monitoring position includes projected under spends on:

- Fuel costs (£100,000) due to lower prices and consumption.
- Energy (£500,000) due to continued low prices.
- Water (£100,000) due to reduced consumption.

2.1.13 These projected under spends are partially offset by:

- Investment in a free WiFi service for Perth City Centre (£60,000)
- An upgrade of the CCTV City Operations Service (£120,000) to draw down ERDF grant funding
- Additional maintenance expenditure across the school estate (£260,000)
- The approved contribution to the Tayside Landscape Partnership (£40,000).

2.1.14 Through ongoing dialogue with local businesses the Council has acknowledged the need for further investment and promotion of the whole of Perth and Kinross to maximise the return on investment by both the private and public sector. Building on the current programme, and in order to increase exposure of the area to a much wider audience, it is proposed to allocate an additional £500,000 over the next three years towards marketing and promotion. The Enterprise and Infrastructure Committee will be provided with updates on how the initiative is progressing.

2.1.15 To fund this additional investment in the marketing and promotion of the whole of the Perth and Kinross it is proposed that the £220,000 net under spend identified in 2.12 and 2.13 above is redirected in the current year. It is further proposed that £280,000 of the earmarked Reserve for the Community Empowerment Act 2015 be reallocated towards this marketing and promotion campaign

2.1.16 **ACTION:** The Committee is asked to approve the marketing and promotion scheme for Perth and Kinross which will be funded from the Environment Service's 2016/17 Revenue Budget and the redirection of the earmarked Reserve for the Community Empowerment Bill 2015.

2.1.17 There are also two other areas of potential expenditure which at this stage are not recognised in this revenue monitoring report. Firstly discussions are still ongoing with the owners of St Paul's Church that may result in the Council initially incurring expenditure. Secondly there may be an appeal of the recent planning application for the Almond Valley development. Depending upon the outcome of the appeal there may be costs that the Council will be required to meet.

2.1.18 **Corporate and Democratic Services:** The projected outturn is currently anticipated to be £176,000 less than budget.

2.1.19 This latest revenue monitoring position is made up of:

- Staff slippage in excess of budgeted levels across the Service (£172,000).
- Other net under spends across the Service (£4,000).

2.1.20 The Council is still awaiting information on Registration Service charges from the office of the Registrar General. Once the information is received a charging report will be presented to a future meeting of this Committee providing details of all charges in place within Corporate and Democratic Services. The Licensing Charges have previously been approved by the Licensing Committee on 31 March 2016 (Report No. 16/160 refers).

2.2 Issues Arising from Financial Year 2015/16

2.2.1 In completing the 2015/16 Unaudited Annual Accounts a number of issues have been identified which require adjustments to be made to the 2016/17 Management Budget.

Devolved School Management (DSM) Scheme

2.2.2 In setting the 2016/17 Final Revenue Budget on 11 February 2016 (Report No. 16/51 refers) the Council approved a DSM carry forward of £985,000. However, the final under spend on the DSM scheme was £1,258,000, an increase of £273,000 of which £196,000 related to property related activity.

2.2.3 **ACTION:** The Committee is requested to allocate the additional under spend to Education and Children's Services (£77,000) and the Environment Service (£196,000) to reflect the additional Devolved School Management scheme balances brought forward from 2015/16. This adjustment is reflected in Appendix 1 (Column 3) to this report and has no overall impact on the budgeted level of Reserves.

Revenue Grants

2.2.4 Accounting arrangements under International Accounting Standards require that, subject to certain conditions, revenue grants received by the Council in 2015/16 but not utilised by 31 March 2016 should be accounted for in Reserves at the end of the financial year. These funds, including 1 and 2 Languages and Quality of Care, totalling £536,000 will now be utilised in 2016/17 and therefore approval is sought to increase the Revenue Budgets of Education and Children's Services by £258,000, Housing and Community Care by £166,000 and the Environment Service by £112,000.

2.2.5 **ACTION:** The Committee is asked to approve the adjustments totalling £536,000, funded from Reserves, to the above Service budgets to reflect revenue grants received in 2015/16 in respect of expenditure which will not be incurred until 2016/17. These additional adjustments are reflected in Appendix 1 (Column 3) to this report and have no overall impact on the budgeted level of Reserves.

Investment in Improvement Funds

- 2.2.6 Approval is sought to amend budgets for a number of Investment in Improvement Fund Projects due to changes in the phasing of expenditure as set out in Appendix 3.
- 2.2.7 **ACTION:** The Committee is asked to approve the transfer of £46,000 from Housing and Community Care to Reserves and £75,000 from Education and Children's Services to Reserves for the Investment in Improvement Fund projects listed above. This adjustment is reflected in Appendix 1 (Column 3) to the Report.

Corporate Transformation Programme

- 2.2.8 A number of adjustments are required to corporate transformation projects to reflect final levels of expenditure incurred in financial years 2015/16. These proposed adjustments are not increases or reductions in the total project budget but merely reflect revisions to the phasing of expenditure. The adjustments are set out in Appendix 3.
- 2.2.9 **ACTION:** The Committee is asked to approve the transfer of £21,000 from Education and Children's Services, £74,000 from Housing and Community Care, £105,000 to the Environment Service and £86,000 to Corporate and Democratic Services from / to the earmarked Reserve for Transformation (including Workforce Management). These adjustments are reflected in Appendix 1 (Column 3) to the Report.

Flooding / Bellwin Grants

- 2.2.10 Revenue Monitoring Report No.4 for 2015/16 that was considered by this Committee on 20 April 2016 (Report No. 16/179 refers) advised that an update on the Bellwin claim that was submitted to the Scottish Government for 2015/16 would be provided in due course. On 16 June 2016 the Council received confirmation that it had been awarded £750,691 which represented the claim of £1,418,583 less the Council threshold of £649,862 and adjustments of £18,030 for ineligible expenditure. On 7 September 2016 the Council received notification from Transport Scotland and the Society of Local Authority Chief Executives that the Scottish Government will also be providing additional funding of £1,028,000 towards infrastructure costs.
- 2.2.11 A summary of the funding and related expenditure is set out in the following table. This summary excludes funding of £276,000 for grants to businesses that the Council was reimbursed by the Scottish Government separately (see paragraph 2.3.2).

Funding	
Scottish Government Funding towards flooding events (January 2016)	£1,650,000
Bellwin Claim (June 2016)	£750,691
Infrastructure Funding (September 2016)	£1,028,000
TOTAL FUNDING	£3,428,691
Expenditure to date	
Council expenditure	£1,390,590
Compensation grants	£309,000
Contribution to Insurance Fund (Report No. 16/45): Council housing, Alyth Museum, Alyth Park	£400,000
TOTAL EXPENDITURE TO DATE	£2,099,590
FUNDING REMAINING IN RESERVES	£1,329,101
Further Anticipated Expenditure	
Bleaton Hallet Bridge replacement	£1,135,000
Other Infrastructure works (provisional estimate)	£100,000
TOTAL ANTICIPATED EXPENDITURE	£1,235,000
UNALLOCATED FUNDING	£94,101

2.2.12 The above table identifies proposals to fund the replacement bridge at Bleaton Hallet, funding towards other infrastructure works and unallocated resources of £94,101.

2.2.13 **ACTION:** The Committee is asked to note the funding and expenditure relating to severe weather events. The Committee is also asked to approve the funding for the Bleaton Hallet Bridge replacement and that proposals to utilise the unallocated funding from the severe weather events of £94,101 are considered at a future meeting of the Committee once the costs of the Other Infrastructure works have been finalised.

Private Sector Housing Grant

2.2.14 In closing the 2015/16 Unaudited Annual Accounts an under spend on Private Sector Housing Grants of £405,000 was identified due to the level of applications received during the year. This under spend allowed Capital Grant to be applied to other capital expenditure resulting in reduced borrowing costs in 2015/16. Permission is now sought to reinstate the Private Sector Housing Grants Budget by £405,000 in 2016/17 to allow the approved programme of works to continue.

2.2.15 **ACTION:** The Committee is asked to virement of £405,000 between Housing and Community Care and General Capital Grant. This adjustment is reflected in Appendix 1 (Column 3) to the report.

2.3 Movements in Funding

2.3.1 Since the 2016/17 Final Revenue Budget was updated by the Strategic Policy Resources Committee on 20 April 2016 (Report No. 16/179 refers) notification has been received of additional resources in the current financial year from a number of sources as set out in paragraphs 2.3.2 and Appendix 4.

2.3.2 Scottish Government: Revenue Support Grant (£437,853)

- Teacher Induction Scheme: £119,853 (Education & Children's Services – ECS)
- Gaelic Education: £33,000 (ECS)
- Sensory Impairment Strategy: £9,000 Housing & Community Care (HCC)
- Flooding Support Grant: £276,000: The Environment Service (TES)

2.3.3 The Scottish Government has advised that the increase in Revenue Support Grant identified at 2.3.2 of £437,853 will be made through a redetermination of the Council's Revenue Support Grant. It is therefore necessary to adjust the net budgets for Education & Children's Services; Housing & Community Care; the Environment Service and Revenue Support Grant.

2.3.4 **ACTION:** The Committee is asked to approve the following adjustments to budgets: Education & Children's Services £152,853; Housing & Community Care £9,000; and the Environment Service £276,000 to reflect the additional resources being made available through Revenue Support Grant. These adjustments are reflected in Appendix 1 (Column 4) to this report.

Other Funding (£1,184,205)

2.3.5 Other funding amounting to £1,184,205 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 is set out in Appendix 4.

2.3.6 **ACTION:** The Committee is also asked to note the receipt of £1,184,205 of additional resources, with this funding being reflected within Education & Children's Services, Housing & Community Care and the Environment Service as additional grant income. The current projected outturn assumes that all of these additional resources will be fully expended in 2016/17.

2.4 Virements

Contribution to/from Capital Fund

2.4.1 In line with the strategy for managing the Council's Capital Programme over the medium term (as reported to Council on 22 June 2016 – Report No. 16/277 refers) it is recommended that the eventual over or under spend on Capital Financing Costs and Interest on Revenue Balances be transferred from or to the Capital Fund.

2.4.2 The latest monitoring indicates an increase in the projected outturn for capital financing costs (loan charges) of £58,000 and a reduction in the level of projected income from Interest on Revenue Balances of £101,000. The variances reflect the latest treasury activity undertaken by the Council.

2.4.3 **ACTION:** The Committee is requested to approve the virement of £58,000 to the Capital Financing Costs (Loan Charges) Budget; £101,000 to Interest on Revenue Balances with a net reduction of £159,000 in the projected Contribution to the Capital Fund. These adjustments have been reflected in Appendix 1 (Column 5) to this report.

Perth Theatre Redevelopment Project

2.4.4 The Education and Children's Services Revenue Budget for 2016/17 includes £2,354,000 and the Capital Fund includes a £428,000 contribution towards the Perth Theatre Redevelopment Project – total funding of £2,782,000.

2.4.5 Education and Children's Services only require £666,000 of this funding in 2016/17 and therefore it is proposed to transfer the balance of £2,116,000 to an Earmarked Reserve to fund the revenue costs of works at the Perth High School over the medium term. The work on the Perth Theatre Redevelopment Project is included within the Capital Budget and will be funded by borrowing. These adjustments were included in the Capital Budget that was approved by Council on 22 June 2016 (Report No. 16/277 refers).

2.4.6 **ACTION:** The Committee is asked to approve the virement of £428,000 from the Capital Fund to Education and Children's Services in relation to the Perth Theatre Redevelopment Project. This adjustment is reflected in Appendix 1 (Column 5) to this report. The Committee is also asked to approve the transfer to Reserves of £2,116,000 from Education and Children's Services to an Earmarked Reserve towards the Perth High School project. This adjustment is reflected in Appendix 1 (Column 7) to this report.

Service Virements

2.4.7 In order to ensure that the 2016/17 Management Revenue Budget continues to reflect current Service needs the following virements between budgets are required:

- IST - Education and Children's Services (ECS) to Corporate & Democratic Services (CDS) - £9,000 – final budgetary adjustment for transfer of IST.
- Voluntary Severance Scheme (VSS) Costs – Housing and Community Care (HCC) to the Environment Service - £68,000 – adjustments to amounts allocated for VSS in Revenue Budget 2015/16 - Revenue Monitoring Report No.4 (Report No. 16/179 refers).
- Perth Office Project – Contribution from Renewal and Repair Fund to TES - £360,000 – rephasing of expenditure to 2016/17 approved in

Revenue Budget 2015/16 - Revenue Monitoring Report No.3 (Report No. 16/45 refers).

- Management Information Systems (MIS) - CDS to ECS - £224,000 – transfer of MIS team to maximise operational effectiveness.
- Corporate Procurement – TES to CDS - £15,000 – funding to reflect the transfer of activity to the Finance Systems team.
- Corporate Collaboration Funding – CDS to TES - £50,000 - funding to support collaboration and transformation activity.
- Flood Studies – Capital Grants to TES - £150,000 – funding from General Capital Grant towards the initial costs of developing flood schemes.
- Property Maintenance – Contribution from Renewal and Repairs Fund to the Environment Service - £450,000 – funding to reinstate property maintenance budget following transfer to Almondbank Flood Prevention Scheme – see Capital Monitoring Report No.1 – para 3.4.5 (Report No. 16/401 refers)

2.4.8 **ACTION:** The Committee is requested to approve the adjustments to Service and Corporate Budgets listed in 2.4.7 above. These adjustments have been reflected in Appendix 1 (Column 5) to this report.

2.5 Movements in Reserves

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

2.5.1 Under the terms of the Council Tax (Discount for Unoccupied Dwellings) (Scotland) Regulations 2005, the Council has exercised its discretionary powers to raise additional local tax income through reducing the Council Tax discount on second homes and long term empty properties. In line with guidance from the Scottish Government, these monies are held by the Council in an earmarked reserve for the provision of affordable housing in partnership with approved Registered Social Landlords. It is estimated that £1,300,000 will be collected in the current financial year and transferred to Reserves. Approval is sought to increase the Council Tax Income budget by £1,300,000 with this amount being earmarked in Reserves for the provision of affordable housing.

2.5.2 **ACTION:** The Committee is asked to approve the transfer of £1,300,000 to Reserves from the Council Tax Income Budget which will be earmarked for the provision of affordable housing. This adjustment is reflected in Appendix 1 (Column 6) to this report.

3. CORPORATE BUDGETS

Contributions to Tayside Valuation Joint Board

- 3.1 The Treasurer of the Tayside Valuation Joint Board is currently projecting an under spend of £34,000 primarily due to reduced staff costs. Perth and Kinross Council's share of this projected under spend is approximately £13,000. This under spend is reflected in Appendix 1.

Un-Funded Pensions Costs

- 3.2 Based on the latest invoices from Dundee City Council, who administer Tayside Pension Fund, there is a projected under spend of £100,000. This under spend has arisen due to the phasing of staff departures under the Voluntary Severance Scheme approved in February 2016. This under spend is reflected in Appendix 1.

Provision of Non Domestic Rates Relief under the Community Empowerment Act 2015

- 3.3 On 15 June 2016 the Strategic Policy and Resources approved the use of the Community Empowerment Act 2015 to expand the provisions of the Small Business Bonus and Fresh Start Schemes (Report No. 16/266 refers). The report set out potential immediate actions available to the Council in respect of potential rates relief following requests for assistance by the business community up to a maximum cost to the Council of £650,000.
- 3.4 To date the Council has received 104 applications to access these schemes. The process of evaluating these applications is currently underway with 74 meeting the criteria to date at a cost to the Council of approximately £137,000. Further updates will be provided to the Committee in due course. Proposals to redirect an element of this funding is set out in 2.1.16 above.

4. HOUSING REVENUE ACCOUNT (HRA)

- 4.1 The Director (Housing and Social Work) is currently projecting a planned reduction in expenditure of £18,000 on the Housing Revenue Account (HRA) in order to increase the balance on the HRA Reserve to £800,000 in accordance with the approved strategy for managing Housing Revenue Account Balances.
- 4.2 There is a projected under recovery of income due to anticipated reductions in:
- Interest on revenue balances (£45,000).
 - Council house rent due to right to buy applications and delayed completion of new builds (£65,000).
 - Rents from lock ups and garages due to the capital investment programme that is currently underway (£84,000).

- 4.3 There is a projected under spend on Administration (£119,000) due to reduced loan charges partially offset by other net over spends across the function (£25,000).
- 4.4 The net projected movements described above result in a reduction in the projected contribution to Capital Financed from Current Revenue (CFCR) (£118,000) available for the HRA Capital Programme.
- 4.5 Full details of the movement against the HRA Revenue Budget are set out in Appendix 5.

5. CONCLUSION AND RECOMMENDATIONS

- 5.1 The total net projected under spend on the General Fund net expenditure, as set out in Appendix 1 to this report, is £940,000.
- 5.2 Additionally the projected planned under spend on Devolved School Management Budgets currently stands at £15,000.
- 5.3 The Director (Housing and Social Work) is currently projecting a planned under spend of £18,000 in order increase the balance on the HRA Reserve to £800,000 in accordance with the approved strategy for managing Housing Revenue Account Balances.
- 5.4 The Committee is requested to:
- Note the contents of the report;
 - Approve the adjustments to the 2016/17 Management Revenue Budget detailed in Appendix 1 and Section 2 above;
 - Approve the marketing and promotion scheme for Perth and Kinross which will be funded from the Environment Service's 2016/17 Revenue Budget and the reallocation of the earmarked Reserve for the Community Empowerment Bill 2015 – see para 2.1.16.
 - Note the funding and expenditure relating to severe weather events set out in paragraph 2.2.11.
 - Approve the funding for the Bleaton Hallet bridge replacement – see 2.2.13.
 - Approve that proposals to utilise the unallocated funding from the severe weather events of £94,101 are considered at a future meeting of the Committee – see 2.2.13.
 - Approve Service virements summarised in Appendices 2 and 5.

Author(s)

Name	Designation	Contact Details
Scott Walker	Chief Accountant	swwalker@pkc.gov.uk 01738 475515

Approved

Name	Designation	Date
John Symon	Head of Finance	8 September 2016

If you or someone you know would like a copy of this document in another language or format, (on occasion, only a summary of the document will be provided in translation), this can be arranged by contacting the Customer Service Centre on 01738 475000.

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	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

1.1 Corporate Plan

1.1.1 The Council's Corporate Plan 2013 – 2018 lays out five outcome focussed strategic objectives which provide clear strategic direction, inform decisions at a corporate and service level and shape resources allocation. They are as follows:

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

1.1.2 This report relates to all of these objectives.

2. Resource Implications

2.1 Financial

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

2.2 Workforce

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

2.3 Asset Management (land, property, IT)

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

3. **Assessments**

3.1 Equality Impact Assessment

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

3.2 Strategic Environmental Assessment

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

3.3 Sustainability

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

4. Consultation

4.1 Internal

- 4.1.1 The Chief Executive, Depute Chief Executives and Directors have been consulted in the preparation of this report.

2. BACKGROUND PAPERS

- 2.1 No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to any material extent in preparing the above report.

3. APPENDICES

Appendix 1 – General Fund 2016/17 Projected Outturn - Summary

Appendix 2 – General Fund 2016/17 Projected Outturn – Service Analysis

Appendix 3 – Adjustments to Projects funded from the Corporate
Transformation and Investment in Improvement Funds

Appendix 4 – Other Funding

Appendix 5 – Housing Revenue Account 2016/17 Projected Outturn

PERTH & KINROSS COUNCIL GENERAL FUND 2016/17 REVENUE BUDGET - SUMMARY

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	2016/17 Council Approved Budget Feb-16 £'000	Previously Approved Adjustments (Net) £'000	Issues Arising from 2015/16 Unaudited Accounts £'000	Movements in Funding £'000	Virements £'000	Movements in Reserves £'000	2016/17 Revised Mgt Budget £'000	Projected Outturn £'000	Variance to Revised Mgt Budget £'000	Variance to Revised Mgt Budget %
<i>Reference: Section in Report</i>		1.2	2.2	2.3	2.4	2.5				
SERVICE										
Education & Children's Services	171,854	(2,606)	239	153	643	(2,116)	168,167	167,919	(248)	(0.15%)
Housing and Community Care	65,466	607	451	9	(68)		66,465	66,062	(403)	(0.61%)
The Environment Service	57,969	1,569	657	276	1,063		61,534	61,534	0	0.00%
Corporate and Democratic Services	14,399	442	86		(250)		14,677	14,501	(176)	(1.20%)
Sub - Total: Service Budgets	309,688	12	1,433	438	1,388	(2,116)	310,843	310,016	(827)	(0.27%)
Corporate Budgets										
Contribution to Valuation Joint Board	1,166						1,166	1,153	(13)	(1.11%)
Capital Financing Costs	16,352	(1,571)			58		14,839	14,839	0	0.00%
Interest on Revenue Balances	(200)	45			101		(54)	(54)	0	0.00%
Net Contribution to/(from) Capital Fund	(586)	1,048			(587)		(125)	(125)	0	0.00%
Contribution to/(from) Renewal and Repair Fund	0				(810)		(810)	(810)	0	0.00%
Trading Operations Surplus	(250)						(250)	(250)	0	0.00%
Support Service External Income	(1,888)						(1,888)	(1,888)	0	0.00%
Un-Funded Pension Costs	1,551						1,551	1,451	(100)	(6.45%)
Discretionary Relief	150						150	150	0	0.00%
Net Expenditure (General Fund)	325,983	(466)	1,433	438	150	(2,116)	325,422	324,482	(940)	(0.29%)
Financed By:										
Revenue Support Grant	(184,101)	(1,562)					(186,101)	(186,101)	0	0.00%
Ring Fenced Grant	(113)			(438)			(113)	(113)	0	0.00%
Non Domestic Rate Income	(57,555)						(57,555)	(57,555)	0	0.00%
Council Tax Income	(73,664)					(1,300)	(74,964)	(74,964)	0	0.00%
Council Tax Reduction Scheme	6,249						6,249	6,249	0	0.00%
Capital Grant	(6,944)	4,725	(405)		(150)		(2,774)	(2,774)	0	0.00%
Total Financing	(316,128)	3,163	(405)	(438)	(150)	(1,300)	(315,258)	(315,258)	0	0.00%
Financed from/(returned to) Reserves including use of Budget Flexibility b/fwd	9,855	2,697	1,028	0	0	(3,416)	10,164	9,224	(940)	

PERTH AND KINROSS COUNCIL - GENERAL FUND 2016/17 PROJECTED OUTTURN - SERVICE ANALYSIS
(Based on Expenditure to 30 June 2016)

SERVICE	Variance £'000	Variance £'000	Summary of Service Variances
<u>Education & Children's Services (ECS)</u>			
Total	(248)		
			<u>Devolved School Management (DSM)</u>
		185	<u>Staff Costs</u> Teachers salaries projected under spend of £1,147,000 due to staff turnover. Single Status staff are projecting an under spend of £374,000 also due to staff turnover. This is offset by a slippage target for 2016/2017 of £1,706,000.
		(200)	<u>Income</u> Projected additional income of £200,000 offsets additional expenditure on staff costs above for secondments and SQA work.
		15	The projected DSM carry forward for 2016/17 is £15,000 which is a reduction of £1,243,000 on the balance brought forward from 2015/16. This level of carry forward represents approximately 0.02% of the overall DSM budget.
			<u>Other Education & Children's Services Sectors:</u>
		360	<u>Corporate Transformation Projects</u> Slippage on the delivery of corporate transformation projects (mobile working, myaccount and procurement) will result in the non-achievement of these savings targets in the current financial year.
		(248)	<u>Staff Costs</u> This projected under spend is made up of movements across all sectors and cost centres and is after recognising a slippage target of £841,000.
		32	<u>Property Costs</u> Projected over spend in relation to Non-Domestic Rates for 2016/17.
		(516)	<u>Supplies and Services</u> Projected under spend in Early Learning and Childcare provision (£116,000) and Evidence 2 Success (£400,000) due to the phasing of expenditure.
		(30)	<u>Transport Costs</u> Projected under spend on car allowances, travel and subsistence payments.
		(55)	<u>Third Party Payments</u> There is a projected under spend in Early Learning and Childcare (£110,000) partially offset by Children Young People and Families in supporting young people (£40,000) and Direct Payments & Personal Home Care (£15,000).
		(497)	<u>Residential Schools/Foster Care and Kinship Care:</u> The budget for young people with Additional Support Needs (ASN) who are educated out with the Council's mainstream school provision is projected to under spend in the current financial year due to a lower level of placements than that assumed in setting the original revenue budget.
		(114)	The budget for young people with complex behavioural issues which includes a number of pupils placed within secure schools is projected to under spend based on current activity levels.
		1,119	The Foster care budget is projected to over spend of (£1,127,000) due to high demand for external foster carers to date partially offset by a projected under spend on Kinship care of (£8,000).
		(39)	<u>Loan Charges</u> Projected under spend on prudential borrowing loan charges due to revised projections for land disposals.
		(260)	<u>Income</u> Projected additional income of £260,000. The main areas are secondments with Education Scotland (£139,000); Out of School Kids Clubs (£50,000); recharging other authorities for Pupil Support Assistants and Learning Support (£48,000); NHS contribution to a residential placement (£16,000); Music Tuition (£23,000); Music Camps (£6,000); Police Scotland (£6,000) for Child Protection Inter Agency work; Wellbank House rental income (£4,000); Duke of Edinburgh Awards (£4,000). These are partially offset by reduced Renewable Heat Initiative income (£36,000) due delays in changes to plant and equipment.
		162	Stage 1 fees in relation to new school at Bertha Park that prior to the review of European Standard of Accounting 10 would have been charged to the Capital Budget.
		(162)	Reimbursement of stage 1 fees due from HubCo at financial close of the new school at Berth Park.

PERTH AND KINROSS COUNCIL - GENERAL FUND 2016/17 PROJECTED OUTTURN - SERVICE ANALYSIS
(Based on Expenditure to 30 June 2016)

SERVICE	Variance £'000	Variance £'000	Summary of Service Variances
<u>Housing and Community Care</u>			
Total	(403)		
		220	<u>Housing</u> There is a projected over spend on Temporary Accommodation (£140,000) as the Homefirst service delivery model is rolled out on a phased basis and reduced income at Greyfriars and Rio (£133,000) due to occupancy levels being lower than that budgeted. This is partially offset by additional staff slippage (£53,000).
		(168)	<u>Finance and Support</u> Projected under spend due to a reduction in the level of Housing Benefit Subsidy loss in supported / exempt accommodation (£52,000), additional income from Sheriff Officers (£31,000), additional staff slippage (£49,000), accelerated delivery of approved savings (£68,000). This is partially offset by net over spends on supplies and services (£32,000).
		(599)	<u>Older People</u> There is a projected under spend on Care At Home (£168,000) due to recruitment delays and a shortage of external supply; Care Teams (£182,000) as the Service moves to locality team models; JELS/OY (£92,000) due to additional income from NHS Tayside, staff slippage and equipment purchases; LA Residential Homes (£177,000) due to increased income and staff slippage and Day Care (£176,000) due to staff slippage and the accelerated delivery of savings. This is partially offset by a projected over spend on external residential placements (£196,000) due to the volume of interim placements.
		(75)	<u>Learning Disabilities</u> There is a projected under spend due to the accelerated delivery of savings (£86,000), a reduction in purchased services (£56,000) and the receipt of non-recurring income (£9,000). This is partially offset by a projected over spend on external residential placements (£76,000).
		(68)	<u>Community Safety</u> There is a projected under spend due to the receipt of additional non-recurring income (£38,000) and additional staff slippage (£30,000).
		287	<u>Other Community Care Services</u> There is a projected overspend in Mental Health Services (£133,000) due to increased residential placements and non-achievement of staff slippage targets partially offset by the accelerated delivery of savings and projected under spends on supported living spend (£72,000). Commissioned Services are projecting to over spend (£53,000) due to the implementation of the Living Wage. Addiction Services are projecting an over spend due to the loss of Alcohol & Drug Partnership funding and increased external residential placements (£95,000) which are partially offset by additional staff slippage and the accelerated delivery of savings (£64,000). Management cost centres are projected to overspend by (£196,000) due to the non-achievement of slippage targets and expenditure on supplies and services. This is partially offset by additional income from the approved Contributions Policy (£54,000).

PERTH AND KINROSS COUNCIL - GENERAL FUND 2016/17 PROJECTED OUTTURN - SERVICE ANALYSIS
(Based on Expenditure to 30 June 2016)

SERVICE	Variance £'000	Variance £'000	Summary of Service Variances
<u>The Environment Service</u>			
Total	0		
		(100)	<u>Operations & Waste Strategy</u> Projected saving on fuel costs based on current price and consumption estimates.
		60	<u>Planning and Regeneration</u> Provision of free public WiFi network in Perth City Centre
		120	Upgrade to CCTV City Operations Centre
		220	Investment in marketing and promotion across Perth and Kinross
			<u>Parking</u>
		100	Projected shortfall in parking income.
		(100)	Contribution from Car Parking Reserve
			<u>Community Greenspace</u>
		40	Contribution to Tayside Landscape Partnership
			<u>Property</u>
		(500)	Projected saving on energy costs due to lower than anticipated price increases.
		(100)	Projected saving on water costs.
		260	Projected additional expenditure on the school estate including Auchterarder High School

PERTH AND KINROSS COUNCIL - GENERAL FUND 2016/17 PROJECTED OUTTURN - SERVICE ANALYSIS
(Based on Expenditure to 30 June 2016)

SERVICE	Variance £'000	Variance £'000	Summary of Service Variances
<u>Corporate and Democratic Services</u>			
Total	(176)		
		(6)	<u>Core Costs</u> Projected net under spend on staff costs due to slippage.
		(40)	<u>Legal Services</u> Projected under spend on staff costs due to vacancies.
		(17)	Projected additional income due to the cyclical nature of a number of the income streams.
		12	Projected over spend on other costs across the Division, primarily publications and photocopying.
		(100)	<u>Finance</u> Projected under spend on staff costs due to slippage in excess of budgeted levels.
		10	Miscellaneous over spends across the Finance Division
		(8)	<u>Human Resources</u> Various net projected under spends across staff costs, supplies and services, third party payments and transport costs
		(27)	<u>IT</u> Projected under spend on staff costs due to slippage in excess of budgeted levels.
TOTAL	(827)		

Investment in Improvement Funds

Homelessness Support – additional expenditure in 2015/16 resulting in less required for 2016/17	£(46,000)
Remodelling of the School Estate	£(25,000)
TOTAL	£(71,000)

Corporate Transformation Programme

Procurement Reform Review (The Environment Service) (TES)	£6,000
Smart Perth and Kinross: Perth and Kinross Open Data (Education and Children's Services) (ECS)	£(16,000)
Corporate Digital Services and my Account Review (Corporate and Democratic Services (CDS)	£49,000
Mobile Working Review (CDS)	£37,000
Communities First Review (Housing and Community Care) (HCC)	£(26,000)
Home First: Review of Homeless Service (HCC)	£(5,000)
Review of Facility Management (FM) Service arrangements (ECS)	£(25,000)
Review of Community Care Packages for Adults (HCC)	£(43,000)
Review the Delivery of Class Contact Time (ECS)	£20,000
Council Vehicle Fleet Utilisation and Optimisation Review (TES)	£36,000
Review of Roads Activities (TES)	£(10,000)
Modernising Performance Reporting Review (TES)	£32,000
Modernising Licences, Permissions and Approvals Processes (TES)	£7,000
Enabling Transformation (TES)	£34,000
TOTAL	£121,000

Other Funding

Scottish Government – Opportunities for All (ECS)	£122,996
Scottish Government – Developing the Young Workforce (ECS)	£103,800
Scottish Attainment Challenge Innovation Fund (ECS)	£54,990
Bord Na Gaidhlig – Gaelic in the Community (ECS)	£22,000
Bord Na Gaidhlig – Gaelic in the Workplace (ECS)	£14,000
NHS Tayside – ASSIST (A Stop Smoking in Schools Trial) (ECS)	£13,300
Bord Na Gaidhlig – Club Gaidhlig (ECS)	£10,000
British Council - Erasmus+ Programme Inchtute Primary (ECS)	£7,236
Big Lottery Fund, Awards for All – Queens 90th Birthday (ECS)	£3,205
British Council - Erasmus+ Programme Pitlochry High (ECS)	£3,072
DWP - Discretionary Housing Payment (HCC)	£388,406
DWP - Fraud & Error Reduction Incentive Scheme (FERIS) (HCC)	£24,808
DWP - Additional New Burdens re Welfare Reform (HCC)	£23,416
DWP - Local Authority Data Sharing IT Costs (HCC)	£12,388
DWP - Implementation of the 2016 Benefit Cap changes (HCC)	£11,477
DWP - Single Fraud Investigation Service Project (HCC)	£3,452
DWP - Pension Credit Assessed Income Period Reform (HCC)	£996
Scottish Government – Chargeplace Scotland Network (TES)	£102,000
Scottish Government – Air Quality Action Plan (TES)	£100,000
Scottish Government – Local Air Quality Management (TES)	£40,000
Zero Waste Scotland – Volunteer and Community Advocate Programme (TES)	£36,548
Scottish Government – Switched On Fleets Ultra-Low emission Vehicle Procurement (TES)	£34,695
Sustrans Scotland – Cycling Counters (TES)	£21,420
Carplus Trust – Car Club Development Officer (TES)	£16,000
The Royal Incorporation of Architects in Scotland – Festival of Architecture (TES)	£14,000
TOTAL	£1,184,205

PERTH AND KINROSS COUNCIL - HOUSING REVENUE ACCOUNT 2016/17 PROJECTED OUTTURN
(Based on Expenditure to 30 June 2016)

£'000	Summary of Service Variances
(2)	Housing Improvements and South Minor projected under spends across the Division
12	Letham and North Projected over spend due to non-achievement of staff slippage target
15	Perth City and Specialist Projected over spend due to non-achievement of staff slippage target
(119)	Administration The projected under spend is due to anticipated reduced capital financing costs
194	Income There is a projected under recovery of income from reduced Interest on Revenue Balances (£45,000) due to low interest rates, rental income due to the delayed completion of new builds and increased rent to buy applications (£65,000) and a reduction in income from lock up and garages due to stock movements and the capital investment programme (£84,000) .
(118)	Capital Financed from Current Revenue As a result of the projected net over spends highlighted above, this is the reduction in the amount available to invest in the HRA capital programme.
(18)	

PERTH AND KINROSS COUNCIL

Strategic Policy and Resources Committee – 21 September 2016

**COMPOSITE CAPITAL BUDGET 2016/23 & HOUSING INVESTMENT
PROGRAMME 2016/21 – MONITORING REPORT NUMBER 1**

Report by the Head of Finance

PURPOSE OF REPORT

This report provides a summary position to date for the Composite Capital Programme for 2016/17 to 2022/23 and the Housing Investment Programme 2016/17 to 2020/21, and seeks approval for adjustments to the programmes.

1. BACKGROUND / MAIN ISSUES

- 1.1 At its meeting on 22 June 2016, the Council approved a Gross Composite Capital Budget for 2016/17 to 2022/23 totalling £536,209,000 (report 16/277 refers).
- 1.2 In addition, the Housing & Health Committee on 27 January 2016 approved a five year Housing Investment Programme for the period from 2016/17 to 2020/21 (report 16/28 refers). A revised Housing Investment Programme for 2016/17 to 2020/21 was approved by the Strategic Policy and Resources Committee on 20 April 2016 (report 16/180 refers), with total approved gross resources totalling £82,380,000.
- 1.3 This report advises of the impact of the final outturn expenditure in 2015/16 on the programmes; expenditure to 31 August 2016, and the latest estimate of the projected outturn for each of the years to 2022/23 for the Composite Programme and to 2020/21 for the Housing Investment Programme.
- 1.4 The Capital Programme Exceptions Report (Appendix V) 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 seven years 2016/17 to 2022/23 amount to £536,774,000. Movements from the Composite Capital Budget approved on 22 June 2016 are summarised in the table below, and the constituent elements for each year are summarised at Appendix I.

Total Composite Capital Resources			
	Approved 22 June 2016	Current Estimate	Movement
	£'000	£'000	£'000
2016/17	69,384	75,889	6,505
2017/18	96,354	94,432	(1,922)
2018/19	64,387	61,441	(2,946)
2019/20	104,232	103,362	(870)
2020/21	92,349	92,143	(206)
2021/22	68,266	68,467	201
2022/23	41,237	41,040	(197)
Total	536,209	536,774	565

- 2.2 The total increase of £565,000 above relates to instances where the total expenditure on individual projects in 2015/16 was greater or less than the projected expenditure in the last monitoring report, and the proposed 2016/17 budgeted expenditure increased or decreased accordingly, together with other movements relating to General Capital Grants, Revenue and Third Party Contributions and Capital Receipts, are detailed below.
- 2.3 On 18 July 2016 the Scottish Government confirmed the allocation of Flood Prevention Grants which were to be included in the **General Capital Grant** allocation for 2016/17 and provided estimates of flood grant funding annually until 2020/21. The 2016/17 grant amounted to £813,000, being 80% of the Council's estimated eligible costs incurred up to and including 2016/17, in relation to the flood schemes at Comrie, Milnathort, South Kinross and Scone. Estimates for grant to be received in the years from 2017/18 to 2022/23 have also now been updated to reflect this settlement. The updated estimates compare to 70% originally assumed during the budget setting process. This total increase over the seven year period is expected to be £2,552,000 because of the greater proportion of expenditure being eligible for grant funding. The 2015/16 expenditure on Private Sector Housing Grants (PSHG) which is funded from the Capital Grant within the Revenue Budget was £405,000 less than budgeted, resulting in this amount being available for the Capital Programme in 2015/16. Consequently, it is proposed that this underspend of £405,000 is made available for the PSHG programme in 2016/17, and that the General Capital Grant within the Capital Budgets is reduced by this amount. All these adjustments are reflected in Appendices I and II.
- 2.4 Actual **Third Party Contributions** in 2015/16 were £105,000 higher than anticipated and it is therefore proposed to decrease the current year budget by this amount to reflect the difference in the timing of the receipts. In addition, there is a £1,023,000 increase in anticipated Third Party Contribution over the 7-year programme, mainly due to increased contributions towards Kinross, Tulloch and Errol Primary Schools (see Section 3.3.3), Structural Maintenance (see Section 3.4.2) and Almondbank Flood Prevention Scheme (see Section 3.4.4). **Revenue Contributions** have decreased by £2,047,000, primarily as a result of the transfer of revenue expenditure at Perth High School from the Capital Budget to the Revenue Budget (see Section 3.3.5), together with the

corresponding Revenue Contributions. All movements in Third Party Contributions and Revenue Contributions have been included in Appendices I and II.

- 2.5 Actual **General Fund Property Disposal** receipts in 2015/16 were £9,000 lower than anticipated and it is therefore proposed to increase the current year budget by this amount to reflect the difference in the timing of these receipts. Additionally, actual **Commercial Property Investment Programme** receipts in 2015/16 were £768,000 lower than expected due to the later than anticipated completion of the sale of Plot 3 at Broxden Business Park. It is therefore proposed to increase the current year budget by this amount to reflect the difference in the timing of receipts. In addition, there has been a further increase of £61,000 in the estimated disposal receipts on the Commercial Property Investment Programme, mainly as a result of an anticipated increase in proceeds from the sale of plots at Western Edge Kinross. As net proposed movements on the Commercial Property expenditure programme result in a £4,000 decrease in expenditure, the estimated **receipts carried forward to future years** have increased by £65,000 by the end of the 7-year Programme. These movements are summarised at Appendix I.
- 2.6 The projected **Borrowing Requirement** in 2016/17, which is effectively the balancing item for resources, is £53,637,000, which is £9,152,000 higher than the previous Borrowing Requirement approved by Council on 22 June 2016. The total Borrowing Requirement in the subsequent years 2016/17 to 2021/22 has decreased by £9,870,000 to £330,330,000, resulting in an overall decrease of £718,000 across the whole seven year programme. As well as the factors discussed above, this reflects adjustments to prudential borrowing projects (see Section 3.4.8) and the rephasing of expenditure and receipts across the 7-year Programme, the most significant of which relate to the Redevelopment of Perth Theatre (see Section 3.3.2), A9/A85 Road Junction Improvements (see Section 3.4.3) and Almondbank Flood Prevention Scheme (see Section 3.4.4) All movements in the Borrowing Requirement are shown in the Proposed Budget Adjustment column within Appendix II, and summarised in the table below:

	2016/17	2017/18	2018/19	2019/20	Later Years	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Increase in Borrowing Requirement brought forward from 2015/16 (Appendix II)	1,414	0	0	0	0	1,414
Reduction in Borrowing due to minor roundings and brought forward adjustments (Appendix II)	(7)	0	0	0	0	(7)
Increase in General Capital Grant (Section 2.3)	(508)	(42)	(215)	(722)	(1,065)	(2,552)
Movements arising from re-phasing of expenditure and receipts at Almondbank Flood Prevention Scheme (Section 3.4.3)	3,656	(1,104)	0	0	0	2,552
(Increase)/Decrease in General Fund Property Receipts(Section 2.5)	9	(1)	0	0	0	8
SUSTRANS grant towards Errol Primary School (Section 3.3.3)	(22)	0	0	0	0	(22)
Increase/(Decrease) in Prudential Borrowing – TES (Section 3.4.8)	(1,723)	(148)	46	(280)	(6)	(2,111)
Movements arising from re-phasing of expenditure and receipts – Redevelopment of Perth Theatre (Section 3.3.2)	5,623	(5,609)	(14)	0	0	0
Movements arising from re-phasing of expenditure and receipts – A9/A85 Junction Improvements (Section 3.4.2)	541	1,656	(2,197)	0	0	0
Movements arising from re-phasing of other expenditure and receipts (Appendix II)	(11)	467	(531)	(250)	325	0
Increase/(Decrease) in Borrowing Requirement	8,972	(4,781)	(2,911)	(1,252)	(746)	(718)

3. COMPOSITE CAPITAL PROGRAMME – EXPENDITURE

3.1 Total Expenditure for the Year Ended 31 March 2016

3.1.1 An analysis of the whole programme has been undertaken to compare the actual final capital expenditure for 2015/16 included in the unaudited final accounts against the projected expenditure in Monitoring Report No. 4 considered by this Committee on 20 April 2016. This has highlighted that £1,179,000 of net expenditure has moved between financial years. The long-term effect of this type of slippage on the seven-year Capital Budget is neutral, and accordingly it is proposed that the budget in these circumstances is adjusted in 2016/17. These movements are detailed at Appendix II.

3.1.2 Total unaudited expenditure (net of grants and contributions) for the year ended 31 March 2016 on the Composite Capital Programme amounted to £39,086,000, which is detailed at Appendix II. This expenditure, as compared to the original 2015/16 budget approved by this committee on 11 February 2015, can be summarised as follows:

	2015/16 Approved Budget as at 11 February 2015	Net Expenditure to 31 March 2016	Net Expenditure as a % of original Budget
	£'000	£'000	%
Education and Children's Services	17,165	9,799	57
The Environment Service	35,957	26,246	73
Housing and Community Care	3,319	1,360	41
Corporate & Democratic Services	1,856	1,681	91
Total	58,297	39,086	67

3.1.3 This difference is a result of budget adjustments reported to this Committee between approval of the budget on 11 February 2015 and the last meeting on 20 April 2016 (£18,032,000 decrease) and the under and over spends for the year ended 31 March 2016 (£1,179,000 decrease), which are carried forward to 2016/17 as described in 3.1.1.

3.2 Total Expenditure and Proposed Budget Adjustments to the Current Programme

3.2.1 Total expenditure (net of grants and contributions) in the current year to 31 August 2016 on the Composite Capital Programme amounts to £18,352,000, which is detailed at Appendix II and can be summarised as follows:

	Net Expenditure to 31 August 2016
	£'000
Education and Children's Services	5,785
The Environment Service	11,570
Housing and Community Care	579
Corporate & Democratic Services	418
Total	18,352

3.2.2 In addition to this expenditure, General Capital Grant received amounts to £5,814,000 and capital receipts amount to £695,000. Therefore the borrowing requirement to 31 August 2016 totals £11,843.

3.2.3 A comprehensive monitoring exercise has been carried out, which is detailed at Appendix II. The most significant features are discussed below.

3.3 Education and Children's Services

3.3.1 The Director (Education & Children's Services) has reviewed the current programme and proposes various budget adjustments, the most significant of which are described below.

- 3.3.2 Financial close on the Perth Theatre Redevelopment Project was achieved in June 2016. At this point, a full construction cash flow was available from the contractor, and it is proposed to rephrase the expenditure budget accordingly. It is proposed to rephrase third party contributions in line with the anticipated completion date and handover of the facility to Horsecross Arts. These proposals do not impact on the completion of the project, currently anticipated to be September 2017.
- 3.3.3 Further Developer Contributions have been applied to fund additional expenditure on the Tulloch Primary School and Kinross Primary School upgrade projects in the current year, totalling £401,000 and £95,000 respectively, and it is proposed to increase the 2016/17 budgets accordingly. In addition, Sustrans have awarded a grant of £22,000 to fund a public footpath within the Errol Primary School upgrade project and it is proposed to increase the Third Party Contributions budget accordingly.
- 3.3.4 Included within the Modernising Secondaries Programme is a programme of works to improve Craft and Design Technology (CDT) facilities within the Council's secondary schools. It is therefore proposed to transfer £500,000 per annum in 2017/18, 2018/19 and 2019/20, together with £1,000,000 in 2020/21, from the Modernising Secondaries Programme into a new Technology Upgrades budget. The spend profile for the technology upgrades is expected to be £175,000 in the current year, followed by £500,000 per annum between 2017/18 and 2020/21 the £325,000 in 2021/22.
- 3.3.5 All of the above adjustments are reflected in Appendices I and II.

3.4 The Environment Service

- 3.4.1 The Director (Environment) has reviewed the current programme and proposes various budget adjustments. Many of the proposed adjustments relate to minor movements to match the carry forward of budgets between 2015/16 and 2016/17 in light of actual expenditure in 2015/16. The most significant of the remaining proposed adjustments are described below.
- 3.4.2 It is proposed that £500,000 of the Structural Maintenance budget in each of the years 2016/17, 2017/18 and 2018/19 is used towards structural maintenance of bridges projects in 2017/18 and 2018/19. Additionally, further Third Party Contributions totalling £400,000 are expected to be received towards structural maintenance work around the Beaulieu to Denny power line during 2016/17.
- 3.4.3 It is proposed to rephrase the A9/A85 Road junctions Improvement budget in line with the anticipated spend profile, with £830,000 being accelerated into 2016/17 and £1,367,000 into 2017/18, with the 2018/19 budget reducing by £2,197,000 accordingly.

- 3.4.4 Anticipated increases in costs of around £3,000,000 have been identified following the tender process in relation to the Almondbank Flood Prevention Scheme. It is proposed that £2,552,000 of this is financed by the increase in General Capital Grant (see Section 2.3), with the budget increasing by £2,552,000 accordingly. It is proposed the remaining £450,000 is financed by reductions in the Property Budget, with the Property works being funded the Property Maintenance budget within the Renewal & Repair Fund is available for use across the Council's Property portfolio. It is also proposed to rephase budgeted expenditure in line with the current spend profile. Further to this, a third party contribution from Sustrans totalling £104,000 has been agreed to fund a replacement footbridge in the area, and it is also proposed to increase the 2016/17 expenditure budget by this amount.
- 3.4.5 It has now been determined that the Scottish Government Grant funding in relation to the Priority Flood Prevention Works will form part of the Council's General Capital Grant allocation (see Section 2.3), and therefore the grant is now included within the General Capital Grant within the Capital Receipts section of Appendix II.
- 3.4.6 Following a review of the 2016/17 Community Greenspace works programmes, it is proposed that the budgets are aligned with the anticipated spend requirement. This results in £485,000 being proposed to be transferred out of the Community Greenspace Sites budget, with £349,000 being vired into Play Areas, £120,000 into Pitlochry Recreation Park, £12,000 into Community Greenspace Bridges, and £4,000 into the Riverside Masterplan.
- 3.4.7 Within Property, the Perth High School Internal Services & Refurbishment budget, approved as part of the 7 year Composite Capital Budget on 22 June 2016, included £2,116,000 of work financed by revenue contributions. However, as this expenditure is revenue expenditure rather than capital expenditure, it is therefore proposed that the revenue contributions and expenditure budgets are transferred to the revenue budget. The overall effect of this on both the Capital and Revenue budgets is neutral. It is also proposed that the Roof Works, Window Replacements, Heating Upgrades, Fire Alarms, Lighting Upgrades, Toilet Refurbishment and General Structural Building Works budgets are included within the Capital Improvements Programme budget going forward.
- 3.4.8 Within Prudential Borrowing, it is proposed that the Renewable Energy programme and Carbon Reduction budgets (totalling £2,443,000) are removed from the composite capital programme as these projects are no longer being carried out. The tender price of the Canal Street Car Park Improvements project is £250,000 higher than originally anticipated, and it is proposed to increase the expenditure budget accordingly with the additional loan charges being financed from the car parking trading account. It is also proposed to increase the Wheeled Bin Replacement Programme budgets by £40,000, and the Waste Reduction budget by £40,000 in line with current projections. Additionally, it is proposed to rephase the Street Lighting Renewal budget in line with its revised spend profile over the 7-year Programme, and

transfer £162,000 from the 2016/17 Vehicle Replacement Programme budget into 2017/18 in line with the timing of vehicle purchases.

- 3.4.9 All the above proposed adjustments have been reflected in Appendices I and II.

3.5 Housing and Community Care – Community Care

- 3.5.1 The Director (Housing & Social Work) has reviewed the current programme and proposes various budget adjustments. The only significant proposals are to transfer the entire 2016/17 Beechgrove Refurbishment project and Lewis Place Extension & Refurbishment project budgets into 2017/18 pending the outcome of a review of care services.

- 3.5.2 The above proposed adjustments have been reflected in Appendices I and II.

4. HOUSING INVESTMENT PROGRAMME

- 4.1 An analysis of the whole programme has been undertaken to compare the actual final expenditure for 2015/16 included in the unaudited final accounts against the assumed expenditure per Monitoring Report No.4 (report No. 16/180 refers). This has highlighted that net expenditure for the year ended 31 March 2016 was £15,960,000, being 83% of the original budget. This expenditure is £1,155,000 less than anticipated per Monitoring Report No. 4. Capital Receipts arising from the sale of property and other sales were £10,000 less than anticipated and the Capital Funded from Current Revenue (CFCR) contribution was £289,000 less than forecast. The combined effect of reduced net expenditure and reduced income has therefore reduced the 2015/16 Housing Investment programme borrowing requirement by £856,000.
- 4.2 The majority of the reduction in the 2015/16 net expenditure was attributed to Scottish Government Grants being received for a number of projects (the St Catherine's Road, New Row and Nimmo Place projects) which were not previously included within the budget. The carry forward budget movements are detailed within Appendix III and the Director (Housing and Social Work) proposes that the budgets for these programmes are adjusted in 2016/17.
- 4.3 The current estimated net expenditure over the six years 2016/17 to 2020/21 amounts to £84,301,000. Movements from the previous estimates approved on 20 April 2016 are as follows, and are also included at Appendix III:

	Approved 20 April 2016	Carried Forward from 2015/16	Revised Budget	Current Estimate	Current Period Movement
	£'000	£'000	£'000	£'000	£'000
2016/17	19,681	1,155	20,836	22,327	1,491
2017/18	15,605	0	15,605	16,969	1,364
2018/19	13,431	0	13,431	12,970	(461)
2019/20	9,220	0	9,220	9,210	(10)
2020/21	24,443	0	24,443	22,825	(1,618)
Total	82,380	1,155	83,535	84,301	766

- 4.4 Net expenditure for 2016/17 to 31 August 2016 amounts to £6,566,000 and receipts amount to £493,000, giving borrowing of £6,163,000 for the year to date.
- 4.5 The Director (Housing & Social Work) proposes to make several adjustments to the programme, which are detailed at Appendix III. Many of the proposed adjustments relate to minor movements to match the carry forward of budgets between 2015/16 and 2016/17 in light of actual expenditure in 2015/16, including the adjustments for Scottish Government Grants as detailed in Section 4.2. The most significant of the remaining proposed adjustments are described below.
- 4.6 Details regarding New Build developments at Nimmo Avenue, Perth and Cairns Crescent Perth and have been finalised and it is proposed that £598,000 and £444,000 respectively in 2016/17, and £189,000 towards Nimmo Avenue in 2017/18, are funded from the 2016/17 Future Developments budget. The remaining expenditure on these developments is to be funded by Scottish Government grants and Council Tax (Second Homes) Contributions. Additionally, further Scottish Government Funding totalling £148,000 is to be received towards the Glenearn Road Development during 2016/17 and it is also proposed to vire a further £500,000 for this project into 2017/18 from the 2016/17 Future Developments budget to fund additional building work on the project.
- 4.7 It is proposed to transfer £3,755,000 from the Energy Efficiency Budget, made up of £2,189,000 in 2017/18 and £1,566,000 in 2018/19, into other programmes within the Standard Delivery Plan to fund energy efficiency improvements across the Council's Housing Stock, most notably within the Double Glazing, Central Heating & Rewiring and Multi-Story flats programmes.
- 4.8 It is also proposed to transfer £782,000 of current year budget savings on completion of projects at 22 Nimmo Place, St Catherine's Road and New Row into the 2017/18 Multi Storey Flats budget to meet the anticipated increase in budget requirement. It is further proposed to rephase the Multi Storey Flats programme in line with these anticipated movements, however there still remains some uncertainty over the final scope of work required.

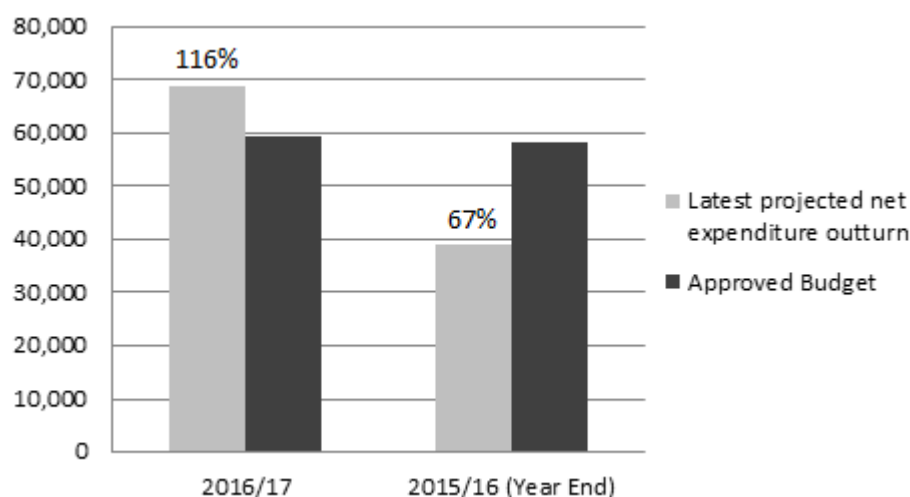
- 4.9 In setting the Composite Capital Budget on 22 June 2016, the Council determined that expenditure totalling £941,000 relating to Housing with Additional Support of the council's sheltered housing should be funded by the Housing Revenue Account. This has now been included in the Housing Improvement Programme, with £365,000 in 2016/17 and £576,000 in 2017/18.
- 4.10 Capital Receipts and CFCR contributions have been revised in line with current estimates. It is therefore proposed that the 2016/17 Capital Receipts budget is increased by £440,000 and the CFCR budget decreased by £407,000 accordingly. It should also be noted that Right to Buy ended on 31 July 2016, with only applications received before this date being able to be considered.
- 4.11 As a result of all the proposed adjustments, the total Housing Investment Programme borrowing requirement over the five year period to 31 March 2021 has increased by £1,579,000, including amounts carried forward from 2015/16.

5. RENEWAL & REPAIR FUND

- 5.1 Detailed at Appendix IV is the 2016/17 proposed revised budget and the projected outturn for the Renewal & Repair Fund.
- 5.2 The brought forward position has been amended to reflect the position following the completion of the 2015/16 unaudited accounts, reflecting a £1,000 increase in the opening position.
- 5.3 In line with current requirements, and the proposals outlined at 3.4.4 above, it is proposed that the Property Maintenance budget is no longer restricted to the School Estate and is made available across the Council's entire Property portfolio.
- 5.4 There have been no other movements from the estimates in the previous report.

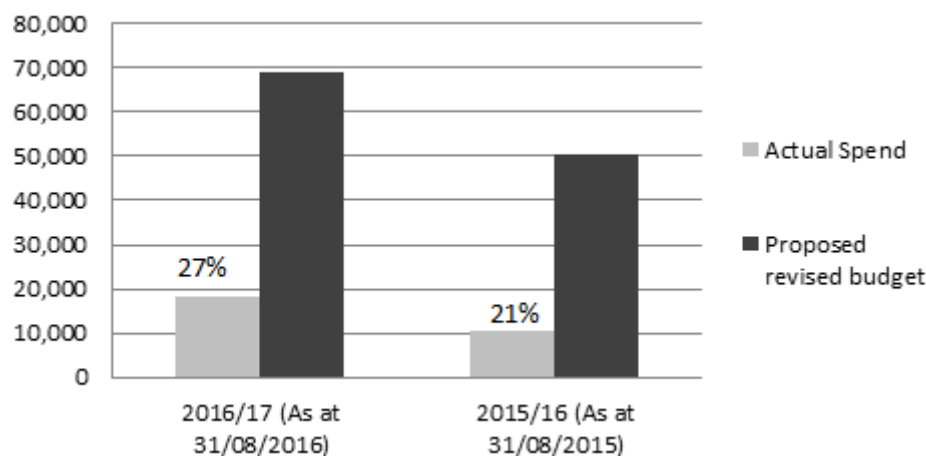
6. BUDGET OVERVIEW

- 6.1 The Composite Capital Budgets approved by the Council on 22 June 2016 have been reviewed and updated to reflect the latest monitoring.
- 6.2 The latest projected net expenditure outturn for the Composite Capital Programme represents 116% of the 2016/17 budget approved by the Council on 22 June 2016:

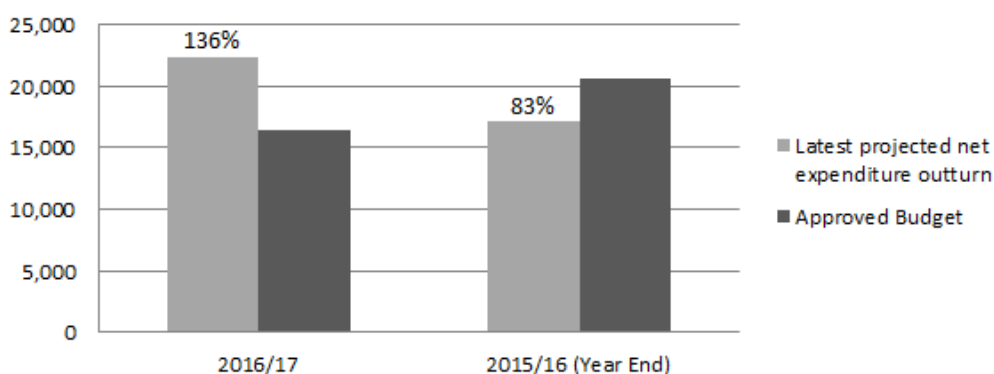


6.3 This difference is a result of the proposed budget adjustments included within this report (£8,538,000 increase, including balances brought forward from 2015/16), the most significant of which relate to Perth Theatre (see Section 3.3.2) and Almondbank Flood Prevention Scheme (see Section 3.4.4).

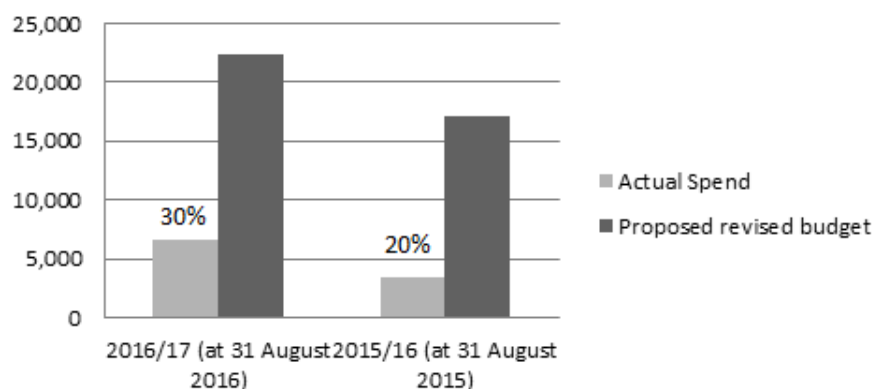
6.4 Fluctuations in the net expenditure outturn and the subsequent impact upon the Council's Borrowing Requirement will continue to be managed through the Council's Treasury function. Net expenditure at 31 August 2016 on the programme represents 27% of the proposed revised 2016/17 budget:



6.5 The latest projected gross expenditure outturn for the Housing Investment Programme represents 136% of the 2016/17 budget approved by the Housing & Health Committee on 27 January 2016 (report 16/28 refers):



- 6.6 Gross expenditure at 31 August 2016 on the Housing Investment Programme represents 30% of the proposed revised 2015/16 budget:



- 6.7 This report identifies revised projected expenditure and proposed budget movements on several projects. As detailed in Section 2.6, the proposed new borrowing requirement on the 7-year Composite Programme has decreased by £718,000 (see Section 2.6).
- 6.8 Proposed movements on the Housing Investment Programme are detailed at Section 4. The plans remain on course despite an increase in borrowing over the 5-year period. The consequential increase in Loan Charges as a result of this projected increase in borrowing can be contained within the Housing Revenue Account.

7. RECOMMENDATIONS

- 7.1 It is recommended that the Committee:

- (i) Notes the contents of this report.
- (ii) Approves the proposed budget adjustments to the seven year Composite Capital Budget 2016/17 to 2022/23 set out in Sections 2, and 3 to this report and summarised at Appendices I and II.
- (iii) Approves the proposed budget and monitoring adjustments to the Housing Investment Programme Budget 2016/17 to 2020/21 set out in Section 4 to this report and summarised at Appendix III.
- (iv) Approves the Proposal that the Property Maintenance budget within the Renewal & Repair Fund is no longer restricted to the School Estate.

Author(s)

Name	Designation	Contact Details
John Jennings	Senior Accountant	jjennings@pkc.gov.uk 01738 475564

Approved

Name	Designation	Date
John Symon	Head of Finance	8 September 2016

If you or someone you know would like a copy of this document in another language or format, (on occasion, only a summary of the document will be provided in translation), this can be arranged by contacting the Customer Service Centre on 01738 475000.

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	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

1.1 Corporate Plan

1.1.1 The Council's Corporate Plan 2013 – 2018 lays out five outcome focussed strategic objectives which provide clear strategic direction, inform decisions at a corporate and service level and shape resources allocation. They are as follows:

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

1.1.2 This report relates to all of these objectives.

2. Resource Implications

2.1 Financial

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

2.2 Workforce

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

2.3 Asset Management (land, property, IT)

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

3. **Assessments**

3.1 Equality Impact Assessment

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

3.2 Strategic Environmental Assessment

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

3.3 Sustainability

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

4. Consultation

4.1 Internal

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

5. BACKGROUND PAPERS

- 5.1 No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to any material extent in preparing the above report.

6. APPENDICES

Appendix I – Composite Capital Programme - Estimated Capital Resources 2016/17 to 2022/23

Appendix II – Composite Capital Programme - Summary of Capital Resources and Expenditure 2016/17 to 2022/23

Appendix III – Housing Investment Programme – Summary of Capital Resources and Expenditure 2016/17 to 2020/21

Appendix IV – Renewal & Repair Fund Budget 2016/17

Appendix V – Capital Programme Exceptions Report 2016/17

PERTH AND KINROSS COUNCIL
COMPOSITE CAPITAL PROGRAMME
Estimated Capital Resources 2016/17 to 2022/23

	Capital Resources 2016/17 (£'000)	Capital Resources 2017/18 (£'000)	Capital Resources 2018/19 (£'000)	Capital Resources 2019/20 (£'000)	Capital Resources 2020/21 (£'000)	Capital Resources 2021/22 (£'000)	Capital Resources 2022/23 (£'000)	Capital Resources TOTAL (£'000)
Capital Grants								
Cycling, Walking & Safer Streets	163	214	214	214	200	200	200	1,405
General Capital Grant	11,750	14,270	15,653	14,986	20,194	14,025	12,852	103,730
Total Capital Grants	11,913	14,484	15,867	15,200	20,394	14,225	13,052	105,135
General Capital Receipts								
General Fund - Capital Receipts	1,138	1,918	196	250	250	250	500	4,502
General Fund - Housing Receipts	3	4	3	3	3	3	0	19
General Fund - Ring Fenced Receipts	189	360	327	231	300	300	300	2,007
Total General Capital Receipts	1,330	2,282	526	484	553	553	800	6,528
Commercial Property Receipts								
Capital Receipts b/f (Commercial Property)	1,788	1,088	100	66	181	265	582	1,788
Commercial Property - Capital Receipts	1,676	873	661	510	84	317	0	4,121
Capital Receipts Carried-forward	(1,088)	(100)	(66)	(181)	(265)	(582)	(582)	(582)
Total Commercial Property Receipts Applied	2,376	1,861	695	395	0	0	0	5,327
Contributions								
Third Party Contributions	4,333	5,104	1,200	5,000	3,500	0	0	19,137
Developer Contributions	0	3,540	1,810	1,810	1,810	2,010	2,020	13,000
Revenue Budget Contributions	2,480	1,200	0	0	0	0	0	3,680
Total Contributions	6,813	9,844	3,010	6,810	5,310	2,010	2,020	35,817
Capital Borrowing Requirement	53,457	65,961	41,343	80,473	65,886	51,679	25,168	383,967
TOTAL CAPITAL RESOURCES/								
GROSS BUDGET EXPENDITURE	75,889	94,432	61,441	103,362	92,143	68,467	41,040	536,774

PERTH AND KINROSS COUNCIL
COMPOSITE CAPITAL PROGRAMME
Estimated Capital Resources 2016/17 to 2022/23

Movements in Resources from Approved Budget - 22nd June 2016

Report Section	Revised Budget 2016/17 £'000	Revised Budget 2017/18 £'000	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 TOTAL £'000
Increase/(Decrease) in Capital Receipts - General Fund	0	1	0	0	0	0	0	1
Increase/(Decrease) in Capital Receipts - Comm Property	809	(8)	20	0	0	0	0	821
Increase/(Decrease) in Capital Receipts - Housing Receipts	(2)	0	0	0	0	0	0	(2)
Increase/(Decrease) in Capital Receipts - Ring Fenced	2	0	0	0	0	0	0	2
Increase/(Decrease) in Capital Grants:								
Cycling Walking & Safer Streets (CWSS) Grant	0	0	0	0	0	0	0	0
Flood Prevention Grant	(305)	(294)	(1,504)	(5,055)	(6,424)	(1,026)	0	(14,608)
General Capital Grant	408	336	1,719	5,777	7,342	1,173	0	16,755
Increase/(Decrease) in Third Party Contributions	(2,728)	3,551	200	0	0	0	0	1,023
Increase/(Decrease) in Revenue Contributions	(1)	(735)	(450)	(340)	(200)	(165)	(156)	(2,047)
Increase/(Decrease) in Resources b/f	(605)	45	37	57	57	57	57	(295)
Increase/(Decrease) in Resources c/f to future years	(45)	(37)	(57)	(57)	(57)	(57)	(57)	(367)
Increase/(Decrease) in Borrowing Requirement	8,972	(4,781)	(2,911)	(1,252)	(924)	219	(41)	(718)
Total Increase/(Decrease) in Resources	6,505	(1,922)	(2,946)	(870)	(206)	201	(197)	565
Approved Resources per Council - 22 June 2016 (report 16/277)	69,384	96,354	64,387	104,232	92,349	68,266	41,237	536,209
(including Budget Motion)								
Revised Resources	75,889	94,432	61,441	103,362	92,143	68,467	41,040	536,774

PERTH AND KINROSS COUNCIL
COMPOSITE CAPITAL PROGRAMME
SUMMARY OF CAPITAL RESOURCES AND EXPENDITURE 2016/17 to 2022/23

	Approved Budget 20-Apr-16 2015/16 (£'000)	Actual Expenditure 2015/16 (£'000)	Proposed Carry Forward to 2016/17 (£'000)	Approved Council Budget 22-Jun-16 2016/17 (£'000)	Proposed Brought Forward from 2015/16 (£'000)	Proposed Budget Adjustment Report 1 2016/17 (£'000)	Revised Budget Report 1 2016/17 (£'000)	Actuals to 31-Aug-16 2016/17 (£'000)	Projected Outturn 2016/17 (£'000)
EDUCATION AND CHILDREN'S SERVICES	9,507	9,799	(292)	14,532	(292)	5,768	20,008	5,785	20,008
THE ENVIRONMENT SERVICES	27,475	26,246	1,229	39,867	1,229	3,199	44,295	11,570	44,295
HOUSING AND COMMUNITY CARE	1,605	1,360	245	1,852	245	(609)	1,488	579	1,488
CORPORATE AND DEMOCRATIC SERVICES	1,678	1,681	(3)	2,936	(3)	0	2,933	418	2,933
TOTAL NET EXPENDITURE (NET OF GRANTS, REVENUE AND 3RD PARTY CONTRIBUTIONS, AND RING FENCED RECEIPTS)	40,265	39,086	1,179	59,187	1,179	8,358	68,724	18,352	68,724
GENERAL CAPITAL GRANT	(28,319)	(28,724)	405	(11,342)	405	(813)	(11,750)	(5,814)	(11,750)
DEVELOPER CONTRIBUTIONS	0	0	0	0	0	0	0	0	0
CAPITAL RECEIPTS	(2,668)	(1,893)	(775)	(2,010)	(775)	(32)	(2,817)	(695)	(2,817)
ANNUAL BORROWING REQUIREMENT	9,278	8,469	809	45,835	809	7,513	54,157	11,843	54,157
CAPITAL RECEIPTS BROUGHT FORWARD	(1,832)	(1,832)	0	(2,393)	0	605	(1,788)	(1,788)	(1,788)
CAPITAL RECEIPTS CARRIED FORWARD	2,393	1,788	605	1,043	605	(560)	1,088	2,403	1,088
TOTAL NET BORROWING REQUIREMENT	9,839	8,425	1,414	44,485	1,414	7,558	53,457	12,458	53,457

PERTH AND KINROSS COUNCIL
COMPOSITE CAPITAL PROGRAMME
SUMMARY OF CAPITAL RESOURCES AND EXPENDITURE 2016/17 to 2022/23

	Approved Council Budget 22-Jun-16 2017/18 (£'000)	Proposed Budget Adjustment Report 1 2017/18 (£'000)	Revised Budget Report 1 2017/18 (£'000)	Approved Council Budget 22-Jun-16 2018/19 (£'000)	Proposed Budget Adjustment Report 1 2018/19 (£'000)	Revised Budget Report 1 2018/19 (£'000)	Approved Council Budget 22-Jun-16 2019/20 (£'000)	Proposed Budget Adjustment Report 1 2019/20 (£'000)	Revised Budget Report 1 2019/20 (£'000)
EDUCATION AND CHILDREN'S SERVICES	30,430	(5,600)	24,830	14,693	(14)	14,679	43,006	0	43,006
THE ENVIRONMENT SERVICES	58,168	547	58,715	42,733	(1,178)	41,555	46,427	4,525	50,952
HOUSING AND COMMUNITY CARE	380	609	989	1,230	0	1,230	2,380	0	2,380
CORPORATE AND DEMOCRATIC SERVICES	3,020	0	3,020	2,236	0	2,236	1,579	0	1,579
TOTAL NET EXPENDITURE (NET OF GRANTS, REVENUE AND 3RD PARTY CONTRIBUTIONS, AND RING FENCED RECEIPTS)	91,998	(4,444)	87,554	60,892	(1,192)	59,700	93,392	4,525	97,917
GENERAL CAPITAL GRANT	(13,934)	(336)	(14,270)	(13,934)	(1,719)	(15,653)	(9,209)	(5,777)	(14,986)
DEVELOPER CONTRIBUTIONS	(3,540)	0	(3,540)	(1,810)	0	(1,810)	(1,810)	0	(1,810)
CAPITAL RECEIPTS	(2,802)	7	(2,795)	(840)	(20)	(860)	(763)	0	(763)
ANNUAL BORROWING REQUIREMENT	71,722	(4,773)	66,949	44,308	(2,931)	41,377	81,610	(1,252)	80,358
CAPITAL RECEIPTS BROUGHT FORWARD	(1,043)	(45)	(1,088)	(63)	(37)	(100)	(9)	(57)	(66)
CAPITAL RECEIPTS CARRIED FORWARD	63	37	100	9	57	66	124	57	181
TOTAL NET BORROWING REQUIREMENT	70,742	(4,781)	65,961	44,254	(2,911)	41,343	81,725	(1,252)	80,473

PERTH AND KINROSS COUNCIL
COMPOSITE CAPITAL PROGRAMME
SUMMARY OF CAPITAL RESOURCES AND EXPENDITURE 2016/17 to 2022/23

	Approved Council Budget 22-Jun-16 2020/21 (£'000)	Proposed Budget Adjustment Report 1 2020/21 (£'000)	Revised Budget Report 1 2020/21 (£'000)	Approved Council Budget 22-Jun-16 2021/22 (£'000)	Proposed Budget Adjustment Report 1 2021/22 (£'000)	Revised Budget Report 1 2021/22 (£'000)	Approved Council Budget 22-Jun-16 2022/23 (£'000)	Proposed Budget Adjustment Report 1 2022/23 (£'000)	Revised Budget Report 1 2022/23 (£'000)
EDUCATION AND CHILDREN'S SERVICES	31,639	(500)	31,139	13,868	(7)	13,861	19,128	(332)	18,796
THE ENVIRONMENT SERVICES	47,751	6,918	54,669	50,152	1,067	51,219	18,543	(41)	18,502
HOUSING AND COMMUNITY CARE	380	0	380	445	0	445	320	0	320
CORPORATE AND DEMOCRATIC SERVICES	1,955	0	1,955	2,110	332	2,442	2,590	332	2,922
TOTAL NET EXPENDITURE (NET OF GRANTS, REVENUE AND 3RD PARTY CONTRIBUTIONS, AND RING FENCED RECEIPTS)	81,725	6,418	88,143	66,575	1,392	67,967	40,581	(41)	40,540
GENERAL CAPITAL GRANT	(12,852)	(7,342)	(20,194)	(12,852)	(1,173)	(14,025)	(12,852)	0	(12,852)
DEVELOPER CONTRIBUTIONS	(1,810)	0	(1,810)	(2,010)	0	(2,010)	(2,020)	0	(2,020)
CAPITAL RECEIPTS	(337)	0	(337)	(570)	0	(570)	(500)	0	(500)
ANNUAL BORROWING REQUIREMENT	66,726	(924)	65,802	51,143	219	51,362	25,209	(41)	25,168
CAPITAL RECEIPTS BROUGHT FORWARD	(124)	(57)	(181)	(208)	(57)	(265)	(525)	(57)	(582)
CAPITAL RECEIPTS CARRIED FORWARD	208	57	265	525	57	582	525	57	582
TOTAL NET BORROWING REQUIREMENT	66,810	(924)	65,886	51,460	219	51,679	25,209	(41)	25,168

PERTH AND KINROSS COUNCIL
COMPOSITE CAPITAL PROGRAMME
SUMMARY OF CAPITAL RESOURCES AND EXPENDITURE 2016/17 to 2022/23

Revised Budget
Report 1 TOTAL
(£'000)
166,319
319,907
7,232
17,087
510,545
(103,730)
(13,000)
(8,642)
385,173
(1,788)
582
383,967

EDUCATION AND CHILDREN'S SERVICES
THE ENVIRONMENT SERVICES
HOUSING AND COMMUNITY CARE
CORPORATE AND DEMOCRATIC SERVICES

TOTAL NET EXPENDITURE
(NET OF GRANTS, REVENUE AND 3RD PARTY CONTRIBUTIONS, AND RING FENCED RECEIPTS)

GENERAL CAPITAL GRANT

DEVELOPER CONTRIBUTIONS

CAPITAL RECEIPTS

ANNUAL BORROWING REQUIREMENT

CAPITAL RECEIPTS BROUGHT FORWARD
CAPITAL RECEIPTS CARRIED FORWARD

TOTAL NET BORROWING REQUIREMENT

PERTH AND KNROSS COUNCIL
COMPOSITE CAPITAL PROGRAMME
SUMMARY OF CAPITAL RESOURCES AND EXPENDITURE 2016/17 to 2022/23

	Approved Budget 20-Apr-16	Actual Expenditure 2015/16	Proposed Carry Forward to 2016/17	Approved Budget 22-Jun-16	Proposed Brought Forward from 2015/16	Proposed Budget Adjustment Report 1 2016/17	Revised Budget Report 1 2016/17	Actual to 31-Aug-16	Projected Outturn 2016/17	Approved Budget 22-Jun-16	Proposed Budget Adjustment Report 1 Future Yrs	Approved Budget Report 1 Future Yrs	Revised Budget Report 1 TOTAL
	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)
EDUCATION AND CHILDREN'S SERVICES													
Accessibility Programme	55	42	13	100	13	(13)	100	59	100	722	13	735	835
Arts Strategy Phase 1 - Redevelopment of Perth Theat	752	705	47	8,373	47	1,890	10,310	2,055	10,310	6,626	(1,934)	4,692	15,002
Third Party Contributions	(164)	(174)	(10)	(4,899)	10	3,689	(1,200)	(136)	(666)	(1,000)	(3,689)	(4,689)	(5,889)
Revenue Contribution from Reserves	(588)	(631)	(57)	(654)	(57)	45	(666)	0	(666)	0	0	0	(666)
City Centre Developments	0	0	0	200	0	0	200	0	200	29,800	0	29,800	30,000
Third Party Contributions	0	0	0	0	0	0	0	0	0	(10,000)	0	(10,000)	(10,000)
MIS - Procurement & Integration	6	6	0	44	0	0	44	0	44	266	0	266	310
ECS Online Payments	0	0	0	145	0	0	145	0	145	0	0	0	145
Railway Community Facilities	3	3	0	0	0	0	0	0	0	0	0	0	0
Blairgowrie Recreation Centre - Replacement	0	0	0	100	0	0	100	0	100	17,800	0	17,800	17,700
Early Learning & Childcare	168	159	9	0	9	0	9	8	9	2,232	0	2,232	2,241
Free School Meals - Capital Expenditure	40	40	0	0	0	0	0	0	0	0	0	0	0
ECS IT Replacements	0	0	0	0	0	0	0	0	0	664	(664)	0	0
Schools Modernisation Programme													
Modernising Primaries Programme	86	100	(14)	150	(14)	(1)	135	0	135	15,358	0	15,358	15,493
Alyth Primary School Upgrade Project	1,704	1,695	9	6,283	9	0	6,292	2,246	6,292	1,123	0	1,123	7,415
Blackford Primary School (Developer Contribution)	0	0	0	0	0	0	0	0	0	173	0	173	173
Kinross Primary School Upgrade Project	84	224	(140)	2,393	(140)	95	2,348	0	2,348	9,738	0	9,738	12,086
Third Party Contributions from Developers	0	0	0	(364)	0	(95)	(459)	0	(459)	0	0	0	(459)
Tulloch Primary School Upgrade Project	74	179	(105)	1,493	(105)	401	1,789	711	1,789	8,920	0	8,920	10,709
Third Party Contributions from Developers	0	0	0	(326)	0	(401)	(727)	0	(727)	0	0	0	(727)
Crieff Primary School - School Upgrade Project	615	648	(33)	43	(33)	0	10	0	10	0	0	0	10
Errol Primary School - School Upgrade Project	1,870	1,857	13	1,262	13	0	1,275	908	1,275	0	0	0	1,275
Third Party Contribution from Developers	(137)	(137)	0	0	0	0	0	0	0	0	0	0	0
Sustrans Contribution towards Footpath	0	0	0	0	0	(22)	(22)	(22)	(22)	0	0	0	(22)
Glenlyon Primary School Upgrade Project	0	1	(1)	0	(1)	1	0	1	0	0	0	0	0
Inchture Primary School MUGA	27	27	0	199	0	3,689	199	1	199	0	0	0	199
Developer Contribution	0	0	0	(112)	0	0	(112)	(112)	(112)	0	0	0	(112)
Invergowie Primary School Upgrade Project	15	11	4	0	4	0	4	3	4	0	0	0	4
Oudenarde - New Primary School Development	0	0	0	0	0	0	0	0	0	4,617	0	4,617	4,617
Third Party Contribution from Developers	0	0	0	(500)	0	0	(500)	0	(500)	0	0	0	(500)
Oakbank Primary School Upgrade Project	1,314	1,273	41	60	41	0	101	0	101	0	0	0	101
NorthWest Perth - New Primary School	0	0	0	0	0	0	0	0	0	9,000	0	9,000	9,000
North Perth - Primary School Replacement	0	0	0	0	0	0	0	0	0	16,000	0	16,000	16,000
Pitlochry Primary School - Replacement	0	0	0	0	0	0	0	0	0	13,800	0	13,800	13,800
Modernising Secondaries Programme	417	455	(38)	100	(38)	0	62	9	62	5,397	(2,500)	2,897	2,959
Technology Upgrades	0	0	0	0	0	175	175	0	175	0	2,325	2,325	2,500
Perth Academy - New Sports Facilities	37	41	(4)	0	(4)	4	0	0	0	927	(4)	923	923
Perth Academy - Refurbishments	0	0	0	50	0	0	50	0	50	11,237	0	11,237	11,287
Perth Grammar School - Infrastructure/Practical Areas	522	513	9	41	9	0	50	15	50	0	0	0	50
Perth Grammar School - Upgrade Programme Phase 1	0	0	0	100	0	0	100	0	100	6,800	0	6,800	6,900
Perth High School Upgrade Project	2,607	2,662	(55)	201	(55)	0	146	40	146	0	0	0	146
Pitlochry High School - Upgrade Programme	0	0	0	50	0	0	50	0	50	2,764	0	2,764	2,814
TOTAL: EDUCATION AND CHILDREN'S SERVICES	9,507	9,799	(292)	14,532	(292)	5,768	20,008	5,785	20,008	152,764	(6,453)	146,311	166,319
THE ENVIRONMENT SERVICE													
Traffic & Road Safety	81	38	43	70	43	0	113	11	113	300	0	300	413
Road Safety Initiatives (20mph Zones etc.)	422	412	10	163	10	(10)	163	28	163	1,242	0	1,242	1,405
Cycling Walking & Safer Streets (CWSS)	(223)	(220)	(3)	(163)	(3)	3	(163)	0	(163)	(1,242)	0	(1,242)	(1,405)
Scottish Government Grant - CWSS	(185)	(192)	7	0	7	(7)	0	0	0	0	0	0	0
Third Party Contribution - Sustrans	(14)	0	(14)	0	(14)	14	0	0	0	0	0	0	0
Revenue Contribution	81	38	43	70	43	0	113	39	113	300	0	300	413
Sub-Total	4	3	1	0	1	0	1	0	1	0	0	0	1
TACTRAN Projects													
Bus Stop Infrastructure	4	3	1	0	1	0	1	0	1	0	0	0	1
Sub-Total	4	3	1	0	1	0	1	0	1	0	0	0	1
Asset Management - Roads & Lighting													
Structural Maintenance	7,351	6,945	406	8,682	406	28	9,116	2,900	9,116	44,630	(1,300)	43,330	52,446
Third Party Contribution	(160)	(261)	101	0	101	(501)	(400)	(137)	(400)	0	0	0	(400)
Structural Maintenance - Bridges	0	0	0	0	0	500	500	0	500	0	1,000	1,000	1,500

PERTH AND KINROSS COUNCIL
COMPOSITE CAPITAL PROGRAMME
SUMMARY OF CAPITAL RESOURCES AND EXPENDITURE 2016/17 to 2022/23

	Approved Budget 20-Apr-16		Actual Expenditure		Proposed Carry Forward		Approved Budget 22-Jun-16		Proposed Brought Forward		Proposed Budget Adjustment Report 1		Revised Budget Report 1		Actual to 31-Aug-16		Projected Outturn		Approved Budget 22-Jun-16		Proposed Budget Adjustment Report 1		Approved Budget Future Yrs		Revised Budget Future Yrs		
	2015/16		2015/16		2016/17		2016/17		2015/16		2016/17		2016/17		2016/17		2016/17		2016/17		2016/17		2016/17		2016/17		
	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)	
Street Lighting Renewals - Upgrading/Unit Areas	161	161	0	161	0	161	0	161	0	161	0	161	0	161	0	92	161	0	633	0	633	0	633	0	794	794	
Traffic Signal Renewals - Upgrading	190	145	45	190	0	135	0	135	0	135	0	135	0	135	0	80	135	0	503	0	503	0	503	0	638	638	
Unadopted Roads & Footways (Match Funding)	251	251	0	388	0	0	0	378	0	0	0	378	0	0	0	1	378	0	0	0	0	0	0	378	378	0	
Third Party Contributions	(146)	(146)	0	(143)	0	(133)	0	(133)	0	0	0	10	0	(133)	0	(143)	0	(133)	0	0	0	0	0	(133)	(133)	0	
Footways	345	407	(62)	555	(62)	493	0	555	0	0	0	0	0	555	0	493	79	493	0	2,610	0	2,610	0	3,103	3,103	0	
Road Safety Barriers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	150	0	150	0	150	150	150	0	
Sub-Total	7,992	7,502	490				9,733	490	27					10,250	3,015	10,250		10,250	48,526	(300)	48,226		48,226	58,476	58,476	0	
Asset Management – Bridges																											
Port Na Craig Footbridge - Assess & Strengthening	0	(2)	2	0	0	0	5	2	0	0	0	0	7	0	0	0	7	0	0	0	0	0	0	7	7	0	
Revenue Contribution	0	0	0	0	0	0	(5)	0	0	0	0	0	(5)	0	0	0	(5)	0	0	0	0	0	0	(5)	(5)	0	
Bridge Refurbishment Programme	0	0	0	110	0	110	0	110	0	110	0	110	0	110	0	0	110	0	1,500	0	1,500	0	1,500	1,610	1,610	0	
- Kenmore	203	202	1	0	1	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
- Lair/Cray	27	25	2	0	2	0	0	2	0	0	0	(2)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Revenue Contribution	(4)	(4)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
- Isla	0	1	(1)	0	(1)	0	0	(1)	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Short Span Bridge Replacement Programme	1	0	1	0	1	0	274	1	(275)	0	0	0	0	0	0	0	0	0	244	0	244	0	244	244	244	0	
Thorier Bridge Culvert	209	210	(1)	0	(1)	0	0	(1)	80	0	79	0	79	0	79	0	79	0	1	0	1	0	1	80	80	1	
West of Fearnan Culvert	0	0	0	0	0	0	0	0	194	0	194	0	194	0	194	0	194	0	0	0	0	0	0	194	194	0	
Vehicular Bridge Parapets Programme - Assess & Upg	150	111	39	0	0	0	0	39	0	0	0	0	39	0	39	0	39	0	1,650	(1,500)	150	1,650	150	189	189	0	
Sub-Total	586	543	43				384	43	(3)				424	0	424	0	424		1,894	1	1,895		1,895	2,319	2,319	0	
Improvement Schemes																											
A93 Craighall Gorge Realignment	15	0	15	0	0	0	0	15	(15)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
New Rural Footways	142	143	(1)	371	18	371	54	(1)	0	53	0	53	0	53	0	2	53	0	0	0	0	0	0	53	53	0	
Brioch Road - Salt Storage	371	353	18	0	0	0	0	18	0	18	0	18	0	18	0	0	18	0	0	0	0	0	0	18	18	0	
Revenue Contribution	(38)	(38)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
A9/A85 Road Junction Improvements	1,650	1,906	(256)	0	0	0	5,909	(256)	830	6,483	0	6,483	0	6,483	0	2,574	6,483	0	34,167	(830)	33,337	0	33,337	39,820	39,820	0	
Glenaeles Station - Road Access Improvement Scher	(45)	(57)	12	0	0	0	0	12	(12)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Kenmore Retaining Wall	44	45	(1)	0	(1)	0	0	(1)	4	(3)	0	3	0	3	0	3	3	0	0	0	0	0	0	3	3	0	
Revenue Contribution	(44)	(44)	0	0	0	0	0	0	(3)	(3)	0	0	(3)	0	0	0	(3)	0	0	0	0	0	0	(3)	(3)	0	
Road Improvements due to A9 Dualling	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	750	0	750	0	750	750	750	0		
Perth Transport Futures	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	78,000	0	78,000	0	78,000	78,000	78,000	0		
A977 Upgrades	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	600	0	600	0	600	600	600	0		
Sub-Total	2,095	2,308	(213)				5,963	(213)	804	6,554	2,579	6,554	2,579	6,554	2,579	2,579	6,554	2,579	113,517	(830)	112,687		112,687	119,241	119,241	0	
Rural Flood Mitigation Schemes																											
Almondbank Flood Prevention Scheme	2,209	2,202	7	0	0	0	5,000	7	3,760	8,767	1,132	8,767	1,132	8,767	1,132	0	8,767	0	8,656	(654)	8,002	0	8,002	16,769	16,769	0	
Third Party Contribution	0	0	0	0	0	0	0	0	(104)	(104)	0	0	0	(104)	0	0	(104)	0	0	0	0	0	0	(104)	(104)	0	
Comrie Flood Prevention Scheme	0	0	0	350	0	0	350	0	0	350	0	350	0	350	0	0	350	0	14,933	0	14,933	0	14,933	15,283	15,283	0	
Millathort Flood Prevention Scheme	0	0	0	85	0	0	85	0	0	85	0	85	0	85	0	0	85	0	1,694	0	1,694	0	1,779	1,779	0	0	
South Kinross Flood Prevention	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3,162	0	3,162	0	3,162	3,162	3,162	0		
Scone Flood Prevention	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	645	0	645	0	645	645	645	0		
Scottish Government Flood Prevention Grant	0	0	0	(305)	0	0	2	0	305	0	0	0	0	0	0	0	0	(14,303)	0	14,303	0	14,303	0	0	0		
Lows weir, Almondbank	25	25	0	0	0	0	2	0	0	2	0	2	0	2	0	0	2	0	0	0	0	0	0	2	2	0	
Sub-Total	2,234	2,227	7				5,132	7	3,961	9,100	1,132	9,100	1,132	9,100	1,132	1,132	9,100	1,132	14,787	13,649	28,436		28,436	37,536	37,536	0	
Planning/Conservation																											
Conservation of Built Heritage	19	9	10	0	0	0	419	10	(251)	178	0	178	0	178	0	0	178	0	0	252	0	252	430	430	430	0	
Third Party Contribution	0	0	0	0	0	0	(100)	0	100	0	0	0	0	0	0	0	0	0	0	(100)	0	(100)	0	(100)	(100)	0	
Blaigowrie & Rattray Regeneration Project	0	2	(2)	0	0	0	0	(2)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Revenue Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Kinross Town Centre Improvements	1,066	1,048	18	0	0	0	19	18	0	37	0	37	0	37	0	0	37	0	0	0	0	0	0	37	37	0	
Third Party Contribution	(20)	(20)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Revenue Contribution (Car Parking)	(28)	(28)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Sub-Total	1,037	1,011	26				338	26	(149)	215	0	215	0	215	0	0	215	0	152	13,649	28,436		28,436	37,536	37,536	0	
City Centre Projects																											
Perth City Centre Project	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2,182	0	2,182	0	2,182	2,182	2,182	0	
Revenue Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(1,200)	0	0	0	0	0	(1,200)	(1,200)	0	
Mill Street Environmental Improvements	71	131	(60)	1,452	(60)	700	2,092	(60)	384	2,092	384	2,092	384	2,092	384	0	2,092	384	1,100	(400)	700	0	700	2,92	2,92	0	
Revenue Contribution (Car Parking)	(25)	(25)	0	(360)	0	0	(360)	0	0	(360)	0	0	0	(360)	0	0	(360)	0	0	0	0	0	0	(360)	(360)	0	
Third Party Contribution	(10)	(10)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Perth & Kinross Place-making	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	8,900	0	8,900	0	8,900	8,900	8,900	8,900	0	
Perth & Kinross Lighting Action Plan	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	5,000	0	5,000	0	5,000	5,000	5,000	5,000	0	
Sub-Total	36	96	(60)	1,092	(60)	700	1,732	(60)	384	1,732	384	1,732	384	1,732	384	0	1,732	384	15,982	(400)	15,582		15,582	17,314	17,314	0	
Other Planning Projects																											

PERTH AND KINROSS COUNCIL
COMPOSITE CAPITAL PROGRAMME
SUMMARY OF CAPITAL RESOURCES AND EXPENDITURE 2016/17 to 2022/23

	Approved Budget 20-Apr-16		Actual Expenditure 2015/16 (£'000)	Proposed Carry Forward to 2016/17 (£'000)	Approved Budget 22-Jun-16		Proposed Brought Forward from 2015/16 (£'000)	Proposed Budget Adjustment Report 1 2016/17 (£'000)	Revised Budget Report 1 2016/17 (£'000)	Actual to 31-Aug-16 2016/17 (£'000)	Projected Outturn 2016/17 (£'000)	Approved Budget Future Yrs Report 1 Future Yrs (£'000)		Proposed Budget Adjustment Report 1 Future Yrs (£'000)	Approved Budget 22-Jun-16 Future Yrs (£'000)	Revised Budget Report 1 TOTAL (£'000)
	2015/16 (£'000)				2016/17 (£'000)							2016/17 (£'000)				
		0	0	0	0	100	0	0	0	100	0	100	2,350	0	2,350	2,450
Creative Exchange (former St. John's Primary School)	0	0	0	0	100	0	0	0	100	0	100	2,350	0	2,350	2,450	
Community Greenspace																
Play Areas - Improvements Implementation Strategy	339	317	22	0	22	349	371	1	371	0	371	0	0	0	371	
Third Party Contribution	(1)	(1)	0	0	0	0	0	0	0	0	0	0	0	0	0	
Friends of Park Development - MacRosty Park, Crieff	36	35	1	5	1	0	6	0	6	0	6	0	0	0	6	
Third Party Contribution	(9)	(9)	0	0	0	0	0	0	0	0	0	0	0	0	0	
Courtyardside Sites	102	62	40	0	40	0	40	6	40	6	40	0	0	0	40	
Third Party Contribution	(13)	0	(13)	0	(13)	0	(13)	0	(13)	0	(13)	0	0	0	(13)	
Community Greenspace Sites	0	0	0	0	537	0	537	0	0	0	0	1,900	(31)	1,869	1,869	
Third Party Contributions	0	0	0	0	(45)	0	45	0	0	0	0	(53)	38	(15)	(15)	
Small Parks	45	46	(1)	0	(1)	4	3	0	3	0	3	0	0	0	3	
Heather Garden, Perth	20	16	4	0	4	(4)	0	0	0	0	0	0	0	0	0	
Community Greenspace Bridges	418	389	29	23	29	12	64	10	64	10	64	0	0	0	64	
Revenue Contribution	(56)	(56)	0	0	0	0	0	0	0	0	0	0	0	0	0	
Core Path Implementation	102	81	21	89	21	(35)	75	1	75	0	75	35	35	35	110	
Revenue Contributions	(4)	(4)	0	(6)	0	0	(6)	(6)	(6)	(6)	(6)	0	0	0	(6)	
Pillichry Recreation Park	139	128	11	11	11	188	199	1	199	0	199	15	15	15	214	
Third Party Contributions	(15)	(15)	0	0	0	(83)	(83)	0	(83)	0	(83)	0	0	0	(83)	
Alyth Environmental Improvements	18	18	0	0	0	708	708	0	708	0	708	0	0	0	708	
Third Party Contributions	0	0	0	0	(500)	0	0	0	(500)	0	(500)	0	0	0	(500)	
Parks Development - Riverside Masterplan	106	94	12	107	12	4	123	11	123	11	123	0	0	0	123	
Cemetery Extensions	0	0	0	0	0	0	0	0	0	0	0	500	0	500	500	
Sub-Total	1,227	1,101	126	918	126	(57)	987	24	987	24	987	2,347	57	2,404	3,391	
Waste Strategy																
North Perth Recycling Centre	0	0	0	22	0	0	22	0	22	0	22	0	0	0	22	
Dalcue Landfill Site	96	96	0	0	0	0	0	0	0	0	0	250	0	250	250	
Ladywell Landfill & Blagowrie Transfer Station (Regul	0	0	0	0	0	0	0	0	0	0	0	250	0	250	272	
Sub-Total	96	96	0	22	0	0	22	0	22	0	22	250	0	250	272	
Support Services																
PC Replacement & IT Upgrades	167	166	1	245	1	15	261	127	261	127	261	1,230	(15)	1,215	1,476	
Sub-Total	167	166	1	245	1	15	261	127	261	127	261	1,230	(15)	1,215	1,476	
Property Division																
DDA Adaptation & Alteration Works Programme	320	325	(5)	461	(5)	0	456	84	456	84	456	1,425	0	1,425	1,881	
Roof Works	40	40	0	1	0	(1)	0	0	0	0	0	0	0	0	0	
Window Replacements	108	109	(1)	65	(1)	(64)	0	0	0	0	0	0	0	0	0	
Heating Upgrades/Replacements	313	306	7	75	7	(82)	0	0	0	0	0	0	0	0	0	
Revenue Contribution	0	(20)	20	0	20	(20)	0	0	0	0	0	0	0	0	0	
Fire Alarms/Emergency Lights	93	96	(3)	0	(3)	3	0	0	0	0	0	0	0	0	0	
Lighting Upgrades	183	188	(5)	183	(5)	5	0	0	0	0	0	0	0	0	0	
Revolving Works	53	47	6	40	6	(46)	0	0	0	0	0	0	0	0	0	
Crematorium	20	20	0	60	0	0	60	0	60	0	60	0	0	0	60	
Toilet Refurbishment	77	78	(1)	0	(1)	1	0	0	0	0	0	0	0	0	0	
General Structural Building Works	364	444	(80)	59	(80)	21	0	0	0	0	0	0	0	0	0	
Revenue Contribution	0	(62)	62	0	(62)	0	0	0	0	0	0	0	0	0	0	
Property Compliance Works Programme	86	94	(8)	729	(8)	0	721	2	721	2	721	3,900	0	3,900	4,621	
Capital Improvement Projects Programme	0	0	0	584	0	(205)	379	175	379	175	379	10,800	0	10,800	11,179	
Life Expired Building Replacement Programme	30	18	12	400	12	0	412	28	412	28	412	1,034	0	1,034	1,446	
Perth High School - Internal Services & Refurbishment	0	0	0	200	0	(70)	0	130	130	130	130	5,828	(2,046)	3,782	3,912	
0	0	0	0	(70)	0	70	0	0	0	0	0	(2,046)	2,046	0	0	
Perth Academy - Infrastructure Upgrade (Phase 3)	0	0	0	0	0	0	0	0	0	0	0	1,750	0	1,750	1,750	
Fire Audit Works - Perth Academy, Perth High, Robert	20	10	10	300	10	0	310	0	310	0	310	1,170	0	1,170	1,480	
Salix Expenditure Programme	0	0	0	0	0	120	120	0	120	0	120	0	0	0	120	
Revenue Contribution (CEEf)	0	0	0	0	0	(60)	(60)	0	(60)	0	(60)	0	0	0	(60)	
Third Party Contributions (Salix)	0	0	0	0	0	(60)	(60)	0	(60)	0	(60)	0	0	0	(60)	
Sub Total	1,707	1,693	14	2,904	14	(450)	2,468	289	2,468	289	2,468	23,861	0	23,861	26,329	
Commercial Property Investment Programme																
Fonab Business Park, Pitlochry - Site Servicing & Prov	0	0	0	210	0	0	210	0	210	0	210	416	0	416	626	
North Muirton Industrial Estate - Site Servicing & Prov	706	729	(23)	1,920	(23)	82	1,979	73	1,979	73	1,979	1,400	0	1,400	3,379	
Western Edge, Kinross - Relief Road	7	1	6	0	6	0	6	0	6	0	6	0	0	0	6	
Western Edge, Kinross - Site Servicing	226	91	135	42	135	4	181	8	181	8	181	0	0	0	181	
Crief - Employment Land/Advance Unit Provision	0	0	0	0	0	0	0	0	0	0	0	700	0	700	700	
Additional Investment in Serviced Industrial Land & Sm	0	0	0	0	0	0	0	0	0	0	0	50	0	50	50	

PERTH AND KNROSS COUNCIL
COMPOSITE CAPITAL PROGRAMME
SUMMARY OF CAPITAL RESOURCES AND EXPENDITURE 2016/17 to 2022/23

	Approved Budget 20-Apr-16	Actual Expenditure 2015/16 (£'000)	Proposed Carry Forward to 2016/17 (£'000)	Approved Budget 22-Jun-16	Proposed Brought Forward from 2015/16 (£'000)	Proposed Budget Adjustment Report 1 2016/17 (£'000)	Revised Budget Report 1 2016/17 (£'000)	Actual to 31-Aug-16	Projected Outturn 2016/17 (£'000)	Approved Budget 22-Jun-16	Proposed Budget Adjustment Report 1 Future Yrs (£'000)	Approved Budget Report 1 Future Yrs (£'000)	Revised Budget Report 1 TOTAL (£'000)
Creative Industries Business Incubator CPI Development & Implementation	0	0	0	45	45	0	0	0	0	250	0	250	250
Revenue Contribution	(451)	(451)	0	0	0	0	0	0	0	135	0	135	135
Sub-Total	533	370	163	2,217	163	(4)	2,376	81	2,376	2,951	0	2,951	5,327
Prudential Borrowing Projects													
Dalcoue Landfill Site	135	125	10	0	10	(10)	0	0	0	0	0	0	0
Wheeled Bin Replacement Programme - Domestic Bin	118	116	2	115	2	28	145	138	145	705	0	705	850
Wheeled Bin Replacement Programme - Commercial E	9	11	(2)	12	(2)	1	12	1	12	81	0	81	93
Wheeled Bin Replacement Programme - 140L Bins	105	136	(31)	483	(31)	20	452	179	463	186	(10)	176	628
Recycling Containers, Oil Banks & Battery Banks Repla	30	33	(3)	120	(3)	1	118	2	118	346	0	346	464
Capital Receipts - Disposals	(1)	(2)	1	0	1	(1)	0	(1)	0	0	0	0	0
Litter Bins	50	50	0	50	0	0	50	0	50	200	0	200	250
Vehicle Replacement Programme	1,948	1,866	82	2,068	82	(214)	1,936	440	1,936	18,185	162	18,347	20,283
Capital Receipts - Vehicle Disposals	(271)	(269)	(2)	(187)	(2)	0	(189)	(53)	(20)	(1,818)	0	(1,818)	(2,007)
Third Party Contribution	0	0	0	(72)	0	52	(20)	0	(20)	0	0	0	(20)
Energy Conservation & Carbon Reduction - Waste Rex	76	74	2	62	2	40	104	0	104	0	0	0	104
Energy Conservation & Carbon Reduction Programme	116	(8)	124	377	124	(68)	433	28	433	600	0	600	1,033
Carbon Reduction Programme - Renewable Energy	0	0	0	400	0	(400)	0	0	0	825	(825)	0	0
Installation of Photovoltaic Units	250	252	(2)	0	(2)	2	0	0	0	0	0	0	0
Carbon Reduction - Renewable Energy (Loch Leven Ci	0	0	0	600	0	(600)	0	0	0	0	0	0	0
Carbon Reduction - Renewable Energy (North Inch Cai	0	0	0	550	0	(550)	0	0	0	0	0	0	0
Corporate Asset Management - SNAPPI	0	0	0	200	0	0	200	0	200	300	0	300	500
POP - 2 High Street Essential Compliance & Improver	6,625	6,318	307	3,229	307	15	3,551	2,818	3,551	0	0	0	3,551
Revenue Contribution (CEEFF)	0	(3)	3	(90)	3	(15)	(102)	0	(102)	0	0	0	(102)
POP - JT HUB, Carpenter House Essential & Improven	1	1	0	18	0	0	18	0	18	0	0	0	18
POP - Pullar House Office Redesign & Ancillary Works	63	26	37	0	37	0	37	0	37	0	0	0	37
Canal Street Car Park Improvements	40	55	(15)	1,460	(15)	250	1,695	18	1,695	0	0	0	1,695
Revenue Contribution (Car Park Reserve)	(40)	(40)	0	(960)	0	0	(960)	0	(960)	0	0	0	(960)
Crematorium - Memorial Garden Enhancement	15	14	1	10	1	(4)	7	2	7	53	4	57	64
Crematorium - Abatement Works	0	0	0	25	0	0	25	0	25	2,072	0	2,072	2,097
Street Lighting Renewal - LED & Column Replacement	411	337	74	1,299	74	(193)	1,160	328	1,180	7,874	193	7,867	9,047
Perth Harbour - Dredging	0	0	0	0	0	0	0	0	0	870	0	870	870
Land Purchase & Development	0	0	0	0	0	0	0	0	0	1,000	0	1,000	1,000
Tay Heat Pump & District Heat Network	0	0	0	0	0	0	0	0	0	4,500	0	4,500	4,500
Technology & Innovation Incubator Units	0	0	0	1,000	0	0	1,000	0	1,000	0	0	0	1,000
Sub Total	9,680	9,092	588	10,749	588	(1,645)	9,692	3,900	9,692	35,779	(476)	35,303	44,995
TOTAL: THE ENVIRONMENT SERVICE	27,475	26,246	1,229	39,867	1,229	3,199	44,295	11,570	44,295	263,774	11,838	275,612	319,907
HOUSING AND COMMUNITY CARE													
<u>Travellers Sites Regeneration</u>													
Gypsy Traveller Transit Sites	16	16	0	150	0	0	150	0	150	0	0	0	150
Community Care													
Housing with Care - Communal Facilities	153	167	(14)	359	(14)	0	345	39	345	0	0	0	345
Gleneagles Road ARC - Development of Centre for Pri	11	11	0	0	0	0	0	0	0	0	0	0	0
Development of Day Care Services for Older People	3	2	1	0	1	(1)	0	0	0	0	0	0	0
JELS - Facility Service Enhancement	261	246	15	0	15	0	15	7	15	0	0	0	15
Parkdale RHE - Refurbish Bedrooms & Communal Are	27	27	0	0	0	0	0	0	0	0	0	0	0
Beechgrove - Refurbish Communal Areas	5	5	0	241	0	(241)	0	0	0	0	241	241	241
Dalweem RHE - Refurbish Communal Areas	314	326	(12)	336	(12)	1	325	167	325	0	0	0	325
Revenue Contribution	(308)	(326)	18	(336)	18	0	(318)	0	(318)	0	0	0	(318)
Developing Supported Tenancies	0	0	0	229	0	0	229	0	229	0	0	0	229
Letham Wellbeing Hub	0	0	0	0	0	0	0	0	0	2,850	0	2,850	2,850
Relocation of Area Office to Former Rannoch Road Di	594	330	264	0	264	0	264	230	264	0	0	0	264
Refurbish & Extend Lewis Place Day Care Centre for C	10	0	10	358	10	(368)	0	0	0	0	368	368	368
Software Licence Charges	69	69	0	100	0	0	100	58	100	550	0	550	650
Electronic Access to Client Records	41	41	0	0	0	0	0	0	0	0	0	0	0
Occupational Therapy Equipment	263	282	(19)	310	(19)	0	291	76	291	1,500	0	1,500	1,791
Customer Relationship Management (CRM) System	77	106	(29)	26	(29)	3	0	2	0	0	0	0	0
Council Contact Centre	69	58	11	79	11	(3)	87	0	87	235	0	235	322
Sub-Total: Housing & Community Care	1,605	1,360	245	1,852	245	(609)	1,488	579	1,488	5,135	609	5,744	7,232

Approved Budget 20-Apr-16 (£'000)	Actual Expenditure 2015/16 (£'000)	Proposed Carry Forward to 2016/17 (£'000)
1,605	1,360	245

TOTAL: HOUSING & COMMUNITY CARE

CORPORATE AND DEMOCRATIC SERVICES

ICT Infrastructure & Replacement and Upgrade Progra

Extension to ED RMS

Sub-Total

Prudential Borrowing Projects

Online Services& MyAccount

Mobile Working Review

Sub-Total: Prudential Borrowing

TOTAL: CORPORATE AND DEMOCRATIC SERVIC

TOTAL COMPOSITE NET EXPENDITURE

(NET OF GRANTS, REVENUE AND 3RD PARTY CONTRIBUTIONS, AND RING FENCED RECEIPTS)

CAPITAL RECEIPTS

General Capital Grant - Scottish Government

Developer Contributions

General Fund - Capital Receipts/Disposal

Commercial Property - Capital Receipts/Disposal

General Fund Housing Receipts

Total: Capital Receipts

Annual Composite Borrowing Requirement

CAPITAL RECEIPTS BROUGHT FORWARD

CAPITAL RECEIPTS CARRIED FORWARD

TOTAL NET COMPOSITE BORROWING REQUIRE

Approved Budget 22-Jun-16 (£'000)	Proposed Brought Forward 2015/16 (£'000)	Proposed Budget Adjustment Report 1 2016/17 (£'000)	Revised Budget Report 1 2016/17 (£'000)	Actual to 31-Aug-16 2016/17 (£'000)	Projected Outturn 2016/17 (£'000)
1,852	245	(609)	1,488	579	1,488

2,151	(5)	0	2,146	409	2,146
51	2	0	53	9	53
2,202	(3)	0	2,199	418	2,199

376	0	0	376	0	376
358	0	0	358	0	358
734	0	0	734	0	734
2,936	(3)	0	2,933	418	2,933

59,187	1,179	8,358	68,724	18,352	68,724
--------	-------	-------	--------	--------	--------

(11,342)	405	(813)	(11,750)	(5,814)	(11,750)
0	0	0	0	0	0
(1,138)	(9)	9	(1,138)	1	(1,138)
(867)	(768)	(41)	(1,676)	(696)	(1,676)
(5)	2	0	(3)	0	(3)
(13,352)	(370)	(845)	(14,567)	(6,509)	(14,567)

45,835	809	7,513	54,157	11,843	54,157
(2,393)	0	605	(1,788)	(1,788)	(1,788)
1,043	605	(560)	1,088	2,403	1,088
44,485	1,414	7,558	53,457	12,458	53,457

Approved Budget 22-Jun-16 (£'000)	Proposed Budget Adjustment Report 1 Future Yrs (£'000)	Approved Budget Report 1 Future Yrs (£'000)
5,135	609	5,744

11,646	664	12,310
0	0	0
11,646	664	12,310

924	0	924
920	0	920
1,844	0	1,844
13,490	664	14,154

435,163	6,658	441,821
---------	-------	---------

(75,633)	(16,347)	(91,980)
(13,000)	0	(13,000)
(3,363)	(1)	(3,364)
(2,433)	(12)	(2,445)
(16)	0	(16)
(94,445)	(16,360)	(110,805)

340,718	(9,702)	331,016
(1,972)	(310)	(2,282)
1,454	322	1,776
340,200	(9,690)	330,510

Revised Budget Report 1 TOTAL (£'000)
7,232

14,456
53
14,509

1,300
1,278
2,578
17,087

510,545

(103,730)
(13,000)
(4,502)
(4,121)
(19)
(125,372)

385,173
(4,070)
2,864
383,967

PERTH AND KINROSS COUNCIL
HOUSING INVESTMENT PROGRAMME
SUMMARY OF CAPITAL RESOURCES AND EXPENDITURE 2016/17 to 2020/21

Council House New Build Programme	Approved Budget 20-Apr-16 2016/16 £'000	Actuals to 31-Mar-16 2015/16 £'000	Proposed Carry Forward 20-Apr-16 2016/17 £'000	Approved 20-Apr-16 2016/17 £'000	Proposed Carry Forward 20-Apr-16 2015/16 £'000	Proposed Budget Adjustment 20-Apr-16 2016/17 £'000	Revised Budget 2016/17 £'000	Actual to 31-Mar-16 2016/17 £'000	Projected Outturn 31-Mar-16 2016/17 £'000	Approved Budget 20-Apr-16 2017/18 £'000	Proposed Budget Adjustment 20-Apr-16 2017/18 £'000	Revised Budget 2017/18 £'000	Approved Budget 20-Apr-16 2018/19 £'000	Proposed Budget Adjustment 20-Apr-16 2018/19 £'000	Revised Budget 2018/19 £'000	Approved Budget 20-Apr-16 2019/20 £'000	Proposed Budget Adjustment 20-Apr-16 2019/20 £'000	Revised Budget 2019/20 £'000	Approved Budget 20-Apr-16 2020/21 £'000	Proposed Budget Adjustment 20-Apr-16 2020/21 £'000	Revised Budget 2020/21 £'000	TOTAL Report 1 £'000
Ayth - 19 Units Council Tax (Second Income) Scottish Government Subsidy	2	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	2	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Pitlochry, Dalchampsig - 12 Units Council Tax (Second Income) Scottish Government Subsidy	1	0	1	0	1	(1)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	1	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Perth Road, Scone - 10 Units Council Tax (Second Income) Scottish Government Subsidy	57	46	11	0	11	(11)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	57	46	11	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Pitlochry, Lower Oakfield - 6 Units Council Tax (Second Income) Scottish Government Subsidy	13	3	10	0	10	0	10	0	10	0	0	0	0	0	0	0	0	0	0	0	0	10
	13	3	10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Jeanfield Road, Perth - 16 Units Council Tax (Second Income) Scottish Government Subsidy	31	17	14	0	14	(14)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	31	17	14	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ayth, Springbank Road (Phase 2) - 11 Units Council Tax (Second Income) Scottish Government Subsidy	1,124	1,080	44	550	44	(14)	594	395	594	0	0	0	0	0	0	0	0	0	0	0	0	594
	1,124	1,080	44	550	44	16	594	395	594	0	0	0	0	0	0	0	0	0	0	0	0	594
Balbiggie - 16 Units Council Tax (Second Income) Scottish Government Subsidy	1,347	1,874	73	0	73	(34)	39	0	39	0	0	0	0	0	0	0	0	0	0	0	0	39
	1,347	1,874	73	0	0	0	39	0	39	0	0	0	0	0	0	0	0	0	0	0	0	39
Kirkton, Auchterarder - 12 Units Council Tax (Second Income) Scottish Government Subsidy	36	55	(19)	0	(19)	19	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	36	55	(19)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Jeanfield Road, Perth (Phase 4) - 14 Units Council Tax (Second Income) Scottish Government Subsidy	1,083	1,051	32	0	32	(19)	13	0	13	0	0	0	0	0	0	0	0	0	0	0	0	13
	1,083	1,051	32	0	0	0	13	0	13	0	0	0	0	0	0	0	0	0	0	0	0	13
Old Mill Road, Blairgowrie - 7 Units Council Tax (Second Income) Scottish Government Subsidy	965	883	82	0	82	(19)	62	62	82	0	0	0	0	0	0	0	0	0	0	0	0	62
	965	883	82	0	0	0	62	62	82	0	0	0	0	0	0	0	0	0	0	0	0	62
Glenearn Road Council Tax (Second Income) Scottish Government Subsidy	56	58	(2)	813	(2)	(148)	811	4	811	0	500	500	0	0	0	0	0	0	0	0	0	1,311
	56	58	(2)	813	60	(148)	811	0	811	0	500	500	0	0	0	0	0	0	0	0	0	1,311
Castlemains Auchterarder Council Tax (Second Income) Scottish Government Subsidy	683	684	(1)	0	(1)	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	683	684	(1)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Blith Avenue, Scone Council Tax (Second Income) Scottish Government Subsidy	130	130	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	130	130	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
The Glebe Council Tax (Second Income) Scottish Government Subsidy	0	1,000	(1,000)	0	(1,000)	1,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	1,000	(1,000)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Nimmo Avenue, Perth Council Tax (Second Income) Scottish Government Subsidy	0	0	0	0	0	(320)	1,830	9	1,830	0	189	189	0	0	0	0	0	0	0	0	0	2,019
	0	0	0	0	0	(320)	1,830	0	1,830	0	189	189	0	0	0	0	0	0	0	0	0	2,019
Cairns Crescent, Perth Council Tax (Second Income) Scottish Government Subsidy	0	0	0	0	0	1,060	1,060	5	1,060	0	0	0	0	0	0	0	0	0	0	0	0	1,060
	0	0	0	0	0	(160)	1,060	0	1,060	0	0	0	0	0	0	0	0	0	0	0	0	1,060
	0	0	0	0	0	(455)	444	5	444	0	0	0	0	0	0	0	0	0	0	0	0	444

Approved Budget 20-Apr-16 2015/16 £'000	Actuals to 31-Mar-16 2015/16 £'000	Proposed Carry Forward 2016/17 £'000	Approved 2016/17 £'000	Proposed Budget Adjustment 2016/17 £'000	Revised Budget Report 1 2016/17 £'000	Actual to 31-Aug-16 2016/17 £'000	Projected Outturn Report 1 2016/17 £'000	Approved 20-Apr-16 2017/18 £'000	Proposed Budget Adjustment Report 1 2017/18 £'000	Revised Budget Report 1 2017/18 £'000	Approved 20-Apr-16 2018/19 £'000	Proposed Budget Adjustment Report 1 2018/19 £'000	Revised Budget Report 1 2018/19 £'000	Approved 20-Apr-16 2019/20 £'000	Proposed Budget Adjustment Report 1 2019/20 £'000	Revised Budget Report 1 2019/20 £'000	Approved 20-Apr-16 2020/21 £'000	Proposed Budget Adjustment Report 1 2020/21 £'000	Revised Budget Report 1 2020/21 £'000	Revised Budget Report 1 TOTAL £'000
0	4	(4)	4,259	(4)	2,546	0	2,546	2,918	(4)	2,914	2,996	0	2,996	3,076	0	3,076	18,158	0	18,158	29,690
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	4,259	(4)	2,546	0	2,546	2,918	(4)	2,914	2,996	0	2,996	3,076	0	3,076	18,158	0	18,158	29,690
3,361	3,076	285	5,094	(668)	4,521	475	4,521	2,918	685	3,603	2,996	0	2,996	3,076	0	3,076	18,158	0	18,158	32,354
2,766	2,708	88	1,000	88	1,473	1,565	1,473	1,000		1,000	1,000		1,000	1,000		1,000	1,000		1,000	5,473
(840)	(840)	0	0	0	(385)	0	(385)	0	0	0	0	0	0	0	0	0	0	0	0	0
1,906	1,868	88	1,000	88	1,088	1,565	1,088	1,000	0	1,000	1,000	0	1,000	1,000	0	1,000	1,000	0	1,000	5,068
91	170	(79)	2,109	(79)	2,030	352	2,030	1,697		1,697	0		0	0		0	0		0	3,727
2,078	2,097	(19)	1,850	(19)	1,963	975	3,814	1,700		1,700	1,750		1,750	1,500		1,500	1,040	(283)	757	9,521
2,086	2,281	(195)	1,467	(195)	1,791	752	1,791	950		950	0	1,000	1,000	300		300	400		400	4,441
403	360	13	1,031	13	71	19	1,115	10		10	10		10	10		10	10		10	1,155
0	(46)	48	0	48	(46)	0	0	0		0	0		0	0		0	0		0	0
233	115	118	614	118	732	110	732	25		25	25		25	25		25	600		600	1,407
343	427	(84)	123	(84)	335	79	374	15		15	15		15	15		15	400	(335)	65	484
1,781	2,010	(229)	826	(229)	1,293	1,228	1,890	950	(151)	799	1,400		1,400	800		800	1,000	(1,000)	0	4,889
0	(142)	142	0	142	(142)	0	0	0		0	0		0	0		0	0		0	0
796	962	(166)	1,350	(166)	1,184	0	1,184	5,125	(2,189)	2,936	4,700	(1,586)	3,134	900		900	500		500	8,654
77	44	33	1,908	33	742	49	742	0		0	0	105	105	0		0	100		100	3,390
0	(1)	1	0	1	(1)	0	0	0		0	0		0	0		0	0		0	0
393	323	70	410	70	480	228	480	400		400	400		400	400		400	400		400	2,060
30	16	14	30	14	44	0	44	30		30	350		350	249		249	50		50	723
9,120	9,374	(254)	9,639	(254)	12,165	3,440	12,165	9,205	103	9,308	8,650	(461)	8,189	4,199	0	4,199	4,500	(1,616)	2,882	35,744
162	134	28	709	28	737	490	737	0		0	0		0	0		0	0		0	737
45	47	(2)	155	(2)	153	1	153	250		250	250		250	250		250	250		250	1,153
247	241	6	0	6	0	0	0	0		0	0		0	0		0	0		0	0
0	(138)	138	0	138	(138)	0	0	0		0	0		0	0		0	0		0	0
381	361	20	77	20	114	100	114	0		0	0		0	0		0	0		0	114
0	(368)	368	0	368	(368)	0	0	0		0	0		0	0		0	0		0	0
281	281	0	0	0	10	1	10	0		0	0		0	0		0	0		0	10
391	323	68	0	68	68	57	68	0		0	0		0	0		0	0		0	68
368	327	41	115	41	156	95	156	0		0	0		0	0		0	0		0	156
0	(276)	276	0	276	(276)	0	0	0		0	0		0	0		0	0		0	0
3	2	1	74	1	75	0	75	75		75	75		75	50		50	75		75	350
0	10	(10)	133	(10)	123	0	123	0		0	0		0	0		0	0		0	123
17	17	0	0	0	10	19	10	0		0	0		0	35	(10)	25	0		0	35
0	0	0	0	0	365	0	365	0		0	0		0	0		0	0		0	941
341	345	(4)	160	(4)	156	20	156	160		160	160		160	160		160	160		160	796
54	54	0	16	0	16	7	16	0		0	0		0	150		150	0		0	166
47	60	(13)	150	(13)	137	5	137	50		50	50		50	50		50	50		50	337
290	95	155	250	155	402	29	402	250		250	250		250	250		250	250		250	1,402
0	(45)	45	0	45	(45)	0	0	0		0	0		0	0		0	0		0	0
2,587	1,472	1,115	1,839	1,115	2,522	824	2,522	785	576	1,361	785	0	785	945	(10)	935	785	0	785	6,388
Total Other Investment in Council House Stock																				
17,115	15,960	1,155	19,081	1,155	22,327	6,656	22,327	16,605	1,364	16,969	13,431	(461)	12,970	9,220	(10)	9,210	24,443	(1,616)	22,828	84,301
(1,060)	(1,050)	(10)	0	(10)	(440)	(493)	(450)	0		0	0		0	0		0	0		0	(450)
0	0	0	0	0	(10)	0	(10)	0		0	0		0	0		0	0		0	(10)
(3,623)	(3,534)	(289)	(4,191)	(289)	(4,073)	0	(4,073)	(3,407)		(3,767)	(3,679)		(3,875)	(3,545)	(10)	(3,875)	(4,197)		(4,197)	(19,339)
12,232	11,376	856	15,090	856	17,794	6,163	17,794	12,198	1,364	13,562	9,644	(461)	9,183	5,345	(10)	5,335	20,246	(1,616)	18,630	64,562

Future Developments
Council Tax (Second Income)
Scottish Government Subsidy

Total Council House New Build

Increase in Council House Stock
Council House Buy-Backs
Scottish Government Subsidy

Lock-ups and Garage Sites

Standard Delivery Plan
Central Heating and Rewiring Works

Double Gazing

Controlled Door Entry

- Less Third Party Contribution

Kitchen Modernisation Programme

Bathroom Modernisation Programme

External Fabric

- Less Third Party Contribution

Energy Efficiency

Mail Storey Pairs

- Less Third Party Contribution

Environmental Improvements

Fire Precaution Measures

Total Standard Delivery Plan

Other Investment in Council House Stock

Autism Shops Development

Total Major Adaptations to Council House Stock

New Row

- Less Scottish Government Grant

St Catherine's Road

- Less Scottish Government Grant

Garginary Road

Former General Fund Tied Accommodation

22 Nimmo Place, Perth

- Less Scottish Government Grant

Shops & Offices

Greyfriars and satellites

Sheltered Housing

Sheltered Housing - Housing Add'l Support

Recharge General Capital Works

Upgrade and Replacements to Lifts Programme

ICT Expenditure

Mortgage to Rent

- Less Scottish Government Grant

Total Other Investment in Council House Stock

Total Net Expenditure

CAPITAL RECEIPTS

OTHER INCOME

CFGR

TOTAL BORROWING REQUIREMENT

RENEWAL & REPAIR FUND PROPOSED BUDGET 2016/17

	Approved Budget 2016/17		Revised Budget 2016/17		Projected Outturn 2016/17	
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Opening Balance as at 1 April 2016		1,233		1,234		1,234
<u>Less Expenditure</u>						
Integrated Human Resources and Payroll System	20		20		20	
Perth Office Programme	360		360		360	
Property Maintenance	450		450		450	
King George V Hockey Pitch	136		136		136	
		(966)		(966)		(966)
<u>Add Income</u>						
Interest credited to the Fund	1		1		1	
Contribution from Revenue Budget	0		0		0	
		1		1		1
Projected Closing Balance as at 31 March 2017		<u><u>268</u></u>		<u><u>269</u></u>		<u><u>269</u></u>

September 2016

Capital Programme Exceptions Report 2016/2017

Service	Total No of projects	Number on track	Number slipping	Number accelerating	Total %age spend (excluding HRA)		
ECS	34	33	0	1	Projected Outturn as percentage of 2016/17 Budget approved 22 June 2016		
CADS	4	4	0	0	Net Expenditure at 31 July 2016 as percentage of Revised 2016/17 budget		
HCC	61	56	3	2			
TES	107	105	0	2			
TOTAL	206	198	3	5			

Service	Project Name	Target Date for Completion	Project Delivery on Target	Budget Adjustment	Comments	Corrective Actions
Accelerated Projects						
ECS	Perth Theatre Redevelopment Project	September 2017	Yes	Reflected in narrative in Main report paragraph: 3.3.2	Due to there being no further archaeology finds during ground works the early progression of the project has been better than expected resulting in significant acceleration of spend.	Budget to be accelerated and rephased
TES	A9/A85 Road Junctions Improvement Project	March 2019	Yes	3.4.2	Due to both the early conclusion of land/royalty negotiations and a finalised programme of works and spend profile being available, an increase in spend in 2016/17 is anticipated.	Budget to be accelerated and rephased
TES	Almondbank Flood Prevention Scheme	December 2017	Yes	3.4.3	The spend profile has increased due to additional statutory utility costs programmed to be incurred in 2016/17. The tender costs returned are higher than originally anticipated and a funding strategy	Budget to be accelerated and rephased
HCC - HRA	Energy Efficiency/Double Glazing Programmes	Ongoing programme of works	Yes	4.7	In line with the overall energy efficiency strategy, resource is required to augment the core double glazing budget to reflect the energy efficiency measures being built into the double glazing programme.	Budget to be accelerated and rephased
HCC - HRA	Energy Efficiency/Central Heating and Rewiring Programmes	Ongoing programme of works	Yes	4.7	In line with the overall energy efficiency strategy, resource is required to augment the core central heating and rewiring budget to reflect the energy efficiency measures being built into the central heating and rewiring programme.	Budget to be accelerated and rephased
Slipping Projects						
HCC - GF	Beechgrove Refurbishment Project	On hold	No	3.4.1	Project on hold pending a review of older peoples service requirements	Budget to be rephased
HCC - GF	Lewis Place Extension and Refurbishment Project	On hold	No	3.4.1	Project on hold pending a review of older peoples service requirements	Budget to be rephased
HCC - HRA	New Build Future Developments	Ongoing programme of works	No	4.6	Due to the delays in identifying suitable sites the programme for future developments has been revised resulting in slippage into 2017/18	Budget to be re-phased

PERTH AND KINROSS COUNCIL

Strategic Policy and Resources Committee – 21 September 2016

GRANTING OF NON-DOMESTIC RATES RELIEF

Report by Depute Chief Executive (Corporate and Community Development Services) and Chief Operating Officer

PURPOSE OF REPORT

This report is to advise the Committee of the amount of discretionary Non-Domestic Rates relief granted in respect of new applications made during financial year 2015/16.

1. BACKGROUND / MAIN ISSUES

- 1.1 For governance purposes an annual report of all properties granted relief during the preceding financial year is submitted to Committee.

Charitable and Non Profit Organisations (80% mandatory relief)

- 1.2 Under rating legislation the Council must grant 80% mandatory relief for premises occupied by a registered charity and used wholly or mainly for charitable purposes. It must also award 80% mandatory relief for premises occupied by an organisation registered with HMRC as a Community Amateur Sports Club.
- 1.3 The Council may also grant additional discretionary relief (beyond 80%) to these charitable and sporting organisations.
- 1.4 The current Perth & Kinross Council practice is to award a 20% “top-up” relief to charitable organisations that qualify for the 80% mandatory relief, with the exception of charity shops.
- 1.5 A 20% “top-up” may also be awarded to unlicensed Community Amateur Sports Clubs.
- 1.6 Current practice also allows up to 100% discretionary relief to be awarded for other clubs, societies and organisations not established or conducted for profit whose main objective is charitable or whose main aims are educational, religious, improving social welfare, concerned with science, literature and/or fine arts or mainly used for the purpose of recreation.
- 1.7 The relief cannot be awarded to the Council itself.

Designated Rural Settlement Areas – Qualifying Premises (50% mandatory relief)

- 1.8 Qualifying Post Offices, general stores, food stores, petrol filling stations, public houses and hotels in designated rural settlement areas may also be awarded discretionary rates relief.
- 1.9 In each of the above situations within 1.8 above where there is an entitlement to 50% mandatory relief, current Perth & Kinross Council practice allows a discretionary award of 50% to be given also.

Designated Rural Settlement Areas – Benefits to Local Community (0% mandatory relief)

- 1.10 Discretionary relief may also be awarded in respect of other qualifying premises in designated rural areas provided they are of benefit to the local community.
- 1.11 Such relief, at a 100% rate, is awarded under current practice where the subject is used for the benefit of the local community and it is reasonable to make the award giving regard to the Council Tax payers' requirement to fund this.
- 1.12 Examples of such subjects include village schools and public conveniences.

2. PROPOSALS

- 2.1 It is requested that the Committee note the content of this report and the amount of £2,795.52 being the cost of discretionary Non-Domestic Rates relief granted in respect of new applications made during the preceding financial year, as detailed in Appendix A.

3. CONCLUSION AND RECOMMENDATIONS

- 3.1 This report is for governance purposes.
- 3.2 It is recommended that Committee note the content of this report.

Author(s)

Name	Designation	Contact Details
Kevin Fraser	Principal Officer (Local Taxes)	01738 477430 localtaxes@pkc.gov.uk

Approved

Name	Designation	Date
John Walker	Depute Chief Executive (Corporate and Community Development Services) and Chief Operating Officer	12 August 2016

If you or someone you know would like a copy of this document in another language or format, (on occasion, only a summary of the document will be provided in translation), this can be arranged by contacting the Customer Service Centre on 01738 475000.

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
Community Plan / Single Outcome Agreement	Yes
Corporate Plan	Yes
Resource Implications	
Financial	Yes
Workforce	No
Asset Management (land, property, IST)	No
Assessments	
Equality Impact Assessment	No
Strategic Environmental Assessment	No
Sustainability (community, economic, environmental)	No
Legal and Governance	No
Risk	No
Consultation	
Internal	No
External	No
Communication	
Communications Plan	No

1. Strategic Implications

Community Plan / Single Outcome Agreement / Corporate Plan

- 1.1 Housing & Community Care provides a range of functions for customers. These functions support the work of the whole Council by assisting in the delivery of the Council's corporate objectives. As a consequence, this report does not specifically relate to one of the objectives but assists with the delivery of all five, namely:

- (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

2. Resource Implications

Financial

- 2.1 Where discretionary rates relief is awarded, 75% of the amount is met by the National Non-Domestic "pool" arrangements and the remaining 25% falls to be met by the Council Tax payers of the Perth & Kinross Council area.

The exception to this is discretionary rates relief for sports clubs which is fully funded by the pooling arrangements.

The policies relating to discretionary rates relief ensure that relief is awarded only where it is reasonable to do so and regard is always given to the impact on Council Tax payers.

The cost to the Council of granting discretionary relief during financial year 2015/16 was £178,881.77.

Of this amount, the cost to the Council of granting new awards of discretionary relief during financial year 2015/16 was £2,795.52 (details are given in Appendix A).

For comparison purposes only, the cost to the Council of new awards of Non-Domestic Rates relief for the five previous years is shown below:

Financial Year	Cost to Council of New Awards During the Year
2014/15	£2,369.54
2013/14	£5,423.32
2012/13	£13,581.38
2011/12	£8,658.45
2010/11	£12,210.61

Workforce

- 2.2 There are no Workforce implications within the content of this report.

Asset Management (land, property, IT)

- 2.3 There are no Asset Management implications within this report.

3. Assessments

Equality Impact Assessment

- 3.1 The function, policy, procedure or strategy presented in this report was 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 matters presented in this report were considered under the Environmental Assessment (Scotland) Act 2005. However, no action is required as the Committee is requested to note the contents of the report only and are not being requested to approve, adopt or agree to an action or to set the framework for future decisions.

Sustainability

- 3.3 There are no Sustainability implications within the content of this report.

Legal and Governance

- 3.4 There are no Legal and/or Governance implications within this report

Risk

- 3.5 The report requests that the value of discretionary relief awards is noted. There are therefore no risk implications within the content of this report.

4. Consultation

Internal

- 4.1 Informal consultation between managers within the Local Taxes team has concluded that the existing policies remain fit for purpose. There has been no other internal consultation.

External

- 4.2 No external consultation was carried out in the preparation of this report.

5. Communication

- 5.1 No communication was necessary in compiling this report.

6. BACKGROUND PAPERS

No background papers, other than transactional reports extracted from the Non-Domestic Rates (Northgate) system have been used in the preparation of this report.

7. APPENDICES

Appendix 1 – Details of the cost of new discretionary relief awards.

Cost of New Discretionary Relief Awards

APPLICANT	SUBJECT	FINANCIAL YEAR	RATES PAYABLE (£)	RELIEF GRANTED (%)	COST TO COUNCIL (£)
Positive Choices	Workshop at Unit 7, Glasgow Road, Perth. PH2 0NX	2015	£1,420.00	80% Charity Mandatory & 20% Discretionary top-up	£71.00
Perth & Kinross Foodbank	Workshop at Unit 8, Shore Road, Perth. PH2 8BD	2015	£1,888.52	80% Charity Mandatory & 20% Discretionary top-up	£94.43
CAIR Scotland	Shop & Store at 80 Princes Street, Perth. PH2 8LH	2014	£2,731.80	80% Charity Mandatory & 20% Discretionary top-up	£136.59
		2015	£2,784.00		£139.20
World Curling Federation	Office at 3 Atholl Crescent, Perth. PH1 5NG	2014	£1,090.14	80% Sports Club Relief & 20% top-up as unlicensed	£0.00
		2015	£12,288.00		£0.00
Caledonia Housing Association (Servite)	Office at Cameron Court, Almond Place, Comrie, Crieff. PH6 2BB	2015	£948.00	80% Charity Mandatory & 20% Discretionary top-up	£47.40
Parkinson's UK	Office at King James VI Business Park, 1/14 Friarton Road, Perth. 8DG	2014	£1,222.92	80% Charity Mandatory & 20% Discretionary top-up	£61.15
		2015	£1,872.00		£93.60
Perth College UHI	Shop at 2 St John's Centre, Perth. PH1 5UB	2014	£9,291.24	80% Charity Mandatory & 20% Discretionary top-up	£464.56
		2015	£8,764.84		£438.24
RAFT	Office at Blairgowrie Business Centre, Room 8, 9 Reform Street, Blairgowrie. PH10 6BD	2014	£396.67	80% Charity Mandatory & 20% Discretionary top-up	£19.83
		2015	£696.00		£34.80

Highland Perthshire Communities Partnership	Shop at 23 Atholl Road, Pitlochry. PH16 5BX	2014	£414.61	80% Charity Mandatory & 20% Discretionary top-up	£20.73
		2015	£3,024.00		£151.20
Gowrie Care Ltd	Office at Royal Bank Buildings, 1 Pitnacree Street, Alyth. PH11 8AD	2015	£1,950.82	80% Charity Mandatory & 20% Discretionary top-up	£97.54
Bookmark	Shop at 16 Allan Street, Blairgowrie. PH10 6AD	2015	£393.66	80% Charity Mandatory & 20% Discretionary top-up	£19.68
Still Waters	Shop at 30 Atholl Street, Perth. PH1 5NP	2014	£1,150.79	80% Charity Mandatory & 20% Discretionary top-up	£57.54
		2015	£2,352.00		£117.60
Balnacraig School	Home at Eden House, Milton of Rattray, Blairgowrie. PH10 7EX	2014	£117.43	80% Charity Mandatory & 20% Discretionary top-up	£5.87
		2015	£1,680.00		£84.00
The Ericht Trust	Shop at 16 Allan Street, Blairgowrie. PH10 6AD	2015	£562.36	80% Charity Mandatory & 20% Discretionary top-up	£28.12
British Heart Foundation	Workshop at 15 Inveralmond Way, Inveralmond Industrial Estate, Perth. PH1 3UQ	2015	£7,363.15	80% Charity Mandatory & 20% Discretionary top-up	£368.16
Carnegie UK Trust	Shop at 2 St John's Centre, Perth. PH1 5UB	2015	£2,957.46	80% Charity Mandatory & 20% Discretionary top-up	£147.87
Defence Medical Welfare Services	Office at 1b Riverview Business Park, Kinnoull House, Friarton Road, Perth. PH2 8DG	2015	£348.85	80% Charity Mandatory & 20% Discretionary top-up	£17.44
The Benevolent Society Of The Licensed Trade Of Scotland	Respite Unit at 9 Duke of Edinburgh Drive, Pitlochry. PH16 5LU	2015	£321.05	80% Charity Mandatory & 20% Discretionary top-up	£16.05
Mindspace Limited	Office at 18-20 York Place, Perth. PH2 8EH	2015	£1,258.23	80% Charity Mandatory & 20% Discretionary top-up	£62.91
					£2,795.52

PERTH AND KINROSS COUNCIL

Strategic Policy and Resources Committee – 21 September 2016

ANNUAL EFFICIENCY STATEMENT 2015/16

Report by the Head of Finance

PURPOSE OF REPORT

This report presents Perth & Kinross Council's Annual Efficiency Statement for 2015/16. The statement was submitted to the Convention of Scottish Local Authorities (COSLA) on 18 August 2016 which complied with the submission deadline of 19 August 2016 for consolidation to the national return for the Scottish Government. The report summarises the efficiency gains made by the Council during 2015/16 and describes how, in the context of a challenging financial climate, the Council will make further efficiency gains in future financial years.

1. INTRODUCTION

- 1.1 The Efficient Government initiative was originally launched in November 2004 and is a key part of the programme of reform and modernisation of the public sector in Scotland.
- 1.2 For financial year 2015/16, the Scottish Government expects every public body to deliver efficiency savings of at least 3% and to report publicly on the actions undertaken and the results achieved.
- 1.3 All efficiency measures counted against these targets are intended to be 'cash-releasing' in that they are intended to generate cash savings or allow for a greater volume of Service delivery with no increase in cost. Local authorities are permitted to retain cash-releasing efficiency savings for re-investment in frontline Service delivery.
- 1.4 Perth & Kinross Council continues to be committed to making the best use of public resources and the identification of efficiency savings forms a key element of the Council's financial management strategy. This is evidenced through the Council's approach to preparing the Revenue Budget where Council Services are asked to contain their own expenditure pressures through the identification of efficiency savings in the first instance. The delivery of approved efficiency savings, thereafter, becomes an integral part of the management of each Council Service's Revenue Budget and is monitored as part of the Council's overall revenue monitoring process to the Strategic Policy and Resources Committee.
- 1.5 In common with all other Scottish Local Authorities, Perth and Kinross Council has agreed to prepare and publish an Annual Efficiency Statement. The format and content of the statement (Appendix 1 to this report) is based upon guidance received from the Convention of Scottish Local Authorities (COSLA) which places the emphasis on how local authorities have "used efficiencies to

protect quality and level of services and maintained outputs and outcomes in the face of budget cuts”.

- 1.6 In line with the approved timetable the Council’s Annual Efficiency Statement was submitted to COSLA on 18 August 2016. This was in advance of the deadline of Friday 19 August 2016 for consolidation in the national return for the Scottish Government.

2. BACKGROUND

- 2.1 The Council has a successful record in identifying and delivering efficiencies. In the previous nine financial years in which local authorities have formally reported upon efficiency savings (2006/07 – 2014/15). Perth & Kinross Council has consistently exceeded the national target which has allowed efficiency savings to be re-invested in supporting service delivery.
- 2.2 The identification and delivery of efficiency savings is undertaken within the context of a robust policy framework and resource management strategy. Both the Council and its Community Planning partners’ strategic objectives were set out within the updated Perth and Kinross Community Plan / Single Outcome Agreement 2013 - 2023 (Report No. 13/333 refers). The delivery of the Single Outcome Agreement in 2012/13 was supported internally through the Council’s Corporate Plan (Report No. 13/104 refers) and individual Service Business Management and Improvement Plans; the Council’s Updated Medium Term Financial Plan 2016-2021 (Report No. 15/276 refers) and the overarching Corporate Asset Management Plan (Report No. 09/291 refers) supplemented by individual strands e.g. Roads (Report No. 15/254 refers) and Fleet & Mechanical Equipment (Report No. 15/255 refers). The Council also has in place an approved Business Plan 2016-2019 (Report No. 16/283 refers).
- 2.3 The report to the Strategic Policy and Resources Committee on 17 June 2015, ‘Building Ambition – A Blueprint for a 21st Century Council’ (Report No. 15/258) highlighted the complex environment in which the Council operates, and described the challenging internal and external context that will impact on the organisation over the next ten years. The main themes are:
- Increasing complexity in the delivery of public services, and working with our communities
 - Reduced public sector spending
 - Increasing demand for services
 - Greater focus on tackling inequality
 - Importance of sound governance through periods of change and transformation
 - Opportunities through technological advancements
 - The need to secure continuity of vital public services in challenging times

- 2.4 The Council continues to strengthen its internal arrangements for identifying and delivering efficiency savings in anticipation of significant reductions in public sector funding. A key element of this approach has been the further development of the strategy for reshaping our workforce in a positive and proactive way in the future, through the continued development of a range of workforce management measures. These measures include revised arrangements for vacancy management; managing short-term resourcing requirements and enhancing capacity and improving performance.
- 2.5 The Perth and Kinross Council Corporate Workforce Plan 2013-18 was approved by the Strategic Policy and Resources Committee in April 2013 (Report No. 13/152 refers). This plan ensures a strategic approach to meeting workforce challenges and progress is reported to the Council via the annual workforce report (Report No. 16/216 refers). The Council's workforce management measures are also kept under review by the Executive Officer Team through an annual programme of workforce governance.

3. EFFICIENCY GAINS IN 2015/16

- 3.1 Council Services have identified cash releasing efficiency savings totalling £13.474 million in 2015/16. This represents approximately 4% of the Council's Net Revenue Budget for 2015/16 approved by the Strategic Policy and Resources Committee on 20 April 2016 (Report No. 16/179 refers).
- 3.2 The following table provides an analysis of the cash releasing efficiencies realised by the Council in 2015/16 in terms of key efficiency themes.

Efficient Government Theme	Cash Releasing Savings £'000
Asset Management	130
Procurement	2,806
Workforce Planning	4,257
Shared Services	27
Streamlining Bureaucracy	167
Other	6,087
TOTAL	13,474

- 3.3 Appendix 1 to the report sets out the submission to COSLA in the prescribed format.
- 3.4 The table above demonstrates that, as in previous years, Perth and Kinross Council has exceeded the expectation from the Scottish Government that public bodies will deliver efficiency savings of at least 3%.

4. KEY AREAS OF EFFICIENCY GAIN IN 2015/16

4.1 Asset Management

- 4.1.1 This was achieved through more effective use of Council assets including reduced energy and water costs following a number of corporate initiatives to reduce consumption.

4.2 Procurement

- 4.2.1 As a member of the Tayside Procurement Consortium and Scotland Excel, the Council continues to realise efficiency savings through collaborative purchasing arrangements with other public sector bodies based upon nationally negotiated contracts.
- 4.2.2 Council Services also realised further procurement savings from a number of initiatives including reviews of commissioned services and service level agreements across the Council, reviewing contract specifications and renegotiating contracts.

4.3 Workforce Planning

- 4.3.1 In financial year 2015/16, efficiency savings in relation to the management of the Council's expenditure on staff costs contributed the most significant amount towards the level of efficiencies reported. The majority of these savings were realised through the pro-active and stringent management of staffing vacancies across the Council by both Service Management Teams and the Executive Officer Team. This was further supported by the corporate workforce management measures that are in place to support Services. All Services exceeded their budgeted staff turnover or "slippage" targets.
- 4.3.2 Efficiency savings from workforce planning were also generated in 2015/16 through further service transformation, modernisation, re-design and reviews across all Council Services.
- 4.3.3 In addition, one of the key approaches to workforce management that is currently in place is the retirement provisions available under the Council's workforce management arrangements. Information on this topic is considered in the Savings Arising from Early Retirement Decisions Taken in 2015/16 report on the agenda for this Committee meeting.

4.4 Shared Services

- 4.4.1 Under the Shared Services category there have been further efficiencies delivered across the Council working with other key partners in the roll out of the Employability agenda.

4.5 Streamlining Bureaucracy

- 4.5.1 The review of the administrative arrangements supporting Private Sector Housing Grants has significantly contributed to savings in this category.

4.6 Other

- 4.6.1 The “Other” category includes additional income generated from local taxes (Council Tax and Non Domestic Rates collection) and other sources. In addition significant savings were generated in Treasury Management through the proactive management of the Council’s strategy for borrowing and from capital receipts following disposal of a number of assets across all Council Services.

5. VERIFICATION

- 5.1 The Council has sought to deliver efficiency gains whilst maintaining and improving standards of Service. There is no evidence to suggest that the efficiency gains reported above have led to a reduction in performance or service quality.
- 5.2 The Council has robust performance management arrangements in place and publishes a comprehensive annual performance report which summarises both the Council’s own assessment of its progress and the findings of the external scrutiny bodies charged with assessing standards of service delivery. It is anticipated that the Perth and Kinross Annual Performance Report for 2015/16 will be considered by the Council on 5 October 2016.
- 5.3 In addition the Local Scrutiny Plan for 2016/17 that was considered by Council on 18 May 2016 (Report No. 16/221 refers) confirmed that Perth and Kinross Council has been assessed on an annual basis and that no specific additional scrutiny was required.

6. KEY AREAS TARGETED FOR 2016/17 AND FUTURE YEARS

- 6.1 The latest update of the Council’s Medium Term Financial Plan was approved on 1 July 2015 (Report No. 15/276 refers). The report sets the local context for what is widely anticipated to be a period of considerable financial challenge for the public sector. The Medium Term Financial Plan will continue to be refined and updated as more information on, for example, the latest financial settlements from the Scottish Government become available with the next update scheduled to be considered by Council on 5 October 2016.
- 6.2 In addition, “Building Ambition: the Council’s Transformation Strategy 2015-2020”, which was approved by the Council on 1 July 2015 (Report No. 15/292 refers) included a programme of major projects that would lead the Council into the next stage of its transformation journey. The programme includes the introduction of revised service delivery models and ongoing improvement activities across the Council. The Strategic Policy and Resources Committee

has received regular updates on transformational progress including financial and performance updates.

- 6.3 The continued identification and delivery of efficiency savings in 2016/17 and beyond will play a significant role in the future management of the Council's finances. However, it is unlikely that the delivery of efficiency savings alone will be sufficient to offset the projected increased demand for Council services and reduction in the Council's funding.
- 6.4 The Council also has in place a Final Revenue Budget for 2016/17 and Provisional Revenue Budgets for 2017/18 and 2018/19. The existence of these approved Revenue Budgets into the future assists officers as they transform service delivery across the Council.

7. CONCLUSION AND RECOMMENDATIONS

- 7.1 Perth & Kinross Council has identified cash-releasing efficiency savings totalling £13.474 million in 2015/16 representing 4% of the Council's Net Revenue Budget. Efficiency gains have been identified across all Council Services and under a range of Efficient Government themes. The identification and delivery of future efficiency savings will remain a key component of the Council's financial strategy as it enters a sustained period of financial constraint.
- 7.2 In line with previous financial years the Council has exceeded the expectation from the Scottish Government that public bodies will deliver efficiency savings of at least 3%.
- 7.3 The Committee is requested to note the contents of the report.

Author

Name	Designation	Contact Details
Scott Walker	Chief Accountant	swwalker@pkc.gov.uk 01738 475515

Approved

Name	Designation	Date
John Symon	Head of Finance	31 July 2016

If you or someone you know would like a copy of this document in another language or format, (on occasion, only a summary of the document will be provided in translation), this can be arranged by contacting the Customer Service Centre on 01738 475000.

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	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

1.1 Corporate Plan

1.1.1 The Council's Corporate Plan 2013 – 2018 lays out five outcome focussed strategic objectives which provide clear strategic direction, inform decisions at a corporate and service level and shape resources allocation. They are as follows:

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

1.1.2 This report relates to all of these objectives.

2. Resource Implications

2.1 Financial

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

2.2 Workforce

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

2.3 Asset Management (land, property, IT)

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

3. **Assessments**

3.1 Equality Impact Assessment

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

3.3 Strategic Environmental Assessment

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

3.4 Sustainability

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

4. Consultation

4.1 Internal

- 4.1.1 The Chief Executive, Depute Chief Executives and Directors have been consulted in the preparation of this report.

2. BACKGROUND PAPERS

- 2.1 No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to any material extent in preparing the above report.

3. APPENDICES

Appendix 1 – Confirmation of Efficiencies Delivered in 2015/16

CONFIRMATION OF EFFICIENCIES DELIVERED IN 2015-16

1	Local Authority Name	Perth and Kinross Council
2	Total cash efficiency achieved for 2015-16 £'000	£13.474m
3	<p>Summary of efficiency activity e.g.</p> <p>The main initiatives the local authority has taken over the year to ensure a strategic approach to increased efficiency and productivity and the improvements achieved in these areas.</p> <p>The main information that the local authority uses to assess productivity, service quality and performance and how the scope, usefulness or reliability has been improved during the year.</p> <p>Specific steps the local authority has taken during the year to improve collaboration and joint working to deliver efficient and user-focussed services and the improvements achieved.</p>	<p>The Council continues to progress with its efficiency agenda as part of its overall transformation strategy.</p> <p>The stringent application of approved workforce planning measures and vacancy management has contributed savings of £4.257 million during financial year 2015/16.</p> <p>The Council also utilises a wide range of information to assess productivity which is reviewed annually for its effectiveness as part of our business planning process.</p> <p>Key efficiency measures in 2015/16 include:</p> <ul style="list-style-type: none"> • More efficient use of all Council buildings. • Further efficiencies through the introduction of modern ways of working and new technology. • Utilisation of workforce planning measures across all Council Services. • Reviews of support service functions. • Continued increase in local tax collection (Council Tax and NDRI). • Reduced management and supervisory costs across a number of Council functions. • Further savings through proactive treasury management. • A continuation of shifting of the balance of care with a reduction in the number of residential placements in favour of community based services. • Moving towards the commissioning of services rather than their direct provision. • Review and renegotiation of service level agreements with the voluntary sector to ensure the most effective use of Council resources. • Further use of collaborative contract arrangements to deliver savings. • Improved procurement practice. <p>Work continues with Perth and Kinross Integrated Joint Board on Health and Social Care Integration to maximise the benefit of</p>

		<p>joined up working across the Perth and Kinross Community Planning Partnership and across Tayside in relation to the Public Services Strategy Group pursuing work streams around Getting It Right For Every Child, Adult Care and public sector reform.</p> <p>Significant savings have also been generated through proactive management of the Council's borrowing with the Council's Consolidated Loans Fund interest rate of 3.5% being significantly less than the estimated Scottish average rate of 4.5%.</p>
4	<p>Breakdown of efficiency saving by Procurement, Shared Services or Asset Management £'000</p> <p>(only where relevant – not all efficiencies will fall into these categories, so the figures here do not have to match the overall total.</p>	<p>Procurement = £2.806m</p> <p>Shared Services = £0.027m</p> <p>Asset Management = £0.130m</p>
5	<p>Evidence: What performance measures and/or quality indicators are used to ensure that efficiencies were achieved without any detriment to services?</p>	<p>The Council has robust performance management arrangements in place and publishes a comprehensive annual performance report which summarises both the Council's own assessment of its progress and the findings of the external scrutiny bodies charged with assessing standards of service delivery. Individual Service performance was considered by themed Committees in May/June 2016. It is anticipated that the Council will consider the Perth and Kinross Annual Performance Report for 2015/16 at the Council meeting on 5 October 2016. This will provide an overview of performance against the Community Plan / Single Outcome Agreement 2013 - 23 for the period 1 April 2015 to 31 March 2016. This report will also provide comprehensive information on progress across the Community Planning Partnership towards delivering better services and improved outcomes for the people of Perth and Kinross.</p> <p>The Local Scrutiny Plan for 2016/17 was considered by the Council on 18 May 2016 and confirmed that Perth and Kinross Council has been assessed on an annual basis and has consistently received recognition for the continuous improvement of its services. It recognises the Council's continued strength in self-evaluation and performance management arrangements, along with its achievements in securing improved performance and better</p>

		<p>outcomes for local people. It confirms that there are no significant scrutiny risks.</p> <p>The Council always seeks to deliver efficiency gains whilst maintaining and improving standards of service.</p> <p>All efficiency and transformation projects require a business case which sets out the key benefits and measures which will be used to assess the success of each initiative.</p> <p>There is no evidence to suggest that the efficiency gains included within this submission have led to a reduction in performance of service quality.</p>
--	--	--



Signed (Chief Executive)



Signed (Council Leader)

Date.....18 August 2016.....

PERTH AND KINROSS COUNCIL

Strategic Policy and Resources Committee – 21 September 2016

SAVINGS ARISING FROM EARLY RETIREMENT DECISIONS TAKEN IN 2015/16

Report by Head of Finance

PURPOSE OF REPORT

This report provides information on the costs and savings arising from early retirement decisions taken in financial year 2015/16.

1. BACKGROUND

- 1.1 On 17 September, 2003 this Committee approved Report No. 03/457 which detailed the Council's response to Audit Scotland's local report on early retirement entitled "Bye Now Pay Later part 2".
- 1.2 One of the recommendations in the Audit Scotland report was that the Council be informed of the costs and/or savings arising from decisions taken by Officers, under delegated authority, to approve employee early retirements. The presentation of this report ensures that the Council complies with that recommendation. The report incorporates the early retirements approved by the Council in setting the 2016/17 Final and 2017/18, 2018/19 Provisional Revenue Budgets (Report No 16/51 refers).
- 1.3 On 4 February, 2009, this Committee approved Report No 09/70 which set out new retirement provisions as part of the Council's workforce planning arrangements and included revised scrutiny and governance arrangements.

2. PROPOSALS

- 2.1 The Committee is asked to note the overall net savings arising from early retirement decisions taken in 2015/16 as summarised in Appendix 1. The overall net savings tabulated in the Appendix are split between those Council staff who are members of the Local Government Pension Scheme and Teachers whose pension arrangements are administered by the Scottish Public Pensions Agency.

3. CONCLUSION AND RECOMMENDATION

- 3.1 Based on the approach recommended by Audit Scotland the Council will achieve savings of £13,400,158 over a five year period with one-off costs of £5,013,779 in relation to members of the Local Government Pension Scheme. In respect of members of the Teacher's Pension scheme savings there were no early retirements in financial year 2015/16, largely as a consequence of the current requirement to maintain teacher numbers.

3.2 An analysis of the approved early & flexible retirement applications over the medium term identified no equalities issues and that the numbers were proportionate to the age/gender profile of the workforce. Ongoing monitoring in this regard will continue to achieve value for money, accountability, transparency and equality of treatment.

3.3 It is recommended that the Committee note the contents of this report.

Author

Name	Designation	Contact Details
Craig Robertson	Central Accounting Manager	Ext. 75635 crobertson@pkc.gov.uk
Scott Walker	Chief Accountant	Ext. 75515 swwalker@pkc.gov.uk

Approved

Name	Designation	Date
John Symon	Head of Finance	22 August 2016

If you or someone you know would like a copy of this document in another language or format, (on occasion, only a summary of the document will be provided in translation), this can be arranged by contacting the Customer Service Centre on 01738 475000.

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

1. Strategic Implications

Corporate Plan

1.1.1 The Council's Corporate Plan 2013 – 2018 lays out five outcome focussed strategic objectives which provide clear strategic direction, inform decisions at a corporate and service level and shape resources allocation. They are as follows:

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

1.1.2 This report relates to all of these objectives.

2. Resource Implications

2.1 Financial

2.1.1 This report provides retrospective information on decisions taken in the previous financial year (2015/16) and as such, there are no direct financial implications arising from the report.

2.2 Workforce

- 2.2.1 There are no direct workforce implications arising from this report other than those retrospectively reported in Appendix 1.

3. **Assessments**

3.1 Equality Impact Assessment

- 3.1.1 Under the Equality Act 2010, the Council is required to eliminate discrimination, advance equality of opportunity, and foster good relations between equality groups. Carrying out Equality Impact Assessments for plans and policies allows the Council to demonstrate that it is meeting these duties.
- 3.1.2 The information contained within this report has been considered under the Corporate Equalities Impact Assessment process (EqIA).
- 3.1.3 The most relevant equalities characteristics in relation to retirement are age and sex. The actual number of applications with approved/rejected breakdown demonstrates the figures are proportionate to the age/gender profile for the workforce.
- 3.1.4 The application of added years for early retirements due to efficiency/redundancy has been applied in accordance with the retirement scheme provisions.
- 3.1.5 In summary, based on an analysis of the data, there are no equalities issues.

3.2 Strategic Environmental Assessment

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

3.3 Sustainability

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

2. BACKGROUND PAPERS

The following background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (and not containing confidential or exempt information) were relied on to a material extent in preparing the above report.

Background papers:–	Report 03/457
	Bye Now Pay Later Part 2
	Report 09/70
	Retirement Scheme

3. APPENDICES

Appendix 1 – Net savings/costs arising from early retirement decisions taken in 2015/16.

STRATEGIC POLICY & RESOURCES COMMITTEE 21 SEPTEMBER 2016

NET SAVINGS / COSTS ARISING FROM EARLY RETIREMENT DECISIONS TAKEN IN 2015/16

Local Government Pension Scheme (LGPS)									
Various Services of the Council (excl teaching staff)	One-off costs	Revenue cost / (saving)					2020/21		No of retirals
		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2020/21	
Early Retirals	£4,898,160	£0	£(1,115,613)	£(1,984,635)	£(3,172,082)	£(3,193,008)	£(3,214,041)	£(7,781,219)	116
Redundancy Only	£62,690	£(9,731)	£(101,934)	£(107,024)	£(107,869)	£(108,752)	£(109,641)	£(482,261)	8
Flexible Retirals	£52,929	£(240)	£(21,262)	£(21,581)	£(43,809)	£(44,247)	£(44,689)	£(122,899)	22
Voluntary Retirals	£0	£0	£0	£0	£0	£0	£0	£0	2
TOTAL COST/(SAVING) FOR LGPS RETIRALS	£5,013,779	£(9,971)	£(1,238,809)	£(2,113,240)	£(3,323,760)	£(3,346,007)	£(3,368,371)	£(8,386,379)	148

The information provided is based on decisions taken in financial year 2015/16 as detailed on the five year cost projection forms authorised by Depute Chief Executives. Those forms include information on a five year period from the date of retirement and generally, therefore, include a part year saving in both 2015/16 and 2020/21.

Scottish Teachers Pension Scheme (SPPA)									
Service	One-off costs	Revenue cost / (saving)					2020/21		No of retirals
		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	sub total	
Education & Children's Services (teaching staff only)	£0	£0	£0	£0	£0	£0	£0	£0	0
SPPA COST/(SAVING)	£0	£0	£0	£0	£0	£0	£0	£0	0

Early retirement costings for SPPA are projected over a ten year period

PERTH AND KINROSS COUNCIL

Strategic Policy and Resources Committee - 21 September 2016

**TRANSFORMATION PROGRAMME 2015-2020 PROGRESS UPDATE
AND
EXPANSION OF FAMILY BASED CARE REQUEST FOR ADDITIONAL FUNDING**

**Report by the Depute Chief Executive, Environment
(Sustainability, Strategic and Entrepreneurial Development)**

PURPOSE OF REPORT

This report provides an update on the Transformation Programme and identifies a proposal to draw down additional funding of up to £47,000 from the Earmarked Reserve for Transformation, to ensure that the capacity and support needed to secure the effective delivery of the Expansion of Family Based Care Review is provided.

1. BACKGROUND / MAIN ISSUES

Overview

- 1.1 The Council's Transformation Strategy 2015-2020 was approved by Council on 1 July 2015. The transformation programme is focused on continuing our proactive approach to public service reform, and embracing change that keeps Perth and Kinross Council in a position of strength, to meet the significant challenges ahead. This report gives an update on the progress of the programme.
- 1.2 On 10 February 2016, the Strategic Policy and Resources Committee approved requests for funding from the Earmarked Transformation Reserve for phase 2 transformation reviews, including £162,000 for the Expansion of Family Based Care. This report provides further detail on the purpose of that review and presents a revised funding request to secure the effective delivery of the review.
- 1.3 The Family Based Care Review's key purpose is cost avoidance. It aims to meet increasing demand within Perth and Kinross and the immediate geographical area, therefore avoiding future costs associated with more expensive external placements.

2. PROPOSALS

Transformation Programme

- 2.1 Progress on Transformation reviews was initially reported to the Strategic Policy and Resources Committee on 2 December 2015, (Report Number [15/155](#)). Updates were provided on 10 February 2016 (Report Number [16/50](#)), 20 April 2016 (report Number [16/186](#)), and 15 June 2016 (report number [16/268](#)). Appendix 1 to this report details the most recent update on progress.

Expansion of Family Based Care

- 2.2 The Expansion of Family Based Care Review is a 4 year transformation project (2016-2020). The Council will need to provide an increasing number of quality foster care placements for looked after children to meet its statutory responsibilities. This is a requirement regardless of whether it is provided 'in-house' via recruitment of foster carers, or purchased externally from other independent agencies.
- 2.3 The review aims to avoid unnecessary costs for a service which had an overspend of £246,000 in the last financial year and is projected to overspend by £1,119,000 in the current year, due primarily to unprecedented high demand for external foster care placements.
- 2.4 The proposal is to expand the number of foster carers and increase the range of family based care options for looked after children, young people and care leavers. A fundamental objective is to be able to provide for looked after children within the local communities, and reduce the reliance on placements via external providers. The outcomes of the review will be achieved through an expert-led recruitment campaign, building Council capacity within a long term strategy. Additional staffing resource will be created in order to manage the highly intensive work and assess and train high quality carers.
- 2.5 The review includes the development of an 'over-supply' of foster care placements, which can generate income from offering placements to neighbouring authorities at a competitive rate. The income from the management fees attracted will, in the longer term, assist in providing financial sustainability to the project.
- 2.6 The investment required to deliver this transformation project will cover development costs including:
- Project management
 - Dedicated and specialised marketing and communications.
 - Training and development of staff in the Family Placement Team and Through Care and After Care Teams
 - Staffing resources to manage recruitment, training, development and assessment of foster carers and supported lodgings providers
 - Resource to increase the activity of the statutory fostering and permanence panel
 - Administration and business support
- 2.7 Reports to the Lifelong Learning Committee in May and November 2015 (15/212 and 15/510) identifying the benefits of the review were well received.
Financial investment required
- 2.8 The Outline Business Case for the Expansion of Family Based Care was approved by the Executive Officer Team in January 2016. Funding of £162,000 was approved by the Strategic Policy and Resources Committee on 10 February 2016.

- 2.9 The revised funding request is for £209,000 to ensure the effective delivery of the review, an increase of £47,000 over the period of the review. This increase has arisen following further detailed analysis of the resources required to ensure the effective delivery of this project, over its duration to 2019.
- 2.10 The Outline Business Case projected income generation of £164,000 over the second, third and fourth years of the review. The income anticipated relates to the receipt of a management fee from other local authorities for the supply of foster care placements in Perth and Kinross. This fee covers the costs of recruitment, assessment, approval, training, development and support of foster carers, as well as the payment of fees and allowances for the work that foster carers carry out on behalf of the local authority. The management fees could potentially generate £15,600 per annum per placement.
- 2.11 Originally it was considered that this income generation could be used to offset budget pressures, however on further analysis, the projected income will be reinvested in funding the continued delivery of the service. Therefore there is no overall saving to the Council. However, as mentioned in section 2.3, the main objective of the review is avoidance of additional costs, and unbudgeted overspends.

3. CONCLUSION AND RECOMMENDATIONS

- 3.1 The transformation programme is well under way. Additional funding is requested to support the Expansion of Family Based Care Review.
- 3.2 It is recommended that the Strategic Policy and Resources Committee:
- (i) Notes the progress with the Transformation Programme, as detailed in Appendix 1.
 - (ii) Agrees to the release of an additional £47,000 from the Earmarked Reserve for Transformation for the Family Based Care Review and removes the savings target of £164,000 attributed to this review.

Author

Name	Designation	Contact Details
Steve Homer	Transformation Manager	01738 475000 TESCommitteeReports@pkc.gov.uk

Approved

Name	Designation	Date
Jim Valentine	Depute Chief Executive, Environment (Sustainability, Strategic & Entrepreneurial Development)	18 August 2016

If you or someone you know would like a copy of this document in another language or format, (on occasion, only a summary of the document will be provided in translation), this can be arranged by contacting the Customer Service Centre on 01 738 475000.

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	Yes
Consultation	
Internal	Yes
External	None
Communication	
Communications Plan	Yes

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) 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
- (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 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.

- 1.3 The report relates to all of these objectives.

2. Resource Implications

Financial

- 2.1 The financial implications are detailed in the report, including a request to utilise an additional £47,000 from the Transformation Reserve.

Workforce

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

Asset Management (land, property, IT)

- 2.3 There are no direct asset management implications arising from this report.

3. Assessments

Equality Impact Assessment

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

Strategic Environmental Assessment

- 3.3 The Environmental Assessment (Scotland) Act 2005 places a duty on the Council to identify and assess the environmental consequences of its proposals.
- 3.4 The proposals within this report have been considered under the terms of the act and no further action is required as it does not qualify as a PPS as defined by the Act and is therefore exempt.

Sustainability

- 3.5 Under the provisions of the Local Government in Scotland Act 2003 the Council has to discharge its duties in a way which contributes to the achievement of sustainable development. In terms of the Climate Change Act, the Council has a general duty to demonstrate its commitment to sustainability and the community, environmental and economic impacts of its actions.

- 3.6 The information contained within this report has been considered under the Act. However, no action is required as the Act does not apply to the matters presented in this report.

4. Consultation

Internal

- 4.1 The Head of Finance, Corporate Human Resources Manager and Head of Legal and Governance Services 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.

2. BACKGROUND PAPERS

The background papers referred to within the report are:

- Report to SP&R Committee on 23 September 2015, Report No (15/397)
- Report to SP&R Committee on 2 December 2015, Report No (15/555)
- Report to SP&R Committee on 10 February 2016, Report No (16/50)

3. APPENDICES

- Appendix 1 – Progress Report on Phase 1 and Phase 2 Transformation Reviews

Transformation 2015/20 Projects by Service

Project Code	Project Title	Project Manager	Start Date	End Date	Project Status	Projected Saving 2015/16 (£000s)	Projected Saving 2016/17 (£000s)	Projected Saving 2017/18 (£000s)	Projected Saving 2018/19 (£000s)	Projected Saving 2019/20 (£000s)	Projected Saving Total (£000s)
Corporate Projects											
Business Transformation Programme											
BT000403	Corporate - Council Assets for Commercial Sponsorship Review	Steve Homer	01/03/16	30/12/16	On Target	0	30	50	20	50	150
Brief Description : This review aims to take an innovative approach by using the Councils existing assets as a means for producing a revenue stream by offering sponsorship and advertising opportunities to commercial organisations. The revenue generated from this project can be offset against the Costs of providing valuable public services.											
Key Milestones :											
	Benchmarking and consultation		29/07/16			Progress to Date :					
	RCV Quick Quote		02/08/16			17/08/2016					
	Phase 1 implementation		31/08/16			Phase 1 assets identified. Quick quote process identified as the chosen procurement route under advice from procurement. Commercial advertising on refuse collection vehicles actioned as providing the best option for an early yet sustainable win. The income target for 2016-17 has been reprofiled from £30K to £15K due to the fleet media management company for refuse collection vehicles going into administration. This was agreed by EOT on 5/7/16. A quick quote process has been initiated to find an alternative provider.					
	Asset analysis		30/09/16								
	Report to SP&R Committee		30/12/16								
BT000406	Review of Administrative Support	Steve Homer	01/02/16	31/12/16	On Target	0	186	109	279	0	574
Brief Description : The Administrative and Support Functions Transformation Review will analyse how we deliver these functions now and consider how we may deliver these services in the future.											
Key Milestones :											
	New Scoping Report approved by EOT		02/08/16			Progress to Date :					
	Learn Innovate Grow Sessions		30/09/16			17/08/2016					
	Agile project management pilot		21/10/16			EOT approval on 2 August included: renaming the review as the Review of Customer and Business Support Functions; identifying a centrally managed service as being the preferred option; implementation of a fully Learn Innovate Grow approach. This provides a mandate from the EOT on the way ahead covering the wider breadth of functions which should be encompassed by the review and encompassing the "end to end" business processes, irrespective of frontline/back office boundaries. The review has been reprofiled to suit the proposals identified in the scoping paper approved on 2 August. This does not affect the end date.					
	Appoint project resource		31/10/16								
	Review Report		29/12/16								
	Define key business processes for review		30/12/16								

Project Code	Project Title	Project Manager	Start Date	End Date	Project Status	Projected Saving 2015/16 (£000s)	Projected Saving 2016/17 (£000s)	Projected Saving 2017/18 (£000s)	Projected Saving 2018/19 (£000s)	Projected Saving 2019/20 (£000s)	Projected Saving Total (£000s)
BT000407	Review of Finance	Euan Sturgeon	08/01/16	29/09/17	On Target	0	81	82	255	0	418
Brief Description : This review could deliver efficiencies beyond the £418k provided within the executive summaries for the 2016/17 budget. These efficiencies can be achieved by: Improving processes; Expanding the use of technology; Merging common operations and achieving economies of scale; and, Adopting new service delivery models.											

Key Milestones : <ul style="list-style-type: none"> Allocation of Phase 1 workstream leads Interviews for Project Officer post Revenue monitoring concluded Internal Audit Phase 1 Final Report to be completed Final Accounts Phase 1 Final Report to be submitted Revenue Budgeting Phase 1 Final Report to be submitted HR & ES Phase 1 final report to be completed Capital Budget & Monitoring Phase 1 Final Report to be submitted Financial Administration Phase 1 Final Report to be submitted Allocation of Phase 2 workstream leads Submission of Phase 2 final reports 						Progress to Date : 23/08/2016 At the last FTR Board meeting on 28.07.16, progress to date was noted as satisfactory with the exception of the Financial Administration workstream. Although significant slippage has been generated, with the vacant post of workstream lead, the appointment of a Project Officer on 01.08.2016 will kick start this workstream. It is important to note that the Project officer will work on both the FTR workstreams and the Customer and Business Support Review. Progress with all remaining phase 1 workstreams is as follows: Revenue Monitoring – Concluded, with one delivery model being adopted across all Services. CADS has already adopted whilst TES and HCC will be aiming for adoption by Sep16. HR & ES – An interim report will be put to the FTR board in early October. Customer engagement commenced. Capital Budgeting and Monitoring – Started in Jul 16 as planned. Internal Audit - Ongoing discussion with HCC. Revenue Budgeting – Started in Aug 16, as planned. Final Accounts – Will commence in Sep 16, as planned					
			31/03/16								
			27/06/16								
			30/06/16								
			26/08/16								
			30/11/16								
			16/12/16								
			21/12/16								
			31/03/17								
			31/03/17								
			03/04/17								
			30/08/17								

Project Code	Project Title	Project Manager	Start Date	End Date	Project Status	Projected Saving 2015/16 (£000s)	Projected Saving 2016/17 (£000s)	Projected Saving 2017/18 (£000s)	Projected Saving 2018/19 (£000s)	Projected Saving 2019/20 (£000s)	Projected Saving Total (£000s)
BT000377	Corporate - Modernising Performance Reporting Review	Chris Jolly	01/11/15	30/06/17	Some Issues	0	34	0	0	0	34
Brief Description : 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.											
Key Milestones : <ul style="list-style-type: none"> Consultation with stakeholders Complete review of existing systems Review of current reporting processes Complete options appraisal End of review, start of project implementation stage Final report to EOT Create Pilot Project Team Approve scope of Pilot Progress report on Pilot to Project Board Specification developed - revised milestone 											
Progress to Date : 18/08/2016 A Pilot Project Brief has been created in consultation with IT colleagues and will be submitted to the Project Board for approval on 22 August. This has taken longer to finalise than had been planned due to the complexity of the tasks involved. Although the brief has not yet been approved, colleagues across the Council have been involved in its development and this preparatory work has been necessary for colleagues to better understand the complexities of the task and what it is that needs to be achieved. The first meeting of the pilot project team is scheduled for w/c 22 August, and using an 'Agile' approach to managing the Pilot, the delay in approving the scope should not adversely affect progress towards a meaningful result. Financial variance: £34,000 savings identified for 2016/17 will be made by staffing costs which are now scheduled to be realised in 2018/19, with the cessation of a temporary post. This was agreed by EOT on 5/7/16.											
BT000379	Corporate - Modernising Licenses, Permissions and Approvals Processes Review	Gordon Dawson	05/10/15	01/04/18	On Target	0	0	40	0	0	40
Brief Description : Streamlining and digitalizing the process for licences, approvals and permissions, to allow online applications, automated information checking and consultations, and issue of approvals/authorisations electronically, saving officer/administrative time and delivering a better, cheaper, quicker service to the applicant.											
Key Milestones : <ul style="list-style-type: none"> Implementation of on-line application upgrade 											
Progress to Date : 18/08/2016 EOT agreed previously that this project will close on completion of the introduction of the new online system for Civic and Liquor Licenses with all other applications being a work stream of the Online Services / myAccount Project. Progressing with the implementation of the on-line application upgrade. Currently revising all licensing forms before these are passed to the supplier for additional work then to be undertaken by them. Financial variance: The approved savings and spend for this project have been transferred, along with work streams, to the Online Services/My Account Project. The proposed spend on this review is not now required.											

Project Code	Project Title	Project Manager	Start Date	End Date	Project Status	Projected Saving 2015/16 (£000s)	Projected Saving 2016/17 (£000s)	Projected Saving 2017/18 (£000s)	Projected Saving 2018/19 (£000s)	Projected Saving 2019/20 (£000s)	Projected Saving Total (£000s)
BT000367	Corporate - Procurement Reform Review	Mary Mitchell	01/10/15	31/03/20	On Target	0	500	1000	1000	0	2500
Brief Description : 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.											
Key Milestones : <ul style="list-style-type: none"> Mapping of Systems Requirements Align procurement work to corporate sustainable development Carry out needs assessment for Community Benefits requirements from contracts Train the trainer approach to electronic contract management systems deployed Bulk upload of existing contracts to new management platform Review of savings opportunity from all existing contracts Tracking of secured savings from contracts Roll out of Systems enhancements plan 											
						Progress to Date : 16/08/2016 There are three themes to the review and work carried out to the end of July 2016 for each theme is set out below: Savings: An assessment of the approach to how identified savings are documented has led to grouping of contract improvements into those funded by capital, revenue and housing revenue budgets. The tracker has been updated to ensure that targets set against revenue budgets can be monitored more easily. Systems: Changes to the use of the electronic tendering system have been completed. Preparatory work to add existing contracts to the new contract management system are in progress. Some issues in identifying and planning to deliver the opportunities that could arise from a more corporate approach to supply chain management through using our systems in a more integrated way. Sustainability: Using the community benefit clauses at early stages of a new contract to agree with contractors how these can support individuals currently accessing services provided by the Council. This proactive approach has worked with a couple of pilot projects and will now form the template for roll out across a wider range of contracts. Savings related to date are £280k (target for 16/17 - £500k). Some pressures are being identified with inflationary increases, and also unfavorable exchange rates following the EU Referendum, which may impact on OBC assumptions on the ability to release projected savings. This is being investigated.					
31/07/16											
31/08/16											
30/09/16											
30/09/16											
31/10/16											
31/10/16											
31/03/17											
31/03/17											

Project Code	Project Title	Project Manager	Start Date	End Date	Project Status	Projected Saving 2015/16 (£000s)	Projected Saving 2016/17 (£000s)	Projected Saving 2017/18 (£000s)	Projected Saving 2018/19 (£000s)	Projected Saving 2019/20 (£000s)	Projected Saving Total (£000s)
BT000368	Corporate - Corporate Digital Services and myAccount Review	Lynne Harris	01/10/15	28/09/18	Remedial Action Required	0	215	377	412	448	1452
Brief Description : 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.											
Key Milestones : <ul style="list-style-type: none"> Develop Customer portal (online service) identity and branding Completion of Revised Business Case Procure technical components and services - New target date 31/08/16 Develop technical guidelines to support incorporation of third party solutions into PKC online services environment Design online services technical blueprint incorporating MyAccount 											
Progress to Date : 24/08/2016 The previous verito update reported an amber status - this was related to concerns around the programme's ability to deliver savings contained within its 2015 Outline Business Case. Further investigation has taken place since then and a Revised Business Case has been compiled at the request of the EOT with more accurate savings forecasts. Originally it was estimated that the programme would pay for itself within a 5 year period. This has now been extended to between 6 and 7 years. However there remains a degree of uncertainty connected with the revised saving figure as the figures are based on general costs per transaction applied across the board rather than taking into account complexities of each and every individual service delivery process in scope. The updated Business Case has been shared with the ICT Transformation Board. It is recommended the Business Case is revised regularly as services are migrated to the online channel. The EOT are asked to approve the Revised Business Case. Monthly meetings continue to take place with Financial Controllers. The Tayside collaboration around procurement of the customer services platform and online services solution will lead to some delays in timescales to implement the environment, however these will be offset by a reduction in costs to procure the licences, as well as a reduction in training and consultancy costs. The three Councils are committed to collaborate further on design and implementation of online services. Further work to define the early adopter phases of the programme has taken place – work having commenced on the capture of Housing Repairs and TES Early Adopter as-is business processes. Launch of the revised website is on track for end of October 2016. The Web Steering Group - providing governance around content and design for the website and ertic - is now well established.						<ul style="list-style-type: none"> Joint procurement opportunity with Angus and Dundee City Councils- for an online customer service platform- is in progress, procurement strategy to be agreed by end of August. Revised Website Design - site build in progress, further consultation with various user representatives including Councilors planned. Corporate Data Management assessment complete, to be reviewed by ICT Transformation Board. Website Steering Group active, contributing to the design and structure of the revised website and considering approaches to website advertising/ sponsorship. 					

Project Code	Project Title	Project Manager	Start Date	End Date	Project Status	Projected Saving 2015/16 (£000s)	Projected Saving 2016/17 (£000s)	Projected Saving 2017/18 (£000s)	Projected Saving 2018/19 (£000s)	Projected Saving 2019/20 (£000s)	Projected Saving Total (£000s)
BT000369	Corporate - Mobile Working Review	Lynne Harris	01/10/15	28/09/18	Remedial Action Required	0	187	499	812	812	2310
Brief Description :						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.					
Key Milestones :						<div> <div></div> <div></div> <div></div> </div> <ul style="list-style-type: none"> Completion of Revised Business Case Create master list of services in scope Procure technical components and services 					
Progress to Date :						<div> <div>31/08/16</div> <div>24/08/2016</div> </div> <p>The previous verito update reported an amber status – this was related to initial delays at the programme outset which put back the timescale for realising programme savings until late 16/17. At time of writing this update, further investigation is still on going to build up the Revised Business Case (RBC), but it is likely the RBC will state that time to deliver savings will be protracted due to the additional time taken to get the programme up and running, as well as delays in time to procure the technical environment to support the Mobile Working programme.</p> <p>Originally it was estimated that the programme would pay for itself within 5 years, however that is likely to move out by 1 to 2 years. There is still a degree of uncertainty around accuracy of the revised savings figures as the business change required to support the corporate mobile working agenda is dependent on a number of factors, such as changes in numbers of staffing complement within scope for mobile working, cross-overs with other transformation programmes, and costs and complexity of integration with back office business systems.</p> <p>The updated business case will be shared with the ICT Transformation Board. It is recommended the Business Case is revised regularly as and when business areas are migrated across to the corporate mobile working platform. The EOT are asked to approve the Revised Business Case.</p> <p>The procurement strand of the programme is nearing completion with two suppliers involved in the final tender evaluation stage. Dialogue was extended from the initial target date of 11 July to 22 July to allow a number of follow-up demonstrations / discussions to be held with suppliers. In addition to this, the date for receipt of final tender documentation was extended by a week following a request from one of the suppliers. These delays have had a subsequent knock-on effect on subsequent target dates. Initial evaluation of tender returns identified a number of areas requiring clarification; dialogue with suppliers is currently ongoing.</p> <p>The preferred supplier will be identified w/c 22 August and pending the 10 day standstill period, the contract will be awarded early September. Further work has taken place to more accurately assess the potential for mobile working across the Council with the number of mobile workers potentially in scope increasing from 619 FTE to 943 FTE. New risks have been added to the programme's risk profile highlighting potential issues around savings and integration with back office systems.</p> <ul style="list-style-type: none"> Procurement is in the final stage with the contract scheduled for award in September Business Analysis workshop undertaken with the Integrated Occupational Therapy service to assess future integrated service redesign opportunities and data sharing requirements Project Assistant joined the team 					

Project Code	Project Title	Project Manager	Start Date	End Date	Project Status	Projected Saving 2015/16 (£000s)	Projected Saving 2016/17 (£000s)	Projected Saving 2017/18 (£000s)	Projected Saving 2018/19 (£000s)	Projected Saving 2019/20 (£000s)	Projected Saving Total (£000s)
BT000363	Corporate - Smart Perth and Kinross: Perth and Kinross Open Data	Paul Davison	01/10/15	31/03/20	On Target	0	0	0	0	0	0
Brief Description : 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.											
Key Milestones : <ul style="list-style-type: none"> Create new page for PKC website with sample datasets and interactive maps/ visualisations Hold Data Cluster Workshop with Cities Approve organisation's Open Data Strategy at EOT Project Initiation Document for 8th City PMO for ERDF funding Open Data Strategy approval at Strategic Policy & Resources (SP&R) Committee Data Cluster - Data Standards Work Package Open Data Portal Beta Launch 											
					30/04/16	Progress to Date : 11/08/2016 Recently, the post of Open Data Coordinator was filled. This post will be responsible for the co-ordination, preparation and publication of Open Data within Perth and Kinross Council, and will report to the Smart City Project Officer. As required by the 8th City Programme Management Office (PMO), drafts of each city's Project Initiation Documents for Open Data have been submitted to the PMO. These set out the project delivery arrangements in each city ensuring compliance with the requirements of the project's ERDF funding. These documents will be updated throughout the life of the project. Linked to this descriptions of the four agreed work packages (WP) are currently being written collaboratively by representatives from the cities, and our Open Data Review Project Team is actively contributing to each WP. Work on the first work package, outlining a set of standards to apply to open data, is projected to be complete by the end of September, which will enable work to begin on the other work packages. On approval at EOT, it was recommended that the Open Data Strategy be approved by Strategic Policy & Resources (SP&R) Committee, and a report has been submitted for the 21st September meeting. This Strategy sets the framework for the development of Open Data in PKC. The proposed timescale for the launch of a Beta version of the Open Data Portal remains on target.					
Total						0	1233	2157	2778	1310	7478

Project Code	Project Title	Project Manager	Start Date	End Date	Project Status	Projected Saving 2015/16 (£000s)	Projected Saving 2016/17 (£000s)	Projected Saving 2017/18 (£000s)	Projected Saving 2018/19 (£000s)	Projected Saving 2019/20 (£000s)	Projected Saving Total (£000s)
Education and Children's Services											
Business Transformation Programme											
BT000392	ECS - Expansion of Family Based Care	Linda Richards	01/01/16	31/03/20	Some Issues	0	0	78	78	8	164
Brief Description :						To meet the increasing demand for foster carers and family-based carers for children and young people looked after by Perth and Kinross Council					
Key Milestones :						Progress to Date :					
	Rescoped paper to EOT				05/07/16	16/08/2016					
	Report to MOWG				17/08/16	<ul style="list-style-type: none"> Following discussion at EOT and prior to going to SP&R, a paper will go to the MOWG (17/8/16) to revisit the funding of the Expansion of Family Based Care. Because the SP&R was only asked to approve £162,000 funding for this review, notwithstanding the OBC process, we are in effect asking for an additional £47,000 from Earmarked Funding. "The revised funding request is for £209,000 to ensure the effective delivery of the review, an increase of £47,000 over the period of the review. This increase has arisen following further detailed analysis of the resources required to ensure the effective delivery of this project, over its duration to 2019." extract from SP&R report. The slippage in establishment of the project team and project plan are as a result of the uncertainty over financials for this project and will have no impact on the overall delivery. 					
	Report to SP&R on funding				21/09/16						
	Project Team established and Project Plan agreed				31/10/16						
BT000394	ECS - Review the Delivery of Class Contact Time	Sharon Johnston	01/01/16	31/03/19	On Target	0	0	325	195	0	520
Brief Description :						This proposal is to review and redesign Reducing Class Contact Time					
Key Milestones :						Progress to Date :					
	Draft project plan to be agreed with SRO				19/08/16	15/08/2016					
	Project Lead / Team established and Project Plan agreed				01/09/16	There is a risk to this project regarding teacher/pupil ratios which must be considered as part of this review process.					
	Benchmarking with other Local Authorities complete				31/10/16						
	Up to date figures and staffing data gathered and analysed				31/10/16						
	Report to Modernising Governance MOWG (Indicative Date)				01/03/17	<ul style="list-style-type: none"> Short listing for project officer post has been carried out. Interviews scheduled for 19/08/16. Short term working reference group has been formed and have developed a skeleton project plan. Benchmarking with other Local Authorities has commenced. The spend for this project is for the recruitment of a project lead responsible for Review of Class Contact Time, Review of Working Week Arrangements in Schools and the Review of School Staffing Standards (Phase 3). 					
	Report to Lifelong Learning Committee (Indicative Date)				29/03/17						

Project Code	Project Title	Project Manager	Start Date	End Date	Project Status	Projected Saving 2015/16 (£000s)	Projected Saving 2016/17 (£000s)	Projected Saving 2017/18 (£000s)	Projected Saving 2018/19 (£000s)	Projected Saving 2019/20 (£000s)	Projected Saving Total (£000s)
BT000358	ECS - Review of Catering Services	Greg Boland	01/09/15	31/03/20	On Target	0	0	0	200	0	200
Brief Description : Examining optimum production, menu and service arrangements and looking at options for area based kitchens and partnership working with other organisations to ensure the most efficient and effective service.											
Key Milestones : <ul style="list-style-type: none"> Update paper to Tayside Governance and Strategy Group Complete benchmarking and consultation by project team Final Business Case to Tayside Governance and Strategy Group Final Business Case to EOT 											
Progress to Date : 15/08/2016 Being reported through Tayside Governance and Strategy Group <ul style="list-style-type: none"> This project is being taken forward on a Tayside wide basis. Tayside Governance and Strategy Group (TGSG) acting as Project Board (Jim Valentine sits on this Board for PKC) Simon Farrer is representing PKC's interest on the Project Team. Assurance received from TC Managing director that the Final Business Case will be delivered October 2016. Additional assessments of existing CPUs carried out. Findings from assessments still to be concluded. 											
BT000360	ECS - Securing the Future of the School Estate	Carol Taylor	01/09/15	31/03/20	On Target	0	0	0	600	500	1100
Brief Description : Reviewing the school estate to make the most effective and efficient use of buildings, and staff across the estate.											
Key Milestones : <ul style="list-style-type: none"> Principles Paper to SMT Principles Paper for the review of school estate to LLC for approval Subject to approval options to be developed in detail for committee approval Committee approval of detailed options Recommendations to Modernising Governance MOWG (Indicative Date) Pre-consultation/Informal consultation and Rural aspect / Community impacts Proposal papers/Options appraisals Statutory consultation complete with recommendations to LLC. 											
Progress to Date : 15/08/2016 <ul style="list-style-type: none"> A principles paper for the review of School Estate was presented to SMT and will be considered by LLC on 24 August 2016. 											

Project Code	Project Title	Project Manager	Start Date	End Date	Project Status	Projected Saving 2015/16 (£000s)	Projected Saving 2016/17 (£000s)	Projected Saving 2017/18 (£000s)	Projected Saving 2018/19 (£000s)	Projected Saving 2019/20 (£000s)	Projected Saving Total (£000s)
BT000361	ECS - Review of Community Campuses Contract and Charging Arrangements	Fiona Easton	01/09/15	31/03/20	On Target	0	0	180	0	0	180
Brief Description :											
Reviewing Community Campus contracts and charging to identify efficiency savings and commercial opportunities.											
Key Milestones :											
	Communication and Engagement meeting with North Inch Community Campus				22/06/16	Progress to Date :					
	Communication and Engagement meeting with Strathearn Community Campus				23/06/16	15/08/2016					
	Communication and Engagement meeting with CLD @ Loch Leven Campus				23/06/16	<ul style="list-style-type: none"> Engagement with consultees will take place at scheduled local events in campus areas to engage with people in local communities. 					
	Communication and Engagement meeting Breadalbane				24/06/16	<ul style="list-style-type: none"> Engagement with local elected members on community campuses and obtain their feedback - 5 Sept 2016 					
	Benchmarking with Dunfermline High School				02/08/16	<ul style="list-style-type: none"> Benchmarking with LA's has started. Visit to Dunfermline High has taken place and Lassewade visit scheduled for 6 September. 					
	LAL Efficiencies Identified and presented to PKC				31/08/16	<ul style="list-style-type: none"> Meeting with LAL re. contract took place 8 July 2016. Further ongoing consultation with LAL will take place end of August to discuss indentified efficiencies. 					
	Elected Member briefing				05/09/16	<ul style="list-style-type: none"> Review of campus charging and inclusion of school lets as part of this review continues. 					
	Benchmarking with Lasswade High School				06/09/16	<ul style="list-style-type: none"> Completed mapping exercise with reception and admin staff at campuses. 					
	Conduct Equalities Impact Assessment				30/09/16	<ul style="list-style-type: none"> Process mapping and review of current job profiles currently being carried out. 					
	Communication Plan finalised				30/09/16	<ul style="list-style-type: none"> Proposed campus delivery model is complete and new job profiles for clerical and admin are going to be discussed with HR job families 16/8/16. 					
	Interim analysis of findings and recommendations				07/10/16						
	Report to ECS Transformation Board				13/10/16						
	Report to EOT				25/10/16						
	Report to Modernising Governance MOWG				26/10/16						
	Report to LLC				02/11/16						
	Full Business Case developed following Final Report				01/12/16						
	Charging Arrangements Paper to Full Council				28/02/17						
	Implementation of review findings				01/04/17						
BT000362	ECS - Review of Facility Management (FM) Service arrangements (including Tayside Contracts)	Anthony Clark	01/09/15	31/03/20	On Target	0	0	150	50	0	200
Brief Description :											
Reviewing janitorial and cleaning arrangements, building security/access, maintenance functions and enhanced partnerships between the Council, Tayside Contracts and the community, by redefining the service, management arrangements and job profiling, to deliver savings.											
Key Milestones :											
	All Janitors and School Crossing Patrollers briefed on options at In-Service day				15/08/16	Progress to Date :					
	ECS SMT				25/08/16	16/08/2016					
	Recommendation to EOT on preferred option				30/08/16	<ul style="list-style-type: none"> Investigatory meetings with Property Services and Tayside Contracts were conducted during July to inform the option of integrated services. 					
	Communications & Consultation Plan agreed				16/09/16	<ul style="list-style-type: none"> Meeting with Janitorial Staff held 15/08/2016 to update on progress so far and seek feedback regarding the process and potential options. 					
	Report on preferred option to Modernising Governance MOWG				26/10/16	<ul style="list-style-type: none"> Options Analysis Document template was created and data submissions from Property Services, Tayside Contracts, and ECS are being collated for inclusion. Draft document/ to be completed by W/E 19/08/2016 					
	Political Approval of preferred option from LLC				02/11/16	<ul style="list-style-type: none"> Pre EOT meeting with Depute Chief Executives scheduled for 19/08/2016. 					
	Project implementation date				01/04/17						

Project Code	Project Title	Project Manager	Start Date	End Date	Project Status	Projected Saving 2015/16 (£000s)	Projected Saving 2016/17 (£000s)	Projected Saving 2017/18 (£000s)	Projected Saving 2018/19 (£000s)	Projected Saving 2019/20 (£000s)	Projected Saving Total (£000s)
BT000365	ECS - Strategic Commissioning with the 3rd Sector	Caroline Mackie	01/09/15	31/03/19	On Target	0	45	41	37	0	123
Brief Description : Developing a strategic commissioning approach to services for children, young people and families, to ensure that Council funds are more efficiently targeted to meet strategic objectives, and support 3rd sector groups to explore new ways to deliver services, diversify their funding base, and draw upon new and alternative funding streams.											
Key Milestones : <ul style="list-style-type: none"> Project Team Established Develop Project Plan in respect of Strategic Commissioning Review and revision of ICSP Create master list of all current third sector and partners commissioning arrangements Communications plan developed ECS Commissioned Services Board Established Further engagement and workshop with third sector forum Identify 17/18 savings Commissioning Strategy developed Commissioning Strategy to Lifelong Learning Committee (Indicative Date) Publish commissioning strategy Identify 18/19 savings 											
Progress to Date : 15/08/2016 <ul style="list-style-type: none"> Master list of all current SLAs, partners and third sector organisations is completed. Working group membership established Strategic Commissioning Learning event for third sector organisations took place 17/06/16. A further engagement session and workshop is scheduled for 25/08/16 Communication plan developed and currently out for consultation ECS Commissioned Services Board has been approved by SMT for the short to medium term as the decision making body for this review. Review of ICSP to be undertaken in parallel with this review. Joint funding bid to Scottish Government was successful and a training programme to build capacity is currently being developed. 											

Project Code	Project Title	Project Manager	Start Date	End Date	Project Status	Projected Saving 2015/16 (£000s)	Projected Saving 2016/17 (£000s)	Projected Saving 2017/18 (£000s)	Projected Saving 2018/19 (£000s)	Projected Saving 2019/20 (£000s)	Projected Saving Total (£000s)
BT000390	ECS - Review of Inclusion Services	Peter McAvoy	01/01/16	31/03/18	On Target	0	0	0	0	0	0
Brief Description : 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.											
Key Milestones :											
	Quick Quote		20/05/16			Progress to Date : 16/08/2016					
	Recruitment process concluded		30/06/16			<ul style="list-style-type: none"> 2 separate Quick quotes were submitted for a consultant 20/05/16 and 8/6/2016. Process closed with no succesful applicant for either. 					
	Initial meeting with Working Group		08/07/16			<ul style="list-style-type: none"> A working group was then established on a short term basis with consultants who have the relevant experience and knowledge to carry out benchmarking with 5 comparator local authorities. The First meeting of working group was held on 8 July 2016. 					
	Project Plan agreed		01/08/16								
	Meeting with working group to discuss findings		30/08/16								
	First Draft Report on Review Findings		07/10/16								
	Report to Modernising Governance MOWG		26/10/16			<ul style="list-style-type: none"> Benchmarking commenced during July 2016 and a first progress report has been received 15 August 2016. 					
	Final report on Review findings		08/12/16			<ul style="list-style-type: none"> Next meeting of group will be 30 August 2016. 					
	Report to Lifelong Learning Committee (Indicative Date)		25/01/17			<ul style="list-style-type: none"> First draft report Oct 2016 on findings of review. An independant reviewer from another Local Authority will be brought in to provide an assessment of the final report. 					
BT000391	ECS - Review and remodelling of Residential Care Services (Children and Young People)	Hazel Robertson	01/01/16	31/03/20	On Target	0	0	0	0	0	0
Brief Description : To avoid escalating costs of residential care for children and to better meet increasing and changing demands of children and young people who need to be looked after in residential care provision.											
Key Milestones :											
	Project Team established		11/08/16			Progress to Date : This project is a preventative measure to mitigate pressures in overspend (cost avoidance £250k) 15/08/2016					
	Project Initiation Meeting		11/08/16			<ul style="list-style-type: none"> The project team has been identified and initial meeting has taken place 					
	Project Plan agreed		01/09/16			<ul style="list-style-type: none"> Project plan currently under development 					
	Report to Modernising Governance MOWG (Indicative Date)		01/03/17			<ul style="list-style-type: none"> Research and analysis in respect of young people accommodated in residential care since 2008 carried out. 					
	Report to Lifelong Learning Committee (Indicative Date)		28/06/17			<ul style="list-style-type: none"> Site visit by architects to the cottages carried out Review will identify and explore multiple options which will be outlined in the final report. 					

Project Code	Project Title	Project Manager	Start Date	End Date	Project Status	Projected Saving 2015/16 (£000s)	Projected Saving 2016/17 (£000s)	Projected Saving 2017/18 (£000s)	Projected Saving 2018/19 (£000s)	Projected Saving 2019/20 (£000s)	Projected Saving Total (£000s)
BT000395	ECS - Review of Working Week Arrangements in Schools		01/01/16	31/03/19	On Target	0	0	0	0	0	0
Brief Description : Review the current working week arrangements in schools with an aim to assist schools to plan and deliver teaching and learning in an efficient way											
Key Milestones :											
	Interview process				19/08/16	Progress to Date : 15/08/2016 Due to the nature of the different approach being proposed by this project and the time required for full statutory consultation it is proposed that this project is reported through ECS other projects going forward and no longer reported through the Transformation Programme. <ul style="list-style-type: none"> Short listing for project officer has been carried out. Interviews scheduled for 19/08/16. Short term working reference group has been identified. Benchmarking with Dundee, Angus, Fife and other Local Authorities along with research on working week arrangements in school across Scotland has commenced. The establishment of the Project Team and Project Plan is indicative on the recruitment of the project lead. 					
	Project Lead / Team established and Project Plan agreed				01/10/16						
	Report to Modernising Governance MOWG (Indicative Date)				01/03/17						
	Report to Lifelong Learning Committee (Indicative Date)				31/03/17						
Total						0	45	774	1160	508	2487

Project Code	Project Title	Project Manager	Start Date	End Date	Project Status	Projected Saving 2015/16 (£000s)	Projected Saving 2016/17 (£000s)	Projected Saving 2017/18 (£000s)	Projected Saving 2018/19 (£000s)	Projected Saving 2019/20 (£000s)	Projected Saving Total (£000s)
Housing and Community Care											
Business Transformation Programme											
BT000370	HCC - Communities First Review	Bill Atkinson	30/11/15	31/03/19	On Target	0	72	522	0	0	594
Brief Description : Reviewing options around reshaping current commissioning arrangements, co-production opportunities with communities, innovative mobile technologies and developing a wider market provision, which will support people to live as independently as they can, with greater choice and control, and accessing Council services only when they need them.											
Key Milestones : <div> <div>10/08/16</div> <ul style="list-style-type: none"> Proposal paper to CCMT/SMT for development worker demonstrator final sign off </div> <div> <div>30/08/16</div> <ul style="list-style-type: none"> Localities management structure and demonstrator site proposal to SMT for sign-off </div> <div> <div>31/08/16</div> <ul style="list-style-type: none"> Draft budget and financial implications prepared for approval at Transformation Board </div> <div> <div>01/09/16</div> <ul style="list-style-type: none"> Revised Locality structure rebuilt on Resource link </div> <div> <div>30/09/16</div> <ul style="list-style-type: none"> Engagement plan to enable communities to actively influence shape of community developments/activity to be developed and signed off by CCMT/SMT </div> <div> <div>30/09/16</div> <ul style="list-style-type: none"> Recruitment to management structure completed </div> <div> <div>01/10/16</div> <ul style="list-style-type: none"> Full management structure in new localities model becomes active </div>											
BT000371	HCC - Review of Residential Care	Colin Johnston, Diane Fraser	10/11/15	31/03/19	On Target	0	0	0	696	0	696
Brief Description : Reviewing residential care provision to ensure that people are supported to live in the community for longer, and that available care home provision across the full area is fully utilised.											
Key Milestones : <div> <div>30/11/16</div> <ul style="list-style-type: none"> Consideration of possible resource implications and solutions </div> <div> <div>30/06/17</div> <ul style="list-style-type: none"> Carry out consultation and engagement with staff </div> <div> <div>30/06/17</div> <ul style="list-style-type: none"> Carry out costing of potential Residential Care model </div>											
Progress to Date : 11/08/2016 <ul style="list-style-type: none"> Focus group options previously prepared continue to be costed. Engagement with Residents and Families to be arranged as part of wider review process, there will be no change to service provision before May 2017. 											

Project Code	Project Title	Project Manager	Start Date	End Date	Project Status	Projected Saving 2015/16 (£000s)	Projected Saving 2016/17 (£000s)	Projected Saving 2017/18 (£000s)	Projected Saving 2018/19 (£000s)	Projected Saving 2019/20 (£000s)	Projected Saving Total (£000s)
BT000372	HCC - Home First	Tam Cassidy	10/11/15	31/03/17	On Target	0	0	676	0	0	676
Brief Description : Providing options for direct access to settled accommodation for homeless people missing out the temporary stage where possible.											
Key Milestones :											
	Review service provision at Rio & Tayview				30/06/16	Progress to Date : 11/08/2016					
	Update to be tabled at MOWG				17/08/16						
	Committee approval for options for Rio and Tayview				24/08/16	<ul style="list-style-type: none"> Staff bulletin released on July 25th. 					
	Based on Committees decision move to formal consultation/workforce planning				26/08/16	<ul style="list-style-type: none"> Operational work plans devised and sub groups implemented. 					
	Based on Committees decision commence asset management process				26/08/16	<ul style="list-style-type: none"> Meetings held with the third sector hostel providers on June 7th. 					
	Identify the commissioning requirements to provide an intensive support model				31/03/17	<ul style="list-style-type: none"> Dispersed Temporary Accommodation Reduction Plan in place. As of July 25th 19 temporary properties converted to permanent accommodation. 					
	Undertake a review of third sector providers (Anchor House, Skinnergate & CATH)				31/03/17	<ul style="list-style-type: none"> Review of Rio and Tayview completed and committee report prepared for Housing & Health Committee 24/08/2016. Mapping exercise completed for future service delivery. 					
BT000381	HCC - Review of Day Care Services	Colin Johnston, Diane Fraser	10/11/15	31/03/18	On Target	0	0	239	463	0	702
Brief Description : Reviewing and redesigning existing Day Services and Day Opportunities across community care client groups, in line with the ethos of 'supporting people at home' in a more personalised manner.											
Key Milestones :											
	Develop staff model against current day care staff to identify resources and locations for future service delivery				30/09/16	Progress to Date : 11/08/2016					
	Outcome of consultation and engagement activity for LD and Older People summarised and reported to CCMT/SMT				30/09/16	<ul style="list-style-type: none"> HR and Communications teams consulted, initial communications prepared and revised engagement plan created 					
	Amended Business Case to be sent for approval by Transformation & Service Improvement Board				30/09/16	<ul style="list-style-type: none"> Initial staff engagement sessions completed across Older People, Learning Disabilities and Mental Health teams with suggestions for change collated for further discussion 					
	Mapping of activity in day services and review of client requirements within this to establish baseline				30/09/16	<ul style="list-style-type: none"> Review working group have met with initial proposals for change discussed 					
	Carry out engagement sessions for Daycare Users undertaken to understand their requirements				28/02/17	<ul style="list-style-type: none"> Engagement process has been agreed, revised engagement plan and communications prepared. Staff engagement will begin as per the amended schedule. Development of proposals continue as part of review for approval by committee in May 2017 					

Project Code	Project Title	Project Manager	Start Date	End Date	Project Status	Projected Saving 2015/16 (£000s)	Projected Saving 2016/17 (£000s)	Projected Saving 2017/18 (£000s)	Projected Saving 2018/19 (£000s)	Projected Saving 2019/20 (£000s)	Projected Saving Total (£000s)
BT000373	HCC - Review of HCC Repairs Service	Lorna Cameron	22/10/15	31/03/17	On Target	0	100	200	200	0	500
Brief Description : Reviewing options for housing repairs in localities to improve services and maximize cost savings.											
Key Milestones :											
	Review and Evaluation (Phase 2)				01/08/16	Progress to Date :					
	Completion of Options Appraisal for new ways of working in relation to delivery of supplies, trade productivity, fleet and charging methodology				23/09/16	11/08/2016					
	Conduct a review and options appraisal of workforce arrangements to support delivery of new ways of working				30/09/16	<ul style="list-style-type: none"> Initial research in relation to trade productivity has been undertaken and currently reviewing options with a view to producing a business case. Options for the use of fleet vehicles are also being developed and recommendations set out within a business case. 					
	Submit Business Case to Transformation Board with options and recommendations for the future delivery of the Repairs Service				31/10/16						
BT000374	HCC - Review of Community Care Packages for Adults	Colin Johnston, Diane Fraser	23/09/15	31/03/19	On Target	0	0	0	560	0	560
Brief Description : Working with community care clients, their families and carers, to provide financially sustainable care packages.											
Key Milestones :											
	Recruitment of Temporary Social Workers				31/07/16	Progress to Date :					
	Consultation with clients and families				31/08/16	11/08/2016					
	Begin individual reviews of care packages				31/08/16	<ul style="list-style-type: none"> Permission given at Transformation Board 21/07/2016 to commence consultation with clients and families. 					
	Staff consultation and engagement				01/10/16	<ul style="list-style-type: none"> Paper to be presented to Housing and Health Committee 2 November 2016 containing outcome of consultation. 					
	Engagement and Communication with Providers/Service Level Agreements				01/10/16						
	Implement Policy				01/12/16						
Total						0	172	1637	1919	0	3728

Project Code	Project Title	Project Manager	Start Date	End Date	Project Status	Projected Saving 2015/16 (£000s)	Projected Saving 2016/17 (£000s)	Projected Saving 2017/18 (£000s)	Projected Saving 2018/19 (£000s)	Projected Saving 2019/20 (£000s)	Projected Saving Total (£000s)
The Environment Service											
Business Transformation Programme											
BT000398	TES - Council Vehicle Fleet Utilisation and Optimisation Review	Bill Morton	01/04/16	31/12/16	On Target	0	0	25	75	50	150
Brief Description : 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.											
Key Milestones : <ul style="list-style-type: none"> First Project Board held Communication Plan agreed Vehicle tracking data interpreted Tracker System Procured Recruit an additional member of staff Complete interpretation of data on staff vehicle usage Complete benchmarking Complete full business case Develop implementation plan 											
Progress to Date : 18/08/2016 All workstreams have been agreed by the board and actions identified. Project plan reviewed at each 6 weekly board meeting. A procurement exercise is currently in place to procure a new tracker system the timetable for the completion of this is now slightly behind due to YPO allowing an extra week for suppliers to submit their submissions we are now in the evaluation stage with demonstrations planned over the next few weeks with a contract start date towards the end of September. This should not impact on the overall project timeline. The board agreed to include the car club initiative (an initiative to explore scope for one or more car clubs to operate in Perth & Kinross) as part of the transformation project and the recruitment forms have been forwarded to recruitment however the job has not as yet been advertised. The recruitment for the Transformation project Officer will proceed once the trackers are fitted and we have tangible data to analyse. The time taken to recruit a member of staff has pushed back some spend into 17/18. Progress of the project is on track with minor delays due to the tracker tendering process.						25/05/16	17/06/16	31/08/16	30/09/16	30/09/16	30/11/16
BT000401	TES - Community Greenspace Review	Bruce Reekie	01/04/16	30/06/18	On Target	0	0	60	0	0	60
Brief Description : 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.											
Key Milestones : <ul style="list-style-type: none"> Job evaluation and EAP approval Appointment of Officer Scoping of framework for sites applicable for review complete Implementation of community agreements to adopt sites, support groups where required Project completion 											
Progress to Date : 08/08/2016 Job evaluation and EAP approval for the Community Greenspace Partnership Officer to be completed by end of August with the appointment of this officer at the beginning of October. Further work on scoping out the framework for site applicable for review will be undertaken on appointment of the Officer in October 2016. This work will be complete by May 2017 with implementation of community agreements commencing on or before this date.						31/08/16	01/10/16	30/05/17	30/08/18	30/09/18	

Project Code	Project Title	Project Manager	Start Date	End Date	Project Status	Projected Saving 2015/16 (£000s)	Projected Saving 2016/17 (£000s)	Projected Saving 2017/18 (£000s)	Projected Saving 2018/19 (£000s)	Projected Saving 2019/20 (£000s)	Projected Saving Total (£000s)
BT000402	TES - Inverlmond Reuse Shop Review	Bruce Reekie	01/12/15	31/03/17	On Target	0	0	16	0	0	16
Brief Description : Building the first purpose-built Reuse Shop in Scotland on a recently-cleared piece of land at the front of the Inverlmond Recycling Centre.											
Key Milestones : <ul style="list-style-type: none"> Legal services draw up lease based on Heads of Terms Finalisation of lease agreement with preferred bidder Construction, design, tender and development Inverlmond reuse shop open to the public 											
Progress to Date : 08/08/2016 The Heads of Terms for the lease and the Service Level Agreement are currently being drafted in conjunction with the Property and Estates Teams. It was hoped that the lease agreement would be signed off by 31/05/16 but it is now anticipated that this will be mid-August now. This was due to a review of the construction costs. This was undertaken at the request of The Environment Service Senior Management Team by colleagues in Property Services. This review has resulted in reducing the build cost, but also the size of the building. These changes have led to delays. The change in building design and timescale is currently being consulted on with the main funder and prospective Operator (PUSH).											
BT000375	TES - Review of Roads Activities	Willie Young	01/11/15	31/12/17	On Target	0	0	0	200	0	200
Brief Description : Examining potential efficiencies, including collaborative working with other Councils and working arrangements with current and potential future contractors.											
Key Milestones : <ul style="list-style-type: none"> Engage specialist consultant Communication strategy Baseline information Options developed for potential service delivery approaches Approval of option for potential future service delivery by Joint Management Team Finalise full business case Develop implementation plan 											
Progress to Date : 10/08/2016 There has been a collaborative board created between Angus, Dundee and Perth and Kinross Councils at an operational level and for professional Services to establish a collaborative working programme to work towards achieving the Roads Review savings target. Draft communication strategy and drafts for initial news release for staff and elected members/senior management end of August. Baseline information to cover areas such as staff costs, back office, central recharges end of September. There was a £10k underspend last year which has been rolled over into the current year's funding. Discussions ongoing in relation to support requirements to deliver the project.											

Project Code	Project Title	Project Manager	Start Date	End Date	Project Status	Projected Saving 2015/16 (£000s)	Projected Saving 2016/17 (£000s)	Projected Saving 2017/18 (£000s)	Projected Saving 2018/19 (£000s)	Projected Saving 2019/20 (£000s)	Projected Saving Total (£000s)
BT000366	Corporate - Corporate Property Asset Management Review	Keith Colville	01/11/15	30/06/20	On Target	0	0	190	605	1000	1795
Brief Description : 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.											
Key Milestones :											
	• SNAPI - completion of property review project in Crieff/Blaigowrie - New target date 31/12/2016				30/06/16	Progress to Date : 08/08/2016					
	• Vacant properties database collated to identify opportunities to reduce costs				31/08/16	Crieff: Planning permission and listed building consent has now been granted for the alterations to the offices at James Sq. in respect of Perth College. Subsequently, a building warrant will be applied for, with the intention that work will start on site around 30 September with a construction period of 4-6 weeks. Slippage from the original completion date of 30 June is mainly due to extended consultation with Perth College regarding their occupation of office space at James Sq., but now that the design has been agreed, the slippage is not expected to adversely affect completion of the project.					
	• Data gathering and development of programme plan for "Place based/ Area Asset Management Review"				31/12/16	Blairgowrie: The position regarding the moving of staff from Balmoral Rd to Jessie St is subject to agreement between PKC and NHST with regard to moving other staff from their current location in Jessie St ARC to Blairgowrie Community Hospital to accommodate the Balmoral Rd staff. The Service Managers responsible for the staff affected by the proposed moves have been asked for a meeting to ask that preparations are made to instigate the moves as soon as possible.					
	• Start of area reviews (5 reviews - each started 6 months apart, 18 months duration)				01/01/17	An analysis has been carried out of the vacant properties currently sitting on the Council's portfolio. It is considered that some 30 buildings are surplus to the Council's requirements could be disposed of, saving around £100k per annum in running costs.					
	• Completion of Area Reviews				31/12/20	Further analysis will be carried out during August to include commercial and heritage properties with a view to exploring further disposal opportunities.					
						The data gathering exercise with regard to the 'Place based/ Area Asset Management Review' is progressing, with the bulk of the mapping complete. The mapping provides a visual illustration of both PKC and NHST properties in each settlement, allowing easier identification of properties and their locations in relation to others in the area. Further analysis of the properties in each settlement area is currently being carried out, with a view to examining current use and determining service need in the future.					

Project Code	Project Title	Project Manager	Start Date	End Date	Project Status	Projected Saving 2015/16 (£000s)	Projected Saving 2016/17 (£000s)	Projected Saving 2017/18 (£000s)	Projected Saving 2018/19 (£000s)	Projected Saving 2019/20 (£000s)	Projected Saving Total (£000s)
BT000380	TES - Grounds Maintenance - Continental Shift Working Review	Nigel Taylor	01/11/15	30/04/17	On Target	0	0	90	0	0	90
Brief Description : Increasing efficiency and achieving consistency of work arrangements across operations by introducing 7 day working, with savings achieved through reducing the number of equipment/vehicles required.											
Key Milestones :											
	• General staff engagement meeting held				09/08/16	Progress to Date :					
	• 3 Union consultative meetings held in July and August				12/08/16	18/08/2016					
	• Formal contact made with union officials				15/08/16	A number of trade union engagement meetings have been held and one general staff meeting. Further union meetings have been sought with a view to further staff engagement later in October. A formal position review will take place in mid-November.					
	• Revised working proposals prepared				26/08/16						
	• Union representative engagement meeting				12/09/16						
	• Staff engagement meeting				17/10/16						
	• Formal decision on implementation				18/11/16						
	• Project Implementation				01/04/17						

Project Code	Project Title	Project Manager	Start Date	End Date	Project Status	Projected Saving 2015/16 (£000s)	Projected Saving 2016/17 (£000s)	Projected Saving 2017/18 (£000s)	Projected Saving 2018/19 (£000s)	Projected Saving 2019/20 (£000s)	Projected Saving Total (£000s)
BT000359	TES - Review of Community Development & Engagement functions	David Stokoe	01/10/15	31/03/20	On Target	0	0	0	80	0	80
Brief Description : This review will examine how PKC community development and engagement (CE&D) functions are currently deployed. It will examine how more resources can be unlocked for communities, and propose new delivery models which support community empowerment and achieve Best Value. Options appraisal will include examination of social enterprise delivery models.											
Key Milestones : <ul style="list-style-type: none"> Staff workshops to be held 28th June and 5th July Options appraisal complete - New target date 30/09/16 Options appraisal complete Approval by relevant SMT's Approval by EOT Approval by SP&R Implementation 											
Progress to Date : 08/08/2016 <ul style="list-style-type: none"> More detailed work and research on potential delivery models and benefits, including social enterprises and consortiums is required before the options appraisal can be completed. The potential community development function required by the Local Community Planning Partnerships is still emerging through discussions with Chairs, Leads, Elected Members and Communities and this is a key factor which needs to be considered in the options appraisal. Workshops held with Communities Service and Team Leaders to identify current functions, priorities, relationships with stakeholders and key drivers. Contact made with Social Enterprise Scotland via a Social Enterprise workshop (21st June). Financial information collated. Practitioner Group identified to "road test" options appraisal. 											
BT000376	TES - Review of Recycling Service	Donna Rigby	30/06/15	30/09/17	On Target	0	0	110	110	0	220
Brief Description : Reviewing the range of recyclables accepted through the kerbside lidded bin, while reducing households' general waste capacity, thereby creating an incentive to recycle more, with savings achieved through reduced costs for landfilling waste.											
Key Milestones : <ul style="list-style-type: none"> Phase 3 - Perth Phase 4 - Perth - 6132 householders Phase 5 - Kinrosshire - 5798 householders Phase 6 - Crieff and Strathearn - 5734 householders Phase 7 - Highland Perthshire - 4536 householders Phase 8 - Blairgowrie and Eastern Perthshire - 7700 householders 											
Progress to Date : 08/08/2016 Phase 4 will see 6132 householders in Perth have their 240litre green-lidded bin replaced with 140litre bin. Phase 4 bin deliveries scheduled to start w/c 29th August, with bin removals scheduled over the following 2 weeks.											
Total						0	0	491	1070	1050	2611

Project Code	Project Title	Project Manager	Start Date	End Date	Project Status	Projected Saving 2015/16 (£000s)	Projected Saving 2016/17 (£000s)	Projected Saving 2017/18 (£000s)	Projected Saving 2018/19 (£000s)	Projected Saving 2019/20 (£000s)	Projected Saving Total (£000s)
Overall Total						0	1450	5059	6927	2868	16304

22 / 22

None

On Target

Some Issues

At Risk

Remedial Action

Completed

Not Started

On Hold

Rescoped

Project Delayed

Abandoned

Slippage

PERTH AND KINROSS COUNCIL

Strategic Policy and Resources Committee – 21 September 2016

UPDATE ON PROCUREMENT STRATEGY AND ACTION PLAN

Report by Depute Chief Executive, Environment
(Sustainability, Strategic and Entrepreneurial Development)

PURPOSE OF REPORT

This report provides an update on the implementation of the Council Procurement Strategy. The strategy, approved by Council in December 2015, recognised the important role that strategic procurement has to play in securing savings and in supporting the delivery of the wider strategic aims of the Council's Corporate Plan and Transformation Strategy.

1. BACKGROUND / MAIN ISSUES

1.1 This report updates Strategic Policy and Resources Committee on progress to establishing best procurement and commercial practices across the organisation through implementation of [Procurement Strategy](#) and Action Plan which was approved by Council on 16 December 2015 ([15/572](#) refers). In that report a commitment was given to provide regular updates to elected members on the progress being made against the Action Plan. This report sets out how the work carried out to date responds to recent legislative changes and details the contribution of this work to the savings targets of £2.5m by 2019/2020.

1.2 Review of Procurement Capability

1.2.1 Over the second half of 2015 a review of the Council's procurement activities was undertaken, with the findings used to inform the Council's Procurement Strategy for 2016, including extensive programme of improvement actions.

1.2.2 The review consisted of a range of activities to assess the Council's procurement capability. The review work identified that current procurement practices needed to be amended in a number of ways if the Council is to:

- enhance professional supply chain management capabilities.
- meet the future demands of a more complex commercial and regulated environment and
- maximise the opportunities that still exist for improvements and efficiencies to be delivered.

1.3 New Legislation

- 1.3.1 In addition to the improvement themes required to meet the review objectives, significant work has taken place to embed processes that ensure the Council is able to meet obligations and key duties arising from new legislation. Two new sets of regulations came into effect on 18 April 2016, arising from a new EU Directive and from national legislation – the Procurement Reform (Scotland) Act.
- 1.3.2 The legislation places new statutory duties on Councils, for a wider range of contracts of lower values than those regulated by existing legislation i.e. for goods and services contracts with a total value over £50,000, and works contracts with a total value over £2m.
- 1.3.3 The Strategy for 2016 included preparations to meet the **new** obligations. A table showing the key requirements and the progress made to meeting the duties is provided below.

New Duty	Progress Update
The requirement to maintain and publish online a contracts register for all regulated procurements (above £50,000 for goods and services and £2m for works contracts).	This was achieved in May 2016 and is now available for review on the national contracting portal.
The need to prepare and publish an annual procurement strategy which sets out how the Council intends to carry out its regulated procurements and a statement on its policy on the use of a range of matters including: <ul style="list-style-type: none">§ Community benefits.§ Fair Work Practices including the Living Wage.§ Consulting and engaging with those affected by its procurements.§ Compliance with Health and Safety legislation.§ Fairly and ethically traded goods and services.	The preparations for meeting this obligation are underway and a full report will be submitted to the December 2016 meeting of Perth and Kinross Council.
The requirement to prepare and publish an annual procurement report , which includes a summary of contracts awarded, a review of whether they have complied with the procurement strategy, a summary of any community benefits requirements imposed, a summary of steps taken to	The preparations for meeting this obligation are underway and a full report will be submitted to the December 2016 meeting of Perth and Kinross Council.

facilitate the involvement of supported businesses, and a summary of the regulated procurements the Council expects to commence in the next two financial years.	
Compliance with specific rules relating to community benefits , which will apply to all regulated procurements with an estimated contract value of £4 million or more.	A menu of community benefits needs has been developed with colleagues in the Children's Services and the Enterprise Team; including Employability Initiatives, Opportunities for All and youth social work. Tenderers can use items from this menu to demonstrate the community benefit element to their bid.

1.4 Impact of referendum vote to leave the EU on public procurement

- 1.4.1 Assessment of the possible impact of the referendum vote on 23 June favouring exit from the European Union suggests that procurement law is unlikely to be significantly changed as a result.
- 1.4.2 The EU regime is transposed directly into Scottish law. Whilst the EU Treaty and EU Procurement Directives would no longer apply, this would have no impact on the validity of the legislation currently in place to transpose those directives (i.e. the Public Contracts (Scotland) Regulations 2015 and Concession Contracts (Scotland) Regulations 2016).
- 1.4.3 It is also worth noting that there was a public sector procurement regime in place before the UK joined the EU. Although there was no single regulatory framework prior to the European system, other regimes existed (including compulsory competitive tendering for local authorities) together with public bodies' own internal rules and policies for regulating their procurement processes.
- 1.4.4 These rules existed to achieve best value for money in the use of public funds, and to ensure accountability, probity and decisions free from bias, so even if existing procurement legislation were to be repealed it is highly likely that another, similar regime would take its place.
- 1.4.5 There is also strong evidence the Scottish Government sees opportunity in regulating this field. In passing the Procurement Reform (Scotland) Act in 2014 and the subsequent regulations (Procurement (Scotland) Regulations 2016) the Scottish Government has added procurement to the toolkit for achieving a fair and prosperous society.

- 1.4.6 The global market has advanced significantly since the pre-EU regime; the underlying principles of achieving value for money and accountability in public authority decision-making remain the same. These principles are now entrenched in the public sector.
- 1.4.7 The economic impact of the Brexit vote in June 2016 may have an impact in the Council's supply chain as currency exchange moves affect the pricing of imported goods. It is also expected that the recent trend for an increasing rate of inflation will continue, and the impact for the Council will be higher costs of goods, services and construction works going forward.

1.5 Transformation Programme

- 1.5.1 The output from the review of Procurement is being implemented alongside the Procurement Reform Project element of the Councils' Transformation Programme. The Procurement Transformation project approved by Council on 1 July 2015 (15/291 refers), included a funding package of £770,000 being allocated to support this project (Report No 15/397). This improved resourcing has meant that many of the recommendations of the review have been more quickly implemented than would otherwise have been possible.
- 1.5.2 The Transformation Review proposals are based around the following objectives:
- Embed a more corporate and commercially focused approach to all procurement activities to deliver **SAVINGS**.
 - Improve the **SYSTEMS** required to support this more commercially focused approach.
 - Embed **SUSTAINABILITY** in procurement as "business as usual" and secure maximum social value from the council's significant spend.
- 1.5.3 Working on the Procurement Transformation project and the Action Plan arising from the Review together has been instrumental in supporting a move to a more corporate approach to strategic procurement.

2. **PROPOSALS**

- 2.1 In the report to Council in December 2015 a commitment was given to a range of improvements to procurement related work. The key outcomes are highlighted below and further detail is also provided in Appendix 1.
- 2.2 The improvement work carried out since the beginning of 2016 has been focused on adding value to procurement work, in terms of delivering measurable savings and effective and efficient practices.
- 2.3 An annotated version of Procurement Action Plan has been provided at Appendix 1. Included in this appendix is an update of the progress made to each of the agreed actions.

- 2.4 The Perth and Kinross Council Procurement Strategy 2016 (from which the Action Plan was devised) is complementary to the regional approach to procurement through the Tayside Procurement Consortium (TPC). Appendix 2 provides an update on the progress with the current TPC Strategy, as well as the planned activities for coming months.

3. CONCLUSION AND RECOMMENDATIONS

- 3.1 At the beginning of 2016 the introduction of new procurement legislation, the challenging financial climate, and the opportunities presented by the Council's Transformation Strategy, all combined to create a set of circumstances to refresh the Council's approach to procurement.
- 3.2 A more corporate view of all procurement activity has been made possible through the additional resource allocated to the function.
- 3.3 Greater use has been made of collaborative procurement opportunities, such as Tayside Procurement Consortium, thereby reducing the cost to procure. A focus on the opportunities for cost reduction in all contracts is contributing to the Council's efficiency agenda.
- 3.4 Effective procurement helps support a prosperous, fair and sustainable area, whilst delivering best value, as well as local economic and social benefits.
- 3.5 The Committee is requested to note;
- (i) The update to Perth and Kinross Council Procurement Strategy and Action Plan (Appendix 1).
 - (ii) The Tayside Procurement Consortium Strategy Update (Appendix 2).

Authors

Name	Designation	Contact Details
Mary Mitchell	Corporate Procurement Manager	01738 475000 TESCommittee@pkc.gov.uk

Approved

Name	Designation	Date
Jim Valentine	Depute Chief Executive (Sustainability, Strategic &	24 August 2016

If you or someone you know would like a copy of this document in another language or format, (on occasion, only a summary of the document will be provided in translation), this can be arranged by contacting the Customer Service Centre on 01738 475000.

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	NO
Workforce	NO
Asset Management (land, property, IST)	NO
Assessments	
Equality Impact Assessment	NO
Strategic Environmental Assessment	NO
Sustainability (community, economic, environmental)	NO
Legal and Governance	YES
Risk	YES
Consultation	
Internal	YES
External	YES
Communication	
Communications Plan	NO

1. Strategic Implications

Community Plan / Single Outcome Agreement

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

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

Corporate Plan

- 1.2 The proposals support the achievement of the Council's Corporate Plan Priorities:

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

2. Resource Implications

Financial

- 2.1 There are no direct financial implications arising from this report. The proposals in this report will constitute to the delivery of revenue budget savings.

Workforce

- 2.2 There are no workforce implications.

Asset Management (land, property, IT)

- 2.3 There are no asset management implications.

3. Assessments

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

- 3.2 The proposals have been considered under the Corporate Equalities Impact Assessment process (EqIA) with the following outcome:

- (i) 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. 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 The proposals in this report support sustainability through greater use of social and environmental benefit considerations in procurement, and also the reporting of these benefits regularly to Committee.

Legal and Governance

- 3.5 The Head of Legal Services has been consulted.

4. Consultation

Internal

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

External

- 4.2 The Head of Tayside Procurement Consortium has been consulted in the preparation of this report.

5. Communication

- 5.1 Part of the Action Plan includes a commitment to communicate on procurement matters to staff and Elected Members.

2. BACKGROUND PAPERS

- 2.1 Hyperlinks to background papers are included in the text of the report.

3. APPENDICES

- Appendix 1 – Update on Perth and Kinross Council Procurement Strategy and Action Plan.
- Appendix 2 – Update on Tayside Procurement Consortium Strategy.

Update on Perth and Kinross Council Procurement Strategy and Action Plan

Improvement Area	We committed to:	So far we have:	Next we will:
People Ensure those involved in our procurement processes are appropriately skilled and supported to deliver value for money services.	Review roles and responsibilities and reporting lines of those participating in procurement activities, clarify and communicate the need for change.	Good progress has been made in this area. Having more resource to support budget holders and officers working on contracts has meant that support can be offered not just as advice but also in a developmental capacity. This has helped to clarify the roles played by corporate and service based officers.	The Corporate Design Team have been commissioned to support us in articulating and communicating the change we to effect.
	Review current activities and job descriptions, identify Learning & Development requirements against the national competency framework (procurement skills) and develop an appropriate action plan to develop skills across the organisation including Elected Members	Engagement sessions for elected members have been scheduled for late 2016. Sessions have been timetabled to take place while the Strategy for 2017 is being drafted.	Develop a reporting tool for assessing any skills gaps of officers who work with our suppliers. The intention is that this will lead to the creation of a clear and targeted pathway of training and development opportunities for those involved in supply chain management – which in turn will improve the experience of businesses and charities when working with the Council.
	Develop a specific action plan to shift activities of the Corporate Procurement Team from operational to a more strategic focus and set specific personal objectives linked to the new strategic plan.	In February 2016 a phased transfer of operational support for users of our purchasing system PECOS transferred to the Corporate Finance Team. System support functions offered by the Corporate Procurement Team are now more focused on sourcing from contracts.	We will continue to review the structure of the Procurement Team to ensure it meets the needs of the organisation.
	Effective communication plan to be developed to keep key stakeholders informed of programme and changes	The Corporate Procurement Team Plan has been revised, including our approach to internal and external communication. Greater use of surveys has been trialled.	Improvements to this aspect of our support to Services will be achieved through the work the Corporate Design Team have been commissioned to do.

<p>Processes Provide effective frameworks to manage the Council's procurement activities.</p>	<p>Develop a Council wide procurement pipeline and associated capacity plan and category management, including clear targets (savings, community benefits, living wage rates etc.), identified and agreed with the Services for specific contracts/commodities</p>	<p>A Contract Delivery Plan has now been developed. This lists all known requirements for supply in the coming 12-24 months.</p>	<p>The Contract Delivery Plan is a dynamic document which we will continue to develop as plans and budgets for 2017/18 and beyond emerge.</p>
	<p>Standardised, corporate processes and documentation to be implemented across the Council</p>	<p>Since the approval of the Strategy revisions have been made to the full tender cycle, templates, contract documents and guidance have all been changed. A significant change, driven by legislation, has been successfully implemented; this has focused on introducing a new procedure for qualifying bidders during tender processes.</p>	<p>Review and amend the Contract Rules to improve the alignment to other sources of governance such as Following the Public Pound Code. We will also explore resourcing for Contract Law issues, customer journey mapping and sustainable development plans; considering secondment opportunities and resource sharing.</p>
	<p>Upfront demand management challenge process to be implemented</p>	<p>Some significant progress has been made to this objective with the products available under a number of contracts being rationalised this year. This is most successful when implemented at the start of a new contract. The saving identified from reducing the options on a small number of office equipment lines represents a recurring saving of around £40,000 per annum. This was implemented from 1 June 2016 as the new contract was launched.</p>	<p>Consideration is being given to how we might improve the detail about <i>what</i> is bought in each transaction. It is likely this could be achieved through channelling all spend into systems with reporting capability; this will increase the opportunities to realise savings from contracts by improving transparency and resultant controls.</p>
	<p>Corporate wide contract risk register to be developed and maintained</p>	<p>Contract Delivery plan (future contracts) and the Contracts Register (current contracts) are used to plan the allocation of resource dependant on the risks associated with each category of spend.</p>	<p>As the Contract Management system is roll out in late 2016 risks will be logged against each contract, supporting a corporate view of our supply management risks. We will also use the findings of the Annual Governance statement to ensure we are working to mitigate any risks identified by Services.</p>

	Benefits tracking methodology to be developed and embedded across the Council	Tracking of benefits has focused on financial performance of contracts to ensure that the contracting work is delivering savings. This is a manual process at present. An appropriate system has been identified, training of officers took place in July and roll out of the system started in August. This system will support tracking and reporting of savings, community benefits achieved by contract, contract performance and compliance (such as insurance checks and currency of professional standards certification).	We will continue to develop the detail around the savings opportunities from contracts. A more automated process to support our reporting requirements will be embedded.
	Develop and implement a corporate approach to contract management activities.	As described above, an appropriate system has been identified which will facilitate reporting of savings, community benefits achieved by contract, contract performance and compliance.	Preparation for a bulk upload of contract data for our highest impact contracts is underway. Holding all of the contract data in one location will support improvements to management, planning and supplier relationships.
	Review IT systems from a procurement perspective and develop an appropriate action plan for improvement (resourced from Transformation project)	In February we completed a benchmarking exercise to compare our systems landscape with that of the NHS, universities and colleges and other local authorities. We are now represented on the national forum for eCommerce and will play a role in influencing how the national landscape develops. This may reduce the cost to PKC of some changes we might choose to implement	A future development will propose the mandatory use of PCS-Tender, the electronic tendering platform, to drive more a standard approach to contracting. The risk in this is the potential for a negative impact on the business community. Further work will be undertaken to investigate the business response to this possible change.
Systems Invest in digital technology to ensure efficiency of our procurement processes and effective knowledge management for our contracts.	Develop a plan for ensuring full compliance with use of Public Contract Scotland tender to improve coverage of the contract register to meet new legislative requirements and ensure a clear procurement pipeline of opportunities is developed and maintained	A greater proportion of contracts are being advertised due to the changes in duties which means that spend of a value of £50,000 or above will now appear on the Contracts Register. Access to publish information relating to contracts has been reduced to a more manageable number of trained officers which has resulted in more consistent	The improved availability of data creates opportunities to consider how we might consolidate our supply routes where the markets are similar – for example in the provision of maintenance services in domestic and non-domestic properties or support services to children and families as well as adults with additional needs

<p>Governance and Reporting Ensure the commercial activities undertaken maximise the benefit to our communities.</p>		information being pulled onto the Contract Register. The register was published (as required by the Procurement Reform Act) on 2 May 2016. It can now be viewed online.	and older people. How synergies might be achieved will be considered as the strategy for 2017 is developed.
	Introduce a category management structure for key areas and develop reporting of key commodities at a corporate level	A more detailed study of the opportunities that may come from resourcing procurement by aligning activities to markets rather than organisational structures has been prepared for discussion at Finance and Resources Group in August.	Investigative work is now in the early stages with recommendations for change to follow towards the end of 2016. In the meantime we will work with each category area to develop a bespoke approach to contract delivery (this has begun with Property, ICT and Public Transport).
	Make better use of market research, cost avoidance and improved contract management to identify savings and potential service improvements	From April 2016 we gained access to a national market research platform to help us plan for market changes.	So far the tool has been underutilised. Further training and awareness raising for Council officers is planned for late 2016. Scotland Excel will support this development work.
	Establish a more regular, improved reporting of procurement performance in line with Audit Scotland recommendations	This report is provided as an update of the progress made to the mid-point of the 2016 Action Plan. A further report will be provided early in 2017 on the full year performance. In addition, regular reports on performance against the Procurement Action Plan have been made during 2016 to the Modernising Governance Member Officer Group, the Finance and Resources Group and the Corporate Transformation Board as appropriate.	Elements of the Systems based improvement work will be used to improve the accessibility and visualisation of data for Services and Elected Members.
	Develop regular report to capture procurement savings and other non-cashable saving and benefits	A revised approach to reporting on procurement performance indicators has been in development during the first half of 2016. The Procurement Team have received training on the use of a data 'universe' which will facilitate drawing of data from a number of sources	Further work has yet to be completed on changes to systems parameters which will provide improved links between families of data.

	Review procurement performance and report progress.	Further review work with the Procurement Improvement Programme (through Scotland Excel). The national assessment of procurement capability (abbreviated to PCIP) took place on 15 September 2016.	We will use the output of the review and the feedback from the assessment day to inform the second annual procurement strategy
	Prepare second annual procurement strategy	Preparatory work is underway with each Service to ensure the Strategy for 2017 captures the supply chain priorities for the whole Council.	The Strategy for 2017 will be presented at Council in December 2016 in order to meet the legislative requirement to publish by 31 December 2016.

TAYSIDE PROCUREMENT CONSORTIUM ANNUAL REPORT 2015/16 - SUMMARY

TPC OBJECTIVE 1: REVIEW THE TPC COMMODITY MANAGEMENT APPROACH

- The collaborative portfolio was reviewed and updated in 2015/16
- A collaborative procurement approach is established between the Tayside Councils
- TPC managed collaborative procurement is facilitated by joint working with officers from each Council

TPC OBJECTIVE 2: IMPROVE THE MANAGEMENT OF TPC COLLABORATIVE CONTRACTS

- Procurement Strategies for collaborative contracts are in place
- Supplier engagement activity has been reviewed and improved.
- CBIPS initiatives are managed through a standard TPC contract management approach

TPC OBJECTIVE 3: INCREASE THE TPC COLLABORATIVE PORTFOLIO

- The number of regionally defined contracts being made available to the Councils increased in 2015/16

TPC OBJECTIVE 4: DELIVER COMMUNITY BENEFITS IN ALL TPC CAT C1 CONTRACTS

- Community Benefits are now included in all contracts tendered by the TPC
- Inclusion of Community Benefits is requested in all other collaborative procurements tendered by Scotland Excel or the Scottish Government

TPC OBJECTIVE 5: REVISE THE TPC SUSTAINABILITY POLICY TO ACCOUNT FOR THE FAIR WORKING PRACTICES (LIVING WAGE) REQUIREMENTS

- TPC are now including Fair working practices in all TPC contracts
- Inclusion of Fair Working practices is requested in all other collaborative procurements

TPC OBJECTIVE 6: INCREASE TPC USE OF PCS TENDER

- PCS-T is now rolled out and embedded within the TPC procurement approach

TPC OBJECTIVE 7: SUPPORT THE COUNCILS WITH THEIR PCIPs

- The PCIP was not held in the Councils in the reporting period.

TPC OBJECTIVE 8: LEAD AND SUPPORT WIDER COLLABORATION

- Continue to lead and support the TOPIC Group
- Deliver on the agreed TOPIC outcomes.

TPC OBJECTIVE 9: DELIVER A SUPPORTING LOCAL BUSINESS TEN POINT PLAN

- The Ten Point Plan has been successfully delivered in 2015/16

TPC OBJECTIVE 10: SUPPORT THE ONGOING BESPOKE PROCUREMENT REFORM PROJECTS IN THE TAYSIDE COUNCILS

- PKC procurement transformation project was approved and initiated in December 2015
- Transforming Angus procurement reform project was approved Feb 2016

TPC OBJECTIVE 11; ENSURE TPC MEETS THE REQUIREMENTS OF THE PROCUREMENT REFORM (SCOTLAND) ACT 2014

TPC OBJECTIVE 12: DELIVER A TPC PROCUREMENT STRATEGY 2015-20

- Annual report details the progress made against agreed objectives 11 and 12.

PERFORMANCE AGAINST TPC ACTION PLAN

TPC Objective: 1 REVIEW THE TPC COLLABORATIVE COMMODITY MANAGEMENT APPROACH

Policy/ Strategy Area	Action and outcome (Lead responsibility)	Relevant Indicators (Source)	Target	Performance		Comments on performance
					Achieved	
TPC Procurement Strategy 2011-15	Collaborative Portfolio Review	TPC Scotland Excel Scottish Government Other CPBs.	All collaborative contracts allocated to a commodity manager	Commodity portfolio in place and agreed by end May 2015	YES	The TPC Commodity portfolio was reviewed and reallocated across the Commodity managers.
TPC Procurement Strategy 2011-15	Collaborative Contract delivery plan in place	Steering Group reports	Contract delivery plan 2015/16 approved by Steering group	Approved by Steering group by April 2015	YES	TPC Steering Group agreed the contract delivery plan – which was delivered in full for 2015/16.
TPC Procurement Strategy 2011-15	Ensure TPC UIGS in place for all Cat C1 contracts	Increase in C1 collaborative activity Procurement Strategies UIG minutes	All C1 procurement to have UIG collaborative participation	All TPC C1 procurements had UIG participation from the Councils involved	YES	The documents relating to the portfolio of collaborative contracts available for use by the Council notes the participation of key colleagues from Councils in all Cat C1 procurement activity

TPC Objective: 2

IMPROVE THE MANAGEMENT OF TPC COLLABORATIVE CONTRACTS

Policy/ Strategy Area	Action and outcome (Lead responsibility)	Relevant Indicators (Source)	Target	Performance		Comments on performance
					Achieved	
TPC Procurement Strategy 2011-15	Ensure a Procurement Strategy is in place for each procurement	TPC Scotland Excel Scottish Government CPBs	Procurement strategy in place for all collaborative procurement	In place	YES	A strategy is put in place for each procurement by the lead procurement body

Policy/ Strategy Area	Action and outcome (Lead responsibility)	Relevant Indicators (Source)	Target	Performance		Comments on performance
					Achieved	
TPC Procurement Strategy 2011-15	Supplier engagement activity has been reviewed and improved	Supplier engagement events	To be held for all appropriate procurements	In place	→	The 2011-15 strategy was approved by the appropriate committee at each of the three Tayside Councils and all improvement work is based on that approved report
TPC Procurement Strategy 2011-15	Promote Corporate Social Responsibility in collaborative procurement	Sustainable Procurement Policy in place	Policy approved and acted on	Sustainable procurement policy Approved by SG	YES	TPC created a sustainable procurement policy for the Councils. Policy has now been approved in all 3 Councils. TPC now include sustainable outcomes in all Cat C1 procurement
TPC Procurement Strategy 2011-15	Update TPC templates to reflect the procurement journey	TPC Drive	Full set of TPC templates	In place by June (NB having to be revised again re Reform Act)	YES	
TPC Procurement Strategy 2011-15	Use of Spikes to inform C1 strategies	Procurement Information Hub	Spikes MI used for all C1 activity	In place	YES	
TPC Procurement Strategy 2011-15	User of PCS	PCS Website	All TPC contract adverts published on PCS	100%	YES	

TPC Objective: 3 INCREASE THE COLLABORATIVE PORTFOLIO

Policy/ Strategy Area	Action and outcome (Lead responsibility)	Relevant Indicators (Source)	Target	Performance		Comments on performance
					Achieved	
TPC Procurement Strategy 2011-15	Each Commodity Manager to deliver additional Cat C1 Contracts in 2015/16	TPC Contract Portfolio 2015/16	Uplift of Cat C1 Contracts year- on-year	Achieved	YES	Library Management Systems Modern Languages Platform Polling Cards Consultancy Services Roller Shutter Doors Automatic Doors Fire Alarms Air Conditioning Sprinkler Systems Heating Maintenance and Mediation Services.

TPC Objective: 4

DELIVER CBiPs IN COLLABORATIVE PROCUREMENT

Policy/ Strategy Area	Action and outcome (<i>Lead responsibility</i>)	Relevant Indicators (<i>Source</i>)	Target	Performance		Comments on performance
					Achieved	
TPC Procurement Strategy 2011-15	CBiPs to be included in all CAT C1 procurement	Commodity strategies in place for all TPC contracts	100%	100%	Yes	Commodity strategies including CBiPs are now in place for TPC Contracts
TPC Procurement Strategy 2011-15	Lobby for CBiPs in all other collaborative procurement		Collaborative contracts to have CBiPs for Tayside	improving	YES	Cat A & Cat B Contracts have CBiPs where possible / appropriate. The challenge going forward is to bridge the gap between the general requirement – and what it actually delivers in a local context

TPC Objective: 5 REVISE THE TPC SUSTAINABILITY POLICY TO ACCOUNT FOR THE FAIR WORKING PRACTICES (LIVING WAGE) REQUIREMENTS

Policy/ Strategy Area	Action and outcome (<i>Lead responsibility</i>)	Relevant Indicators (<i>Source</i>)	Target	Performance		Comments on performance
					Achieved	
TPC Procurement Strategy 2011-15	Support the inclusion of Living Wage in other collaborative procurement	TPC Sustainable Procurement Policy	Updated Sustainability policy confirming an agreed Tayside approach to Living Wage	Not achieved	No	TPC have included LW in all TPC activity – however the policy cannot be formally amended until the 3 Councils reach a consensus on the approach to LW – which they have yet to do. TPC is working to the majority position

TPC Objective: 6 INCREASE TPC USES OF PCS TENDER

Policy/ Strategy Area	Action and outcome (<i>Lead responsibility</i>)	Relevant Indicators (<i>Source</i>)	Target	Performance		Comments on performance
					Achieved	
TPC Procurement Strategy 2011-15	Use of PCS Tender	TPC on PCS-T	TPC tenders done via PCS T -	All to be done using PCST – only by exception will old way be done	Yes	All TPC tender are done using PCST - only where we know the market isn't suitable would we return to the old way of doing an offline tender

TPC Objective: 7 Support the Councils with the PCIP

Policy/ Strategy Area	Action and outcome (Lead responsibility)	Relevant Indicators (Source)	Target	Performance		Comments on performance
					Achieved	
TPC Procurement Strategy 2011-15	Support the 3 Tayside Councils in their PCIP assessment	PCIP	3 PCIPS complete	100%	N/A	The PCIP assessment was not held in 2015/16 because of slippage at a national level.

TPC Objective: 8 Lead and Support Wider Collaboration

Policy/ Strategy Area	Action and outcome (Lead responsibility)	Relevant Indicators (Source)	Target	Performance		Comments on performance
					Achieved	
TPC Procurement Strategy 2011- 2015	Develop the TOPIC group	Progress reports to Steering Group	2 reports per annum	Complete	Yes	TOPIC update reports are submitted to Steering Group. TOPIC meets quarterly
TPC Procurement Strategy 2011-15	Deliver on TOPIC objectives Collaborative contracts Collaborative Training Collaborative Supplier Engagement	An annual performance report to Steering Group	Contracts Training Supplier Engagement	Complete	Yes	Annual reports have been submitted each year since 2008. The annual TPC report is submitted to TPC Steering Group in May and can be reported to the appropriate forum in each Council thereafter.

TPC Objective: 9 DELIVER A SUPPORTING LOCAL BUSINESS TEN POINT PLAN

Policy/ Strategy Area	Action and outcome (Lead responsibility)	Relevant Indicators (Source)	Target	Performance		Comments on performance
					Achieved	
TPC Procurement Strategy 2011-15	Deliver a ten point plan to support local business Head of Procurement TPC	10 point plan	Deliver on 100% of objectives	100%	Yes	<ul style="list-style-type: none"> Held meet the buyer events All TPC contract advertised on PCS Debriefs were offered to all suppliers Supplier surgeries were held Local considerations included in all TPC contracts TPC hosted the buyers village at the National Procurement Conference

TPC Objective: 10 SUPPORTS THE ONGOING BESPOKE PROCUREMENT REFORM PROJECTS IN THE TAYSIDE COUNCILS

Policy/ Strategy Area	Action and outcome (Lead responsibility)	Relevant Indicators (Source)	Target	Performance		Comments on performance
					Achieved	
TPC Procurement Strategy 2011-15	Support bespoke reform activity in the Councils where required - Operational support - Project support - Internal consultancy support	Bespoke Council	As defined by Councils – respective steering group representative	Complete	Yes	TPC team have fully supported and responded to Council requests in this regard.

TPC Objective: 11 ENSURE TPC MEETS THE REQUIREMENTS OF THE PROCUREMENT REFORM (SCOTLAND) ACT 2014

Policy/ Strategy Area	Action and outcome (Lead responsibility)	Relevant Indicators (Source)	Target	Performance		Comments on performance
					Achieved	
TPC Procurement Strategy 2011-15	Ensure TPC meets the requirements of the Procurement Reform (Scotland) Act 2014	Steering Group reports	2016	100%	Yes	

TPC Objective: 12 DELIVER TPC PROCUREMENT STRATEGY 2015-20

Policy/ Strategy Area	Action and outcome (Lead responsibility)	Relevant Indicators (Source)	Target	Performance		Comments on performance
					Achieved	
TPC Procurement Strategy 2011- 2015	Deliver a TPC Procurement Strategy 2015-2020	Approved at Steering Group	In place for May 2015	Complete	Yes	TPC Strategy approved by TPC Steering Group and then subsequently at full Council in 2015/16

The following is a summary of planned TPC improvement activities in 2016/2017

Key area for improvement carried forward	Linked to which TPC Strategic Priority	Action and outcome (Lead responsibility)	Delivery timescales	Comments
1. Delivery of Local supplier support – 10 point plan	1. Improving Supplier Access to Public Contracts	Increasing the opportunities for local business to bid for Council work	On- going with periodic reporting on progress to SG	10 point plan approved by TPC Steering Group. Delivered in 15/16 - continued in 16/17
2. Community benefits in Cat C1 contracts	3. Embedding Sustainability in all we do	Deliver Community Benefits through procurement in all appropriate Cat C1 contracts	On- going with periodic reporting on progress to SG	CBiPs are now included as standard in all C1 contracts where possible. Living wage considerations to be included in all appropriate TPC contracts.
3. Increased collaboration	2. Maximising efficiency and collaboration	Increase the number of collaborative contracts available to the Councils	April 2017	New collaborative work streams in development for 16/17.
4 Streamline Process.	2. Maximising efficiency and collaboration	Develop e-procurement tools - e-tender - e- commerce	April 2016 and on-going thereafter	Following implementation of the electronic tendering system, a module to electronically manage contracts will be made available. It is expected that some progress will be made towards implementing the contract management module toward the end of 16/17
5 Performance review	4. Delivering Savings and Benefits	Support the Councils in the PCIP review scheduled for 16/17	July & Sept 2016	DCC & PKC only ; - Angus not participating
6. Collaboration	2. Maximising efficiency and collaboration	Review and improve the forward planning and strategic development of contracts.	Ongoing	Reviewed and re-allocated the management responsibility for the TPC commodity profile.
8. Contract Management	1. Improving Supplier Access to Public Contracts 2. Maximising efficiency and collaboration 3. Embedding Sustainability in all we do 4. Delivering Savings and	<ul style="list-style-type: none"> Commodity Strategy in place Procurement Journey used PCS-T used where appropriate 	ongoing	All TPC contracts have strategies and all TPC procurement follows the appropriate procurement journey. See improvement action 4

Key area for improvement carried forward	Linked to which TPC Strategic Priority	Action and outcome (Lead responsibility)	Delivery timescales	Comments
	Benefits			
9 Procurement Reform	1. Improving Supplier Access to Public Contracts 2. Maximising efficiency and collaboration 3. Embedding Sustainability in all we do 4. Delivering Savings and Benefits	Compliance with the requirements of the Procurement Reform Act	April 2016 and ongoing thereafter	Much work already done – process refinement ongoing following clarifications coming from Scottish Government with respect some operational matters.
10. Procurement Reform	1. Improving Supplier Access to Public Contracts 2. Maximising efficiency and collaboration 3. Embedding Sustainability in all we do 4. Delivering Savings and Benefits	Support the bespoke reform projects in the Councils	Ongoing	Across the Councils as required

Acronyms Explained	
BPIs	Best Practice Indicators
CBIPs	Community Benefits in Procurement
CSM	Contract & Supplier Management
Excel	Scotland Excel – Local Authority Centre of Procurement Excellence
PCA	Procurement Capability Assessment
PCIP	Procurement Commercial Improvement Programme
PCS	Public Contracts Scotland - a national contracts advertising portal
PCS-T	E-Tendering system provided by Scottish Government
PECOS	Professional Electronic Commerce Online System
P2P	Purchase to Pay processes
SLGPF	Scottish Local Government Procurement forum
SPCD	Scottish Governments' Procurement and Commercial Directorate
Spikes	Spikes Cavell – an information hub containing procurement management information
TPC	Tayside Procurement Consortium
UIG	User Intelligence Group

PERTH AND KINROSS COUNCIL

Strategic Policy and Resources Committee – 21 September 2016

ANNUAL PROGRESS REPORT ON THE PERTH AND KINROSS DEVELOPING OUR YOUNG WORKFORCE ACTION PLAN

Joint Report by Senior Depute Chief Executive (Equality, Community Planning and Public Service Reform) and Depute Chief Executive, Environment (Sustainability, Strategic and Entrepreneurial Development)

PURPOSE OF REPORT

The Council and its Community Planning partners developed a local action plan in response to the Scottish Government's Youth Employment Strategy which was published in December 2014. This report provides an update on progress on the Developing our Young Workforce Perth and Kinross Action Plan which was approved by this committee in June 2015 (Report No. 15/253 refers).

1. BACKGROUND / MAIN ISSUES

- 1.1 The Scottish Government's [Youth Employment Strategy](#) was developed in response to the recommendations of The Commission for Developing Scotland's Young Workforce which published its final report [Education Working for All](#) in June 2014. This highlighted the need for concerted action to tackle structural and recurring youth unemployment. Its recommendations were wide-ranging and spanned the education and training system, calling for more effective joint working between schools, colleges, training providers and employers. It aims to provide the best possible blend of learning for young people to better equip them for the world of work.
- 1.2 The Scottish Government published an [Annual Update on its Youth Employment Strategy](#) in December 2015. This highlighted that good progress is being made across all of the work streams outlined in the strategy (Schools, Colleges, Apprenticeships, Employers and Equalities). Further details of progress at a national level and remaining challenges are outlined in paragraphs 1.6 and 1.7 below.
- 1.3 Nationally unemployment has fallen considerably, both at an overall level and within young people specifically. The total claimant count is down from 97,315 (June 2014) to 75,265 in June 2016 (a drop of 23%), and the numbers of 18-24 year olds are down 33% in the same period. This is mirrored within Perth and Kinross with overall unemployment levels declining by 30% for all age groups in the same period, and by 36% for the 18-24 age group. The numbers of 18-24 year olds unemployed has declined from 360 to 230. However young people are still disproportionally represented within the overall numbers of those out of work, and due to their lack of work experience face additional challenges in securing employment.

- 1.4 A small number of Developing our Young Workforce (DYW) Regional Employer led groups were established in 2014/15, and in 2015/16 these were established in most areas across Scotland. The Regional Groups are now starting to engage with businesses and education providers to help “make the connections” between the two. The new Investors in Young People award which recognises employers who develop young talent in a structured and comprehensive way is now gaining momentum, with a growing number of employers seeking accreditation. In addition the number of Modern Apprenticeships (MA's) nationally has increased, and new Foundation and Graduate Apprenticeships have been introduced.
- 1.5 The Government allocated funding to Local Authorities in 2014/2015 and 2015/2016 to support the implementation of the proposals. A total of £389K was allocated to Perth and Kinross and further details on how this was allocated are outlined in paragraph 2.3.
- 1.6 Nationally the main actions progressed under the 5 work streams in 2015/2016 include:

1.6.1 Schools – Work Relevant Learning 3-18

- Additional vocational learning opportunities offered to senior phase pupils.
- New Foundation Apprenticeships (which allow pupils to complete elements of an apprenticeship while still at school) expanded from 2 pilot programmes to 29; recruiting around 300 pupils across 20 local authority areas.
- New national guidance documents published for:
 - School/Employer Partnerships
 - Career Education Standard (3-18)
 - Work Placements Standard
- Education Scotland Inspections now take into account how well young people are being prepared for work and are now incorporated in the How Good is our School 4 self-evaluation.
- Career Advice now given to young people at an earlier stage in school.
- Work developed as to how best increase pupil participation in Science, Technology, Engineering and Mathematics (STEM).
- The Scottish Funding Council have developed a Gender Action Plan to address gender balance in senior phase vocational pathways.

1.6.2 Colleges – A Valued and Valuable Choice

- Senior phase pupils benefitting from additional vocational opportunities delivered by Colleges.
- The range of Foundation Apprenticeships has been expanded.
- Colleges are now re-aligning their curriculum to better meet the needs of employers.

1.6.3 Apprenticeships – Access to Work Based Learning for All Young People

- The number of Modern Apprenticeship (MA) opportunities has increased to 25,500 (up 500) with a target of 30,000 to be reached by 2020.
- Foundation Apprenticeships expanded in number and scope.
- New Graduate Level Apprenticeships being developed.
- MA Equality Action Plan has been developed – includes targets for MA participation among specific under-represented groups.

1.6.4 Employers – Employers' Investment in the Young Workforce

- More Regional Employer Led Groups established across Scotland, most areas now have a group established and operational.
- Investors in Youth Accreditation now established and 326 business accredited (as of June 2016 - including 46 Gold Awards and 35 Silver).
- Guidance on School/Employer Partnerships published.

1.6.5 Equality – Developing the Talents of All Our Young People

- Skills Development Scotland (SDS) has published an MA Equality Action Plan.
- SDS has funded MA's targeted at under-represented groups.
- Pilot projects developed to identify Best Practice.

1.7 The Government's Annual Progress Report also sets out a number of **challenges** which include:

- Maintaining a focus on Developing the Young Workforce and its aims against a background of budgetary constraints and considerable demands on the education system.
- Ensuring a focus on learning about the world of work from the early stages of school onwards not just within the senior phase.
- Ensure those advising young people have a good understanding of the full range of opportunities available to them.
- Ensure planning, timetables and logistics facilitate growing numbers of young people choosing vocational pathways.
- The need to demonstrate how vocational pathways are valued by employers and are therefore a secure and positive destination for young people to pursue.
- Continue to work at developing sustainable and proactive school/college partnerships to improve the range and scope of learning opportunities.
- Making the best use of public funds across the skills landscape particularly with the forthcoming introduction of the Apprenticeship Levy the impact of which is unclear at the moment.
- The need to focus our efforts around getting maximum value from the reinvigorated connections between education and employers; and share best practice across the Regional Employer-led Groups.
- The need to prioritise those young people who continue to face barriers and seek to ensure positive destinations for **all** young people.

2. PERTH AND KINROSS UPDATE

- 2.1 Within Perth and Kinross good progress has been made across all five of the DYW action work streams, mainly as a result of enhanced partnership working across organisations. Locally we need to ensure that we align the offering within our schools and Perth College UHI to meet the needs of our current and future employers. With a number ambitious projects highlighted with the Perth City Plan and a number of others being developed through the ongoing work on the Tay Cities Deal, this provides an opportunity to better align skills demand and supply. A detailed update on all the Recommendations and Actions is attached as Appendix 1 to this report. The Perth and Kinross Community Planning (CPP) DYW Working Group have been monitoring the implementation of the Action Plan agreed in 2015. However, now that the Regional employer led DYW Board has been established, the CPP group will be disbanded, with the monitoring role for the overall action plan being transferred to the Community Planning Economy and Lifelong Learning Outcome Delivery Group.
- 2.2 The Lifelong Learning Committee received a full update report in May of this year ([report 16/227 refers](#)) on actions taken to implement the Enterprise and Employability policy in Secondary Schools which was developed in response to the DYW recommendations.
- 2.3 The additional funding from the Scottish Government has allowed the Council to provide additional support in all ten secondary schools' to take forward the implementation at a local level. It has supported the creation of a new temporary post to co-ordinate and progress projects at a corporate and community planning level, including leading the creation of the DYW Board in Perth and Kinross and working with them to develop a proposal for funding. It has also allowed the Council to develop a number of pilot initiatives in collaboration with Perth College UHI. The two projects include one which will develop blended learning approaches (where pupils learn in part through the delivery of content and instruction via digital and online media) in the subject areas of play work and retail initially; and the second pilot project will promote the take up of STEM subjects through an S2 project focussing on the Food and Drink sector.
- 2.4 The Schools/College Strategic Group has maintained momentum and has developed a wider range of vocational opportunities for senior phase pupils, and this has resulted in a significant rise (+45%) in the number of pupils undertaking vocational courses whilst still at school. 13.6% of all school leavers in 2014/15 achieved at least one vocational qualification at SCQF level 5 up 2.1% from the 2013/14 figure; compared to a national figure of 9%. Pilot S3 Vocational Taster courses have been developed which have given younger pupils an introduction to the types of courses available at College. These are proving very popular with pupils.

- 2.5 In addition the new Foundation Apprenticeships (FA's) were offered via Perth College UHI with two courses running in 2015/16 in Engineering and Care with a total of 20 pupils participating; these are designed to be a two year programme. These are a new option for pupils, and it has been challenging to recruit pupils onto the courses. It is hoped that once young people and their parents learn more about the Foundation Apprenticeship route they will attract more interest. Two Foundation Apprenticeships are on offer for 2016/2017 in Early Years; and in Engineering, with 21 pupils recruited onto the courses; and a further four continuing with Year 2 of the Engineering FA. One of the original Engineering FA pupils is about to commence an HNC in Engineering at the College, and although none of the original 10 who were recruited onto the Care FA in 2015/16 are continuing with the FA course they have all been successful in securing a full-time place at Perth College UHI for 2016/17.
- 2.6 The numbers of school pupils experiencing Work placements has also increased, with numbers up from 373 in 2013/2014 to 621 in 2014/2015. This is due to an increased focus on employer engagement and additional schools now participating in the Career Ready programme. Career Ready provides mentoring, a 4 week paid work placement, master classes and workplace visits. In 2015/2016 9 schools, 60 pupils and 30 employers participated, compared to 4 schools, 39 pupils and 9 employers in year one of the programme (2013/2014).
- 2.7 All secondary schools now have a member of the senior management team identified as having a lead responsibility for DYW and most schools have now held employer engagement events. All schools are building employer links in a variety of ways and there are some excellent examples of partnership working. For example, The Community School of Auchterarder and Gleneagles Hotel have a long-standing link between the school and the largest employer in its catchment area. A wide variety of connections exist through a number of departments and across the whole school; from the Home Economics Department working closely with the hotels chefs on a variety of projects, including work experience opportunities; through to the HR director explaining to the S5 cohort the very wide range of occupations employed by the Hotel, and raising the profile of job opportunities available within the business and wider hospitality sector. They have also been involved in the Career Ready programme, and are now developing links with the Languages department. A good number of pupils go on to work within a variety of roles within the Hotel.
- 2.8 The growing number of school/business partnerships was celebrated with the launch of a new Chamber of Commerce Business Award which saw a number of schools submit applications. This culminated with the winners being announced at the Chamber Star Awards in November 2015. The winning partnership was between Perth Academy and Vasart Cleaning. Andrew Morgan the owner of Vasart Cleaning a commercial cleaning business based in Perth is an ex-pupil of Perth Academy. This link was established around 3 years ago after a "S2 speed careers" conference that the school organised with the help of the local Rotary Club. Andrew helped to establish an Enterprise Group, which led to the setting up of a school shop run by the pupils and supported by Andrew and one of the teachers. This project has

developed over time and has helped the young people develop a range of skills; from making and selling, marketing, finance and inter-personal and customer care skills. They have expanded the range of products stocked, surveyed fellow pupils to gauge interest in potential new items, and invested profits to the benefit of all pupils. Andrew has also used his links with the Rotary to get more business people involved in providing advice and mock interviews.

- 2.9 A draft Schools Wider Achievement Standard has been developed which outlines a set of entitlements for all young people in the broad general education and senior phase of their secondary education. The range of entitlements are outlined under themes – Employability; Enterprise and Creativity; Volunteering; Residential/Outdoor Experience; Leadership; Citizenship; and Cultural Experience. In 2015/2016 there was a significant increase in the numbers of pupils participating in such activities; with 52% more pupils achieving a Youth Achievement Award, an additional 34% participating in the Youth Philanthropy Initiative, and an additional 32% participating in Duke of Edinburgh Awards.
- 2.10 There has also been an expansion in the numbers of young people participating in Modern Apprenticeships within Perth and Kinross. The total number of MA's has increased from 747 (2014/2015) to 880 in 2015/2016; with the majority targeted at the 16-24 age group (674). The number of higher level 3 MA's has also increased. More employers are also now recruiting MA's, 226 in 2015/2016 compared to 211 in 2014/2015, the majority being small employers only recruiting in single figures. The most popular occupational groups remain construction (26%), hospitality and tourism (21%), Automotive, Retail and Customer Services, and Sport, Health and Social Care (all 11%).
- 2.11 The Council have contributed to this increase with the numbers of annual Modern Apprenticeship opportunities rising from 55 in 2013/14 to 86 in 2015/16 and providing a total of 303 opportunities in total since 2012. In addition through the Employment Connections Hub we have offered recruitment incentives to local businesses to recruit young people. The Hub supported 33 young people into employment through the Scottish Government's Employer Recruitment Incentive (SERI) in 2015/2016, with 30 of these sustaining employment once the year-long programme had finished. The Council itself also created its own Recruitment Incentive in 2015/16 which has supported an additional 31 young people into employment.
- 2.12 One of the key actions in the Action Plan was the establishment of a Perth and Kinross Regional DYW Board led by the private sector. The Board was established in early March and includes a wide representation of business sectors and key organisations. A list of Board members is attached at Appendix 2. The Board with support from the Council's DYW programme manager submitted a bid in June to the National Group and the Scottish Government for funding to create an Executive Team to support the development of more extensive and strategic links between businesses and the education sector. A small sub group of the Board presented their proposals to the National group on the 14 June 2016 and their proposals have

now been approved and a grant offer letter issued. The Board was bidding for a total grant of £495K over a three year period, to employ an executive team and to fund projects to support their objectives. The Board was formally launched by the Deputy First Minister at the end of August. The Board's key performance indicators and local targets are outlined within Appendix 1.

2.13 The Perth and Kinross Youth Employment Strategy developed by the new Regional Board aims to:

- Support employers to engage directly with schools and colleges.
- Encourage the recruitment of more young people, including through Modern Apprenticeships.
- Equip young people with the skills local business needs.
- Give young people access to better and more flexible work experience opportunities.
- Encourage more young people to set up their own business or become self-employed.
- Focus in particular on young people who need extra support, come from disadvantaged backgrounds, have a disability or face other barriers in getting into work.

2.14 Early actions proposed by the Board include:

- Mapping of current practice – to understand barriers, perceptions and opportunities from both an educational and employer perspective re Work Placements/MA's/other engagement with young people.
- Encourage more employers to provide Work Experience opportunities.
- Research employers' knowledge/understanding of education system and support available.
- Review what the local Business needs are in terms of skills for future employees.
- Communicate and engage with the local business community to encourage greater participation in the agenda.

2.15 The Council is to act as the "lead body" to receive the grant funding and to employ the team on behalf of the Board. In the majority of other areas it is the Chamber of Commerce who is taking the lead, however due to limited staffing capacity within the Perthshire Chamber the Council have offered to facilitate the Board and the Executive Team.

2.16 Locally a small number of businesses have been accredited as Investors in Young People (IiYP), including the Council who achieved the Gold Standard. It is hoped that many more will seek accreditation. A local workshop is being held at the end of September to support more local employers to adopt a proactive and comprehensive youth employment strategy.

- 2.17 In terms of local actions linked to the Equality work stream a number of partners are taking forward initiatives to encourage greater diversity of participation in school and college courses, and to encourage a wider take up of MA opportunities. Perth College UHI produce an annual Equalities Plan which highlights progress against the actions set out within their Equality Report and Mainstreaming Plan 2013-2017. The most recent report highlights a number of areas where good progress has been achieved:-
- College working in partnership with the Minority Communities Hub (MEAD)
 - The College and Air Service Training have adjusted activities to reflect the diverse cultural background of their students
 - College has ensured graduation ceremonies celebrate and reflect the diverse cultural and ethnic backgrounds of their students
 - Developed a successful College Transitions programme to better prepare and encourage more vulnerable and disadvantaged young people to take up College Courses
 - Piloted a successful Men Only Evening Class in Childcare Studies
- 2.18 In addition the College and the Council secured funding from Skills Development Scotland's Equality Challenge Fund in terms of outcomes achieved these included:-
- 9 young people from under-represented groups obtaining MA positions
 - 4 young people undertook a pre-apprenticeship programme (one secured employment, one is on an extended work placement; and 2 are being supported to secure either work, an MA or a college place)
 - Working with partners and other agencies to better understand the barriers and concerns employers have when recruiting candidates from these groups, and to identify what support is available both for employers and the young people.

3. CONCLUSION AND RECOMMENDATIONS

- 3.1 Since the Developing our Young Workforce Action Plan was approved in June last year good progress has been made to implement actions at a local level to support the national Youth Employment Strategy. Actions have been progressed locally across all the key work streams of schools, colleges, MA's, employer engagement and equalities, with a number of cross-cutting actions developed.
- 3.2 Whilst good progress has been achieved in 2015/16 further work is required to really embed the principles of Developing our Young Workforce across all partners, and within their forward planning. Challenges and key areas for improvement include:
- Ensuring good practice is shared across all schools and embedded within Improvement Plans.
 - Reviewing activity in early years and primary sectors to widen the impact of the DYW agenda earlier in the education process.

- To work closely in partnership with Skills Development Scotland to improve Careers Guidance within schools and to ensure the new Careers Guidance Standard is implemented.
- To support the development of the new Perth and Kinross DYW Regional Board.
- To support the development and encourage further participation in vocational opportunities for our young people.
- To ensure local businesses are informed of the benefits of working with the education sector and encouraged to become engaged in a variety of ways.

3.3 These actions will be the focus for partnership activity in 2016/17 and going forward.

4. RECOMMENDATIONS

4.1 It is recommended that the Committee:

- Notes and welcome the good progress made in implementing the Perth and Kinross Developing our Young Workforce Action Plan in partnership with a number of our Community Planning partners; and
- Agrees the areas identified for improvement, and prioritise these for action in 2016/17.

Author

Name	Designation	Contact Details
Alison Seggie	DYW Programme Manager	alseggie@pkc.gov.uk 01738 477953

Approved

Names	Designation	Date
John Fyffe	Senior Deputy Chief Executive (Equality, Community Planning and Public Service Reform)	8 September 2016
Jim Valentine	Deputy Chief Executive, Environment (Sustainability, Strategic and Entrepreneurial Development)	

If you or someone you know would like a copy of this document in another language or format, (on occasion, only a summary of the document will be provided in translation), this can be arranged by contacting the Customer Service Centre on 01738 475000.

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	YES
Asset Management (land, property, IST)	YES
Assessments	
Equality Impact Assessment	YES
Strategic Environmental Assessment	NO
Sustainability (community, economic, environmental)	YES
Legal and Governance	YES
Risk	YES
Consultation	
Internal	YES
External	YES
Communication	
Communications Plan	YES

1. Strategic Implications

Community Plan / Single Outcome Agreement

- 1.1 The proposals outlined in this report will support the delivery of the Perth and Kinross Community Plan/Single Outcome Agreement, particularly the priorities outlined below:-

- (1) Giving every child the best start in life
- (2) Developing educated, responsible and informed citizens
- (3) Promoting a prosperous, inclusive and sustainable economy

Corporate Plan

- 1.2 The proposals outlined in this report will support the delivery of the Council's Corporate Plan Priorities:-

- i) Giving every child the best start in life
- ii) Developing educated, responsible and informed citizens
- iii) Promoting a prosperous, inclusive and sustainable economy

2. Resource Implications

Financial

- 2.1 The Scottish Government have allocated funding to Local Authorities to support the implementation of the Commission's recommendations. Paragraph 2.3 within the attached report outlines how this is being allocated locally. The Head of Finance has been consulted on the contents of this report.

Workforce

- 2.2 Additional funding secured by the DYW Perth and Kinross Regional Board in 2016 will fund the creation of a small Executive Team for a three year period. Three posts will be funded by the grant received from the Scottish Government and the Council have agreed to fund a Modern Apprentice to support the work of the Team. The Council have agreed to act as "lead body" to manage the grant funding and employ the DYW Executive Team.

Asset Management (land, property, IT)

- 2.3 There are no land and property implications arising from this report.
- 2.4 There are no information technology implications arising from this report.

3. Assessments

Equality Impact Assessment

- 3.1 Under the Equality Act 2010, the Council is required to eliminate discrimination, advance equality of opportunity, and foster good relations between equality groups. Carrying out Equality Impact Assessments for plans and policies allows the Council to demonstrate that it is meeting these duties.
- 3.2 The proposals within the Action Plan approved in 2015 were considered under the Corporate Equalities Impact Assessment process (EqIA) with the following outcome:
- (i) Assessed as **relevant** and the following positive outcomes expected following implementation:-
- One of the core principles of the Commission for Developing Scotland's Young Workforce is to improve outcomes for all young people, particularly those who face particular challenges; including care leavers, young people with disabilities, those from disadvantaged communities and those from Black and Minority Ethnic communities.
 - In addition, the national and local action plans seek to address some of the gender stereotyping in education, as well as gender

imbalances in a significant number of occupations and careers young people pursue.

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

Legal and Governance

- 3.4 There are no legal implications arising from this report. The new Perth and Kinross Developing our Young Workforce Board have developed and agreed a Governance Framework.

Risk

- 3.5 There are no specific risks with delivering the actions outlined within the report. The key risk is in terms of failing to deliver a proactive and thorough local response ensuring both the education sector and local employers are fully engaged in developing joint actions to support the local strategy. However, all the key stakeholders are involved both within the Community Planning Economy and Lifelong Learning Outcome Delivery Group and within the new DYW Regional Board who are tasked with implementing the action plan.

4. Consultation

Internal

- 4.1 The Director (Education and Children's Services), the Head of Secondary Education and Inclusion, the Head of Finance and the Corporate Human Resources Manager have been consulted in the preparation of this report, and their views incorporated.

External

- 4.2 The members of the Community Planning DYW Working Group (including representatives from Perth College UHI, Perthshire Chamber of Commerce, Skills Development Scotland, the Federation of Small Businesses, Department of Work and Pensions, and the Perth and Kinross Association of Voluntary Service) have been involved in the preparation of this first Annual Report, and their views incorporated. The DYW Board have also been consulted and are content that the Council will act as the Lead Body in terms of the Grant Award from the Scottish Government and in employing the Executive Team.

5. Communications

- 5.1 The DYW Board have agreed to establish a Communications Working Group to develop a Communications Plan, this will be an action taken forward in 2016/17.

6. BACKGROUND PAPERS

The following background papers have been utilised in the preparation of this report:-

- Developing the Young Workforce – Scotland's Youth Employment Strategy – Annual Progress Report 2014-2015
- Report to the Lifelong Learning Committee – 25th May 2016 (Report 16/227 refers)

7. APPENDICES

- 7.1 Appendix 1: Perth & Kinross DYW Action Plan – Annual Progress Report 2015/16
- 7.2 Appendix 2: DYW Perth and Kinross Regional Board - Membership

**EDUCATION WORKING FOR ALL
NATIONAL RECOMMENDATIONS AND MAPPING OF ACTIVITY/ACTIONS PROPOSED IN PERTH & KINROSS**

SCHOOLS	Baseline Position (June 2015)	Actions 2015/16	Summer 2016 Update
<p>Senior Phase Vocational Pathways</p> <p>Recommendation 1: Pathways should start in the senior phase which leads to the delivery of industry recognised vocational qualifications alongside academic qualifications. These pathways should be developed and delivered in partnership with colleges and where necessary training providers. Their delivery should be explicitly measured and published alongside other school performance indicators.</p> <p>Led by (Partner): ECS</p>	<p>All school are now engaged in enhancing their senior phase provision.</p> <p>This item is addressed in detail in the Schools' Enterprise and Employability Strategy and has been the subject of training for Headteachers and Principal Teachers during session 2014/15.</p>	<p>50 % of pupils without Highers to leave school with at least one industry recognised vocational qualification by end of session 2016-17.</p> <p>All schools to agree targets for significant growth of wider curriculum opportunities within their curriculum by 2016/17.</p> <p>All schools to provide for session 2015/16 an overview of how they currently deliver enterprise learning opportunities, with a more systematic approach implemented during 2016/17.</p>	<p>Good progress has been made towards this interim target with most schools achieving 50% for S4 and S5 in the 14/15 audit with better targeting planned for pupils in S6 going into 16/17.</p> <p>The PKC standard created by schools will be used by schools to guide their planning in 16/17.</p> <p>All schools have reviewed their enterprise offer. This will continue to evolve and the Enterprise and Employability network will meet in September 2016 to explore new ideas to pilot.</p>
<p>Preparing Young People for the World of Work</p> <p>Recommendation 2: A focus on preparing all young people for employment should form a core element of the implementation of Curriculum for Excellence with appropriate resource dedicated to achieve this. In particular, local authorities, SDS, and employer rep organisations should work together to develop a more comprehensive standard for careers guidance which would reflect the involvement of employers and their role and input.</p> <p>Led by (Partner/Officer): ECS & SDS</p>	<p>The Draft Standards for Work Placement and Career Education were published for consultation on 26 May (responses due by 6 July). These documents will be the strategic driver for local implementation.</p> <p>Discussions have taken place between reps from ECS and SDS to review authority level inputs from SDS to schools.</p>	<p>SLA between PKC and SDS defining collaboration in this area. In addition, all SDS school partnership agreements to indicate how collectively they will contribute towards them in 15/16. All school to have clear curriculum plan for careers support from S1-S6 for session 2016/17.</p> <p>All schools to audit their current careers provision to ensure that inputs from a range of staff are coherent and progressive.</p>	<p>SDS and PKC have a joint action plan for collaboration in this area. This will include CLPL on the new Career Education Standard and Career Management Skills.</p> <p>SDS has begun negotiating all the SPAs for the new academic year with schools; which includes an increased offer. They will be finalised by end of August. All schools have audited their current provision and the new Careers Education Standard (Sept 2015) will guide their planning in 16/17.</p>

	Baseline Position (June 2015)	Actions 2015/16	Summer 2016 Update
<p>Recommendation 3: A modern standard should be established for the acceptable content and quality of work experience, and guidelines should be made available to employers. This should be developed by Education Scotland in partnership with employer bodies & SDS. This should involve input from young people. Work experience should feature in the senior phase Benchmarking Tool & in Education Scotland school inspections.</p> <p>Led by: Education Scotland SDS/Secondary Schools – HT's</p>	<p>The Draft Standard for Work Placement was published on the 26 May with comments due back by 6 July.</p>	<p>Schools will designate a member of staff at senior management level with responsibility for the area of Enterprise and Employability, including Work Experience.</p>	<p>All schools have an SMT lead for Enterprise and Employability as well as operational support.</p> <p>Most schools who have completed the ROSPA course for work placement personnel. All schools have increased employer engagement and work experience.</p> <p>In 16/17 schools will be guided by the Work Placement Standard (September 2015) and begin to evaluate the quality of work placements.</p>
<p>Regional Outcome Agreements</p> <p>Recommendation 4: Colleges' key role in the development of Scotland's Young Workforce should be recognised & managed through Regional Outcome Agreements.</p> <p>Led By: Perth College UHI and P&K School-College Strategic Group</p>	<p>Regional Outcome agreement in place between Perth College UHI and Scottish Funding Council. The new Outcome Agreement for academic year 15/16 explicitly links the SYW agenda to the regional outcomes.</p> <p>A schools-college strategic planning group was established in session 2014/15 to enhance the development and vocational elements within the school senior phase curriculum.</p>	<p>The new Schools-College Strategic Planning Group to establish a work programme to ensure the delivery of relevant vocational qualifications within the school senior phase curriculum.</p>	<p>School vocational pathways have been developed which are split into sector areas. Enabling S4-S6 pupils exposure to clusters of qualifications building towards full awards from NPA, NC's and HN's and can also include degree modules for S6 pupils. Projects and tasters are offered from Primary to S3 (BGE) developing vocational interest through pathways and themes.</p> <p>Specific taster offered to S3 pupils to inform next steps.</p> <p>The pathways being developed between the college and the PKC secondary schools reflects a position of development and progression pathways from S3 to S6. This is being refined and developed annually in respect of employment trends, new awards such as Foundation Apprenticeships and feedback. New programmes and delivery programmes are in place for 2016-17.</p>

Focus on Employment	Baseline Position (June 2015)	Actions 2015/16	Summer 2016 Update
<p>Recommendation 5: The new regional colleges should have a primary focus on employment outcomes & supporting local economic development. This should be underpinned by meaningful and wide ranging partnerships with industry & should be at the forefront of Regional Outcome Agreements & their measurement.</p> <p>Led By: Perth College UHI</p>	<p>Perth College UHI has already reviewed its curriculum offer in light of information gleaned from the new Regional Skills Assessment for Tayside.</p> <p>Perth College UHI has an extensive range of partnerships with local businesses. They also have employer forums in a number of curriculum areas which allow labour market information to inform curriculum design and planning.</p> <p>College staff are members of strategy groups, forums, partnerships and sector skills groups on a local, regional, national & international basis.</p>	<p>Perth College UHI aims to develop employer forums for all appropriate curriculum areas, and develop further strategic partnerships with national industry sector groups.</p>	<p>Employer forums have been established in key areas however in certain sectors there has been resistance to attending employer forums by some companies due to commercial sensitivities and they are engaging with the college on a one to one basis.</p> <p>Perth College UHI has developed further strategic partnerships at a national level in engineering, creative industries and food and drink sectors.</p>
<p>Recommendation 6: A commitment to supporting the development of Scotland's young workforce through the enhancement of vocational education pathways should feature prominently in the National Performance Framework, Community Plans and College Regional Agreements.</p> <p>Led By: PC UHI</p>	<p>The new Regional Outcome agreement for academic year 15/16 for the UHI explicitly talks about the development and delivery of foundation apprenticeships.</p>	<p>In future through Regional Outcome Agreements the College propose to increase the no. of Foundation Apprenticeships, widen the spread of vocational areas, and industrial sectors covered.</p>	<p>Foundation Apprenticeships are being supported locally between college, schools and employers, and regionally through the UHI Work Based Learning Hub and SDS.</p> <p>FA's are being offered in Early Years and in Engineering in 2016-17, with ongoing discussions within schools and nationally about implementation and scaling up.</p>

Baseline Position (June 2015)		Actions 2015/16	Summer 2016 Update
MODERN APPRENTICESHIPS			
Alignment with Economic Growth			
<p>Recommendation 7: Modern Apprenticeships should be aligned with the skills required to support economic growth.</p> <p>Led By: Perth College UHI</p>		Perth College UHI is looking to develop MAs in Food & Drink Production, Payroll, and Creative Industries in order to further align its provision with Scotland's key industrial sectors.	Work is underway on engagement with employers in the food & drink production and Creative Industries sectors to promote the advantages and opportunities involved in taking on a MA.
<p>Access and Higher Level Opportunities</p> <p>Recommendation 8: Development of Modern Apprenticeship access processes and progression pathways should be priorities.</p> <p>Led By: Perth College UHI ECS Schools-College Strategy Group</p>		<p>The Schools-College Strategy Group has developed more coherent pathways for young people in the senior phase, which should integrate with MA opportunities.</p> <p>Health & Social Care and Engineering Foundation Apprenticeships supported by school-college collaboration to be piloted with five schools in session 2015/16.</p> <p>Discussions about growing the range of Foundation Apprenticeships to be a key focus of the Schools/College Group.</p>	<p>Health & Social Care and Engineering Foundation Apprenticeships were delivered to S5 pupils 2015/16.</p> <p>Foundation Apprenticeships in Social Services (Children and Young People) and Engineering will be delivered in session 2016/17 supported by the school/college collaboration. These apprenticeships have been offered to all S5 pupils.</p> <p>FA in ICT and Civil Engineering will be supported as a priority, and further opportunities explored with SDS, schools and employers as they become available.</p> <p>We will continue to work with the newly formed Developing Young Workforce Group to communicate vocational opportunities including FA and MA to parents, young people and employers.</p>

Quality Improvement	Baseline Position (June 2015)	Actions 2015/16	Summer 2016 Update
<p>Recommendation 9: An industry-led quality improvement regime should be introduced to oversee the development & promotion of MAs.</p> <p>Led By: Nationally by SDS</p>			<p>There are quality assurance and improvement arrangements in place for training providers who deliver the MAs as well as sector specific Education Scotland reviews. Sectors own the MA frameworks which are SCQF accredited and endorsed by SQA. We also have a range of MA campaigns to raise awareness and promote MAs.</p>
<p>Recommendation 10: If employers can be encouraged to offer significantly more good quality apprenticeships, the Scottish Government should consider a carefully managed expansion</p> <p>Led By: Scottish Government/SDS</p>	<p>Scottish Government announced ambition to increase MAs from 25,000 to 30,000 places by 2020</p>	<p>Scottish Government/SDS to implement.</p>	<p>Scottish Government has agreed to expand and SDS are continuing to promote. There is also a focus on equalities in an effort to raise the number of under-represented groups who take up MAs. We will try to focus expansion around sectors that are economically significant as evidenced in the Regional Skills Assessment</p>
<p>Recommendation 11: Employability must be a key focus within Education Scotland's work to support & quality assure the delivery of education. To support this, Education Scotland must work more closely with business organisations & their members to ensure their work is underpinned by an understanding of industry's needs & expectations.</p> <p>Led By: Education Scotland</p>	<p>Being led nationally by Education Scotland</p>		<p>Education Scotland convened and chairs an external reference group, ensuring that the needs of industry are reflected in inspection and review activities and quality improvement agendas. The ES Curriculum, learning and Assessment groups now includes appropriate employer representation from key networks. Over 14/15 there was a focus on increasing staff capacity in making links between their work and employability. An employer external reference group has been in operation since end 2014 and is increasingly advising on Education Scotland's work.</p> <p>In 15/16 inspection and development activity across 3-18 will have a specific focus on employability and skills. Evidence of improvements in career education and access to improved work placements will be gathered during secondary inspections in line with the YES milestones.</p>

SCIENCE, TECHNOLOGY, ENGINEERING & MATHS	Baseline Position (June 2015)	Actions 2015/16	Summer 2016 Update
<p>Recommendation 12: A focus on STEM should sit at the heart of the development of Scotland's Young Workforce.</p> <p>To be led by: ECS</p> <p>Secondary HT's</p> <p>Perth College UHI</p>	<p>Analysis has been conducted of STEM provision in all secondary schools. This has been discussed between authority reps and school leadership teams in March 2015.</p> <p>Perth College UHI has focused on growing its STEM provision in recent years. Delivering new qualifications in Science and Engineering from NC level to Master's degree.</p>	<p>Growth in STEM provision in schools, including the development of more vocational STEM subjects.</p> <p>STEM analysis to be part of annual attainment review process for schools.</p> <p>Propose to develop secondary school 'Beacon' departments for modelling and disseminating good practice.</p> <p>The College will continue to develop & grow its STEM provision & link to key local growth sectors.</p>	<p>Analysis has been conducted of STEM provision in all secondary schools. This has been discussed between authority reps and school leadership teams in May 2016.</p> <p>Some schools have increased their subject in this area by re-introducing Engineering Science and piloting the Foundation Apprenticeship in Engineering with SDS and Perth College UHI.</p> <p>In 16/17 Perth College UHI will lead a project with secondary school in partnership with the Food and Drink Manufacturing Association to highlight the STEM opportunities in this sector to staff, parents and pupils. This will include CPD for staff.</p> <p>The college has developed new STEM programmes including new degrees and master's degree in engineering. Employer engagement with industries in the STEM sector is growing.</p>

Recommendation 13: Support for young people at risk of disengaging from education & for those who have already done so should focus on early intervention & wide ranging, sustained support. This should relate to labour market demand & should be focused on helping young people engage on labour market relevant pathways that we have highlighted.	Baseline Position (June 2015)	Actions 2015/16	Summer 2016 Update
<p>To be led by: ECS Secondary DHT's Support 16+ Learning Coordinator, PKC</p>	<p>This area is already well developed through schools' support mechanisms and through collaboration with the 16+ co-ordinator.</p> <p>The SDS service offer is embedded within all schools in P&K. The nationally approved risk matrix is currently used to determine initial service offer to pupils from S4 upwards. From Autumn '15 earlier intervention with pupils from primary transition.</p> <p>Pupils at risk of not progressing or sustaining a positive destination are linked to a Career Coach.</p> <p>SDS, PKC and Job Centre Plus annually review and commission Employability Fund training provision at Stages 2, 3 and 4, with a focus on key labour market sectors.</p> <p>PKC delivers Activity Agreements for 16-19 year olds furthest from the labour market, both directly and via commissioned third sector partners, with 66% of participants moving into positive destinations.</p>	<p>Through schools and the Opportunities for All Management Group, it is proposed to use the data hub reports to ensure all young people have the best possible service.</p> <p>Schools/SDS to explore ways that the data from previous leavers is used to refine future practice.</p> <p>CPL opportunities explored to expand teachers' knowledge of opportunities post school.</p> <p>Increase equalities focus when promoting and commissioning Employability Fund opportunities, to improve their accessibility to young people with disabilities and young people from minority ethnic backgrounds.</p> <p>Activity Agreement coaches will engage with young people who will need an Activity Agreement before they have left school, to make the transition smoother and minimise the likelihood that they will disengage before they find a suitable onward destination.</p>	<p>We have now established a network of 16+ meetings within all 10 secondary schools. These groups include local partners, Council Youth Workers and SDS locality workers. This ensures more joined up activity and sharing of information to improve outcomes for young people. Through the 16+ meetings in each school we are now able to track from 3rd year onwards all pupils identified as requiring additional support.</p> <p>In 2015/16 a total of 81 Activity Agreements were offered, 58 young people left their AA during the year with 38 of these showing a positive progression (65.5%). This compares to 97 Activity Agreements offered in 2014/15 with a positive progression rate of 64.3%.</p> <p>The Youth Services team continue to work with young people in a group setting but are increasingly adopting a more 1 to 1 approach. Each individual develops an Action Plan with a route to progression mapped out which might include Youth Achievement Awards, Employability Fund training, FT education or into a programme run by The Princes Trust. New links are being built with other providers & partners including the Heritage Trust.</p> <p>The Employability Fund has supported 86 young people since April 2015. 64% have achieved a recognised qualification during that period, and 33% have progressed onto further training or a job.</p>

	Baseline Position (June 2015)	Actions 2015/16	Summer 2016 Update
<p>Recommendation 14: The Scottish Government should support the creation of regional industry-led invest in Youth Groups across Scotland to provide leadership & a single point of contact & support to facilitate engagement between employers and education.</p>	<p>Initial discussions have started to establish a Perth & Kinross Invest in Youth Group.</p>	<p>To progress plans for the Invest in Youth Group for Perth & Kinross.</p>	<p>Groups now established across most areas of Scotland. The Perth & Kinross Developing our Young Workforce Board were established in March 2016. 4 meetings have been held to date and they have developed a Bid for funding. This bid was presented to the DYW National Employer Group in June '16 and approved. The Board will be officially launched by the DFM at the end of August.</p> <p>Priorities for 16/17 are to recruit a small Executive Team and recruit more businesses to support the education sector locally.</p>
<p>Recommendation 15: Businesses across Scotland should be encouraged & supported to enter into 3-5 year partnerships with Secondary Schools. Every secondary school in Scotland & its feeder primaries should be supported by at least one business in a long-term partnership.</p> <p>Led by: ECS Secondary HTs</p>	<p>An initial authority-wide engagement with employers took place in the form of a conference in March involving all secondary schools and a range of local employers.</p>	<p>This event will be followed up with local engagement events, such as Business Breakfasts, in all secondary schools by December 2015.</p> <p>A 'sign-up' card has also been developed to provide employers with an at-a-glance overview of opportunities for collaboration with schools.</p> <p>All schools are required to have established a strategic collaboration with one or more business by session 2016/17.</p> <p>A local Schools Enterprise & Employability Forum to be established by end Sept. 2015. This Forum to provide a vehicle for strategic discussion with key stakeholders on the direction of enterprise & employability developments in schools.</p>	<p>Most schools held employer engagement events in 2015.</p> <p>A recall conference was held in June 2016 to showcase the good practice that has been developed in partnership with employers since March 2015 emphasising the impact on young people. The keynote speaker with the chair of the new formed DYE regional group who will work with schools to create further opportunities for employer support and engagement.</p> <p>Schools have created an Enterprise and Employability network which meets termly to share practice on key themes.</p> <p>An audit of primary school employer engagement will be undertaken by the end of Term 1 2016/17 to establish a baseline.</p>

	Baseline Position (June 2015)	Actions 2015/16	Summer 2016 Update
<p>Recommendation 16: Scotland's leading industry sector groups & companies should be encouraged to work with the Scottish College for Educational Leadership to develop a programme to provide emerging school staff leaders with a wide ranging understanding of industry & careers.</p> <p>Led By: Nationally /Sector Groups</p>	<p>Being led Nationally</p>		<p>The Scottish College for Educational Leadership are incorporating links to industry and awareness of employability in their programmes: Into Headship; Fellowship programme and Framework for Educational Leadership.</p>
<p>Recommendation 17: Employers & national industry sector groups should form partnerships with regional colleges to ensure course content is industry relevant & full advantage is taken of work based learning & employment opportunities.</p> <p>Led By: Curriculum & Business Engagement director, Perth College UHI</p>	<p>Perth College UHI has employer forums in certain curriculum areas to ensure course content is industrially relevant & to facilitate work placements. The College has excellent partnerships with sector groups such as SNIPEF, CITB, etc.</p>	<p>Perth College UHI aims to develop employer forums for all curriculum areas; and develop further strategic partnerships with national industry sector groups.</p>	<p>Employer forums have been established in key areas however in certain sectors there has been resistance to attending employer forums by some companies due to commercial sensitivities and they are engaging with the college on a one to one basis.</p> <p>Perth College UHI has developed further strategic partnerships at a national level in engineering, creative industries, food and drink and care sectors</p>
<p>Recommendation 18: In the development of future industry Skills Investment Plans & Regional Skills Assessments, and in the updating of existing plans, there should be a specific focus on youth employment & the development of vocational pathways starting in the senior phase.</p> <p>Led By: SDS (nationally)</p> <p>Local Actions to be led by SDS</p>	<p>Being led nationally by SDS</p>	<p>Locally to explore the creation of a Forum with key personnel from Sector Development Industry & Enterprise Networks with senior leaders within schools & Perth College UHI</p>	<p>The Regional Skills Assessment has been updated and a Skills Investment Plan will be taken forward in 2016/17.</p> <p>SDS has also introduced Foundation Apprenticeships and Graduate Apprenticeships which helps widen pathways.</p>

Recognising Good Practice - Invest in Youth Accolade	Baseline Position (June 2015)	Actions 2015/16	Summer 2016 Update
<p>Recommendation 19: A nationally defined Invest in Youth Accolade should be developed to recognise industry's engagement in the development & employment of Scotland's young workforce.</p> <p>Led by: Scottish Government</p>	<p>Few companies at national level signed up.</p>	<p>May be requirement for local publicity & marketing campaign to encourage local companies to sign up.</p>	<p>Investors in Young People accreditation now established & 326 businesses accredited across Scotland (incl. 46 Gold Awards & 35 Silver). Within P&K 9 organisations are accredited (3 at Gold level including the Council). Workshop planned for Sept. 16 to encourage more companies to sign up.</p>
<p>Recommendation 20: A small business Modern Apprenticeship recruitment incentive package should be developed to equip & support smaller & micro businesses to recruit & train more young people.</p> <p>Led By: Scottish Government</p>	<p>Being led nationally by the Scottish Government</p>		<p>Implementation of this recommendation was paused in 2015. Scottish Government will consider options as part of the forthcoming Spending Review.</p>
<p>Recommendation 21: Voluntary levy schemes to recruit & train young people in skills shortage areas should be encouraged. Groups of employers should be supported to work in collaboration, with the Scottish Government providing co-funding.</p> <p>Led By: Scottish Govt/Industry</p>	<p>To be considered by the Scottish Government/Industry.</p>		<p>This recommendation is currently on hold. While the Scottish Government is yet to receive final details of the financial settlement that they will receive from the introduction of the Apprenticeship Levy in 2017, over the summer a consultation with employers and other interested parties to develop a distinctly Scottish approach was undertaken. Over 350 responses to this consultation were received. The Scottish Government will consider responses swiftly to ensure arrangements are in place to use the levy as soon as possible.</p>
<p>Recommendation 22: Procurement & supply chain policies in both the public & private sectors should be applied to encourage more employers to support the development of Scotland's young workforce.</p>			<p>There is evidence that employers and purchasing professionals have been encouraged to do this as more offers of support have been received.</p>

	Baseline Position (June 2015)	Actions 2015/16	Summer 2016 Update
<p>Recommendation 23: Public sector employers should be encouraged by the Scottish Government & local authorities to be exemplars in a national Invest in Youth policy & this should be explicitly reflected in their published corporate plans.</p>			<p>The Public Sector Network encourages and promotes the public bodies at its meetings and events and through the knowledge hub. Public Network has set out KPIs that are awaiting full and final agreement.</p>
<p>Recommendation 24: Growth businesses and Inward Investment companies in receipt of public funding should be encouraged and supported to employ young people.</p> <p>Led By: Scottish Enterprise/SDI</p>	<p>New area.</p>		<p>The Scottish Government have introduced Regional Selective Assistance conditionality for SE/HIE account managed companies to encourage and support engagement with education and youth recruitment</p>
<p>Recommendation 25: Financial recruitment incentives should be re-examined & carefully targeted to achieve the most benefit in providing sustainable employment for young people.</p>	<p>Being reviewed by Scottish Government.</p>		<p>SERI was launched in June 2015 with a commitment to assist employers in supporting young people into jobs. The scheme was paused in December 2015, amid uncertainty following the Chancellor's spending review and how it would affect Scottish budget.</p> <p>SERI resumed on 1 April 2016 with a sharper focus on the job prospects of young people who face the greatest barriers to employment, including young carers.</p> <p>The programme re-opened to starts from 1 April 2016 to 31 January 2017.</p> <p>1,036 employers have participated in the programme and over 1,250 young people have been supported into a sustainable job. SERI has already contributed toward our ambition to reduce youth unemployment by 40% by 2021.</p>

ADVANCING EQUALITIES		Baseline Position (June 2015)	Actions 2015/16	Summer 2016 Update
Cross Cutting Equality Issues				
Recommendation 26: Scotland should embed equality education across the Curriculum for Excellence.				This work is ongoing. Links with specialist equality groups have been active throughout the planning and delivery of DYW related products and services. The Diversity and Equalities Network (external) is being reconvened over 16/17.
Recommendation 27: Promotion & communication of career options should actively target equalities groups to promote diverse participation across gender, BME groups, young people with disabilities & care leavers. The promotion of MA opportunities should be to the fore of this activity.			Actions should be built into actions arising from Recommendation 2 & MA actions.	Skills Development Scotland have set out their targets and approaches for making apprenticeship opportunities accessible to all young people published in December 2015. The Scottish Funding Council have set out the work they will progress with colleges and universities to address gender imbalances and significantly reduce gender gaps in college and undergraduate courses in their Gender Action Plan published in August 2016.
Recommendation 28: Senior phase vocational pathways should be designed to encourage more gender balance across occupations. Led By: ECS Secondary HTs Perth College		Schools have been asked to review gender balance in STEM subjects. The schools-college strategy group has discussed the issue of gender stereotypes in curriculum offer.	STEM analysis including gender uptake to be part of annual attainment review process for schools. STEM analysis to be part of annual attainment review process for schools.	STEM analysis including gender uptake is part of the annual attainment review process for secondary schools. S2 and S3 tasters encourage wide participation across groups, and future events also focus on widening understanding of opportunities in STEM across a wide range of contexts.

	Baseline Position (June 2015)	Actions 2015/16	Summer 2016 Update
<p>Recommendation 29: The Scottish Funding Council and colleges should develop an action plan to address gender disparities within college education. This should be underpinned by realistic but stretching improvement targets. The Scottish Funding Council should report on this annually.</p> <p>Led By: Perth College UHI</p>	<p>To be led nationally by Scottish Funding Council.</p>	<p>Perth College UHI is developing a local action plan to address gender disparities within its curriculum.</p>	<p>In line with national priorities, widening access and inclusion developments with a range of stakeholders including the education and employment pipeline are built in to the revised Strategic Plan 2016-21.</p>
<p>Recommendation 30: Skills Development Scotland should develop an action plan to address gender disparities within Modern Apprenticeships. This should be underpinned by realistic but stretching improvement targets. SDS to report on this annually.</p> <p>Led By: SDS (nationally)</p>			<p>SDS has done this but in a wider sense – looking at all under-represented groups.</p> <p>Work is being done locally by regional operations staff to identify ways of driving up representation. This will also include marketing information.</p>
<p>Recommendation 31: A targeted campaign to promote the full range of MAs to young people & parents from the BME community should be developed & launched to present the benefits of work based learning as a respected career option & alternative to university.</p> <p>Led by: SDS (nationally)</p>			<p>As per Recommendation 30</p>
<p>Recommendation 32: SDS should set a realistic but stretching target to increase the number of young people from BME groups starting MA's. Progress on this should be recorded annually.</p> <p>Led by: SDS (nationally)</p>			<p>As per Recommendation 30</p>

Baseline Position (June 2015)	Actions 2015/16	Summer 2016 Update
<p>Recommendation 33: Career advice and work experience for young disabled people who are still at school should be prioritised & tailored to help them realise their potential & focus positively on what they can do to achieve their career aspirations.</p> <p>Led By: ECS Secondary HTs</p>	<p>Schools will be asked to review their current practice in the context of this specific recommendation.</p>	<p>The Career Education Standard is explicit that opportunities for support in this area must include all young people.</p>
<p>Recommendation 34: Funding levels to colleges & MA training providers should be reviewed & adjusted to reflect the cost of providing additional support to young disabled people, & age restrictions should be relaxed for those whose transition may take longer.</p>		<p>On Modern Apprenticeships this is being considered as part of the work the Scottish Government are taking forward on the Apprenticeship Levy as part of the Spending Review.</p> <p>SFC has undertaken a review of Extended Learner Support (ELS) funding and its use. The review's recommendations have been incorporated within the College OA Guidance for AY 17-18 (to be published in September 2016). A key development will be the expectation for College regions to produce an Access and Inclusion strategy for AY 17-18.</p>
<p>Recommendation 35: Within Modern Apprenticeships, SDS should set a realistic but stretching target to increase the number of young disabled people. Progress against this should be reported on annually.</p> <p>Led by: SDS (Nationally)</p>	<p>Being led nationally by SDS</p>	<p>The intent is covered by SDS's work with partners to increase opportunities for under-represented groups.</p>
<p>Recommendation 36: Employers who want to employ a young disabled person should be encouraged & supported to do so.</p>		<p>The Scottish Chambers of Commerce have submitted a report to the Scottish Government to take forward the work of Rec 36, discussions are on-going with SDS and other delivery partners on how to take this work forward. A plan will be created on how to implement the recommendations.</p>

Care Leavers	Baseline Position (June 2015)	Actions 2015/16	Summer 2016 Update
<p>Recommendation 37: Educational & employment transition planning for young people in care should start early with sustained support from public & third sector bodies & employers available throughout their journey toward & into employment as is deemed necessary. Led by: ECS / Secondary HT's</p> <p>Recommendation 38: Across vocational education & training, age restrictions should be relaxed for those care leavers whose transition takes longer.</p> <p>Recommendation 39: In partnership with the third sector, the Scottish Government should consider developing a programme which offers supported employment opportunities lasting up to a year for care leavers. Led By: Scottish Government</p>		<p>Schools will be asked to review their current practice in the context of this specific recommendation.</p>	<p>The Career Education Standard is explicit that opportunities for support in this area must include all young people.</p>
			<p>On Modern Apprenticeships this is being considered as part of the work we are taking forward on the Apprenticeship Levy as part of the Spending Review.</p>
	Being led nationally by Scottish Government	Need to explore locally how we best support local care leavers into positive destinations.	<p>The Scottish Government has invested over £6m for third sector employers to create up to 700 job training opportunities in 2016/17, as part of the next phase of Community Jobs Scotland. The programme offers longer support (up to 12 months) and an extended age range for vulnerable young people, including care leavers and those with a disability, delivering a key DYW recommendation.</p>

Performance Assessment: National Level Overview (Extracted from the DYW Scotland's Youth Employment Strategy Annual Progress Report 2014-15

The publication of the Developing the Young Workforce – Scotland's Youth Employment strategy last December in response to the *Education for All* report also set out the Government's commitment to report, on an annual basis, progress with implementing the programme over its seven year lifespan.

In line with the Commission's proposed approach, 11 key performance indicators (KPIs), were developed, reflecting those areas where efforts would be focussed. These indicators are long-term targets, reflecting the ambitions and lifespan of the programme. They have been endorsed by the Developing the Young Workforce Programme Board.

The programme's impact, in terms of achieving the targets set out in the 11 KPIs, will take time and in some instances the lifetime of the programme. This reflects both the level of ambition and the challenge involved. The strategy also set out a number of milestones for each theme which demonstrate what we expect to achieve over each year of the programme and progress against these will be evident each year. It should be noted that the indicators may be subject to further refinement to fully capture the nature and level of the programme's ambition.

Below is an extract from the first annual progress report, where progress has been assessed over the year against the headline target, KPIs and milestones. The headline target and KPIs relate to the programme as a whole, and progress against these measures is set out in the table on Annex A below. The government are currently in the process of developing an overall evaluation framework to enable them to assess the success of the programme as a whole against its intended outcomes.

Progress on Overarching Target and Key Performance Indicators

The table below sets out, for each KPI and the overarching target, the baseline figure and current figure to demonstrate progress made over the year. In addition, it sets out the data source for each indicator and the frequency with which that data is updated.

There are a number of KPIs where data is published for the first time this year (KPIs 3 and 4, explained in footnotes to the KPI table) or is not comparable with previous years (KPIs 6 and 10, explained in footnotes to the KPI table). For this reason, it is only possible to provide baselines figures at this stage. We will monitor and report on the progress of these indicators in forthcoming years.

NATIONAL Key Performance Indicators (KPIs) Table

KPI	Baseline figure	Current figure	Data source	Data frequency
Overarching target To reduce the level of youth unemployment (excluding those in full-time education) by 40 per cent by 2021	52,000 (Jan-Mar 2014)	41,000 (Jan-Mar 2015)	Labour Force Survey (ONS)	Annual, using Jan-Mar data
KPI 1 Be one of the top five performing countries in the EU for youth unemployment by reducing the relative ratio of youth unemployment to 25-64 unemployment to the level of the fifth best country in the EU by 2021	3.7 (Jan-Dec 2013) The ratio of the fifth best country in the EU was 2.1	3.9 (Jan-Dec 2014) ^[8] The ratio of the fifth best country in the EU was 2.1	Scotland data: Annual Population Survey (ONS); EU data: OECD Stat	Scotland data: Annual, by calendar year; EU data: Annual
KPI 2 Be one of the top five performing countries in the EU for youth unemployment by reducing the youth unemployment rate to match the fifth best country in the EU by 2021	19.0% (Jan-Mar 2014) The rate of the fifth best country in the EU was 14.7%	13.8% (Jan-Mar 2015) The rate of the fifth best country in the EU was 11.7%	Scotland data: Labour Force Survey (ONS); EU data: Eurostat (European Commission)	Scotland data: Annual, using Jan-Mar data; EU data: Annual, using February data
KPI 3 Increase the percentage of school leavers attaining vocational qualifications^[9] at SCQF level 5 and above by 2021	7% (2013/14)	7% (2013/14)	2013/14 School Leaver Statistics: data from Awarding Bodies (SQA for baseline data) and SG Pupil Census ^[10]	Annual
KPI 4 ^[11] Increase the percentage of 16-24 year old college students who have successfully completed a full time course moving into employment or higher level study^[12]	Baseline data available 15 December 2015	Baseline data available 15 December 2015	College Leaver Destination Survey (SFC) ^[13]	Annual, by college year

KPI 5 The number of Modern Apprentices at level 3 and above to be increased. The target is for 20,000 out of a total of 30,000 MA starts to be at this level by 2021, i.e. two-thirds	15,655 (2013/14)	16,112 (2014/15)	Modern Apprenticeship Statistics: Full Year Report (SDS)	Annual, by financial year (April-March)
KPI 6 Increase the percentage of employers recruiting young people directly from education to 35 per cent by 2018	32% (2014)	32% (2014)	Employer Perspectives Survey (UKCES) ^[14]	Biennial, based on 'last 2-3 years' when respondents are surveyed
KPI 7 To reduce to 60 per cent the percentage of Modern Apprenticeship frameworks ^[15] where the gender balance is 75:25 or worse by 2021	73% (2013/14)	72% (2014/15)	Modern Apprenticeship Statistics: Full Year Report (SDS)	Annual, by financial year (April- March)
KPI 8 Increase by 5 percentage points the minority gender share in each of the 10 largest and most imbalanced college superclasses ^[16] by 2021	5% average (2012/13)	6% average^[17] (2013/14)	Further Education Statistics collection (SFC)	Annual, by college year
KPI 9 Increase the number of MA starts from minority ethnic communities to equal the population share by 2021	1.1% (2013/14)	1.4% (2014/15)	Modern Apprenticeship Statistics: Full Year Report (SDS)	Annual, by financial year (April-March)
KPI 10 Increase the employment rate for young disabled people to the population average by 2021	35.9% (Jan-Dec 2014)	35.9% (Jan-Dec 2014)	Annual Population Survey (ONS) ^[18]	Annual, by calendar year
KPI 11 Increase positive destinations for looked after children by 4 percentage points per annum resulting in parity by 2021 ^[19]	70% (2012/13)	73% (2013/14)^[20]	Educational Outcomes for Looked After Children (SG)	Annual, by school year

Local (Perth and Kinross) Performance Indicators (Extracted from the Perth & Kinross Regional Board's Proposal to the Scottish Government

A full suite of performance indicators will be developed by the Regional Board once it is fully operational and the Executive Team are in place, these will be based on both increasing the levels of activity, but will importantly focus on the quality and sustainability of the Board's interventions. A draft list of KPI's is outlined below; these include the **six identified in the National Framework for the establishment of DYW Boards (in bold type)**.

KPI	Baseline	End of Yr 1 (Sept. 17)	End of Yr 2 (Sept.18)	End of Yr 3 (Sept.19)
Proportion of employers offering work placements to young people (school, college & other programmes)	10.3% (616)	15%	20%	25%
Proportion of employers offering work inspiration/other activities (school visits, workplace visits, mentoring)	18% (1100) but mostly with College	25%	30%	40%
No. of secondary schools in a partnership with employers	10	10	10	10
No. of secondary schools with 2 or more "gold" level partnerships	0	5	8	10
Percentage of employers recruiting MA's aged 16-24	3.45% (207)	3.6%	3.8%	4%
Percentage of small and micro businesses recruiting MA's aged 16-24	3.12% (184)	3.3%	3.5%	4%
No. of young people entering MA's (16-19)	380	400	450	500
No. of employers achieving Investors in Young People accreditation	9	30	50	80
No. of young people enrolled on Foundation Apprenticeships	8	20	27	40
Proportion of young people entering employment direct from school	24.1%	25%	25.5%	26%
No. of employers offering work based activities to young people with barriers to employment/at risk of negative destination	To be established	Targets to be set once baseline established		
No. of Young People experiencing enterprise education & activities	To be established	Targets to be set once baseline established		

Current DYW Perth & Kinross Board Membership

Steven Stewart, Director of Communications, Stagecoach Group/ Director Perthshire Chamber of Commerce (Chair)

Liz Jackson, Managing Director, Fairways Recruitment (Vice Chair)

Sarah Bradley, Employment Support Coordinator, Giraffe/CheckIn

Melanie Thomson, Director, Thomas Thomson (Blairgowrie), Growers/Packers of Soft Fruit

Ron Sutherland, Construction Manager, A & J Stephen (House Builders), Perth

Annette Paterson, Manager, Kennedy Care Group (operate across Tayside)

Shona Bell, Head of Organisational Capability, HR, Comms & Change, Crieff Hydro

Julie Stewart, Group HR Manager, John Clark Group (Motor Dealers)

John Duncan, Measurement & Insight Consultant, Aviva, Perth

Tanja MacLean, Food Commercial Manager, Marks and Spencer, Perth

Graham Morgan, Deputy CEO, Elevator (Business Gateway)

Catherine Ward, Development Manager North East, Federation of Small Businesses

Margaret Munckton, Principal and Chief Executive, Perth College UHI

John Fyffe, Senior Depute Chief Executive, Perth & Kinross Council

Jill Hunter, Area Manager, Skills Development Scotland

Caroline Hay, NHS Tayside HR & Workforce Development

Graham Innes, Co-Director, Creation Social Media

Head Teacher Rep (shared): Bev Leslie, Blairgowrie High School /
Johnny Lothian, Perth Academy

PERTH AND KINROSS COUNCIL

Strategic Planning and Resources Committee – 21 September 2016

SMART PERTH AND KINROSS – OPEN DATA STRATEGY

Report by Director (Environment)

PURPOSE OF REPORT

This report presents an Open Data Strategy for the Council. The Strategy sets out the principles and process by which open data will be promoted by the Council and its partners in advance of the establishment of an Open Data Platform produced in co-operation with the other Scottish cities as part of Scotland's 8th City European Regional Development Fund Strategic Intervention.

1. BACKGROUND / MAIN ISSUES

- 1.1 The Committee will be aware that the Scottish Cities Alliance (SCA) launched a Smart Cities Scotland initiative in October 2015. In parallel with this there is also a European Regional Development Fund (ERDF) 8th City Strategic Intervention which is supporting a number of smart city projects across the cities. The projects in Perth and Kinross include Intelligent Street Lighting; an Innovation Lab within Perth Creative Exchange; a City Operations Centre and Open Data Platform.
- 1.2 Open Data lies at the heart of smart city planning which is defined by the SCA as planning that uses data and technology to enhance the delivery of city services; promotes economic growth; increases sustainability; and engages more actively with its citizens. The importance of data to all smart city projects is emphasised by one of the key performance indicators - number of data sets released - of the ERDF 8th City Operation on Open Data which all cities are participating in.
- 1.3 Open Data is also a review in the Council's 2015-2020 Transformation Programme aimed at implementing the principles and practices of open data within the organisation. This project was part of a number approved at the meeting of this Committee on 23 September 2015 (Report No. 15/397 refers). The Open Data Review is working alongside other transformation reviews such as the concurrent modernising performance reporting review, to ensure that use of data is embedded as good practice throughout the organisation.
- 1.4 To support this work, an Open Data Strategy has been prepared to provide a foundation for the development and use of open data in Perth and Kinross in service and smart city planning. The Strategy presents the background to open data; sets out the principles of open data use by the Council; and outlines how Perth and Kinross Council will implement open data within the Council and also in partnership with other organisations.

2. OPEN DATA STRATEGY

- 2.1 Open Data is now strongly endorsed by the Scottish Government whose Open Data Strategy, published in February 2016, sets out an ambition for public organisations to make data open and available for others to use and reuse. It encourages local authorities to have an Open Data Publication Plan in place and to publish their public data in a 3* standard (See Appendix A of the Strategy) by December 2017. The Scottish Government Digital Directorate recently wrote to all Chief Executives asking for an update on progress in publishing their publication plans.
- 2.2 The benefits of making data and information openly available for reuse are that it will create new insights and create economic value for the city region. It links to the Community Plan priority of a prosperous economy. Open data has also been highlighted for the benefit it will bring in sharing and fostering collaborative working. The Open Data Platform – which will be developed in partnership with the other Scottish cities over the next few months – will also feature news updates and analyses which would be of benefit to Council members. Another feature that many other cities have instituted is a dashboard allowing the public to assemble their own key data sets. Prior to the development of the Platform some sample spatial datasets have been published on the Open Data pages of the Council's website.
- 2.3 The core part of the Strategy is the development of an Open Data Platform that will release open data sets and encourage data sharing and service innovation both within the Council and between the Council and its partners. This will be an inter-active portal where services, citizens and developers can view and download open data. In time the Platform will be a place where data from communities and partner organisations can be hosted and presented. As such, there will be a close link with Community Planning partners and the five emerging Locality Plans along with evidence that will be provided by a 'Stories of Place' data platform.
- 2.4 In other cities, open data has been able to assist with the following challenges:
- **Health and social care:** Work done in England by the Royal Society of Arts and MIND has used open data to map mental health and physical health conditions (such as heart and respiratory disease). This has shown how these conditions are inter-related, and demonstrates how health checks and healthy lifestyles can help increase life expectancy for those with mental health conditions. For heart disease, a map of defibrillator locations throughout Perth and Kinross has already been compiled and will be available on the Council's website alongside other open datasets.
 - **Business and economy:** The London datastore is the longest established and biggest open data platform in the UK with over 600 datasets. Its 'Infrastructure Map' shows large capital projects throughout the city by type and size of project and the organisation responsible. Another project is bringing data modellers together to explore London growth scenarios into the future and consequent infrastructure demands.

- **Transport:** Transport for Greater Manchester (TfGM) has held several innovation challenges aimed at coders and creative software developers to build new and useful applications from TfGM's data that will improve the public transport experience for people of Greater Manchester. In London, almost 400 smartphone apps have been created since transport data was made available by Transport for London and others, the most notable being Citymapper which is now extending to other cities around the world.

2.5 Over the past few months, consultations with services management teams have taken place to discuss the principles and benefits of open data and to discuss suitable open datasets which have now been included in the draft Open Data Publication Plan. Open data is also linked to the corporate review of data management which is currently in progress within the Council. This will assist with the organisation and co-ordination of key data across the Council to common data standards.

2.6 The Strategy for Open Data for Perth and Kinross Council contains a number of key elements:

- Background – the purpose, definitions and principles of Open Data
- Legislation – the global and local context for Open Data
- Implementing Open Data – the process and governance arrangements for implementing Open Data

2.7 An action plan is attached to the Strategy which focuses on approval of the Strategy; publication of the Open Data Publication Plan; and the governance mechanisms for the publication of open data which will ensure that no personal or commercially sensitive data is published.

3. CONCLUSIONS AND RECOMMENDATION

3.1 The importance of data to the smart city is emphasised within the definition of smart cities being utilised by the Scottish Cities Alliance. All cities in Scotland are also a part of an ERDF 8th City Strategic Intervention which is focussing on the use of Open Data. As part of the organisational commitment to implement this, an Open Data Strategy has been developed. This Strategy outlines the principles by which the Council will strive to support a culture of open data within the organisation, along with guidelines and an action plan for its implementation.

3.2 The benefits of making a commitment to the publication of open data are that the Council has the opportunity to gain benefits from publishing the data it holds. This can be in the form of improvements to service delivery; allowing for the public to make innovative use of the data to tackle problems; and create economic value from data; or as part of the Council's commitment to transparency.

3.3 It is recommended that the Committee:

- approves the Open Data Strategy, along with the process and timetable outlined for implementation of the Strategy in the action plan.

Author

Name	Designation	Contact Details
Graham Pinfield	Smart Perth and Kinross Project Officer	TESCommitteeReports@pkc.gov.uk 01738 475 000

Approved

Name	Designation	Date
Barbara Renton	Director (Environment)	10 August 2016

If you or someone you know would like a copy of this document in another language or format, (on occasion, only a summary of the document will be provided in translation), this can be arranged by contacting the Customer Service Centre on 01738 475000.

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	No
Asset Management (land, property, IST)	No
Assessments	
Equality Impact Assessment	Yes
Strategic Environmental Assessment	Yes
Sustainability (community, economic, environmental)	Yes
Legal and Governance	Yes
Risk	Yes
Consultation	
Internal	Yes
External	Yes
Communication	
Communications Plan	Yes

1. Strategic Implications

1.1 The Community Plan/Single Outcome Agreement 2013 – 2023 lays out five outcomes 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
- (v) Creating a safe and sustainable place for future generations

1.2 This report relates to all these objectives by providing data through the Open Data Platform that would support innovation in all these areas.

Corporate Plan

1.3 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.

- 1.4 This report relates to all these objectives by providing data through the Open Data Platform that would support innovation in all these areas.

2. Resource Implications

Financial

- 2.1 The work on Open Data is funded by both the Council's Transformation Programme and the ERDF 8th City Strategic Intervention for smart cities. SP&R Committee approved a total funding of £316,000 to the Open Data Review in September 2015. Part of this funding is being used to draw down an additional £110,000 of funding from the ERDF Strategic Intervention which will be used to establish the Open Data Platform.
- 2.2 The Scottish Government has confirmed that current Structural Fund Programmes, which run until 2020, will continue as normal. If any changes were to be introduced to the Structural Funds, the earliest date that this would be considered is as part of the mid-programme review, in 2018. Most of the ERDF smart city projects – including this one - will be substantially implemented by the end of 2018.
- 2.3 Revenue expenditure on staff, development, maintenance and operational costs of the Open Data Platform will be met from the ERDF smart city funding for which the Council's Capital Budget allocation above is being used as match funding.

Workforce

- 2.4 An Open Data Co-ordinator is now in post to deliver the Project. There are no other workforce implications from the report.

Asset Management (land, property, IT)

- 2.5 The project will create data assets which would be managed through the Open Data Platform.

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 and concluded that it will not need an Environmental Impact Assessment.

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. The proposals will enhance economic development opportunities to the benefit of businesses and local communities and add to social and environmental enhancement.

Legal and Governance

- 3.7 The Head of Legal and Governance Services has been consulted on these proposals. There are no legal implications that are not covered by the licensing regime established by UK Government to cover the publishing of Open Data.

Risk

- 3.8 There are several risks associated with the proposed project all of which are being managed through the project management process and the subsequent process for publication of Open Data which will be established. They are:
- (i) Issues with acceptance of the Open Data approach by Council staff and stakeholders.
 - (ii) Risks of implementation of Open Data Platform with existing IT systems.
 - (iii) Insufficient capacity to deliver the Open Data Review and project whilst carrying out existing duties.
 - (iv) Risks of publishing personal or commercially sensitive data.

4. Consultation

Internal

- 4.1 The Director (Education and Children Services), the Director (Social Work), the Head of Democratic Services, the Head of Finance and the Head of Legal and Governance Services have been consulted in the preparation of this report.

5. COMMUNICATION

- 5.1 The project will be promoted as part of the Smart Cities Scotland and ERDF 8th City Strategic Intervention which will manage local and national media. There is a communication and engagement plan that is being developed by the ERDF 8th City Programme Management Office to engage with citizens and stakeholders.

6. APPENDICES

Perth and Kinross Council Open Data Strategy 2016-2020

Perth & Kinross Council Open Data Strategy

2016-2020



In Partnership with:



Contents

1	Background.....	
1.1	Purpose of this Strategy	
1.2	What is Open Data?.....	
2	Legislation and Strategy Context.....	
2.1	The Scottish Government Open Data Strategy	
2.2	EU INSPIRE (Infrastructure for Spatial Information in the European Community) Directive 2007	
2.3	Data Protection and Freedom of Information.....	
2.4	The Scottish Cities Alliance Smart Cities / ERDF 8 th City Programme.....	
2.5	Perth and Kinross Council Transformation Programme 2015-2020.....	
3	Implementing Open Data in Perth and Kinross	
3.1	Open Data Principles	
3.2	Working in Partnership.....	
3.3	Review and Monitoring.....	
4	Action Plan.....	
	Perth and Kinross Council Open Data Strategy Action Plan	
	Appendix A.....	
➤	5 Star Open Data Scheme	

Enquiries:

Tel: 01738 476377 / Ext. 76377

ddyoung@pkc.gov.uk

1 **Background**

1.1 **Purpose of this Strategy**

The purpose of this Open Data Strategy is to provide a framework for the development and use of open data in Perth and Kinross in both service and smart city planning. This Strategy presents the background to open data; sets out the principals of open data use by the Council; and outlines how Perth and Kinross Council will implement open data within the Council and in partnership with other organisations.

1.2 **What is Open Data?**

The Open Knowledge Foundation, a non-profit organisation dedicated to the open and transparent sharing of information, uses this definition of open data:

Open data is data that can be freely used, shared and built-on by anyone, anywhere, for any purpose.

The provision of data in open and linked forms is part of a global movement to create more innovative, accountable, efficient and effective government, communities and businesses. Locally, the availability of open data and its use by citizens and communities is also a key part of the Council's Transformation agenda seeking to develop more efficient and effective Council services.

Open data can apply to information from any source and about any topic. Anyone can release their data freely under an open government licence for use by and for the benefit of the public. Any organisation can open information including private businesses, universities, non-government agencies, charities, community groups and individuals.

The common reasons to open up data are:

- **Transparency:** In a well-functioning, democratic society citizens need to know what their government is doing. To do that, they must be able to freely access data and information and to share that information with other citizens.
- **Releasing social and commercial value:** In a digital age, data is a key resource for social and commercial activities. Everything from finding your local post office to building a search engine requires access to data. By opening up data, government can help the creation of economic and social value from it.

- **Participation and engagement:** Most citizens only engage with local government sporadically. By opening up data, citizens are enabled to be much more directly informed and engaged on an ongoing basis.

2 Legislation and Strategy Context

2.1 The Scottish Government Open Data Strategy

[The Open Data Strategy](#) published by the Scottish Government in February 2015 sets out an ambition for making data open and available for others to use and reuse. It sets out a number of national actions which will help to support public sector organisations as they implement their own open data publication plans. The Scottish Government encourages local authorities to have an open data publication plan in place and to publish their public data in a 3 * standard by 2017 (see Appendix A).

2.2 EU INSPIRE (Infrastructure for Spatial Information in the European Community) Directive 2007

At a European level, [the INSPIRE Directive of May 2007](#), establishes an infrastructure for spatial information in Europe. The Directive addresses 34 spatial data themes needed for environmental applications, with key components specified through technical implementing rules.

The Council has been participating in a national initiative, coordinated by The Improvement Service, which aims to develop a collective approach to spatial data sharing in response to INSPIRE.

2.3 Data Protection and Freedom of Information

There are several laws dealing with freedom of, and access to, information and the Scottish Information Commissioner is responsible for enforcing and promoting the following:

- [The Freedom of Information \(Scotland\) Act 2002](#) is an Act of the Scottish Parliament which gives everyone the right to ask for any information held by a Scottish public authority. The Scottish Information Commissioner now lists Open Data as a class of data within Scotland.
- The [Environmental Information \(Scotland\) Regulations 2004](#) (the EIRs) come from a European Directive on access to environmental information. The EIRs give everyone the right to ask for environmental information held by a Scottish public authority (and some other bodies).

- The [INSPIRE \(Scotland\) Regulations 2009](#) comes from the European Directive mentioned above, and create a right to discover and view spatial datasets (e.g. map data) held by Scottish public authorities.

Open data can act in tandem with this legislation to further enhance the Council's commitment to transparency, whilst also complying with existing data protection legislation. Where particular datasets raise potential issues in identifiability or commercial sensitivity, the Council will use case studies from other open data initiatives, along with the guidance of the Data Protection specialists within the Council to manage these risks.

2.4 The Scottish Cities Alliance Smart Cities / ERDF 8th City Programme

Open data is being developed as part of the **Scottish Cities Alliance's (SCA) Smart Cities Scotland** initiative and an associated **European Regional Development Fund (ERDF) 8th City Strategic Intervention**. The cities are also working together to identify common priorities and data sets, although each city will determine its own challenges and needs. A Data Cluster Working Group has been established by the cities and has begun collaborative working on four distinct work packages including data standards; data publishing platform; data analytics and community and capacity building.

2.5 Perth and Kinross Council Transformation Programme 2015-2020

An Open Data Review is one of the phase 1 projects of the Council's Transformation Programme for 2015-20.

Within the context of the Programme, the sharing and open access to datasets using common technical and data standards between council departments, and with other organisations, is seen as a vital part of the Transformation process. By turning data into intelligent and purposeful information and presenting it on an easily accessible Platform, there is the potential to accelerate innovation in service transformation.

In addition to sharing open data, the Open Data Platform will also include the provision for the internal sharing of data which may not necessarily be publicly releasable, but would still benefit from being opened up internally using the same organised, centralised data management principles behind the implementation of open data. A corporate review of data management is in progress within the Council which will assist with this process. The scope of the review includes Data Governance and Leadership, Data Quality, Business Intelligence and Master Data Management principles and techniques.

3 Implementing Open Data in Perth and Kinross

3.1 Open Data Principles

In 2013, the G8, the forum of eight of the world's leading industrialised nations, agreed to encourage open data in government, and established five principles by which this would be accomplished. The Scottish Government's Open Data Strategy published in 2015 is based on these G8 Open Data Principles, as shown in Figure 1 below:

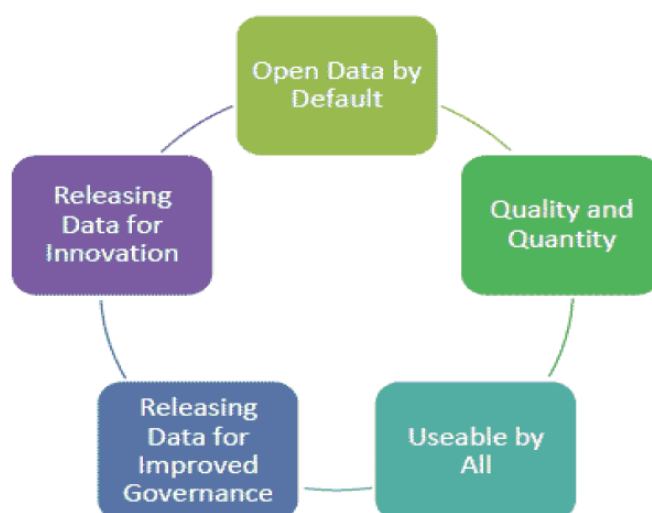


Figure 1: G8 Open Data Principles (Source: [Scottish Government](#))

Perth and Kinross Council endorses these principles as the basis of its own open data development, as follows:

Open Data “by Default”

There will be an assumption that data likely to be useful to the public or other users will be published in open data form by Council services, unless there are exceptional reasons not to and provided:

- The data is **non-personal data and aggregated or anonymised data** which cannot be used to identify individuals.
- The publication of open data should be authorised formally by the relevant data owner and to standards that will be set out by the Council which will be common across all Scottish cities.
- All data will be published under the [UK Open Government Licence v3.0](#).
- The Council will set out a timeframe for the release of data in open form in its Open Data Publication Plan by the end of 2017 as required by the Scottish Government.

Open data is still a relatively new concept and requires **organisational ‘culture change’** towards holding and releasing data. As such, buy-in at all levels from Council services and data owners will be absolutely essential to move towards a culture of ‘open by default’.

Engagement with internal and external data holders will be enabled through workshops and close cooperation with data holders. In addition, the Council will strive to make data on its website available under an open licence and in an open data-compliant format. In terms of staff awareness and training, the Council’s **Learn, Innovate, Grow** initiative will be utilised to inform the wider workforce of the potential benefits of open data.

Data Quality and Quantity

It may take time to prepare high-quality open data and it will therefore be necessary to achieve a balance between timeliness, quality and usability.

- The Council will aim to release good quality data with explanations and caveats to help any re-user understand the provenance (source) and limitations of data. The UK Open Government Licence provides legal protection for the data publisher.
- The Council will set out data quality standards as part of the Open Data Publication Plan
- The Council will **engage with the user community and set up procedures for reporting errors and receiving user feedback**, which will help improve the quality of our data.

Useable by all

All data will be published in formats which will allow easy reuse and redistribution. The Council will:

- Adopt the widely recognised 5 Star rating scheme of the Open Data Institute which provides a mechanism for assessing the maturity of the open data produced. (See Appendix 1).
- Where possible make data available in a 3 Star non-proprietary open format (e.g. Comma Separated Value (CSV) as a minimum).
- In the longer-term, the aim is to deploy datasets **using a commonly recognised set of identifiers called Uniform Resource Identifiers (URIs)** for important data items to allow bookmarking and linking, qualifying as 5 Star linked data under the above mentioned scheme.
- In addition to this, the Council will **provide informative and interactive visualisations** built with data from the platform to ensure that all, regardless of ability, can benefit from open data.

Key to this process is providing high-quality and informative Metadata (descriptive data about the datasets). The Council will aim towards complying with the [Dublin Core standard](#) as an intermediate solution, with an aim to comply with the [DCAT standard](#) for metadata in the longer term. DCAT is particularly suitable for '5-Star' linked data. Categories and tags to aid data discoverability will be added and the platform's data themes will also enable people to explore relevant data based on their interests.

Unless explicitly stated otherwise, datasets on the platform will be published under the [Open Government Licence v3.0](#), the widely adopted licence for UK public sector open data created by The National Archives.



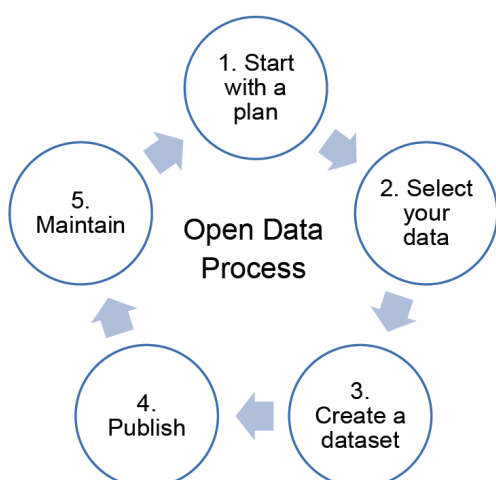
The Open Government Licence v3.0 allows the data user to

- Copy, publish, distribute and transmit the information;
- Adapt the information.
- Exploit the information commercially and non-commercially for example, by combining it with other information, or by including it in a product or application.

Improved Governance

Open data will contribute to improved governance and service delivery in the Council through:

- Encouraging better information sharing and management within and between public sector organisations, **reducing the tendency to 'silo' data in individual teams and services.**
- **Promoting analysis and discussion of the data with the public**, sharing time-consuming analysis for mutual benefit.



To assist with this process, Perth and Kinross will publish an **Open Data Publication Plan** to clarify what datasets will be released and to make any changes or limitations clear to the public. The Plan will be available through the Open Data pages of the Council's website, and will be periodically updated to reflect current and updated data available through the Open Data Platform, as part of a 'cyclical' process of planning, data selection, and publication. (Figure 2)

Figure 2: The 'Cyclical' Open Data Process: (Source: [Scottish Government](#))

- **A network of ‘Open Data Champions’** both inside and outside the Council will promote open data and encourage long-term cooperation on data publication and data quality.
- An **Open Data Publication Guide** will guide services through the process of data publication from selecting datasets to publication and maintenance.

Data for Innovation

Data will be published on the Perth and Kinross Open Data Platform with the specific purpose of encouraging innovative use of the data to help tackle issues faced by Perth and Kinross and the delivery of Council services. Tools including metadata will be provided to help users to access, understand and utilise the data and to foster innovation.

The Council will:

- **Seek to increase open data literacy** and encourage opportunities to allow citizens, academics, partner organisations and businesses to unlock the value of open, linked data
- **Encourage software developers to reuse the data**, generating further economic and social value.
- Aim to foster and encourage a **community of data users** through events such as ‘hackathons’ and continuous engagement, in order to create a sustainable environment for open data in the longer term.

3.2 Working in Partnership

The Council intends that the Open Data Platform should be a source not only for Council data, but also as a place where data from communities and partner organisations can be hosted and presented.

Working closely with our Community Planning partners through the emerging Local Community Planning Partnerships (LCPPs) and the ‘Stories of Place’ associated with them, the Council will:

- **Establish and maintain contact with external stakeholders** from the public, private and voluntary sector. The Council will encourage two-way cooperation by offering greater access to Council data and developing community-generated data.
- **Consult with a wide range of Council services and external partners** to ensure that the full extent of local expertise is being utilised in data selection.

3.3 Review and Monitoring

The availability of datasets on the PKC Open Data Platform will be advertised in the appropriate locations, including HM Government's register of open data at <http://data.gov.uk> and also at <http://www.pkc.gov.uk/>.

The currency and validity of the published data sets on the Open Data pages will be monitored through data governance mechanisms within the Council and in co-operation with the other Scottish cities.

Further details and updates on Perth and Kinross Council's open data work can be found on the Council's webpages for open data.

4 Action Plan

An initial action plan is shown below. It focuses on the development and publication of the Open Data Publication Plan by December 2016 with the aim of publishing all applicable Council data in at least 3* format by December 2017. The ERDF 8th City Open Data Project will deliver several of the key deliverables of the Open Data Strategy including the Open Data Platform, to be procured with the other Scottish cities. A review of progress on the implementation of the Strategy will take place in September of each year to 2020.

Perth and Kinross Council Open Data Strategy Action Plan

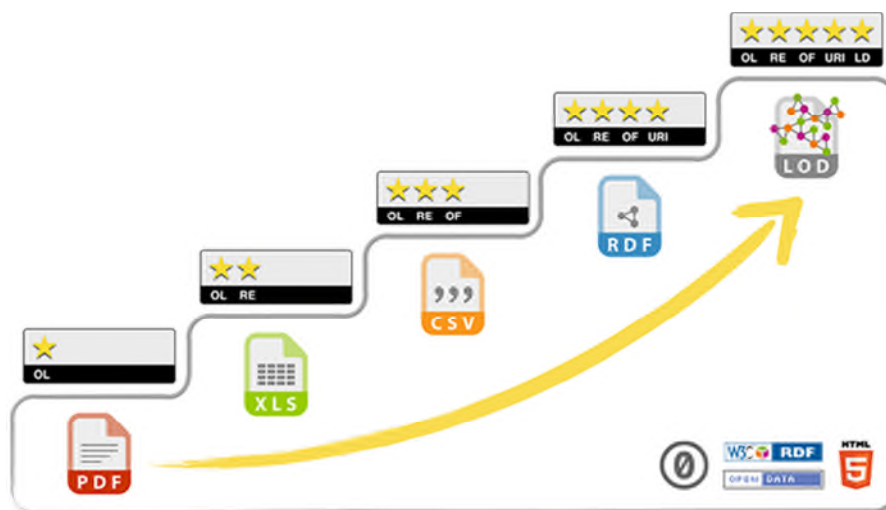
Activity	Milestones	Timescale	Outcomes	Responsibility
Open Data Strategy approval	Draft approved by EOT in June and SP&R Committee September 2016	September 2016	Approved Open Data Strategy to guide corporate work	Open Data Co-ordinator and Project Team
Open Data Publication Plan Approval and Publication	Drafts presented to SMTs during April/May, final drafts Sept/Oct 2016, publication Dec 2016	December 2016	Approved Open Data Publication Plan to guide publication of data sets	Open Data Co-ordinator and Project Team
Implementation of a governance structure and process for publication open data within the Council, including a project group and network of 'Open Data Champions'	Allocation of roles by SMTs in autumn 2016	December 2016	Identified role of 'Open Data Champion' in each service and Open Data Publication Guide for services to use	Open Data Co-ordinator and Project Team
Review of implementation of Open Data Strategy	Appraisal of progress in September annually	September 2017 / 2018 / 2019/ 2020	Assessment of impact and effectiveness of open data on the Council and area	Open Data Co-ordinator and Project Team
Aim to publish all applicable Council data as open data, at least at the 3* format (detailed in Appendix A)	Publication schedule for datasets approved Dec 2016	December 2017	Good range of data sets covering all service areas – data being used for service reform and city planning and management	Open Data Co-ordinator and Project Team/Board
Completion of deliverables linked to ERDF 8 th City Open Data Cluster work packages (Standards; Data Platform; Data Analytics; Capacity Building).	Milestones to be confirmed by cities	December 2018	Common standards and data platform established across cities. Shared approaches to data analytics and capacity building,	Open Data Project Team/"8 th City" ERDF Data Cluster and Programme Management Office

➤ 5 Star Open Data Scheme

[The 5 Star Data Scheme](#) is a widely-recognised method of categorising and ranking datasets by the level to their level of openness, based on factors including how effectively the data can be reused. Reaching three stars is relatively achievable for most bodies, while the four and five stars require additional capacity. Scottish Government's aim is for all bodies to publish to the 3 star standard by Dec 2017.

★	One star is the least open with data available under an open licence online, but not in a machine-readable format (e.g. PDF) limiting its use.
★★	Two star is data available online in a machine-readable , but proprietary format (e.g. Word, Excel/XLS) again limiting use.
★★★	Three star is data available in a machine-readable, non-proprietary format (e.g. CSV, JSON, XML) allowing data manipulation.
★★★★	Four star is where data complies with the Resource Description Framework (RDF) and has a Uniform Resource Identifier (URI), similar to a website's URL, allowing it to be searched for and found.
★★★★★	Five star is the most open data – where data has a URI, and is also Linked Open Data (LOD) with other sources creating context and assisting understanding.

Visualisation of 5-Star Data Scheme (Source: [5stardata.info](#))



Key	
PDF	– Portable Document Format is a widely-used file format but difficult to edit or extract data from.
XLS (Or XLSX)	– The standard Microsoft Excel format for spreadsheets.
CSV	– Comma Separated Values - A format for tabulated data, similar to an XLS, but with a lighter file size and a simpler structure with commas separating the data values. Can be opened and edited in Excel.
XML	– Extensible Markup Language is a file format that is designed to store and display complex data in a way that allows for it to be easily categorised and sorted by computers and humans.
JSON	– A similar format to XML, used for similar purposes, but with a less complicated layout.
RDF	- Resource Description Framework describes things and their relationships with other things.
LOD	– Linked Open Data is structured data so it can be interlinked to establish relationships.
OL = Open License. RE = Machine Readable. OF = Open Format. URI=Uniform Resource Identifier. LD=Linked Data	

