AGENDA ITEM 3

DRAFT

FALKIRK COUNCIL

MINUTE of MEETING of the EXECUTIVE held within the MUNICIPAL BUILDINGS, FALKIRK on TUESDAY 17 MAY 2016 at 9.30 a.m.

COUNCILLORS:

David Alexander
Jim Blackwood
Tom Coleman
Dennis Goldie
Gerry Goldie
Linda Gow
Adrian Mahoney
Craig Martin (Convener)
Dr Craig R Martin
Alan Nimmo
Robert Spears

OFFICERS:

Rhona Geisler, Director of Development Services
Rose Mary Glackin, Chief Governance Officer
Brian Pirie, Democratic Services Manager
Mary Pitcaithly, Chief Executive
Stuart Ritchie, Director of Corporate and Housing Services
Alistair Shaw, Development Plan Co-Ordinator
Bryan Smail, Chief Finance Officer

EX8. URGENT BUSINESS

The Convener stated that, in accordance with Standing Order 9.1, he had determined that an additional item of business should be added to the agenda, namely a report by the Director of Development Services on an application for funding. The Convener was of the opinion that the item should be considered as a matter of urgency given that the funding related to a planned march in Falkirk on 25 June 2016.

EX9. APOLOGIES

An apology was intimated on behalf of Councillor Nicol.

EX10. DECLARATIONS OF INTEREST

No declarations were made.

EX11. MINUTE

Decision

The minute of the meeting of the Executive held on 26 April 2016 was approved.

EX12. JOINT CONSULTATIVE COMMITTEE – 19 APRIL 2016

- **DISPUTES POLICY**
- **GRIEVANCE POLICY**
- **CROWN OFFICE AND PROCURATOR FISCAL SERVICE LETTER**

The Executive considered a report by the Director of Corporate and Housing Services presenting revised Disputes and Grievance policies for approval. The policies had been considered by the Joint Consultative Committee on 19 April 2015 and were referred to the Executive for immediate implementation.

Additionally the Joint Consultative Committee had referred a report for noting on the outcome of the Glasgow Fatal Accident Inquiry concerning the bin lorry incident of 22 December 2014.

Decision

The Executive agreed to:

(1) implement the Disputes and Grievance Policies; and

(2) note the report on the Crown Office and Procurator Fiscal Service Letter.

EX13. CORPORATE RISK MANAGEMENT – POLICY AND FRAMEWORK

The Executive considered a report by the Director of Corporate and Housing Services presenting the Corporate Risk Management Policy and Framework, which had been referred to the Executive by the Audit Committee of 18 April 2016.

Decision

The Executive agreed to approve the Corporate Risk Management Policy and Framework and its immediate implementation.

EX14. CONSULTATIVE DRAFT DEVELOPMENT FRAMEWORK FOR THE MADDISTON EAST STRATEGIC GROWTH AREA

The Executive considered a report by the Director of Development Services presenting a draft Development Framework for the Maddiston East Strategic Growth Area (SGA).

The Local Development Plan (LDP) identified Maddiston East as one of 12 Strategic Growth Areas in the Council area. The SGAs provide the focus for residential growth over the period of the LDP.

The Maddiston East area comprises 6 development sites, 5 of which are included within the Development Framework which sets out how these sites should be developed so as to provide a cohesive and sustainable extension to the village. The draft Framework provides guidance for landowners and developers on planning, design and infrastructure requirements.

It was proposed that a 6 week consultation on the draft Framework is undertaken prior to final consideration.

Decision

The Executive approved the draft Development Framework for the Maddiston East Strategic Growth Area, for consultation.

EX15. BUSINESS TRANSFORMATION – STRATEGIC PROPERTY REVIEW

The Executive considered a report by the Director of Development Services seeking authority to engage HubCo to undertake a strategic property review.

Council agreed, on 16 December 2015 (ref FC3), to a strategic assessment of the Trust's service delivery and property portfolio which would interface with the current review of the Council's own asset portfolio.

The report set out the proposed scope of the strategic review together with expected outputs for the 2 main phases of the project. The aim of this review is to analyse current stock, including that managed by Falkirk Community Trust, against collective service needs to inform the 2017/18 budget process.

Decision

The Executive agreed:-

(1) the scope of the Strategic Property Review and Project Plan as detailed in the report; and

(2) to appoint HubCo to progress the review.

EX16. TRAFFIC MANAGEMENT ARRANGEMENTS FOR MARCHES, PROCESSIONS AND PARADES

The Executive considered a report by the Director of Development Services requesting the suspension of fee charges in relation to the promotion of Temporary Traffic Regulation Orders (TTROs) to support the arrangements for marches, processions and parades.

Police Scotland had recently advised the Council that nationally it would no longer provide traffic management support at public marches, processions and parades.

As a licensing authority, the Council is required to have regard to the likely effect of any march, parade or procession on public safety; public order; damage to property and disruption to the life of the community. This includes ensuring that traffic is managed in a way which secures public safety. In the absence of police support, traffic at such events can be regulated by the promotion of a Temporary Traffic Regulation Order (TTRO). In order for a TTRO to be promoted the Council must be satisfied that

effective traffic management arrangements will be put in place by the event organiser. A charge of £725 was imposed for each TTRO required for an event.

Research indicated that nationally neither the Licensing Authorities' nor Police Scotland's approaches to traffic management for such events was consistent. It was proposed that the Council's procedures were reviewed, and in the meantime, to suspend the charge for TTROs in regard to marches parades and processions.

Decision

The Executive agreed:-

(1) to suspend the relevant fee for Temporary Traffic Regulation Order applications where they relate to traffic regulation in respect of marches, processions and parades and other community based activities which suspension shall be in place until the review has been completed and considered by members or a period of 6 months, whichever is the shorter;

(2) to request that the Leader of the Council write to the Cabinet Secretary for Justice expressing the Council's concerns regarding the position taken by Police Scotland; and

(3) to request that the Chief Executive raises the issue with COSLA seeking the introduction of a national approach.

EX17. TRAFFIC MANAGEMENT ARRANGEMENTS – REQUEST FOR SUPPORT

The Executive considered a report by the Director of Development Services advising of a request for financial support to help defray traffic management costs for a parade due to take place in Falkirk on 25 June 2016. The report was linked to the immediately preceeding one dealing with TTROs and the recently advised change in practice by Police Scotland.

The request for a cost sharing approach had been made by the Loyal Orange Institution of Scotland Falkirk Branch 36. In support of their application, the organisation had set out certain benefits they considered would accrue to the local economy.

Councillor Blackwood, seconded by Councillor C Martin, moved that the Executive *agrees to the request by the Loyal Orange Institution of Scotland Falkirk Branch 36 for funding in the sum of £1,145.*

As an amendment, Councillor Alexander, seconded by Councillor Coleman, moved, in substitution for the motion, that the Executive *does not agree to the request on the following grounds:-*

(1) *the impact on the local community grant fund;*

(2) the decision taken previously at this meeting in regard to the cost of Temporary Traffic Regulation Orders effectively gives a subsidy; and

(3) it doesn't meet the local criteria.

The Executive then adjourned, at 11.40 a.m. to allow members of the Administration to consider the terms of the amendment, and reconvened at 11.50 a.m. with members present as per the sederunt.

On a division 8 members voted for the motion, 2 voted for the amendment and 1 abstained, with voting as follows:-

For the motion (8) - Councillors Blackwood, D Goldie, G Goldie, Gow, Mahoney, C Martin, Dr C R Martin and Nimmo.

For the amendment (2) – Councillors Alexander and Coleman.

Abstention (1) – Councillor Spears.

AGENDA ITEM
4

DATA PROTECTION

FALKIRK COUNCIL

Subject: **DATA PROTECTION**
Meeting: **EXECUTIVE**
Date: **7 June 2016**
Author: **DIRECTOR OF CORPORATE AND HOUSING SERVICES**

1. INTRODUCTION

1.1 Members may be aware of a data breach by the Council in March 2015, and the subsequent investigation by the Information Commissioner's Office (the ICO) into that incident. The Council's Chief Executive gave an undertaking to the ICO in November 2015 to improve on certain of the Council's practices in relation to data protection.

1.2 The purpose of this report is to provide Members with an update on work carried out in response to the undertaking and to seek approval of a new Data Protection Policy, as required by the undertaking.

2. BACKGROUND – ICO UNDERTAKING

2.1 The Council is a data controller as defined by the Data Protection Act 1998 (the Act). It has a duty to comply with the data protection principles set out in the Act in relation to all personal data in respect of which it is a data controller.

2.2 The data breach, which led to the undertaking, occurred following a subject access request (a request for information under the Act by an individual). The individual received the expected documents from the Council, with further documents relating to an unrelated third party.

2.3 The Council self-reported the breach to the ICO, which then investigated the incident and looked for the Council to enter into an undertaking to take certain actions to comply with the seventh data protection principle. The principle is that:

Appropriate technical and organisational measures shall be taken against unauthorised or unlawful processing of personal data and against accidental loss or destruction of, or damage to, personal data.

3. SUMMARY OF PROGRESS

3.1 The table overleaf reports on progress against each of the 4 parts of the undertaking:

	Undertaking	Action
1	Within nine months, training will be provided to all staff members who handle personal data as part of their job role. This training will be mandatory and will be refreshed annually.	A short life working group has been established with representation from each Service to ensure that all staff who handle personal data are identified. Those with access to a Council computer are to complete an online training module. Those without access to a computer are to receive other forms of training. In both cases, training must be provided between 1 December 2015 and 31 August 2016 ie within the 9 month period stipulated by the undertaking. Thereafter, training will be repeated annually.
2	Within six months, a process for monitoring attendance at such training, or completion of online training, will be implemented, including steps to be taken when staff members have not attended/completed training. Corporate training KPIs will be reported to and over seen by a relevant senior management group or board.	The working group has agreed on the format of statistics to be reported to the Corporate Management Team annually. Failure to complete training will be considered a failure to follow a reasonable management instruction, and therefore subject to disciplinary action in the unlikely event that is necessary.
3	Within six months, improved guidance will be issued to staff members who routinely handle subject access requests. This will include details of the requirements of the Data Protection Act 1998 and how third party data should be dealt with.	Updated guidance has been prepared, reviewed by the working group, and added to the Council's intranet. This will be rolled out to staff who routinely handle subject access requests via the FOI/DPA Liaison Officers Group. The guidance is based on the ICO's own detailed guidance on subject access requests.
4	Within six months, produce a high level Data Protection Policy, setting out the data controller's commitments to the protection of personal data and the general standards it will adhere to. This is to be communicated to all relevant staff members within one month of completion, should link to the aforementioned subject access guidance and should be referenced in the mandatory training.	A data protection policy has been drafted, and is presented to Members for approval with this report (see Appendix). Once approved, the policy will be communicated to all staff and referred to in the mandatory training and on the data protection pages on the Council's intranet.

4. DATA PROTECTION POLICY

4.1 The proposed new policy is attached as an appendix to this report. The policy will supplement the existing Information Security Policy and Data Protection Guidelines, both of which are now due for review. Putting a new high-level policy in place is an opportunity for the Council to renew its commitment to adhering to the data protection principles.

4.2 The policy sets out 8 high level commitments, and includes a glossary and a summary of the data protection principles. Each of the 8 commitments will require further work to ensure compliance across the Council, including review of existing policies and procedures. This work will be taken forward by the Council's Information Governance Manager.

5. RECOMMENDATIONS

It is recommended that Members:

5.1 **approve the Data Protection Policy; and**

5.2 **note the steps taken by Officers to ensure compliance with the undertaking given to the ICO.**

..... ……..

DIRECTOR OF CORPORATE AND HOUSING SERVICES

Date: 25 May 2016

Ref: AAB070616 – Data Protection - WMB/LA/DP/31

Contact Officer: Wendy Barber, ext: 6043

APPENDIX

DATA PROTECTION POLICY

We process personal data in order to carry out our statutory functions. We are registered with the Information Commissioner's Office (ICO) as a data controller.

We are committed to protecting personal data and complying with the Data Protection Act 1998 (the Act) and the 8 data protection principles.

In terms of our Financial Regulations, the Director of Corporate and Housing Services, in consultation with the Chief Governance Officer, is responsible for ensuring that the requirements of the Act are complied with. Each Service Director is responsible for compliance with the Act by employees within their Service.

Our 8 core commitments

1. We will ensure that proper policies and procedures are in place to ensure compliance with the Act, in particular in the areas of Information Security and Records Management.
2. We will ensure that all staff who handle personal data understand their responsibilities under the Act and receive appropriate training annually.
3. We will ensure that our information technology systems protect the availability, integrity and confidentiality of personal data.
4. We will ensure that we tell data subjects what we will do with their personal data, by the use of fair processing notices.
5. We will ensure that procedures are in place to deal with subject access requests in line with the Act, and that we uphold other rights of data subjects under the Act.
6. We will ensure that we only share personal data with other organisations when appropriate and that it is shared safely and securely. Information sharing agreements will be put in place where regular sharing takes place.
7. We will ensure that we include appropriate clauses in contracts with third parties where they process personal data on our behalf.
8. We will ensure that any data breaches are handled in line with the ICO's guidance on data security breach management. All breaches will be recorded in a central log maintained by the Chief Governance Officer. Any serious breaches will be reported to the ICO.

Compliance with this policy, and related policies and procedures, is a condition of employment.

This policy will be reviewed every 3 years.

Summary of data protection principles

1. Personal data must be processed fairly and lawfully.
2. Personal data must be processed for limited purposes.
3. Personal data must be adequate, relevant and not excessive.
4. Personal data must be accurate and up-to-date.
5. Personal data must not be kept for longer than is necessary.
6. Personal data must be processed in line with the data subject's rights.
7. Personal data must be secure.
8. Personal data must not be transferred to other countries without adequate protection.

Glossary

Data
Recorded information of any kind, including information held in a form which can be processed by computer.

Personal data
Data which relates to a living individual who can be identified (a) from that data or (b) from that data and other information in the possession of the data controller. This includes an expression of opinion about the individual.

Data controller
A person who determines the purpose for which, and the manner in which, any personal data are, or are to be, processed.

Processing
Includes obtaining, recording, holding, using, adapting, altering, disclosing, deleting or erasing.

Data subject
An individual who is the subject of personal data.

Subject access request
A written request by an individual to a data controller under section 7 of the Act, usually for any personal data processed by the data controller of which s/he is the data subject.

AGENDA ITEM
5

COMMUNITY EMPOWERMENT (SCOTLAND) ACT 2015

AGENDA ITEM 5

FALKIRK COUNCIL

Subject: **COMMUNITY EMPOWERMENT (SCOTLAND) ACT 2015**
Meeting: **EXECUTIVE**
Date: **7 JUNE 2016**
Author: **DIRECTOR OF CORPORATE & HOUSING SERVICES**

1. INTRODUCTION AND BACKGROUND

1.1 Members will recall a previous report to Executive in which a commitment was made to update Members of any progress in relation to the Community Empowerment (Scotland) Act 2015. The report informs Members on the areas of the Act where draft guidance or regulations have been issued for consultation, provides a summary and a proposed response on these. The report also provides Member with information on progress in relation to locality planning and participatory budgeting as well as other key aspects of the Act.

2. BACKGROUND

2.1 The Community Empowerment (Scotland) Act 2015 was passed by the Scottish Government on 17th June 2015. It is still the case that in most cases secondary legislation and guidance have to be developed before the legislation can come into full effect. It still is expected that most parts of the legislation will come into being within the next year.

2.2 The Act was drafted in response to recommendations in the Christie Commission Report that highlighted one of the best ways to improve well-being and tackle deprivation was to involve people and communities in decisions that affect them. Overall the Act hopes to empower communities through the ownership and control of land and buildings and by strengthening their voices in decisions about public services.

2.3 The Community Empowerment (Scotland) Act 2015 is a wide ranging piece of legislation designed to further devolve power from local and national government to local communities. There are 11 topics covered by the Act:

- National Outcomes;
- Community Planning;
- Participation Requests;
- Community Right to Buy;
- Asset Transfer Functions;
- Delegation of Forestry Commission Functions;
- Supporter Involvement in Football Clubs;
- Common Good,
- Allotments;
- Participation in Public Decision Making including Participatory Budgeting and
- Non Domestic Rates.

Consultation papers have been issued on:

- Draft Guidance and Regulation for Community Planning – Closing Date – 13 June 2016. community planning guidance
- Draft Regulations on Participation Requests – Closing Date – 15 June 2016. participation request regulations
- Draft Regulations on Asset Transfer – Closing Date – 20th June 2016. asset transfer procedures and
- Secondary legislation relating to part of the land reform Act (which is part of the new duties in relation to Community Right to buy). Closing Date – 20 June 2016. abandoned land

2.4 This report will focus on these elements of the Act. It is worth noting that Regulations are a type of secondary legislation and set out detail or technical issues and are a matter of law. Guidance gives advice about what to do about the Act and the regulations i.e. more practical advice on how to implement and take forward the Act. Each of the responses was issued separately and should be responded to separately. The closing date for all responses is different and noted above.

3. COMMUNITY PLANNING

3.1 This part of the Act sets out updated expectations with regards to community planning. Members will be aware that the responsibility for leading and delivering community planning came into being in the Local Government Scotland Act 2003. This Act amends and changes the role local authorities have in community planning from that of a lead to being an equal partner. The previous report to the Executive noted the partners and individuals listed in the Act.

3.2 The Act requires that community planning must be carried out by local authorities and a number of individuals and organisations. Local authorities, the organisations and persons listed in the Act have to work with each other and community bodies to improve outcomes delivered by public services.

3.3 Community Planning Partnerships (CPPs) will also be required to consider which organisations are likely to be able to contribute to community planning. They will have to have particular regard to community bodies or organisations which can represent people experiencing poverty. They will have to make all reasonable efforts to secure the participation of those community bodies in community planning and to take reasonable steps to enable the community body to take part.

3.4 Community bodies are defined as groups of residents that come together and are established for any purpose in the area of the Community Planning Partnership. The group can reflect communities of interest as well as geographic communities.

3.5 The Act requires that a Community Planning Partnership must act with a view to reducing inequalities of outcome which result from socio-economic disadvantage unless the partnership decides that it would be inappropriate to do so.

3.6 The draft guidance and regulations provides community planning partners with a set of principles. These set out the expectations the Scottish Government has of community planning and cover a number of issues including

- Shared leadership
- Governance and accountability
- Community participation and co-production
- Focus on prevention
- Tackling inequalities
- Resourcing improvement
- Effective performance management.

3.7 The principles underpinning these headings are set out in appendix 1 of this report.

3.8 The draft guidance and regulations also make provision for two mandatory plans - a Local Outcomes Improvement Plan and Locality Plans.

3.9 The first of these is the production and publication of a Local Outcomes Improvement Plan (LOIP). Within Falkirk our new Strategic Outcomes and Local Delivery Plan (SOLD) will meet the statutory requirement for a LOIP. The guidance requires this to be in place and signed off by 1 October 2017. The new Strategic Outcomes and Local Delivery Plan will hopefully be signed off by the Community Planning Partnership board at its meeting on the 8 June. This will then be subject to further work re delivery plans by key delivery groups such as the IJB, Children's Commission etc. It is hoped that the new Plan will be ready to present to Council at its meeting towards the end of June 2016.

3.10 The other requirement covers Locality Plans, which are focused on tackling the most significant local inequalities, and are underpinned by meaningful engagement, with and participation by, local communities in the determination of local priorities. They need to be based on a sound understanding of local communities' needs, circumstances and opportunities. All key Community planning partners need to agree the content of Locality Plans. They also need to be reviewed and kept up to date. Locality Plans need to be in place for 1 October 2017.

3.11 We have been asked to respond to 9 questions in relation to Community planning – the questions and the Councils response to the questions are attached as Appendix 2.

Progress on the development of Locality Planning

3.12 As stated previously the Community Empowerment (Scotland) Act 2015 requires that Community Planning Partnerships develop locality plans which address issues of inequality. The main purpose of locality planning is to ensure that we identify where within defined localities communities and individuals are disadvantaged and suffer inequalities. The suggestion within the guidance is that locality plans should cover populations of less than 10,000 people furthest from achieving outcomes and put in place interventions to address these inequalities. As a key partner within the Community Planning Partnership and already having a Community Participation Strategy, the Council is well placed to shape and support this work.

3.13 The purpose of a locality plan is to determine:

'local outcomes to which priority is to be given by the Community Planning Partnership with a view to improving the achievement of the outcomes in the locality […]a description of the proposed improvement in the achievement of the outcomes, and […]the period within which the proposed improvement is to be achieved.'

3.14 In order to progress locality planning the new SOLD sets out a general framework for locality planning underpinned by participatory budgeting. This framework builds an outcome improvement process with measurable targets and a timeline within locality and more focussed community action plans. Locality plans must be clear on what action will be taken by each partner within a locality and more specifically focussed on local communities to address priorities and achieve outcomes. This will fully integrate with the SOLD.

3.15 Locality planning will provide an opportunity for community groups and organisations across the Falkirk Council area to play a part in identifying key local actions, to be involved in defining how relevant outcomes can be achieved and to propose ways in which the community can draw on its local knowledge, organisation and people to shape their communities.

3.16 Locality planning must therefore be underpinned by effective community engagement. We need to ensure that the framework is inclusive and facilitates engagement and participation from local communities, whether they are geographically based or of interest. The Council's Community Participation Strategy has been used to help inform this proposal for locality planning.

3.17 In order to meet the requirements of the Community Empowerment Act and to progress our own planning needs it is proposed that Community Planning is developed across three main levels within the Falkirk Council area. These are:

Strategic Level

- The Community Planning Leadership Board will be responsible for establishing local outcomes and priorities for the Council area. These will be articulated in the SOLD Plan and underpinned by a variety of delivery groups comprising of a range of agencies including the key public sector agencies. A collection of delivery plans will underpin the SOLD including the Strategic Delivery Plan for Health and Social Care, the Economic Development Strategy etc.

Locality Level

- It is proposed that three localities will form the basis of locality planning i.e. three multi member wards combined across the area. . These are: Central – Falkirk including Hallglen, East – Bo'ness, Grangemouth, Polmont and the upper Braes, West - Bonnybridge, Denny, Larbert and Stenhousemuir. These areas will be the basis for locality plans. These plans will initially set out the outcomes within the SOLD and how these are being achieved at this locality level. This will highlight where in each locality there are issues about achieving those outcomes within different communities that make up the localities. Planning for services etc. will also be developed at this level and have regard to the specific communities that make up these localities. Localities are based on three multi Member wards per locality.

Community Level

- It is at community level where solutions will be developed through Community Action Plans. Community Action Plans will be designed to tackle the issues underpinning priorities and local outcomes developed at locality level. Community Planning partners will identify a number of appropriate officers to work with local communities in developing Community Action Plans and support them on their delivery. Work at community level will be reported upwards to the locality structure (whatever that may be) to assure that sufficient progress is being made on actions underpinning the attainment of local priorities and outcomes. This level of planning will replace and supercede the existing local community planning framework and will fulfil the requirement to plan for communities of 10,000 people or less.

3.18 These proposals are at an early stage in their development and further work needs to be carried out to ensure that proposals are robust and can be delivered practically. However before progressing further, I am seeking approval in principle to progress on the basis outlined above. This will allow officers to have further discussions with partners to start the development of this complex framework.

Participatory Budgeting

3.19 One tool which can be used to help stimulate community engagement in locality planning and local solutions is Participatory Budgeting (PB). This offers a means of directly involving local people in the identification of spending priorities and the allocation of money within a defined public budget. It is aimed at strengthening participatory democracy; improving service delivery; improving the quality of local, well-targeted investment; empowering communities and providing an insight on how public bodies financially plan and take decisions. This is designed to put local people more at the centre of influence and decision making on the public services that they use. This does not replace local democracy or the decision making authority of Elected Members.

This is an element of the Community Empowerment Act which has not been subject to specific guidance. However, as other Councils and areas are progressing this already with central support it is important that we consider our approach to this in order to firstly take advantage of any further support the Government is offering and secondly to underpin our approach to locality planning.

3.20 At this stage therefore we are proposing a simple approach to PB which will allow communities, working in tandem with local Elected Members and partner organisations, to have their say on how an allocated amount of money for their area or area of interest should be spent. We would require that any money is allocated in accordance with the local priorities derived as a result of this planning framework and that what is achieved as a result is reported in an open and accountable way. We will ensure that the reporting mechanism to be used is both simple and easy to complete.

3.21 We therefore propose to develop a proof of concept in year 1, to mainstream within a rolling programme of PB thereafter. The proof of concept will take place in each of the 3 localities in year 1, taking the lessons we learn into other communities of place and interest in later years. This will allow the partnership to test and embed good practice into mainstream activity after year 1. We are particularly keen to learn how effective community-generated solutions are in comparison to the traditional ways we have allocated money in these areas. All those involved in PB will be able to give their input on how the approach has worked and on how we can improve it further.

3.22 This year, the Scottish Government has made £2m available through the Community Choices Fund to support the development and implementation of PB across partnerships. While PB is a statutory requirement, it also is an exciting opportunity to incentivise citizen participation in the Council area. It potentially offers opportunities to strengthen partnership working within the CPP and beyond, into our communities. Last year £500,000 was allocated across 20 local authority areas. It is anticipated that this year all 32 CPP's will seek support. It is therefore important that we make an application to this fund to support our efforts in this regard.

3.23 The application process for the funding will be, we anticipate, open in late May/early June. It is expected to be a highly competitive process. It is likely there will be two streams, one specifically for public authorities and one for community anchor organisations (which include Housing Associations and Community Councils). To access significant amounts of funding from here would require a degree of innovation in our approach to PB. There is certainly scope to do so, given the predilection for the community grants approach in Scotland. It is therefore proposed that an application for development funding is prepared and that during the coming weeks further work is done on preparing a model of PB that supports our outcomes and locality planning model.

3.24 In order to progress this work and to make the most of the opportunities that are available officers are seeking approval from Members in order to progress this approach.

4. PARTICIPATION REQUESTS

4.1 Draft regulations have been issued for Participation Requests. The Community Empowerment Act sets out a mechanism for community bodies to put forward their ideas for how services could be changed to improve outcomes for their community. This is called a Participation Request. There is a wide definition of what constitutes a community body for the purposes of submitting a participation request. The definition of outcomes is also broad. This will mean the Council or a public services authority will have a duty to establish and maintain an outcome improvement process. It is not clear in the regulations how or if this is related to the Local Outcome Improvements Plan or indeed locality planning. However this may become apparent once guidance is issued on this aspect of the Act.

4.2 The regulations summarise four stages of the participation request process:

- Making a request
- Decision
- Outcomes Improvement Process
- Reports

Making a request

4.3 A participation request has to be made in writing by a participation body that wants to take part in an outcome improvement process. The regulations suggests the use of a statutory form as part of the legislative process to help participation bodies make requests and to provide a means of processing and monitoring requests. The consultation document on the regulations states that the final guidance will give more information on the details and examples of how to complete the form.

4.4 Once a participation request has been made the Council and other public bodies must acknowledge receipt of the request and provide a validation date (which is the date on which all the information required has been provided). If the community participation body does not provide all the information required, the public service authority has to notify the body identifying the information required in order to comply with requirements.

4.5 If the community participation body includes a request that more than one public service authority should participate in the outcome improvement process then the lead authority (i.e. the organisation or agency to whom the request was made) should:

- notify the additional public service authorities of the request;
- inform the additional public service authorities of the validation date; and
- send a copy of the participation request and the information provided by the Community participation body to each additional public service authority.

The additional public service authorities must inform the lead public service authority whether it wishes to participate and if it does not, the reasons for that decision. The current draft suggests that should be done within 14 days.

4.6 If a participation request is received and in the opinion of the receiving authority it is felt that the involvement and input of other public service authorities was necessary, they can be included within an established or proposed outcome improvement process. In this case, the receiving authority would be the lead in terms of the decision notice and the other public service authorities are expected to contribute as required.

4.7 It would be the responsibility of the lead public service authority in receipt of the request to secure the agreement of the other public service authority to contribute to the participation request as required. The Council will therefore receive these requests from other public bodies and will need to determine how to respond.

Decision

4.8 The Council and other public service authorities have to agree to or refuse any participation request it receives. As well as considering the reasons set out in the participation request put forward by the community participation body, the Council or other body must consider a number of other factors including:

- Whether agreeing to the request would be likely to promote or improve: economic development, regeneration, public health, social wellbeing, environmental wellbeing.
- Whether agreeing to the request would be likely to reduce inequalities of outcome which result from socio-economic disadvantage.
- Whether agreeing to the request would lead to an increase in participation and any other benefits that might arise.

The Council must agree to the request unless there are reasonable grounds for refusing it. Should the Council refuse the request then they must set out the reasons for their decision.

4.9 The Council has to therefore decide how to assess requests. The guidance may set out a broad range of factors with an emphasis on improvement and reducing inequalities. It is expected that the guidance will contain information on helpful approaches to an assessment process. However the regulations provide no information on this.

4.10 Once a decision has been made, a decision notice must be provided. As well as informing the requesting organisation, the decision notice must be published on a website – it is assumed this is the Councils website.

4.11 Once a decision notice has been given agreeing to a participation request then the Council will:

- Describe the outcome improvement process;
- Specify what stage it has already reached;
- Set out how the community participation body will participate in the process; and
- Identify others that are part of the process and how they will participate.

4.12 This is to allow a community participation body to join a relevant outcome improvement process and participate in that process.

4.13 If an outcome improvement process has not been established then the decision notice will:

- Describe how the outcome improvement process will operate;
- Explain how the community participation body is expected to participate; and
- Describe how any other persons are expected to participate in the process.

Outcomes Improvement Process

4.14 The Act sets out the process which happens if an outcome improvement process is to be established. It allows a community participation body to propose changes to the Council (within a 28 day period) to the outcome improvement process. The Council must then take account of any proposals. The Council must publish on a website (or by other electronic means) information about the outcome improvement process including the names of the community participation bodies and public service authorities which are involved in the outcome improvement process, the outcome to which the outcome improvement process relates and how the outcome improvement process is to operate.

Reporting

4.15 The Council and other public authorities must report on participation requests and the outcome improvement process. When an outcome improvement process has been completed the Council must publish a report on the process. The report must summarise the outcome of the process, including whether the outcome to which it related has been improved, and describe how the community participation body that made the request influenced the process and outcomes. It must also explain how the authority will keep the community participation body and others informed about changes in the outcomes of the process and any other matters relating to the outcomes. In preparing the report, the public service authority must seek the views of the community participation body that made the request and any other community participation bodies involved.

4.16 Thirteen questions are asked in relation to this consultation paper. The questions and proposed response to the questions are attached as Appendix 3.

5. COMMUNITY RIGHT TO BUY ABANDONED, NEGLECTED OR DETRIMENTAL LAND

5.1 Consultation has been invited on policy proposals relating to the new Part 3A of the Land Reform (Scotland) Act 2003 introduced by the Community Empowerment (Scotland) Act 2015 – the community right to buy abandoned, neglected or detrimental land. Information is included in the consultation document in relation to determining the land's value, appealing to the Lands Tribunal, compensation to owners and grants available to community bodies to pay compensation. The type of land includes boarded up shops and houses or algae filled ponds.

5.2 The legislation will give community bodies of a defined nature the right, in certain circumstances, to buy land without a willing seller, when the land is wholly or mainly abandoned or neglected, or the use or management of the land is causing harm to the environmental wellbeing of the local community. Before submitting the right to buy application the community body must fulfil certain criteria, for example:

- The community body must have tried to purchase the land;
- The use or management of the land is causing harm to the environment;
- Wellbeing of the local community, the community body must have approached all relevant regulators and asked that they take steps to reduce or remove the harm being caused to the community;
- The purchase of the land must be in the public interest; and
- The purchase of the land must be compatible with furthering the achievement of sustainable development of the land.

5.3 The proposals contained in the consultation paper discuss:

- Matters which Ministers are required to have regard to when deciding whether land is eligible land for the purposes of Part 3A of the 2003 Act, that is land which is eligible for purchase by the Part 3A community body;
- Land pertaining to land on which there is a building or structure which is a person's home. Such land will also form part of the person's home so will not be eligible land;
- Other forms of land which is not eligible land;
- What forms of occupancy of possession of a home are, or are to be treated as, a tenancy of that home. Land on which there is such a home which is occupied under the terms of a tenancy is eligible land. Proposals discuss various forms of housing tenancy, and what land occupied under the terms of such a tenancy is eligible land;
- A description of prescribed regulators that a Part 3A community body will be required to approach, where relevant, to request that the regulators take action to mitigate the harm being caused to the environmental wellbeing of the community;
- What prohibitions or suspensions of rights will be placed on the transfer or dealing of land following receipt of a Part 3A application;
- The circumstances in which the Part 3A community body can apply for the cost of the ballot to be reimbursed by Ministers; and
- The procedure by which any person, other than the applying Part 3A community body, may apply for compensation in respect of a loss or expense incurred as a result of a Part 3A application.

5.4 There are 12 questions in relation to this consultation paper. The questions in this paper are technical. The questions and proposed responses are attached as Appendix 4.

6. ASSET TRANSFER REQUESTS

6.1 Under the terms of the Act, community bodies will have the right to request to purchase, lease, manage or use land and buildings belonging to local authorities, Scottish Public Bodies or Scottish Ministers. Organisations that will be able to do this, will be called Community Transfer Bodies (CTB) and the nature of them will be set out in the legislation as noted below. The Act notes that there will be a presumption of agreement to requests unless there are reasonable grounds for refusal. A register will be required that contains details of land and assets held by the local authority; this should be available for inspection at any time.

6.2 The regulation consultation document sets out the process that should be followed in relation to making a request and the decision making process that a public service authority should then follow. A significant part of the regulations is taken up with a number of appeal processes that a community body can undertake in a number of different circumstances. Members should note that the Council will need to establish processes and systems for dealing with and managing these appeals.

6.3 The consultation document sets out again the need for a register of assets and land, notes the type of land that could be included in the register and lists the land that should not be included in the registers. It proposes that the register should include location, name and a basic description and any name it is known by locally. The register can be a database, list or spreadsheet in pdf but must be available online and for inspection in person. Information on a property must be provided on request, for example running costs, title burdens, condition, and maintenance issues.

6.4 The Act notes that a body requesting an asset can be a company, charity and/or unincorporated group. A CTB should be controlled by the community and have more than 20 members. The application should include details of the land, reasons for transfer, the benefits of transfer and the price, rental, duration etc. The draft regulations suggest that the Council additionally asks for the CTB's constitution, information on how the CTB intends to fund the transfer of land and its proposed use of land and the level of support it will require for the asset transfer request. It also proposes the CTB might wish to consult with the local community on its proposals and take steps to address any concerns and provide that information to the Council on making an application.

6.5 The Council has to acknowledge the request and inform the CTB if any information is missing. This acknowledgement is a regulatory requirement. The acknowledgement should include: a validation date, an explanation of the time period required to make a decision and information on the right to appeal. As soon as practical after a the validation date the Council must notify any tenant or occupier of the land that the request relates to and also publish a notice on-line and put a physical notice on the site. This notice should detail that an asset transfer request has been made, who the community body is and how the community transfer body intends to use the land. These details should be published on line and should be publicly available.

6.6 In deciding on the application, the Council should take into account the reasons for the request, and other supporting information as well as potential benefits for economic development, regeneration, public health, social well-being and environmental well-being. The Act then requires the Council to agree to the transfer unless there are reasonable grounds for refusing. There are no additional notes in the regulations regarding this.

6.7 Should the Council decide to agree to the request, it should notify the CTB and specify the terms and conditions of the transfer including requirements for the CTB to submit an offer and the period within which that offer has to be submitted. This should happen within 6 months of the validation date, the decision notice should contain specified information, which is listed in the regulations. If the transfer does not happen within 6 months then the asset transfer request comes to an end, unless there is an agreement to continue. The community body has a right to appeal this decision to the Scottish Government. There are detailed regulations in relation to this.

6.8 If the CTB wishes to challenge (a) a refusal of the transfer request (b) any of the terms and conditions imposed or (c) a failure of the Council to make a decision with the required period, then the Council must carry out a review of its decision or the relevant terms and conditions applied to that offer. Ultimately, the CTB can appeal to the Scottish Ministers if it does not agree with the decision following a review..

6.9 The draft regulations set out very detailed procedures on reviews and appeals in relation to asset transfer requests. This means that the Council will have to set up a number of similar processes to comply with this guidance and comply with the prescribed timescales.

6.10 The Council must also write an annual report on the number of requests it has received, those accepted and those refused.

6.11 There are 18 questions in relation to this consultation document. The questions and proposed responses are attached as Appendix 5.

7. SUMMARY AND RECOMMENDATIONS

7.1 The Community Empowerment (Scotland) Act 2015 is very wide ranging and broad in its scope. This legislation is principally about removing perceived barriers from people and communities with the aim of further devolving power from local and central government and allowing the community to become more involved in decisions that affect them.

7.2 The Act also places greater administration and reporting requirements on local government and other public bodies. This will have significant resource requirements which at this time cannot be quantified. Actively involving people in planning and decision processes is resource intensive but there is no acknowledgement of this within the Act or subsequent draft guidance.

7.3 Additionally, the draft regulations confirm the fact that Council will need to develop processes and procedures in relation to:

- Greater community and individual involvement in Council decision making;
- Participation Requests;
- Register of Assets (including land);
- Community Right to buy land;
- A process and procedure in relation to Asset Transfer Requests including an Appeals Committee;

7.4 In addition to this the following annual reports will now be required:

- A local outcomes improvement plan progress;
- Locality plan outcomes improvement plan progress;
- Participation requests received;
- Asset transfer requests received;

7.5 Further to these reports the following must also be developed by the Community Planning Partnership:

- Local outcomes improvement plan; and
- Locality plans (number yet to be determined)

7.6 Whilst the issuing of this guidance is helpful it is clear that a great deal of work is required to establish a large number of processes and procedures and work towards full implementation of the Community Empowerment Act. There is no indication of timescales with the exception of the Community Planning Guidance and regulations which is October 17. However we should begin work on establishing the processes and procedures so that we can comply with any early requests.

7.7 It should be noted that there are no additional resources other than the fund listed regarding Participatory budgeting. Officers will continue to advise Members of the work being done to respond to the Act and also when guidance is issued.

8. RECOMMENDATIONS

It is recommended that the Executive:

8.1 **note and approve the consultation documents and the responses attached as Appendices 2-5.**

8.2 **approve the work already started in relation to locality planning and participatory budgeting and ask officers to continue to develop this work and to ask for further updates in relation to this work;**

8.3 **ask Officers to develop processes and procedures in relation to parts of the act where draft regulations have been issued with a view to reporting back to the Executive in the Autumn;**

8.4 **ask for further updates on progress and as further guidance and regulations are issued; and**

8.5 **note that a Seminar will be held for all Elected Members on the latest position of the Community Empowerment Act.**

…….....

DIRECTOR OF CORPORATE & HOUSING SERVICES

Date: 26 May 2016

Ref: AAB070616LG – Community Empowerment

Contact Name: Linda Gilliland

LIST OF BACKGROUND PAPERS

1. Community Empowerment (Scotland) Act 2015

Any person wishing to inspect the background papers listed above should telephone Falkirk 01324 506230 and ask for Fiona Campbell.

APPENDIX 1

Community Planning Principles

Shared leadership

- Partners demonstrate collective ownership, leadership and strategic direction of community planning.
- Partners use their shared leadership role to ensure the CPP sets an ambitious vision for local communities; the CPP involves all partners and resources that can contribute towards delivering on that vision; and that partners deliver on it.
- The CPP is clear about how they work with public service reform programmes (including health and social care integration and community justice reforms).

Governance and accountability

- The CPP understands what effective community planning requires, and the improvement needs for it and its partners.
- The CPP and its partners apply effective challenge and scrutiny in community planning, built on mutual trust, a shared and ambitious commitment to continuous improvement, and a culture that promotes and accepts challenge among partners.
- The CPP organises itself in an effective way, which provides platforms for strong strategic decision-making and action, and effective scrutiny and challenge.
- The CPPs and partners can demonstrate how they are working effectively in partnership to improve outcomes as part of how they are held to account.

Community participation and co-production

- The CPP and community planning partners work with community bodies to ensure that all bodies which can contribute to community planning are able to do so in an effective way and to the extent that they wish to do so.
- The CPP and community planning partners have a clear understanding of distinctive needs and aspirations of communities of place and interest within its area, as a result of effective participation with community bodies.
- Effective community participation informs decisions about the CPP"s priorities, how services are shaped and resources deployed; this includes working with community bodies on co-production where these bodies wish to do so.
- Effective community participation informs how the CPP manages and scrutinises performance and progress, and how it revises its actions to meet its ambitions as a result of its performance management.
- The CPP engages community bodies in on-going monitoring and evaluation of progress made towards ambitions in their LOIP and locality plans. It also actively engages community bodies in monitoring and evaluating the effectiveness of its community engagement and how it is acting to support effective community participation.
- The CPP embraces the principles of effective co-production which is aimed at combining the mutual strengths and capacities of all partners (including community bodies) to achieve positive change. Understanding of local communities" needs, circumstances and opportunities.
- The CPP has a strong understanding of its local areas, including differing needs, circumstances and opportunities for communities (geographical and communities of interest) within its area.

- This understanding is built on appropriate data and evidence from partners and community perspectives flowing from effective community engagement. Focus on key priorities
- The CPP uses its understanding of local needs, circumstances and opportunities to establish a clear and ambitious vision for its area and identify local priorities for improvement.
- The CPP is clear about the improvement it wishes to make locally in terms of better outcomes for specific communities, reducing the gap in outcomes between the most and least deprived groups and moderating future demand for crisis services.
- The LOIP places a clear emphasis on identifying local priorities which focus on how the CPP will add most value as a partnership to improve outcomes and tackle inequalities, and the CPP targets activities around these priorities.

Focus on prevention

- The CPP and partners recognise prevention and early intervention approaches as core activities which help people and communities to thrive and contribute to addressing poor outcomes and moderating future demand for services.
- The CPP places strong emphasis on preventative measures to achieve ambitious improvement goals on the local outcomes it prioritises.
- CPP partners provide resources required to support preventative measures to the scale required to fulfil these ambitions.
- The CPP utilise the local community understanding of local needs, circumstances and opportunities to design services and focus resources to where it has greatest preventative benefit.

Tackling inequalities

- The CPP has a strong understanding of which households and communities in its area experience inequalities of outcome which impact on their quality of life.
- The CPP focuses its collective energy on where its partners‟ efforts can add most value for its communities, with particular emphasis on reducing inequalities, so that the aspirations of people and communities.
- The CPP develops locality and thematic approaches as appropriate to address these, with participation from community bodies representing the interests of persons experiencing inequalities.
- The CPP should build the capacity of communities, particularly those experiencing inequality, to enable those communities, both geographic and of interest, to identify their own needs and opportunities; and support their efforts to participate effectively in community planning, including in the co-production of services.

Resourcing improvement

- The CPP and its partners understand how their collective resources are supporting shared local priorities, and whether together these are sufficient and the right resources to enable the CPP to meet its improvement targets.
- Partners demonstrate strong shared leadership by working with other bodies to use collective resources in more effective and efficient ways to improve outcomes and reduce inequalities.
- Partners deploy sufficient resource to meet agreed ambitions for the CPP's local priorities.
- Partners align their collective resources in ways which support its local priorities effectively and efficiently.

- The CPP and its partners keep under review whether partners" deployment of resources remains appropriate for meeting its ambitions, and take corrective action where necessary.

Effective performance management

- The CPP has a deep-rooted commitment to continuous improvement.
- The CPP has effective processes and skills to understand and scrutinise performance.
- The CPP acts wherever appropriate to improve performance in light of this understanding and scrutiny.

APPENDIX 2

Response on Behalf of Falkirk Council
Community Planning under the Community Empowerment (Scotland) Act 2015: Consultation on Draft Guidance
Questions

Q1: The guidance identifies a series of principles for effective community planning.
Do you agree with them? Should there be any others?
Please explain why.

The Council agrees with the principles set out in the draft guidance, as they reflect the Statement of Ambition. The principle of 'shared leadership' is particularly welcome, as this has the potential to make Community Planning more of a balanced enterprise.

There has to be recognition that there is still an imbalance in the leadership of community planning at a local level with regional or national organisations looking beyond local boundaries to deliver services and outcomes.

The Council agrees with the focus on inequalities, as tackling these must be the primary focus of Community Planning. This, if achieved, will give some of our most vulnerable people a better chance in life. Although the guidance highlights many of the behaviours Community Planning partners should exhibit we believe an additional category should be created on 'Commitment and accountability to Effective Partnership Working'. This needs to commit partners to key behaviours which will support 'shared leadership'. Attributes which should be included within this new category, are as follows:

- Resource sharing;
- Local leadership and accountability;
- Joint deployment of resources; and
- Co-location etc.

This will help to ensure that the collective resource of the CPP is focused in the right way, which in turn would further support the Statement of Ambition and the findings of the Christie Commission.

Q2: The draft guidance sets out common long-term performance expectations for all CPPs and community planning partners. Each CPP will adopt its own approach towards meeting these expectations, reflecting local conditions and priorities. Even so, do you think there are common short- or medium-term performance expectations which every CPP and partner should be expected to meet? If so, what are they?

The Council agrees the need to focus on inequalities. In support of the CPP's will require to have robust performance management in place, which along with effective scrutiny by Boards will ensure that real progress is being achieved. In securing improved scrutiny care must be taken to ensure that CPP scrutiny approaches are pragmatic, and where possible take into account partner's scrutiny regimes. CPP's should also be encouraged to ensure that their performance management approaches are focused on measuring outcomes, progress and added value, without trying to measure every area of activity the CPP has an interest in.
However this process is about community planning with the focus being in issues and services that are relevant to local people in their communities. The setting of national standards or performance measures sits at odds with that simple principle.

Q3: The 2015 Act requires CPPs to keep under review the question of whether it is making progress in the achievement of each local outcome in their LOIP and locality review, and to revise them where appropriate. Even with this, do you think the statutory guidance should require CPPs to review and if necessary revise plan(s). CPPs must from time to time review their LOIP and locality plan(s) under their plans after a specific period of time in every case? If so, what should that specific period be?

Yes	
No	X

Please explain why.

CPP's should be required to review their local outcomes and plans on a frequency they determine, rather than being given a statutory deadline. CPP's however should however make a public commitment locally, as to how often their local outcomes / LOIPS will be reviewed.

Q4: What should the statutory guidance state as the latest date by which CPPs must publish progress reports on their local outcomes improvement plans and locality plans?

4 months	
6 months	
Other	X

If other please provide timescale. Please explain why.

The statutory guidance must take into account that CPP's are reliant on the already stretched resources of its constituent partner organisations. A minimum standard of reporting once per year should be stipulated within the guidance, with CPP's having the discretion to report more regularly, should they wish to do so.

Q5. Do you have any other comments about the draft Guidance?

None.

Q6. We propose that the draft regulation for locality planning should set one criterion only, which is a maximum population permissible for a locality. Do you agree? What are your reasons?

The premise for Locality Planning should not be limited by artificially set ceiling, but instead should be based on a sound evidence and rationale. The onus should be placed on CPP's to develop and publish a framework for Locality Planning, which sets out the case on which basis this will be undertaken. This could be on the basis of geographic boundaries, population size, community of interest or a combination of all of these.

Q7: The draft regulation sets a maximum population size for localities subject to locality planning of 30,000 residents. It also proposes an exception which allows a CPP to designate a local authority electoral ward as a locality even where its population exceeds 30,000 residents. Are there circumstances in which these criteria would prevent a CPP from applying a reasonable approach to locality planning? What difference would it make to how localities were identified for the purposes of locality planning in the CPP area(s) in which you have an interest, if the maximum population size were set at (a) 25,000 residents or (b) 20,000 residents?

The answer given at Q6 sets out the case why CPP's and their partner organisations should be given full responsibility to develop locality planning frameworks, which are tailored entirely to local circumstances. This preserves local autonomy and flexibility.

The size of a community can make realistic planning and delivery of services problematic if there are not economies of scale or indeed on the other hand a sense of place and belonging. Community Planning Partnerships are best placed to determine the basis of locality planning.

It is hoped that there is a pragmatism by which local areas can develop plans and responses to issues in a way that makes sense for their local areas. Interestingly the 10,000 population was one of the factors considered in the first years of social inclusion partnership which following evaluation across Scotland did not appear to have addressed issues of deprivation and inequalities in a sustained way. It is not clear therefore how this model of planning either differs from that approach.

Q8: Do you have any other comments about the draft Regulation?

No

Q9: Are there any equality issues we should be aware of in respect of local outcomes improvement plans and locality plans?

There are issues of engagement. It is understood that those most vulnerable and suffering most from discrimination and inequalities will find it hardest to engage with planning processes. There has to be a recognition therefore that such process will take some years to develop and gain credibility. There are also issues of balancing various protected characteristics rights with those who are in poverty.

APPENDIX 3

QUESTIONS AND A PROPOSED RESPONSE IN RELATION TO PARTICIPATION REQUEST

1 **Should the use of a statutory form be required in the regulations**? **Yes**
Please give reasons for your response

A statutory form is to be welcomed as it will allow for consistency of an approach however the example used is not helpful. There needs to be clear guidance on what outcomes the community participation body can ask to be involved in i.e. the strategic outcomes set out in the Local outcomes improvement plans, equality plans, corporate plans etc. There is a suggestion that requests for participation will mean organisation etc. defining their own outcomes and at very different levels. While this in itself makes sense as some people will have a greater focus on very specific issues, if this is managed properly the very stretched public bodies might spend significant resources responding to requests rather than actually improving outcomes.

2. **Should it be possible for a community body to put in a participation request without using a form? No**
Please give reasons for your response

There needs to be a formal written mechanism and process to initiate a request, using a specific form makes this clear.

3. **What else might a statutory form usefully cover beyond the example set out in Appendix 3a**

More information on the Community Body, is it constituted, what is its membership, is it acting on views of all members or just one, what resources and capacity does it currently have to be involved, what additional support does it think it will need etc.

4. **Is 14 days a reasonable amount of time for additional public service authorities to respond? Yes/ No**
If not, please suggest an alternative timescale and explain reasons for the change.

The timescale is tight when we have no way of knowing how many requests will get. It has been suggested that this is the same as FOI in that we give 20 working days.

5. **What, if any, are the particular/specific ways that public service authorities should promote the use of participation request**?

Given the current resource pressures would suggest that this is done through website and as part of ongoing work in Communities. However it would be helpful if there was guidance on what outcomes are being referred to.

6. **What are the ways that public service authorities should support community participation bodies to make a participation request and participate in an outcome improvement process that should be set out in the regulations?**

Reference needs to be made to the public service authorities own resources and capacity to support this activity as support provided needs to be determined by the resources that

are available. This is additional work at a time when resources are being cut. The ability of the community and voluntary sector particularly through the third sector interfaces to support each other should also be considered.

7. What types of communities could the regulations specify that may need additional support? Please give reasons for your response.

Particularly vulnerable communities might be hard to reach and to include i.e. refugees, gypsy travellers, younger people, people with mental health issues etc.

8 How long should the public service authority have to assess the participation request and give notice to the community participation body? Is 30 days a reasonable amount of time? Yes

This seems a reasonable time-scale but again dependent on how many requests are received. This could be really time consuming and lead services away from planned responses to issues to being more reactive and less focussed. There needs to be a management of expectations of what can be achieved sensibly.

If not, how long should the period for making a decision be? Please give reasons for your response.

9. Are there any additional information requirements that should be included in connection with a decision notice? Please give reasons for your response

No comment

10. What other information, if any, should the regulations specify should be published in relation to the proposed outcome improvement process?
Please give reasons for your response.

Clear guidance needs to be produced on the outcomes that are subject to an outcomes improvement process, do these relate specifically to local outcomes, the SOLD, Local housing strategy, economic development, equality etc.

11. What other information, if any, should the regulations specify should be published in relation to the modified outcome improvement process? Please give reasons for your response.

No comment

12. Section 31 sets out the aspects that the report of the outcome improvement process must contain. What other information, if any, should the regulations require the report include? Please give reasons for your response.

No comment

13. Do you have any other comments on the draft Participation Request (Procedure)(Scotland) Regulations 2016?

Clear guidance needs to be produced on the outcomes that are subject to an outcomes improvement process, do these relate specifically to local outcomes, the SOLD, Local housing strategy, economic development, equality etc.

It would be useful in the guidance or regulation specify some instances of reasons for turning down a participation request. It is suggested the following areas be considered:

a) if the service area/function has been subject to a review which concluded in the three years preceding the receipt of a request, this should be a valid reason for refusal of a request;

b) where the request covers a service area/function of which part has been subject to a review which concluded in the three years preceding the receipt of a request, the request should apply to/be valid for only the aspects which were not included in that review;

c) where the request covers a service area/function which is currently under review, then either (i) this should be a valid reason for refusal of the request or (ii) the request should be deemed to be part of the current consultation process associated with the review but only from the stage in the review process at which it is received; and

d) where the request covers a service area/function of which part is currently under review, then either (i) this should be a valid reason for refusal of the request insofar as it relates to that review or (ii) the request should be deemed to be part of the current consultation process associated with the review but only from the stage in the process at which it is received. [In either case, the request would presumably remain valid for the aspects which are not under review.]

It would also be useful if a specific question is included that asks if a requestor is expecting or requesting an increase in resources being allocated to a particular outcome.

APPENDIX 3a

COMMUNITY EMPOWERMENT (SCOTLAND) ACT 2015
PARTICIPATION REQUEST
APPLICATION FORM

1. Details of Community Body
Name of Community Body:
Contact address:
Telephone number:
Email:
Website:

2. Public Service
Note 1

3. Outcome
Note 2

3 Why community participation body should be permitted to participate
Note 3

4. Knowledge, expertise and experience the community participation body has in relation to the specified outcome:
Note 4

5. Outcome Improvement
Note 5

Application Form Notes

1. here specify the public service or services the provision of which results in or contributes to outcome specified under paragraph 3
2. here specify the outcome that results from, or is contributed to by virtue of, the provision of a service provided to the public by or on behalf of the authority.
3. Here set of the reasons why the community body believes it should participate in the outcome improvement process.
4. Provide details of any knowledge, expertise and experience the community body has in relation to the outcome specified in paragraph 3.
5. Provide an explanation of the improvement in the outcome specified in paragraph 3 which the community body anticipates may arise as a result of its participation in an outcome improvement process.

APPENDIX 4

QUESTIONS AND A PROPOSED RESPONSE IN RESPONSE TO PROPOSALS RELATING TO PART 3A OF THE LAND REFORM (SCOTLAND) ACT 2003

1. **This refers to prescribed matters which ministers should have regard to when considering if land is eligible or not to be described as abandoned or neglected land or land where the management of it is causing harm to the environmental well-being of the relevant community. The question asks if we agree with the matters or not.**

   We disagree with the matters as it is not clear how future potential commercial or residential sites are to be treated e.g. sites with 'hope value' on the list.

   Are there matters you believe should be added?

   A clearer definition of abandoned land would be helpful to be included.

2. **This refers to land pertaining to a person's home might include a number of elements – these are included in the curtilage of a person's home, question 2 asks if we agree that the land listed is included as part of a person's home.**

   We agree with the list and have no amendments.

3. **The next question relates to descriptions or classes of occupancy or possession which should be treated as a tenancy, we are asked if we agree with the definition used.**

   We agree with the list and have no amendments.

4. **This question is about regulation and lists appropriate regulators the question asks if we agree that a regulator should be described as a person, body or office holder that has the power to carry out regulatory duties.**

   We agree with this definition.

   A supplementary question asks if we think anyone should be added or taken away from the list provided.

   We have no suggestions regarding this.

5. **This question concerns the date that prohibition or suspension of rights will come into operation regarding any land, this will be the date of the receipt of a valid application, we are asked if we agree with this.**

   We agree with this.

6. **This question is about the date prohibition or suspension of rights is lifted we are asked if we agree with the list of proposed dates and circumstances.**

   We agree with this.

7. **This question suggests that a landowner or a creditor in standard security with a right to sell the land should be subject to the prohibition of the sale or transfer of the land under the relevant sections of the Act.**

   We agree with this.

8. **The next question sets out what would be prohibited and also the transfers and dealings that are not subject to these regulations. We are asked if we agree with this.**

   We agree with this.

9. **This question sets out proposals concerning the rights which are suspended when a valid application is made under part 3A. We are asked if we agree with these.**

   We agree with these.

10. **This question asks about the provision for or in connection with enabling a Part 3A community body to apply for the cost of ballot expenses to be reimbursed, a set of circumstances are listed. We are asked if we agree with these.**

    We agree with these.

11. **This question concerns the procedure a community body would use to apply for reimbursement of the full cost of conducting the ballot. Again we are asked if we agree with these.**

    We agree with these.

12 **The final question sets out the process whereby a landowner or can seek compensation from a community body should the community body withdraw or fail to complete the purchase. We are asked if we agree with this.**

   We agree with this.

APPENDIX 5

QUESTIONS AND A PROPOSED RESPONSE IN RESPONSE TO ASSET TRANSFER REQUESTS

1 **Do you agree that the types of land set out in the draft Community Empowerment (Registers of Land) (Scotland) Regulations 2016 need not be included in relevant authorities' registers?**

Yes

If not, please explain what you would change and why.

2 **Are there any other types of land that relevant authorities should not have to include in their register? Please explain what should not be included and why.**

Refuse sites and cemeteries/crematoria. The nature of such land does not lend itself to community ownership. In addition we would suggest the following are not included:

- Scheduled Ancient Monuments (SAMs)
- Sites of Special Scientific Interest (SSSIs)
- Local Nature Reserves (LNRs)
- Local nature conservations sites
- Roads, cycle ways, footways and footpaths, drains, bridges and other structures

3. **Do you have any comments on the proposals for guidance on what information registers should contain and how they should be published? No**

4. **Is there any information you think a community transfer body should be able to request from a relevant authority, that it would not be able to obtain under FOISA or the EIRs?**

No

5. **Do you think the proposed additional requirements for making an asset transfer request are reasonable? Yes**

If not, please explain what you would change and why.

6. **Is there any other information that should be required to make a valid request?**

No

7. **Do you have any comments on the proposals for acknowledgement of requests?**

No

8. **Do you have any comments on the proposed requirements for notification and publication of information about a request?**

No

9. **Do you think 6 months is a reasonable length of time for the relevant authority to make a decision on an asset transfer request? (This time may be extended if agreed with the community transfer body.)**

   Yes 6 months is reasonable unless the authority inundated with requests which causes resource issues to meet the deadline.

   If not, how long should the period for making a decision be?

10. **Do you agree with the proposals for additional information to be included in a decision notice? Yes**

    If not, please explain what you would change and why.

11. **Do you agree that the Scottish Ministers should be required to appoint a panel of 3 people to consider reviews of Ministers' own decisions? Yes**

    If not, how do you think these reviews should be carried out?

12. **Do you agree that a local authority should be required to make a decision on a review within 6 months? Yes**

    If not, how long should the period for making a decision be?

13. **Do you have any other comments about the draft Asset Transfer Request (Review Procedure) (Scotland) Regulations 2016 or draft Asset Transfer Request (Appeals) (Scotland) Regulations 2016? No**

14. **Do you agree that the Scottish Ministers should appoint a single person to consider an appeal where no contract has been concluded? Yes**

    If not, how do you think these reviews should be carried out?

15. **Do you agree that the documents should not be published in relation to appeals where no contract has been concluded? Yes**

    Please explain your reasons.

16. **Do you agree that no third party representations should be allowed in relation to appeals where no contract has been concluded? Yes**

    Please explain your reasons.

17. **Do you have any comments on the proposed procedures for appeals where no contract is concluded?**

    The proposals seem sensible

18. **Do you have any comments on the proposed procedures for applications to Ministers for Directions?**

    No

AGENDA ITEM
7

REVIEW OF BORROWING & TREASURY MANAGEMENT GOVERNANCE AND REPORTING METHODS

AGENDA ITEM 7

FALKIRK COUNCIL

Subject: **REVIEW OF BORROWING & TREASURY MANAGEMENT GOVERNANCE AND REPORTING METHODS**
Meeting: **EXECUTIVE**
Date: **7 JUNE 2016**
Author: **DIRECTOR OF CORPORATE & HOUSING SERVICES**

1. INTRODUCTION

1.1 Audit Scotland published a report "Borrowing and Treasury Management in Councils" in March 2015. The key messages/recommendations flowing from this publication were reported to the Scrutiny Committee and thereafter to the Executive, where it was agreed that a review of the current borrowing and treasury management governance arrangements and methods of reporting should be carried out. The purpose of this report is to provide Members with an update on the review that was undertaken.

2. TREASURY MANAGEMENT

2.1 Treasury Management is defined as "The management of the Council's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities and the pursuit of optimum performance consistent with those risks".

2.2 In order to ensure effective management and control of the Council's treasury management activities, the Council must comply with the following:

- Local Government in Scotland Act 2003
- Local Government Investment (Scotland) Regulations 2010
- Local Authority (Capital Finance and Accounting) (Scotland) Regulations 2016
- CIPFA Prudential Code
- CIPFA Treasury Management Code

2.3 The Council's Financial Regulations also formally adopt the recommendations of the CIPFA Treasury Management Code. The Code recommends that Councils create and maintain suitable treasury management practices (TMPs), setting out the manner in which the Council will seek to achieve its treasury management policies and objectives and also how it will manage and control those activities. The TMPs are made up of 12 constituent parts including areas such as risk management, decision making and analysis, reporting requirements, cash flow management, training etc. Appendix 1 details all 12 TMPs.

2.4 The Council must also ensure effective Member scrutiny of Treasury Management activities and this is facilitated by way of an Annual Treasury Strategy report, an Interim Strategy Review report and finally an Annual Review report.

3. AUDIT SCOTLAND REPORT

3.1 The Audit Scotland report recommended that Council officers and Members should:

- Ensure scrutiny arrangements are robust by:
  - Considering widening the range of training options for Members on borrowing and treasury management activities and whether training should be mandatory.
  - Considering whether training for Members provides a balance of scrutiny skills and knowledge of treasury management.
- Review governance arrangements, and update as necessary, to ensure they provide:
  - The treasury management strategy, mid-year and year end reports to the same Council committee, and that full Council has access to them.
  - Members with mid-year reports by the end of December each year.
  - Members with the wider picture, making the links to capital investment decisions and revenue budgets.
  - Members with access to all reports relating to borrowing and treasury management activity.

The current scrutiny processes and governance arrangements that are in place are detailed below as is the review that has been undertaken.

4. SCRUTINY

4.1 Consistent with the requirements of the Investment Regulations, the Chief Finance Officer has to ensure that those Members tasked with treasury management responsibilities have access to training relevant to their needs and responsibilities. In addition the Executive agreed that training on treasury activities was to be made mandatory for Members before being allowed to serve on the Executive, Scrutiny or Audit Committees.

4.2 In order to aid Members in fulfilling their scrutiny role, training sessions for Members were arranged for 15 and 31 March 2016. These training sessions detailed the link between Capital and Treasury and emphasised that the Council can only borrow for capital expenditure, hence care must be taken when categorising capital and revenue expenditure. The sessions also explained the revenue consequences of capital in the form of loan charges and operating costs and the impact on the Revenue budget. The Regulatory Framework that the Council has to operate within for both capital and treasury was covered and the sessions also looked at borrowing and investments activities of the Council.

4.3 In terms of their scrutiny role, it was explained to Members that this role extends to both Capital and Treasury activities. With regard to Capital Programme reports, Members were advised that they have to be satisfied that the projects built in to the draft capital programme adhere to the strict criteria for inclusion. Members also need to understand the revenue consequences flowing from these capital projects. Capital Update reports to Members throughout the year will provide revised spend forecasts and Members need to scrutinise the information and question any budget variances e.g. slippage, overspends etc.

The Treasury reports presented to Members allow Members the opportunity to question the borrowing requirement for the forthcoming year, and any variance from the levels approved by Council at the outset of the financial year. The sessions explained to Members possible reasons why borrowing would differ from the Treasury Strategy report i.e. slippage in the Capital programmes, additional capital receipts/grants.

4.4 General feedback from the training sessions was positive both on content and format. The training was delivered in the format of a Powerpoint presentation but Members were encouraged to interact and ask questions which they did. As part of the review Members were asked if they would like to see any changes in the information presented to them, be it further explanation or additional information which would allow them to carry out their scrutiny role effectively. The general consensus was that Members were happy with the current format. However, some suggestions were made with regard to benchmarking and suggested changes for future training sessions. Members suggestions are as follows:

- Benchmarking information to be included in Strategy Reports e.g. debt levels across Authorities

- Training should be delivered shortly after taking up role of Councillor and certainly within 6 months.

- Workshop based training including practical examples for discussion e.g. Capital Bid Process

4.5 It was recognised by Members that debt levels will vary across Authorities because of the size of capital programmes, grant levels, capital receipts etc. and that there may be limitations to the comparisons that can be made. However this information is provided by our Treasury Advisers and via the CIPFA Treasury Management Forum in September each year. This could therefore be incorporated into the Interim Review report if Members felt this was of value. Future Training Sessions will look at the use of workshops and training sessions will be arranged for new Members timeously after appointment.

5. GOVERNANCE ARRANGEMENTS

5.1 As previously advised to the Executive in September 2015, the governance arrangements that are currently in place are compliant with the recommendations of the Audit Scotland report and the CIPFA Codes of Practice. However, the Executive approved a review of governance arrangements and methods of reporting following the recommendation from the Scrutiny Committee.

5.2 This review has involved discussion with the Council's Treasury Advisors, Capita Asset Services, to seek their views on whether they feel that our processes and methods of reporting could be improved upon. The Council's annual Treasury Strategy, Interim Review and Year End Review reports are all completed in conjunction with our Treasury advisers. Capita are of the opinion that both the content and the relevance of the information within these reports accords with the recommendations of the Audit Scotland Report/CIPFA Codes of Practice and that there is no need for amendment at this stage.

5.3 Through the CIPFA Treasury Management Forum, we also examined the approach taken by other Authorities and we were satisfied that our governance arrangements and methods of reporting were fit for purpose.

5.4 Given the above, it is suggested that the current governance arrangements and reporting methods meet Member requirements, comply with Audit Scotland's recommendations and also accord with the requirements of the CIPFA Codes of Practice. However as noted at para 4.4, Members were asked during the training sessions to identify any changes they would like to the current reports. The only request made was for inclusion of benchmarking information which will be taken forward as outlined at para 4.5.

6. AUDIT REVIEW

6.1 Internal Audit carried out a review of the Council's investment arrangements. The scope of the review was to evaluate and report on the controls established to manage the risks relating to Falkirk Council's investment activity (non-Pension Fund). The review concluded that Internal Audit could provide "Substantial Assurance" in relation to the Council's non-Pension Fund arrangements in that there is a sound system of control in place, staff are clear on their roles and responsibilities, with robust policies and procedures in operation to ensure compliance with the CIPFA Treasury Management Code. The key risks associated with Treasury Management activities are as follows:

- Failure to comply with Treasury Management policies and good practice
- Inadequate or inappropriate processes and arrangements
- Absence of formal purchasing and contract management arrangements in relation to Treasury Advisers and Treasury Brokers.
- Failure to implement effective management systems.

The audit work plan was developed to obtain the necessary evidence to provide assurance that appropriate systems were in place to mitigate these risks. In particular roles, responsibilities, policies and practices, including governance and risk management arrangements were reviewed in addition to compliance with the CIPFA Treasury Management Code. Procedures in relation to investments, procurement and contract management for Advisers/Brokers and the reliability and flexibility of management information systems were also examined.

6.2 A further review was also carried out by the Council's External Auditors as part of their routine review of the Council's systems, processes and controls. This review looked at the procedures and controls with regard to our borrowing and investments activities. Audit Scotland confirmed that they were satisfied with the way in which the Council's activities were managed and moreover commented that our processes were more straightforward than other Authorities they had audited.

7. CONCLUSION

7.1 Training sessions delivered to Members were well received and they were satisfied with the current format of reporting with the only suggestions being the inclusion of benchmarking and the format and timing of future training programmes. Future reports can incorporate benchmarking data, although its limitations would need to be recognised. Workshop based training sessions will be explored further and can be delivered to Members in future training sessions if they consider this appropriate.

7.2 The governance arrangements and methods of reporting currently in place have been confirmed as satisfactory by the Council's Treasury Advisers, Internal Audit and External Audit.

8. RECOMMENDATIONS

8.1 Members note the details of the review that was carried out; and

8.2 Members agree that benchmarking data be routinely incorporated into future Treasury Strategy reports.

……...
Director of Corporate & Housing Services
Date: 25 May 2016
Ref: AAB070616 – Review of Borrowing Treasury Mgt
Contact Officer: Amanda Templeman/Carole McGhee

LIST OF BACKGROUND PAPERS

NIL

APPENDIX 1

TREASURY MANAGEMENT PRACTICES

Treasury Management Practices (TMPs) set out the manner in which this Council will seek to achieve its treasury management policies and objectives and how it will manage and control those activities. There are 12 TMP's as detailed below:

TMP 1 **Treasury risk management**

TMP 2 **Performance measurement**

TMP 3 **Decision-making and analysis**

TMP 4 **Approved instruments, methods and techniques**

TMP 5 **Organisation, clarity and segregation of responsibilities and dealing arrangements**

TMP 6 **Reporting requirements and management information arrangements**

TMP 7 **Budgeting, accounting and audit arrangements**

TMP 8 **Cash and cash flow management**

TMP 9 **Money laundering**

TMP 10 **Training and qualifications**

TMP 11 **Use of external service providers**

TMP 12 **Corporate governance**

AGENDA ITEM
8

TREASURY MANAGEMENT ANNUAL REVIEW 2015/16

AGENDA ITEM 8

FALKIRK COUNCIL

Subject: **TREASURY MANAGEMENT ANNUAL REVIEW 2015/16**
Meeting: **EXECUTIVE**
Date: **7 June 2016**
Author: **DIRECTOR OF CORPORATE & HOUSING SERVICES**

1. INTRODUCTION

1.1 The Council is required by regulations issued under the Local Government Scotland Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2015/16. This report meets the requirements of these regulations and both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

1.2 During 2015/16 the reporting requirements, which have duly been met, were that the full Council should receive the following reports:

- an annual treasury strategy in advance of the year (to Executive 17/03/15)
- a mid-year treasury update report (to Executive 01/12/15)
- an annual review following the end of the year describing the activity compared to the strategy (this report)

1.3 The regulatory environment places responsibility on members for the review and scrutiny of treasury management policy and activities. This report is therefore important, as it provides details of the outturn position for treasury activities and highlights compliance with the strategy previously approved by members.

2. ECONOMIC AND INTEREST RATE REVIEW

2.1 The approved Treasury Management Strategy 2015/16 noted relatively strong UK growth since 2013 with levels of 2.9% being predicted for 2015. However, the actual 2015 growth figures have steadily fallen to a final figure of 2.2%. Inflation forecasts have been repeatedly revised downwards even to the point of negative inflation in 2015. It currently stands at 0.5% and only towards the end of 2017 is it expected to get close to the 2% target rate.

2.2 The Monetary Policy Committee has maintained the level of quantitative easing at £375bn and the increase in the bank base rate is now not expected until June 2017 which is fifteen months later than originally anticipated in the 2015/16 Strategy approved by Members.

2.3 In terms of the Eurozone, the ECB announced a quantitative easing programme of 60bn Euros per Month starting from March 2015 with a further increase in December 2015. The anti-austerity government in Greece, elected in January 2015 eventually agreed to implement an acceptable programme of cuts to meets EU demands. However, there are continuing concerns that a Greek exit has just been delayed with an exit from the Euro still a realistic possibility.

2.4 Following the election of the Conservative Government in May 2015, David Cameron's promise to hold an EU referendum comes to fruition on 23 June 2016. There are various conflicting views on how the outcome of this referendum will impact on the UK with experts on either side of the fence speculating about what "Brexit" would mean for the economy, trade, laws, immigration etc. Only time will tell what the impact of the result will be.

2.5 The US economy has continued to grow largely due to consumer demand. The Federal Reserve Committee increased interest rates in December 2015, the first increase since 2006. However further increases are on hold due to concerns around the risks to world growth.

3. BORROWING STRATEGY 2015/16 – OUTCOME

3.1 The Council's longer term borrowing requirement for the year is set out below:

	2015/16 Budget £m	**2015/16 Actual £m**
Borrowing for Capital Programme (net of receipts and including TIF)	37.0	11.3
Service Payments	(14.0)	(13.3)
Replacement of Short Term Loans Maturing	26.0	26.0
Address Under-Borrowing (see para 3.5)	-	15.0
Total Longer Term Borrowing Requirement	49.0	39.0

3.2 The actual long term borrowing requirement for Capital Programme purposes was less than the original estimate. In relation to both TIF and the General Fund, a number of projects were re-scheduled, details of which have previously been advised to Members. There has been slippage in the Housing Capital Programme, again previously advised to Members. In addition, the Housing Programme has sourced additional receipts which has also reduced the borrowing requirement. Details of the reduction in borrowing are as follows:-

		2015/16 £'m
Budgeted borrowing for Capital Programme (net of receipts & incl. TIF)		37.0
Less:		
Re-scheduled TIF projects	(7.0)	
Re-scheduled General Fund Projects	(6.9)	
Slippage in Housing Capital Programme	(5.0)	
Additional Housing Income	(2.8)	
Additional Housing Revenue Contribution	(4.0)	(25.9)
Actual borrowing for Capital Programme (net of receipts & incl. TIF)		**11.3**

3.3 Members have been advised of the re-scheduled TIF projects in previous reports to the Executive. The re-scheduled General Fund projects include such projects as Denny Town Centre, Older Peoples Accommodation and Crematorium as previously advised to Members in the September 2015 Executive report. In terms of the Housing Capital Programme, there have been delays in the New Build projects at Stenhousemuir and Denny, again previously advised to Members. The Housing Capital Programme also received Scottish Government funding for Buy Backs, additional income from Council House sales and revenue contributions. All of these factors have impacted on the level of long term borrowing required for Capital Programme purposes during 2015/16.

3.4 The Strategy noted that whilst short term rates were likely to be more favourable relative to longer period rates, all borrowing periods would be considered. Consequently borrowing undertaken during 2015/16 combined both short term and long term with the emphasis on short term because of the lower relative interest rates prevailing at the time.

3.5 Borrowing undertaken during 2015/16 is as detailed below:

	Short Term £'m	Long Term £'m	Total £'m
Borrowing at 01/04/15	26.0	202.6	228.6
Maturing in Year	(26.0)	-	(26.0)
Borrowing in Year	29.0	10.0	39.0
Borrowing at 31/03/16	29.0	212.6	241.6

3.6 As was reported to Members in previous Strategy reports, in view of the Council's under-borrowed position, the budgeted borrowing requirement in any given year may still be required regardless of the slippage in the capital programmes. Consequently, although our Capital Programme driven actual borrowing requirement for the year was c£24m, we borrowed £39m in order to reduce our under-borrowed position and in doing so took advantage of beneficial interest rates. The level of long term borrowing undertaken is therefore within the limits approved as part of the 2015/16 Strategy and remains within the prudential indicator limits approved by Members.

3.7 The Strategy noted that the Council has £26m of Market Loans which could be repaid during the year should any of the lenders invoke a rate change. As anticipated however, these rate changes were not made and the Market Loans remain on existing terms.

3.8 There was no opportunity for debt rescheduling activity during the year.

3.9 The UK Government has announced plans to abolish the Public Works Loan Board and transfer its lending functions to another body using powers set out in the Public Bodies Act 2011. A consultation document has been published on HM Treasury's website seeking views on proposals to modernise the governance arrangements of central government lending to local authorities. We have been advised that the proposed change will have no impact on central government's capacity to lend to local authorities and that it will simply be arranged through another body. Members will be advised of progress in future Strategy reports.

4. INVESTMENT STRATEGY

4.1 Members are reminded that the primary objectives of the Council's investment strategy remain first and foremost to ensure timeous and full repayment of principal and interest, then securing adequate liquidity of funds invested and finally optimising investment returns consistent with those counterparty risks.

4.2 Consistent with the requirement of the investment regulations and as part of the Strategy Report, Council approved a list of "Permitted Investments" setting out the types of investments to be used and monetary/time limits applied to each type of investment. As a consequence of the Council offices being closed over the Christmas and New Year period, the approved limit for investments in the Clydesdale Bank was temporarily breached due to the receipt of unanticipated deposits into the Council's bank account over this period. There was no change to the counterparty selection criteria nor the list of eligible counterparties as advised in the annual Strategy Report to Members.

4.3 The Council held £37.7m of investments as at 31 March 2016, £9.7m of which was available on instant access in two UK Banks, £15m in Money Market Funds and £13m of deposits with other Local Authorities. This temporary level of investments will be drawn down over the coming months to meet future Council commitments such as salary costs, supplier invoices etc.

5. TREASURY MANAGEMENT PRUDENTIAL INDICATORS

5.1 Financing of the Capital Programme is a key driver of Treasury Management activities which in turn is managed by a series of treasury management prudential indictors. The purpose of the indicators is to contain the activity of the treasury function within specified limits, thereby managing risk and reducing the impact of an adverse movement in interest rates.

5.2 The three treasury indicators are set out at Appendix 1 and show comparison with the Council's actual exposure as at 31 March 2016. This confirms that the Council's treasury operations were operating well within the set parameters during financial year 2015/16.

6. MEMBER TRAINING

6.1 The Investment Regulations provide for increased scrutiny by Members of treasury management issues and moreover the Executive agreed that training for Members be mandatory prior to serving on the Executive, Audit or Scrutiny Committees. Consequently training sessions tailored towards the needs and responsibilities of Members took place on 15 and 31 March 2016.

7. CONCLUSION

7.1 Treasury objectives consistent with the Strategy have been met in relation to both borrowing and investment. The legacy of the financial crisis means that market conditions remain challenging both in terms of counterparty risk and investment returns.

8. RECOMMENDATION

8.1 The Executive notes the contents of the Treasury Management Annual Review 2015/16 and agree that the report is referred to Council for consideration.

Director of Corporate & Housing Services
Date: 26 May 2016
Ref: AAB070616 – Treasury Management Annual Review 2015/16
Contact Officer: Amanda Templeman/Carole McGhee

LIST OF BACKGROUND PAPERS

NIL

APPENDIX 1

TREASURY MANAGEMENT PRUDENTIAL INDICATORS

1. INTEREST RATE EXPOSURE

These limits set the maximum for fixed and variable interest rates based on the debt position net of investments and seeks to control the level of debt exposed to short term movements in interest rates.

	2015/16	
	UPPER LIMIT	**POSITION (31/03/16)**
Fixed Interest Rates	100%	100%
Variable Interest Rates	40%	0%

2. MATURITY STRUCTURE ON FIXED INTEREST RATE BORROWING 2015/16

These gross limits are set to control the Council's level of exposure to loans expiring in any one period.

	Lower %	**Upper %**	**Position (31/03/16) %**
Under 12 months	0	25	12
12 months – 2 years	0	25	0
2 years – 5 years	0	50	1
5 years – 10 years	0	75	13
10 years – 20 years	0	75	29
20 years – 30 years	0	75	20
30 years – 40 years	0	75	13
40 years – 50 years	0	75	12
			100%

3. PRINCPAL SUM INVESTED > 364 DAYS

The Council does not place investments for periods longer than 364 days.

AGENDA ITEM 9

BUSINESS TRANSFORMATION UPDATE

AGENDA ITEM 9

FALKIRK COUNCIL

Subject: **BUSINESS TRANSFORMATION UPDATE**
Meeting: **EXECUTIVE**
Date: **07 June 2016**
Author: **DIRECTOR OF CORPORATE AND HOUSING SERVICES**

1. INTRODUCTION

1.1 The purpose of this short report is to provide Members with an update on progress with projects being taken forward as part of the Council's Business Transformation agenda.

1.2 As Members are aware, the fundamental aim of Business Transformation is to streamline and modernise processes and services. It comprises a suite of projects and initiatives, some of which are complex, cross-cutting, and multi-year.

1.3 These sit alongside the financial budgeting process, and form a key element of the wider budget framework.

2. KEY BUSINESS TRANSFORMATION PROJECTS

2.1 The Business Transformation (BT) Board continues to be responsible for overseeing and monitoring progress. Taking on board comments made by Audit Scotland in their 2015 Audit of Best Value and Community Planning, the BT Board now comprises the Leader of the Council, Leader of the Opposition, the Chief Executive, Directors of the Council, and the Head of Social Work Adult Services. The Board considers update reports from the senior managers responsible for progressing individual workstreams, and these update reports form the basis of this paper.

2.2 As previously agreed, the minutes of the BT Board are submitted to the Member Budget Working Group.

2.3 The following sections provide a brief update on progress with key BT projects.

Support Services Transformation and Review (SSTAR)

2.4 The SSTAR project aims to significantly streamline and modernise clerical / admin / support activity and associated processes across all Services. The objectives of the project are to:

- Create a single managed structure within Corporate and Housing Services for all staff involved in clerical / admin / support service activities; and

- Achieve savings in clerical / admin / support service costs by March 2018:
  - Reduction in FTE – circa 40; and
  - Staffing Cost Savings – circa £500k.

2.5 Savings totalling £240k have been achieved to date, and the project is on target to meet the above savings targets.

2.6 Due to the complex and multi-Service nature of this project, a separate SSTAR Project Board has been established, accountable to the BT Board. The SSTAR Board meets on a bi-monthly basis and considers updates on developments with bringing employees into the SSTAR structure, as well as on systems and processes that are being streamlined and re-designed.

2.7 The SSTAR project is progressing in line with the agreed Project Initiation Document. A suite of processes for re-design has been identified, and these are being progressed drawing on business analysis work undertaken by the SSTAR Project Team (this includes process mapping, task analysis, and staff workshops).

2.8 Allied to that, Business Support Customer Service Standards, aimed at ensuring a level of consistency in the delivery of business support functions across all Services, were agreed by CMT in February 2016, and these will be further developed as the project moves on.

2.9 In a paper to the BT Board in March 2016 it was reported that an interim Business Support structure had been established, comprising:

- Headcount – 434;
- FTE – 350; and
- Budget - £6.5m.

2.10 In line with the agreed Project Initiation Document, the next steps will be to consider how the structure can be amended to make best use of resources and further realise the benefits associated with the on-going and planned programme of process re-design.

Mobile and Flexible Working

2.11 The implementation of mobile and flexible working is a key part of the Council's Technology Strategy, specifically aiming to harness technology to deliver smarter and better ways of working. The overarching objective of the project is to provide a secure technology solution which allows the Council to deliver services at a time, from a location, and using an approach, that best suits customer needs and that improves the capability of Services.

2.12 Within the context of a budget of £1.85m, the project aims to secure savings in excess of £200k per annum. Other savings and efficiencies will also accrue via, for example:

- greater opportunity to establish efficient and effective ways of working and process re-design;
- information capture at source, minimising the need for re-work;
- enhanced customer satisfaction as a result of quicker data capture and response times;
- increased lifecycle for existing PCs; and
- the opportunity to rationalise property assets.

2.13 The project, which started in 2015, has a 2-3 year timescale, and a project plan is in place setting out key milestones. Work on procurement of equipment, set-up, and configuration is now complete, and the wider roll out is being progressed via:

- pilot project within Building Maintenance Division;
- roll out of tablet devices to elected Members; and
- roll out of mobile and flexible working solution, on a phased basis, to staff based at Falkirk Municipal Buildings.

2.14 Next steps focus on the continued roll out of the solution to the remaining users within Municipal Buildings, and then across Development and Corporate and Housing Services.

Building Maintenance Division

2.15 This project is focused on working arrangements and practices within Building Maintenance Division, and builds on the findings of an independent review undertaken by the Association for Public Sector Excellence (APSE). The aim of the project is to implement a range of efficiencies and service improvements, through changes to current work systems and business processes.

2.16 The APSE review identified and recommended that a number of workstreams be considered to deliver financial and operational efficiencies. These included: depot provision; mobile working; the appointments process; working arrangements within cyclical maintenance; the voids process; and fleet size and structure.

2.17 An Improvement Group, supported by various specific working groups, has been established to progress improvement actions. Progress and improvement to date include:

- establishment of a Workflow Scheduling Team to handle reactive repair requests and deployment of tradesmen in a more co-ordinated and systematic manner. This team now:
  - schedules work for c50 tradesmen within the East and Central areas;
  - deals with all repair complaints and
  - schedules appointments with customers for non-emergency works.

- roll out of the mobile working solution to c50 staff, following a successful pilot;

- introduction of a protocol for home to work arrangements, to improve productivity and make more efficient use of vehicles;

- implementation of temporary to permanent workforce changes, resulting in a permanent and stable workforce;

- benchmarking of cyclical maintenance arrangements resulting in reduced rates through competitive tendering (eg, painterwork now costing c70% less than comparable BMD rates);

- The introduction of a number of changes to the cyclical maintenance programme including a trial of pre-surveying painter work; the introduction of new paint products which have a longer lifecycle and a programme to renew all soffits and fascia with PVC to buildings above 2 storeys. These changes will reduce maintenance costs going forward.

- voluntary severance offers resulting in savings in staff costs (35 accepted offers).

2.18 Feedback from customers on changes to date has been positive, with 99% very satisfied with the general responsive repairs service delivered across the Workflow Scheduling Team area and 98% customer satisfaction in relation to painterwork.

2.19 The aim of the above measures is to improve the efficiency of BMD and reduce operating costs. As a Statutory Trading Organisation (STO), BMD must evidence financial viability and all operating expenditure and income is ring-fenced. As such, all costs and efficiencies arising from the BMD review are separate from the overall Council-wide General Fund budget position. Savings and efficiencies arising from the BMD review will ultimately feed-back to the Council's HRA, through reduced contract charges, delivering better value for tenants.

2.20 In line with the agreed Project Initiation Document, estimated savings of £1m have been identified and the project is on target to meet the above savings targets, due to a combination of Voluntary Severance and increased productivity.

2.21 The next steps will focus on work to implement the good practice arising from the changes set out above, across the BMD as a whole. This will be undertaken within the context of reduced depot provision and the need to maintain or improve current service provision.

Social Work Information System

2.22 The Council's Social Work Information System (SWIS) is a key corporate system, underpinning and supporting the work of both Children's and Social Work Adult Services. The BT Board initiated a review of the functionality and suitability of the existing system, with a view to determining whether the system meets the Council's business needs in an efficient, cost effective, and integrated way.

2.23 The BT Board has considered various reports on the viability and functionality of the existing system and, on the basis of those reports, has sought to identify the steps required to scope and commission a replacement system. This scoping work is well underway and has, to date, focussed on gathering market intelligence around, for example:

- what the market offers in terms of replacement systems;
- what systems other Local Authorities use;
- whether other Authorities have procured recently and what risks and opportunities they faced; and
- whether Falkirk Council's requirements are fundamentally different from those of other Authorities.

2.24 Various actions have flowed from this intelligence gathering, most notably around consideration of:

- system specification;
- the potential for working jointly with another Authority;
- the procurement process, and the potential for using a national procurement route, eg via the existing Crown Commercial framework; and
- project scoping, commissioning, delivery, and roll out timescales, and the need to minimise these while ensuring proper structure, governance, and control.

2.25 The replacement of the SWIS system is a significant, and potentially multi year project. On that basis, further reports will be considered by BT Board as a matter of priority, with a view to building a high level project plan (incorporating robust governance arrangements) to drive delivery of the project.

Improvement Groups and Service / Corporate Reviews

2.26 As well as the suite of corporate, or cross cutting, BT projects, some of which are referenced above, a number of 'Improvement Groups' have been established across all Services to consider new ways of working. These are short life working groups which involve managers and Trade Union / employee representatives. Each Group focuses on a particular functional area of service delivery with a view to making efficiencies while maintaining, or improving, effectiveness. They will also link to the areas considered by Services for Service Reviews.

2.27 Each Group has a defined membership, scope, and remit, with a focus on considering the 'optimal' model of service delivery. Groups are currently in place to consider arrangements in relation to:

- Front Line Service Delivery and One Stop Shops;
- Services to Tenants;
- Rent Collection and Rent Arrears;
- Community Learning and Development;
- Janitorial Services;
- School Libraries;
- Support for Learning Assistants;
- Children and Families Overtime;
- Social Work Adult Services (Homecare, MECS, and Housing with Care);
- Estates: Grounds Maintenance, Street Cleaning, and Community Safety; and
- Refuse Collection; and Roads.

2.28 Progress made by each Group is reported to BT Board on an on-going basis. As part of this, Groups are required to highlight any training, spend to save, or streamlining opportunities that could, potentially, be of wider benefit.

2.29 A programme of self-assessments and 'Service Reviews' was considered by the Performance Panel in May 2016, building on a Performance Management Workshop held in February. While not all self assessments are focussed on areas that have been identified as requiring improvement, they do provide a check that all relevant processes, procedures, and structures in place deliver robust, relevant, and effective services.

2.30 Service Reviews are more detailed, and do tend to focus on areas where it has been identified that there is a need for change or improvement. Reviews planned for 2016 include:

- Frontline Service Delivery;
- Rent Collection;
- Housing Management – Services to Tenants;
- Looked After Children;
- Care Provision Contracts; and
- Printworks

2.31 In addition to self-assessments and Service Reviews, a number of areas of corporate review were agreed by Council at the budget meeting in February:

- Built and School Estate;
- Income and Charging;
- Asset Management; and
- External Funding.

2.32 Members should note that progress with corporate and Service Reviews will be reported and monitored through the BT Board.

3. RECOMMENDATIONS

3.1 Members are invited to note:

3.1.1 progress made to date in relation to key Business Transformation projects and short life 'Improvement Groups'; and

3.1.2 that progress with corporate and Service Reviews will be reported and monitored through the BT Board as these projects progress.

….....
DIRECTOR OF CORPORATE AND HOUSING SERVICES
Date: 25 May 2016
Ref: AAB070616 – Business Transformation Update
Contact Name: Stuart Ritchie

LIST OF BACKGROUND PAPERS

None

AGENDA ITEM
10

FINANCIAL OUTTURN 2015/16

AGENDA ITEM 10

FALKIRK COUNCIL

Subject: **FINANCIAL OUTTURN 2015/16**
Meeting: **EXECUTIVE**
Date: **7 June 2016**
Author: **DIRECTOR OF CORPORATE & HOUSING SERVICES**

1. INTRODUCTION

1.1 This report presents the financial position of the Council for 2015/16 and reflects the situation as at 31 March 2016. The final accounts process is underway and the figures will be subject to final audit review. Any further adjustment to these figures will be reported back to Members.

2. GENERAL FUND

2.1 Appendix 1 sets out both General Fund net expenditure by Service and how it is financed. Movements between budget and projected outturn are expressed in monetary and percentage terms.

Net expenditure at the year end is forecast to be £337.5m which is £2.3m (0.7%) below the resources available. This is a favourable movement of £0.3m (0.1%) from the previously reported position in January. The main reason for the movement since January is due to lower than anticipated expenditure, particularly within Children's Services (Social Work) which reduces the overspend in that area and increased Council Tax income. These were offset by the additional cost of compensatory lump sum payments.

The reasons for significant overall deviations from budget are described below and in large measure reflect what has previously been reported to Members during the course of the year:-

2.2 Children's Services – (under budget by £0.990m; 0.5%)

(i) Education (under budget by £1.906m; 1.3%)
The Education Division of the Service was £1.906m under budget, which was broadly in line with the position reported in January. Additional operational costs of £0.350m was offset by savings of £0.890m within teaching and other employee costs and also property cost savings of £0.260m. This outturn also reflects an additional £0.400m gain from both probationers funding and from the redistribution of funds which flowed to those Councils like Falkirk that demonstrated that they had met their commitment to maintain teacher numbers and their prescribed pupil:teacher ratio at September 2015 in line with the agreement made with the Scottish Government.

The outturn also reflects one-of budget savings of £0.700m in the Early Years sector as only part year costs for the new Early Years Campuses were incurred in 2015/16, with the full year costs not arising until 2016/17. Further savings were also made in this sector due to lower than expect demand for 2 year olds provision, which mirrors a similar position throughout Scotland.

(ii) Social Work – Children & Families (over budget by £0.916m; 4.3%)
Costs are £0.529m less than the figure previously reported in January and in comparison with the previous financial year the overspend is circa £1.8m lower. The number of children in residential schools and residential care fell during the year with costs no longer being incurred for a number of children, who were placed in expensive residential accommodation, reaching the age of eighteen. A reduction in the rates paid with a number of providers has also helped the overall position reflecting more focussed and stringent management arrangements that are being developed and embraced throughout the new Children's Services. Overall fostering and residential placements remains a highly volatile area. A series of actions being taken to manage expenditure is detailed in a separate report to the Scrutiny Committee, which includes an ongoing review of existing contracts to deliver efficiencies and consideration of new and innovative approaches as to how services can be delivered in a way that demonstrates best value.

Social Work Adult Services (over budget by £1.373m; 2.0%)
There are significant demand pressures on service provision, in particular Adult 24 hour care and Adult Home Care purchasing. However, there has been no significant movement in the projected overspend from January. A series of actions aimed at addressing the situation and reducing the overspend has been reported to the Scrutiny Committee but their impact on the overspend remains to be seen and hopefully, will be evidenced in the new financial year.

Development Services (under budget by £0.071m; 0.2%)
The Service is broadly in line with budget with lower income due from commercial rents of £0.290m and car parking charges of £0.175m, largely offset by higher than anticipated income from building warrants of £0.140m and crematorium and burials of £0.380m. The increased income for the crematorium is principally due to the delay in closing the facility for refurbishment, which was initially expected to happen during 2015/16.

As previously reported in January the current arrangements for processing and recycling materials collected via the blue bins has incurred increased costs paid by the Council. As anticipated these additional costs were accommodated within the Service's overall budget.

Corporate & Housing Services (under budget by £0.489m; 10.1%)
The underspend is a result of lower than anticipated staff and property costs within General Fund Housing. The elements of the Service relating to central support are presented in the next section.

Central Support Services (under budget by £0.700m; 2.5%)
An underspend on staffing costs across all central support services has reduced the overall costs of Central Support Services to the General Fund by £0.700m.

Miscellaneous Services (under budget by £0.206m; 2.1%)
There are various underspends across several areas of Miscellaneous Services which are partly offset by the deficit within Printworks.

Compensatory Lump Sums (£2.147m)
The cost of compensatory lump sums paid as a result of employees leaving through voluntary severance stands at £2.147m. Savings from staff leaving will accrue in future years.

Council Tax (over budget by £1.678m; 3.2%)
The welcome increase in the council tax yield follows on from the previous financial year. A combination of factors, such as new properties, the reduced cost of the council tax reduction scheme and an ongoing improvement in the collection rate has improved the yield.

3. WORKFORCE CHANGES

3.1 Members will be aware of the requirement for Services to reduce staff numbers by c100 FTE in 2015/16 and c231 FTE in 2016/17. In order to manage this Services must follow a framework which includes:-

- non-filling of vacancies where possible;
- a review of all temporary employees and agency workers, ending contracts where possible;
- any other options to achieve savings through voluntary means;
- severance.

3.2 To date, progress with employees seeking redeployment and leaving through voluntary severance is as follows

	No of Posts	
	2015/16	**2016/17**
Seeking Redeployment	95	65
Severance	164	57

Overall, from March 2015 to March 2016, headcount and FTE have reduced as follows:

	Mar 2015	**Mar 2016**
Headcount	7,436	7,123
FTE	6,268	5,922

4. TRADING ACCOUNT

4.1 The projected overall surplus of Building Maintenance is marginally less than budgeted.

5. HOUSING REVENUE ACCOUNT

5.1 Overall, HRA spending of £56.5m (Appendix 2) is in line with budget. There are savings in staff costs and operational expenditure, together with additional rental income from commercial properties. These savings were utilised in a number of areas across the Housing Revenue Account, including Estates improvement work and provision of additional Capital Financed from Current Revenue [CFCR] to augment the resources available to undertake housing investment.

5.2 The reserve balance brought forward at 1 April 2015 was £5.093m and no application from reserves was planned for 2015/16, with the current projected level of reserves considered to be prudent to meet future revenue and capital investment requirements. This level is in line with the Scottish average of c10% of annual expenditure.

6. GENERAL FUND RESERVES

6.1 The Council policy on its Reserves Strategy was reviewed and approved by the Executive on 13 January 2015. In respect of the Council's Uncommitted General Fund, the policy provides for 2% of annual revenue expenditure (giving a range of £6.6m - £10m) to be held as a contingency against unforeseen events and emergencies. The Reserves Strategy also states that the purpose of each earmarked Reserve must be clearly understood and highlights the requirement for an agreed protocol for use which accords with the Council's priorities and can enable the use of these Reserves to better feed into the budget process. Any sums deemed surplus, should properly be returned to the Uncommitted General Fund.

6.2 In the light of the additional financial pressures facing the Council arising from the 2016/17 Settlement, Members will recall that it was agreed to deploy £1.450m from the General Fund plus £0.750m from the Devolved Schools Management Fund to achieve a balanced budget in 2016/17.

6.3 The following paragraphs provide an update on the expenditure and transfers in respect of the Council's reserves and earmarked funds. A summary of the transactions and balances is included at Appendix 3.

6.4 **Repairs and Renewals Fund**

The significant balances and movements on the fund are detailed as follows:

Printworks (£0.203m)
It is planned to build up the fund to replace the current 4 colour press in 2018/19.

Roads (£0.080m)
It is intended that the balance will be used to fund improvements to the Earls Road Depot, including upgrading the CCTV.

Waste Strategy (£0.118m)
In 2015/16 £0.500m was utilised to support the purchase of recycling bins, undertake recycling centre maintenance and to upgrade and assist with expanding the recycling provision.

Flood Prevention (£0.130m)
Flood prevention initiatives included £0.265m for the purchase of a Vactor Unit, a vehicle with high pressure cleaning equipment for clearing drains and culverts. The balance of £0.130m will be used as a contribution towards the costs associated with on-going ecology and ornithology work for the Grangemouth Flood Protection Scheme.

Social Work Services Properties (£1.159m)
The Fund will be deployed to enable critical work to be undertaken across a range of care facilities and other premises. This work will enable registered services to meet Health and Safety requirements and will enable essential refurbishment of premises, as identified by condition surveys. The surveys of all properties have been undertaken with £0.921m committed to facilitate the highest priority work (£0.185m in 2015/16), with the balance of £0.423 still to be deployed.

Vehicle Replacement (£0.533m)
A sum of £0.879m has been transferred to augment funding for the vehicle replacement programme with £0.350m spent in the financial year. A further £0.200m will be spent in 2016/17 and the balance of £0.333m in 2017/18. This application of reserves is necessary to help fund the replacement of refuse collection vehicles in 2017-19.

General Fund Housing (£0.904m)
It is proposed to use the fund to deliver efficiencies and savings in the current and future financial years e.g. to fund upgrading work to hostel accommodation to help reduce future accommodation and support costs. It is anticipated that the fund will be utilised by 2017/18.

Mobile & Flexible Working (£0.339m)
In December 2014 a report was presented to the Executive detailing a project on Mobile and Flexible working. An additional sum of £0.172m has been provided to help cover the additional revenue resources required to undertake the project with most of the funding due to be spent in 2016/17.

Crematorium (£0.200m)
The funding will supplement the approved refurbishment works being undertaken at the crematorium.

Citizens Advice Bureau (£0.111m)
In February 2015 an Executive report outlined a proposal to relocate Falkirk's Citizen Advice Bureau to premises in Meeks Road. Funding of £0.111m to facilitate this move has been incorporated within the fund.

Miscellaneous Repairs & Maintenance (£0.106m)
Funding of £0.106m has been added to offset the cost of repairs within the Travelling Peoples Site and to the lift within the Municipal Buildings.

6.5 **Earmarked Reserves**

The position with each of the five funds is as follows:

Devolved Schools Management (£3.890m)
The balance on the fund at 31 March 2016 is £3.890m, which incorporates the appropriation of £0.750m back to the General Fund. Included in the total is a sum of £1.895m, which is mainly in respect of balances held at individual school level for use by headteachers. The remaining balance of £1.995m is principally and prudently earmarked to help manage the expected growth and expansion in early years provision arising from increased demand for places from qualifying 2 year olds and for the potential increased cost of maintaining teaching numbers in light of increased roll numbers. A sum has also been earmarked to act as a contingency if issues arise which affect the full achievement of the planned budget savings in 2016/17.

Economic Development (£1.003m)
The fund assists with the delivery of economic projects where the Council has a significant property related interest. The balance on the fund at 31/03/16 was £1.003m. After taking into account that circa £0.2m was used to balance the budget in 2015/16 as agreed by Members in February, the remaining balance will be used to support the following:

- Property maintenance/dilapidations works at Meeks Road, Almond Court and Victoria Mills (Bo'ness) - £0.284m
- Business Support/Landscape Initiatives including delivery of tourism signage works - £0.219m

- Falkirk Townscape Heritage Initiative, has increased by £0.120m to £0.500m with the funding to be used in 2017/18.

Energy Efficiency Loan Fund (£0.500m)
The fund was initially established in 2004 with money provided by the Scottish Government to enable energy management projects. The Council has provisionally been awarded another £0.500m of grant funding from Salix, a government funded company which provides grants and loans to public organisations across the UK. It is anticipated that a range of proposals will be developed during 2016/17, aimed at improving energy efficiency and reducing costs.

Insurance Fund (£5.180m)
The Insurance Fund balance has increased from £4.826m at 31 March 2015 to £5.18m at 31 March 2016. As previously advised to Members, the Insurance Fund was actuarially valued during 2015, the results of which were reported to Members at the Executive on 15 March 2016. The valuation was carried out by Milliman LLP and they advised that a Fund surplus of £0.6m exists. They stressed that although the Fund is broadly healthy, they did not recommend the release of the surplus due to the uncertainty that the Fund faces i.e. MMI claims. We have now been advised that the MMI levy to cover future claims has increased from 15% to 25% which further reinforces the advice not to release the surplus within the Fund.

Spend to Save (£3.136m)
A significant part of this balance is to help to cover the cost of voluntary severance, with the funding available increasing from £1.6m to £2.3m. This is largely a result of a change in accounting practice which recognised known future severance liabilities at the end of March 2015. The remaining balance of c£0.8m is to fund the front end costs associated with Spend to Save proposals, including the Rehab Group proposals for the factory unit at Central Business Park, refreshing the teaching profession and enabling Social Work staff to be trained as Mental Health Officers.

6.6 **General Fund Balance**

The approved reserves strategy suggests a range of £6.6m - £10m for the General Fund. Appendix 1 shows a balance of £11.462m at March 2016, which incorporates the agreed transfer of £0.750m from the Devolved School Management Fund. After accounting for the application of £2.200m towards the 2016/17 budget, the opening balance from April 2016 will be £9.262m, however this is before applying the sum agreed by Council for equal pay.

6.7 **Capital Reserves**

Capital Receipts Reserves

As noted in previous reports, this Reserve comprises proceeds from the sale of Council Assets. As part of the 2015/16 Revenue budget process, Members approved the potential to deploy capital receipts to meet the costs of voluntary severance. The movement on this Reserve is as detailed below:

	GF £'m	HRA £'m	TOTAL £'m
Balance at 1 April 2015	**3.354**	**2.424**	**5.778**
Received During 2015/16	0.718	3.587	4.305
Applied to Fund 2015/16 Capital Programme	-	(3.585)	(3.585)
Earmarked for Voluntary Severance	(1.903)	-	(1.903)
Balance at 31 March 2016	**2.169**	**2.426**	**4.595**

It should be noted that the projected General Fund Balance at 31 March 2016, includes £0.919m of Business Property Re-investment receipts.

Capital Grants Unapplied Accounts

As noted in previous reports, this Reserve comprises Section 75 contributions from developers as well as capital grants/contributions for which conditions often apply. The movement on this reserve is as detailed below:

	GF £'m	HRA £'m	TOTAL £'m
Balance at 1 April 2015	**2.787**	**1.082**	**3.869**
Received During 2015/16	0.006	-	0.006
Applied to Fund 2015/16 Capital Programme	(0.249)	-	(0.249)
Balance at 31 March 2016	**2.544**	**1.082**	**3.107**

It should be noted that the projected General Fund Balance at 31 March 2016, includes £0.504m of Business Property Re-investment receipts. The balance also includes £1.3m of receipts which have been earmarked for the 2016/19 Capital Programme.

7. CONCLUSION

7.1 Net expenditure on the General Fund is now forecast to be £337.5m creating a net General Fund surplus for 2015/16 of £2.343m (0.7%).

7.2 Spending within the Housing Revenue Account is in line with budget, leading to year-end reserves of £5.093m which will be deployed in a planned manner over time.

7.3 It should be noted that the above figures are subject to any adjustments that may arise from the audit process.

8. RECOMMENDATIONS

Members are invited to:-

(i) Note the Council's year-end financial position for 2015/16
(ii) Note the transfers to the Repairs and Renewals Fund and Earmarked Reserves as outlined at Appendix 3

Director of Corporate & Housing Services
Date: 26 May 2016
Ref: AAB070616 – Financial Outturn 2015/16
Contact: Danny Cairney ext 6388

LIST OF BACKGROUND PAPERS

1. Financial Monitoring Statements 2015/16

Any person wishing to inspect the above background papers should telephone Falkirk (01324) 506388 and ask for Danny Cairney/Amanda Templeman/Bryan Smail.

Appendix 1

FALKIRK COUNCIL

GENERAL FUND

PROJECTED REVENUE OUTTURN STATEMENT 2015/16 AS AT 31/03/16

	Budget	Projected Outturn	(Fav)/ Adv Variance		Previous Projection
	£'000	£'000	£'000	%	
Childrens Services	185,620	184,630	(990)	(0.5)	185,300
Social Work - Adult Services	69,475	70,848	1,373	2.0	70,894
Development Services	34,263	34,192	(71)	(0.2)	34,282
Corporate & Housing Services	4,865	4,376	(489)	(10.1)	4,534
Miscellaneous Services	9,692	9,486	(206)	(2.1)	9,450
Central Support Services	28,542	27,842	(700)	(2.5)	27,946
Less: Central Support Recharges	(28,542)	(28,542)	-	-	(28,542)
Trading Accounts	(707)	(704)	3	(0.4)	(721)
Provision for Budget Pressures	2,000	-	(2,000)	(100.0)	-
Sub - Total	305,208	302,128	(3,080)	(1.0)	303,143
Falkirk Community Trust	12,660	12,660	-	-	12,660
Valuation	1,119	1,119	-	-	1,119
Compensatory Lump Sums	-	2,147	2,147	-	1,470
Transfers to/(from) Earmarked Funds	(490)	(490)	-	-	(490)
Adj. for Capital Financing Costs / Capital Charges	19,685	19,953	268	(1.4)	19,685
NET EXPENDITURE	338,182	337,517	(665)	(0.2)	337,587
Financed By :					
General Revenue Funding	223,140	223,140	-	-	223,140
Non-Domestic Rates	62,336	62,336	-	-	62,336
Council Tax / Council Tax Reduction Scheme	52,706	54,384	(1,678)	(3.2)	54,166
NET INCOME	338,182	339,860	(1,678)	(0.5)	339,642
SURPLUS/(DEFICIT)	-	2,343	(2,343)	(0.7)	2,055
Add : General Fund Surplus as at 1 April 2015		8,369			
Appropriation from Devolved Schools Management		750			
Projected General Fund Balance as at 31 March 2016		11,462	*		

* To be applied to 2016/17 budget and meeting equal pay claims

Appendix 2

FALKIRK COUNCIL

HOUSING REVENUE ACCOUNT

PROJECTED REVENUE OUTTURN STATEMENT 2015/16 AS AT 31/03/2016

	Budget £'000	Projected Outturn £'000	(Fav)/ Adv Variance £'000	%	Previous Projection
Employee Expenses	7,070	6,618	(452)	(6.4)	6,618
Property Expenses	25,704	25,739	35	0.1	25,739
Transport Expenses	8	8	-	-	8
Supplies and Services	4,348	3,850	(498)	(11.5)	3,850
Third Party Payments	1,835	1,540	(295)	(16.1)	1,540
Support Services	4,007	3,907	(100)	(2.5)	3,907
Capital Charges	13,498	14,870	1,372	10.2	14,870
Compensatory Lump Sums	-		-	-	
Gross Expenditure	56,470	56,532	62	0.1	56,532
Income	56,470	56,532	(62)	(0.1)	56,532
Surplus/(Deficit)	-	-	-		-
Add: Surplus brought forward at 1 April 2015		5,093			
Projected Surplus at 31 March 2016		5,093			

Appendix 3

ANALYSIS OF REPAIRS & RENEWALS FUND

Service		Balance 01/04/2015 £'000	Spend £'000	Transfers £'000	Balance 31/03/2016 £'000
Chief Executive	Printworks	206	(5)	2	203
Development	Roads	80			80
	Waste Strategy	619	(501)		118
	Flood Prevention	395	(265)		130
	Crematorium			200	200
	Birkhill Mine Demolition	27		24	51
	Pavilion Improvement	50			50
	Planning Enquiry	32	(32)		0
Social Work	Older People's Accommodation	1,335	(185)	9	1,159
Corp & Housing	Vehicle Replacement Programme	879	(350)	4	533
	General Fund Housing	897		7	904
	Citizens Advice Bureau			111	111
	Travelling Peoples Site			73	73
	Municipal Buildings Lift Repair			33	33
	Mobile & Flexible Working	167		172	339
Other	Drummond House Dilapidations	20	(20)		0
	Mariner Centre	37			37
TOTAL		**4,744**	**(1,358)**	**635**	**4,021**

ANALYSIS OF EARMARKED RESERVES

Description	Balance 01/04/2015 £'000	Spend £'000	Transfers £'000	Balance 31/03/2016 £'000
Devolved Schools Management	4,898	(2,292)	1,284	3,890
Economic Development	1,083	(200)	120	1,003
Central Energy Efficiency	456	(24)	68	500
Insurance	4,826		354	5,180
Spend to Save	2,614	(78)	600	3,136
TOTAL	**13,877**	**(2,594)**	**2,426**	**13,709**

AGENDA ITEM 11

CHARTER FOR HOUSEHOLD RECYCLING IN SCOTLAND

AGENDA ITEM 11

FALKIRK COUNCIL

Subject: **CHARTER FOR HOUSEHOLD RECYCLING IN SCOTLAND**
Meeting: **EXECUTIVE**
Date: **7 JUNE 2016**
Author: **DIRECTOR OF DEVELOPMENT SERVICES**

1. PURPOSE OF THE REPORT

1.1 The purpose of this report is to update members on the work and options developed to support the implementation of the Charter for Household Recycling in Scotland, that the Executive agreed to sign at the meeting of 12 January 2016, and to recommend a way forward.

2. STAGES OF THE POLICY DEVELOPMENT PANEL

2.1 In order to fully develop and review the options open to the authority the short life policy development panel (PDP), initially created to review the Charter, was continued to review the options open to the authority in relation to its implementation and to make recommendations as appropriate.

2.2 The PDP met 3 times prior to the signing of the Charter and on a further 2 occasions (refer to appendix 1) following the Executive decision in January and involved the following elected members;

- Councillor Dr C R Martin (Chair)
- Councillor J Blackwood
- Councillor A Nimmo
- Councillor S Bird
- Councillor P Garner

2.3 As discussed above, upon signing the Charter the PDP had a further 2 meetings to help enable the group to review the options open to the Council and to establish the cost implications associated with moving to a Charter compliant service. These meetings were held on the following dates;

- 23 March: Meeting of PDP group with Zero Waste Scotland (ZWS) to discuss options and next steps
- 12 May: Meeting of PDP group with ZWS to discuss cost implications and public consultation

REVIEW OF OPTIONS FOR CHARTER COMPLIANCE

2.4 When considering the options open to the authority it was important to review the Household Recycling Code of Practice (CoP) that accompanies the Recycling Charter which aims to highlight what is best practice in the delivery of waste services. Within this

CoP there are a number of key elements which have to be included when designing a compliant waste service. These are;

- 2 containers at kerbside; 1 for paper/card and 1 for plastics, metals & cartons
- 1 container at kerbside or recycling points for glass
- 1 container for food waste collected separately

2.5 Therefore, prior to the meetings of the PDP, officers, in partnership with ZWS, reviewed the Council's current service and developed a series of scenarios that would ensure Council compliance with the key requirements of the Charter and associated CoP. To further help establish the options, officers also considered the feedback from the initial PDP meetings held in November and December thus ensuring that options favoured by staff and Community Councils would also be considered as part of this process. Accordingly, 4 scenarios were developed and presented for consideration by the PDP. The full details of the scenarios are set out in appendix 2, however the summary is as follows;

Service	Non-Recyclable Waste	Co-Mingled Dry Recycling	Paper and Cardboard	Plastics/Metals/Cartons	Glass, Small Electricals, Textiles, AHPs & Batteries	Food Waste	Garden Waste
Budgeted Position	4-W	F			F	W	4-W
Scenario 1	4-W		4-W	4-W	F	W	4-W
Scenario 2	4-W		W	W	W	W	4-W
Scenario 3	4-W		4-W	F	F	W	4-W
Scenario 4	F		4-W	4-W	F	W	4-W
Notes	4-W: 4-Weekly; F: Fortnightly; W: Weekly; AHP: Absorbent Hygiene Products						

By investigating each of these scenarios it enabled the panel to look at the collection services options and highlight the costs of each and the ability to comply with the principles as set out in the Charter. The aim of this was to highlight the following across each scenario;

1. Would this service be compliant with the principles of the household recycling Charter?
2. What would be the total collection and disposal costs of this option?

PDP Meeting: 23 March 2016

2.6 The group discussed the options that would help the Council move towards a service more in line with the Charter and the CoP. The budgeted position was also discussed.

2.7 After detailed discussion surrounding the scenarios the panel then contributed to a 'Strengths, Weaknesses, Opportunities and Threats (SWOT)' analysis to discuss the merits of each option. This SWOT analysis is within appendix 4. After completion of this exercise the panel agreed that a public consultation should be conducted in order to better inform the panel's considerations..

2.8 The meeting concluded with an agreement that a public consultation exercise would be carried out between 11 April and 16 April 2016 inclusive and would take the form of road-shows in locations associated with each ward to ensure that a broad range of responses could be gathered. After the completion of this exercise a further PDP meeting was to be held on 12 May to review the exercise and consider the final cost implications of each option.

PDP Meeting: 12 May 2016

2.9 The last meeting of the panel saw members receive a copy of the detailed public consultation report that highlighted the results of consultation exercise carried out. The full consultation report is set out in appendix 3. The key findings were;

- None of the service options was dismissed by the public
- Scenario 2 divided public opinion the most
- Scenario 4 divided public opinion least

2.10 In addition to the public consultation exercise, officers also presented a summary of the costs associated with each scenario. While full details of the associated costs are in appendix 2 the key cost summary is as follows;

	Budgeted Position	Scenario 1: 4-Weekly Collection of Wheeled Bins	Scenario 2: Weekly Collection of Trolley-Box	Scenario 3: Fortnightly Trolley-Box with Blue Bin Paper & Card Only	Scenario 4: Fortnightly Non-Recyclable Waste with 4-Weekly Collection of Other Wheeled Bins
Revenue	**£6,508,658**	**£6,083,505**	**£6,790,301**	**£6,321,576**	**£6,344,304**
Capital Cost	**£110,250**	**£1,281,750**	**£2,150,250**	**£2,090,250**	**£1,761,750**
Revenue Variation from Budgeted Position		**(£425,153)***	**£281,643**	**(£187,082)**	**(£164,354)**

*** Brackets indicate a revenue variation of less than the budgeted position**

- Scenario 1 offers the greatest revenue savings
- Scenario 2 requires an increase in the Council's revenue budget
- Both Scenario 2 and 3 are highly sensitive to the additional costs in collection due to the type of collection
- All scenarios require significant capital investment with Scenario 2 requiring the most

2.11 After presentation of both the consultation exercise and cost implications there followed a detailed discussion on the implications for the authority. Most pressing was how the Council could cover the significant capital expenditure required across each scenario. While officers understand that external funding should be available this year it is unclear when the authority would be able to access the fund or indeed the level of funding available.

2.12 Following the detailed discussion and consideration, the PDP concluded that it could not agree a preferred scenario to recommend to the Executive.

3. AREAS FOR CONSIDERATION

3.1 Council agreed on 17 February 2016 to alter the waste collection service that would see the brown bin (garden waste) and green bin (non-recyclable waste) move to 4 weekly collection cycles. While the brown bin has already been moved to the new schedule the green bin still requires to be altered. In order for officers to achieve the budgeted position this move will have to be completed by October 2016.

3.2 In relation to compliance with the Recycling Charter, the Council's current service provision will not be compliant. This is because this service does not provide one container for paper/card and another container for plastics/metals/cartons. Instead the current service utilises one container (blue bin) to collect this material, this non compliance will result in the Council not being able to access available external funding. This situation can be addressed by pursuing on of the scenarios described in this report.

3.3 We still await clarity on the amount of funding which will be available to help the authority transition to a collection that will be in line with the principles with the new Charter. Therefore, if the authority moves ahead with the planned changes in October we may have to implement further changes at another time, to ensure our service remains compliant.

3.4 While each scenario offers varying levels of costs, it is clear from the initial findings that, in the case of Scenario 1, the authority has the potential to achieve the highest saving from the current budgeted position. This option also has the advantage of continuing in the roll out of the intended waste diversion implementation strategy.

3.5 If the authority wants to continue to be compliant with the new waste collection protocols it is essential that we select an option for the following reasons;

1. Selecting an option will allow the officers to develop a detailed transition/implementation plan
2. This in turn will allow the authority to access funding as soon as it becomes available. If no way forward is settled on, this funding will not be available to the authority. Given this, and the in the context of the Council's continuing financial challenges, scenario 1 is the way forward favoured by officers.

4. IMPLICATIONS

Policy

4.1 Selection of one of the shortlisted scenarios is required for our service to be compliant with the Charter for Household Recycling.

Financial

4.2 Each of the selected scenarios would trigger an initial significant capital requirement. While it is anticipated this could be covered by external funding, the amount of funding is not confirmed at this time.

4.3 Completion and submission of the transition plan referred to in paragraph 3.5 would form the application for the relevant funding from ZWS.

Legal

4.4 None

Personnel

4.5 The personnel implications are dependent on the outcome of the chosen scenario but there are none for scenario 1.

5. RECOMMENDATIONS

It is recommended that the Executive:

5.1 note the outcome of the Policy Development Panel considerations and in particular that no recommendation on a way forward has been settled on by the panel

5.2 having regard to this, accept the officer view referred to in paragraph 3.5 of the report that Scenario 1 should be the favoured option for proceeding.

5.3 authorise the Director of Development Services to complete the transition plan referred to and submit a funding bid to ZWS on this basis.

5.4 instruct the Director of Development Services to report back to Members on the outcome of the bid process.

……..
DIRECTOR OF DEVELOPMENT SERVICES

DATE: 16th May, 2016

Contact Name(s): Robin Baird ext 0437

Appendix 1: PDP Minutes: 3 & 11 Nov 2015 and 15 Dec 2015, 23 Mar 2016 and 12 May 2016
Appendix 2: Details of Collection Service (Review of Budgeted Position and Scenarios 1 to 4)
Appendix 3: SWOT Analysis
Appendix 4: Report on Public Consultation of Different Collection Scenarios

LIST OF BACKGROUND PAPERS

1 Falkirk Council Executive: 12 January 2016
2 Falkirk Council: 17 February 2016
3 Household Recycling Charter for Scotland
4 Code Of Practice – Household Recycling in Scotland

Anyone wishing to inspect the background papers listed above should telephone 01324 590437 and ask for Robin Baird.

FALKIRK COUNCIL

POLICY DEVELOPMENT PANEL - RECYCLING CHARTER

NOTE OF MEETING HELD ON TUESDAY 3 NOVEMBER 2015 AT 10 A.M. WITHIN MUNICIPAL BUILDINGS, FALKIRK.

In attendance: Councillors Dr Craig R Martin, Jim Blackwood and Stephen Bird; Robin Baird (Waste Strategy Co-ordinator), Carl Bullough (Waste Manager), Ross Fenwick (Waste Strategy Officer), Alistair Steel (Team Leader, Legal Services) and Antonia Sobieraj (Committee Services Officer).

Apologies:- Councillor Alan Nimmo.

Councillor Dr Craig R Martin welcomed all those attending to the first meeting of the Policy Development Panel on Recycling Charter. The scope of the Policy Development Panel is to consider the implications of the forthcoming 'Charter for Household Recycling in Scotland' and to make recommendations to the Executive as appropriate.

The Panel at this first meeting established and agreed the detailed scope for activities within agreed timeframes/ meetings and considered the detailed issues associated with the operation of the recycling scheme, targets and budgetary constraints.

Robin Board, Waste Strategy Co-ordinator referred to the range of influencing factors and policies relating to the operation of the Council's recycling scheme including the Scottish Government Task Force, the Scottish Government consultation on the Circular Economy for Scotland and the 'Charter for Household Recycling in Scotland'. Robin Baird thereafter went through the draft Charter page by page and members made comment on the updated content since the previous meeting. It was highlighted that the finalised Charter would be published in late November 2015.

The discussions included the undernoted issues:-

- The importance of a common collection system and standard throughout Scotland and the significant transition cost;
- The issues associated with the contamination of the blue bin's contents and the reduced saleability; and
- The service practice.

The proposed timetable of Panel meetings was agreed as follows:-

	Purpose of meeting	**Date/Venue**	**Attendees**	**Public/Private Meeting**
1.	**Scoping/Background and Context** Establishing and agreeing the detailed scope for activities within agreed timeframes/ meetings.	Tuesday 3 November 2015 at 10 a.m.	PDP Members	Private

	The presentation and discussion of detailed information in relation to the operation of the recycling scheme, targets and budgetary constraints.			
2.	**Meeting with Staff Improvement Group** Seeking views of staff as key stakeholders in relation to the operation of the recycling scheme.	Wednesday 17 November 2015 at 1 pm.	PDP Members	Private
3.	**Briefing Meeting** Briefing on published 'Charter for Household Recycling in Scotland' and invitation to representative from Zero Waste Scotland on content of Charter and Falkirk's delivery.	Late November 2015 - date to be confirmed.	PDP Members Zero Waste Scotland representative - tbc	Private
4.	**Workshop/Meeting for Internal and External Partners, Community Councils and other parties as appropriate**. Stakeholder evidence gathering.	Mid December 2015 - date to be confirmed.	PDP Members Organisations tbc	Public
5.	**Reporting** Final meeting for members to discuss and determine recommendations based on previous sessions and the evidence provided.	Before 21 December 2015	PDP Members.	Private
6.	**Recommendations to the Executive** Present findings and recommendations to the Executive on the delivery of services in accordance with the 'Charter for Household Recycling in Scotland'.	Tuesday 12 January 2016	Executive Members	Public

FALKIRK COUNCIL

POLICY DEVELOPMENT PANEL - RECYCLING CHARTER

NOTE OF MEETING HELD ON TUESDAY 17 NOVEMBER 2015 AT 1.00 P.M. WITHIN DALGRAIN WASTE MANAGEMENT DEPOT, GRANGEMOUTH

In attendance: Councillors Dr Craig R Martin, Jim Blackwood, Paul Garner, Alan Nimmo and Stephen Bird; Carl Bullough (Waste Manager), Ross Fenwick (Waste Strategy Officer), Gordon Irvine and Gordon Kirkham, Operational Staff, Waste Management; Alistair Steel (Team Leader, Legal Services) and Antonia Sobieraj (Committee Services Officer).

Apologies: - Robin Baird (Waste Strategy Co-ordinator).

Councillor Dr Craig R Martin welcomed all those attending to the second meeting of the Policy Development Panel on Recycling Charter. The purpose of the meeting was to meet with staff representatives on the Staff Improvement Group and to seek their views as key stakeholders on the operation of the recycling scheme. Gordon Irvine and Gordon Kirkham were in attendance as representatives of the Staff Improvement Group.

Carl Bullough, Waste Manager and Antonia Sobieraj, Committee Services Officer then clarified the scope of the Panel's work in its consideration of the implications of the forthcoming 'Charter for Household Recycling in Scotland' and the consultation with stakeholders. This was followed by the staff representatives on the Staff Improvement Group highlighting the general views of the Waste Management operational staff and answering PDP members' questions.

The current collection service was as undernoted:-

Container	**Materials**	**Collection Frequency**
Grey caddy	Food waste	Weekly
Blue bin	Paper, metal, cardboard, plastic	Every two weeks
Black box	Glass bottles and jars, household batteries, small electrical items	Every two weeks
Brown bin	Garden waste	Every two weeks (On demand service) (December - February inclusive)
Green bin	Residual bin - non recyclable	Every three weeks

The issues raised during discussion included the following:-

- The new requirements with the Charter for a common household waste collection system and standard throughout Scotland;
- The future requirement for separation of the current blue bin recyclable waste into two containers for (1) paper/cardboard and (2) plastic, metal and cartons;
- The significant cost penalties to the Council when incorrect material was placed in the kerbside containers;
- The Council's lack of statutory enforcement powers for householder non compliance with recycling requirements;
- The importance of a comprehensive and cost effective method of communicating the householder responsibilities to recycle correctly and options for taking this forward included advertising on waste collection vehicles, leafleting and increasing visits to schools and households;
- The level of schools waste/recycling education programme and the opportunities for increased collaborative work with the Litter Team;
- The importance of seeking best practice in other Council areas;
- The amount of excess waste currently placed in the green (residual) bin (240 litre) collected on a monthly basis;
- The option for a twice monthly collection of a green (residual) bin (120 litre) or alternatively having a larger bin for less frequent collection;
- The safety issues associated with the collection of larger bin than 240 litres;
- The alternative options to the black box sometimes considered to be heavy for some householders;
- The separating costs for contents not separated by householders;
- The issues associated with the contamination of the blue bin contents and the reduced commercial saleability;
- The level of excess residue materials left within the green bin and litter in streets emanating from overfilled bins;
- The Service standards produced by the Waste Managers Strategy Group and the Code of unified standards; and
- The occasions where some householders placed too much content within the black box.

The proposed timetable of future Panel meetings was agreed as follows:-

	Purpose of meeting	Date/Venue	Attendees	Public/Private Meeting
4.	**Briefing Meeting/Workshop/Meeting for Internal and External Partners, Community Councils and other parties as appropriate**. Briefing on published 'Charter for Household Recycling in Scotland' and invitation to representative from Zero Waste	Tuesday 15 December 2015 at 11 a.m.	PDP Members Community Councils/Zero Waste Scotland representative – tbc - other organisations tbc	Private from 11 a.m. to 1.00 p.m. Public from 1.00 p.m. until meeting conclusion.

	Scotland on content of Charter and Falkirk's delivery and stakeholder evidence gathering session/workshop.			
5.	**Reporting** Final meeting for members to discuss and determine recommendations based on previous sessions and the evidence provided.	Before 21 December 2015	PDP Members.	Private
6.	**Recommendations to the Executive** Present findings and recommendations to the Executive on the delivery of services in accordance with the 'Charter for Household Recycling in Scotland'.	Tuesday 12 January 2016	Executive Members	Public

FALKIRK COUNCIL

POLICY DEVELOPMENT PANEL - RECYCLING CHARTER

NOTE OF MEETING HELD ON TUESDAY 15 DECEMEBER 2015 AT 11 A.M. WITHIN MUNICIPAL BUILDINGS, FALKIRK.

In attendance: Councillors Dr Craig R Martin, Stephen Bird, Paul Garner (from 1.00 p.m.) and Alan Nimmo; Robin Baird (Waste Strategy Co-ordinator), Carl Bullough (Waste Manager), Ross Fenwick (Waste Strategy Officer) (from 1.00 p.m.), Alistair Steel (Team Leader, Legal Services) and Antonia Sobieraj (Committee Services Officer).

Also in attendance from 1.00 p.m.:- Robert Smith, Airth Parish Community Council; Madelene Hunt and Lennox Ainslie, Bo'ness Community Council; Claud Wilson, Banknock Community Council and Gerry Moore, Shieldhill and California Community Council.

Councillor Dr Craig R Martin welcomed all those attending to the third meeting of the Policy Development Panel on Recycling Charter. The scope of the Policy Development Panel was in two parts as follows:-

- 11.00 a.m. - Presentations to Policy Development Panel on content of the published 'Charter for Household Recycling in Scotland', the Associated Code of Practice and the and implications to the Council - Andrew Dick, Local Authority Programme Manager and Robin Baird (Waste Strategy Co-ordinator); and
- 1.00 p.m. - Meeting with representatives of Community Councils to seek their feedback on the operation of the recycling scheme.

Part 1 - Presentation - Andrew Dick, Local Authority Programme Manager, Zero Waste Scotland:-

The issues covered included:-

- The Charter comprising 21 principles and Zero Waste Task Force;
- The Code of Practice;
- The principles of consistency;
- The delivery of greater consistency of waste collection and service;
- The invitation for Councils to sign the Charter;
- The governance and funding arrangements;
- The design, policies, operations and communication imperatives;
- The identification of collection options;
- The determination of optimum volume of non-recyclable waste;
- The essential and desirable requirements;
- The minimum of three waste containers covering (1) paper/card; (2) plastic, metal and carton, and (3) glass;
- The importance of good customer service;
- The stewardship of collected materials;
- The effectiveness of operational service delivery; and
- The importance of good communication with communities.

The first part of the meeting adjourned at 12.15 p.m. and reconvened at 1.00 p.m., with all those present as per the sederunt.

Part 2 - Presentation - Robin Baird (Waste Strategy Co-ordinator) (where duplication of content this is not included):-

The issues covered included:-

- The effect of the Charter/Code of Practice on Falkirk Council;
- The Council being well placed to deliver the requirements;
- The Council's current policies and procedures being likely to be adopted at a national level; and
- The need for the Council to review was the current blue bin collection.

This was followed by clarification being sought from Community Council representatives and thereafter the Community Councils were asked the respond to the undernoted:-

- ❖ The need for the Council to change the material collected in the blue bin; and

- ❖ The importance of communication as a key component of delivering effective services and the methods to be used by the Council to communicate the new recycling arrangements.

The Community Council responses during discussion included the following:-

- The usefulness of retaining the green bin colour as householders in particular were used to this colour for residual waste;
- The preference for bins as opposed to boxes as they were more easily moved particularly for the elderly;
- The importance of improving communication and for communities to understand the consequences of no compliance;
- The importance of engaging with children within primary and nursery schools and the subsequent education of their parents;
- The excellent information to householders when the collection of green residual waste changed to a collection every three weeks;
- The imperative of effectively policing householder non compliance;
- The usefulness of clear and concise information for householders;
- The large number of bins within some streets and flatted accommodation areas and the importance of not increasing the number;
- The options for colour coding of containers via stickers as opposed to spending major resources on purchasing new containers; and
- The agreement that the Council should sign the Charter.

General discussion included the undernoted:-

- That the majority of Scottish local authorities used black or grey bins for residual waste as opposed to green;

- The importance of communities engaging with the Council and that the change of service was accepted by the community;
- That further comments from Community Councils were invited by late February 2015 and that following the development of detailed proposals further feedback from Community Councils would be invited;
- The cost implications from an increase in the number of bins;
- The use of bottle banks and the effect on the use of the black box;
- The use of landfill sites;
- The statutory and no statutory responsibilities of Councils;
- The option to review recycling centre opening times as part of a possible savings exercise;
- The charges for the use of the recycling centres to businesses and the increase in illegal flytipping by individuals and businesses;
- The need to change the throw away society; and
- The need for businesses to recycle prior to the Council providing a landfill service and the fine for non compliance.

The second part of the meeting adjourned at 1.45 p.m. with Community Council representatives leaving the meeting and reconvened at 1.55 p.m., with all those present as per the sederunt.

PDP members thereafter agreed the following:-

- That the key principles of the Charter were significantly sound and should be supported;
- The recommendation to the Executive on 12 January 2016 that the Council sign the Charter; and
- The submission of a report to the Executive on this basis and requesting that during the following months the transition plan be developed prior to implementation; and
- That the Executive would determine whether any further meetings of the PDP should take place to progress this work.

The proposed timetable for the initial progressing of work was agreed as follows:-

	Purpose of meeting	Date/Venue	Attendees	Public/Private Meeting
6.	**Recommendations to the Executive** Present findings and recommendations to the Executive on the delivery of services in accordance with the 'Charter for Household Recycling in Scotland'.	Tuesday 12 January 2016	Executive Members	Public

FALKIRK COUNCIL

POLICY DEVELOPMENT PANEL - RECYCLING CHARTER

NOTE OF MEETING HELD ON WEDNESDAY 23 MARCH 2016 AT 2.30 P.M. WITHIN MUNICIPAL BUILDINGS, FALKIRK.

In attendance: Councillors Dr Craig R Martin, Stephen Bird and Paul Garner; Robin Baird (Waste Strategy Co-ordinator); Carl Bullough (Waste Manager) and Ross Fenwick (Assistant Waste Strategy Co-ordinator); Alistair Steel (Team Leader, Legal Services); and Antonia Sobieraj (Committee Services Officer).

Also Attending: Andrew Dick, Local Authority Programme Manager, Zero Waste Scotland.

Apologies: Councillors Jim Blackwood and Alan Nimmo.

Councillor Dr Craig R Martin welcomed all those attending to the fourth meeting of the Policy Development Panel on Recycling Charter. The purpose of the meeting was to consider the implementations of the decisions taken at the Executive on 12 January 2016, when it was agreed to process the Council's blue bin material at the Council's current bulking facility, the signing of the Charter for Household Recycling in Scotland and the development of a transition plan for future consideration.

The discussions commenced with a presentation by Robin Board, Waste Strategy Co-ordinator on the four options with included consideration of the staff and vehicle costs associated with each option:-

- Option 1 - 4 weekly collection of wheeled bins (Green, Blue, Brown & Grey) + food weekly/box fortnightly;
- Option 2 - Weekly collection of kerbside boxes and 4 weekly residual and brown
- Option 3 - Fortnightly collection of kerbside boxes , 4 weekly paper/card, 4 weekly residual and brown; and
- Option 4 - 140ltr bin for residual fortnightly, 4 weekly brown, blue, grey + food weekly/box fortnightly.

There followed consideration of the various options for the delivery of a compliant waste collection service in line with the Charter for Household Recycling. The Panel then contributed to a Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis to highlight the agreed/preferred option.

The Panel agreed that one concluding meeting was required prior to the submission of final proposals to the Executive on 7 June 2016. Prior to the meeting of the Executive, a further public consultation exercise would take place.

Future meetings were as undernoted:-

	Purpose of meeting	Date/Venue	Attendees	Public/Private Meeting
1.	**Final Proposals Meeting** Approval of final proposals following public consultation for referral to Executive.	Early May 2016 - Date to be confirmed	PDP Members	Private
2.	**Recommendations to the Executive** Present findings and recommendations to the Executive on the delivery of services in accordance with the 'Charter for Household Recycling in Scotland'.	Tuesday 7 June 2016	Executive Members	Public

FALKIRK COUNCIL

POLICY DEVELOPMENT PANEL - RECYCLING CHARTER

NOTE OF MEETING HELD ON THURSDAY 12 MAY 2016 AT 2.00 P.M. WITHIN MUNICIPAL BUILDINGS, FALKIRK.

In attendance: Councillors Dr Craig R Martin, Stephen Bird, Jim Blackwood and Alan Nimmo; Robin Baird (Waste Strategy Co-ordinator); Carl Bullough (Waste Manager) and Ross Fenwick (Assistant Waste Strategy Co-ordinator); Alistair Steel (Team Leader, Legal Services); and Antonia Sobieraj (Committee Services Officer).

Also Attending: Louise Bradney, Zero Waste Scotland.

Apologies: Councillor Paul Garner.

Councillor Dr Craig R Martin welcomed all those attending to the fifth meeting of the Policy Development Panel on Recycling Charter. The purpose of the meeting was to consider the results of the recent public consultation exercise and agree final proposals following consideration of the four options for future recycling of household waste for submission to the Executive on 7 June 2016.

The discussions commenced with a presentation by Robin Board, Waste Strategy Co-ordinator and Ross Fenwick on the four options with included consideration of the staff and vehicle revenue and capital costs associated with each option:-

- Option 1 - 4 weekly collection of wheeled bins (Green, Blue, Brown & Grey) + food weekly/box fortnightly;
- Option 2 - Weekly collection of kerbside boxes and 4 weekly residual and brown
- Option 3 - Fortnightly collection of kerbside boxes, 4 weekly paper/card, 4 weekly residual and brown; and
- Option 4 - 140ltr bin for residual fortnightly, 4 weekly brown, blue, grey + food weekly/box fortnightly.

There followed detailed discussion of the four scenarios presented together with the consideration of the results of the recent public consultation exercise carried out since the meeting on 23 March 2016. The report on the consultation had been issued to PDP members prior to the meeting. The Panel (1) further considered various options for the delivery of a compliant waste collection service in line with the Charter for Household Recycling; and (2) considered the details of the public consultation exercise carried out over a week between 11 April and 16 April 2016 inclusive at nine public venues. In total more than 600 surveys were completed.

Following detailed discussion and consideration, the Panel agreed that it could not determine a preferred option to recommend to the Executive. The Panel would therefore report on its deliberations to the Executive but would not recommend an option.

Future consideration of the matter:-

	Purpose of meeting	Date/Venue	Attendees	Public/Private Meeting
1.	**Report to the Executive** Report of Panel's deliberations on the delivery of services in accordance with the 'Charter for Household Recycling in Scotland'.	Tuesday 7 June 2016	Executive Members	Public

Appendix 2: Details of Collection Service including Costs of Budgeted Position and Scenarios 1 to 4

BUDGETED POSITION (2016/17)

Non-Recyclable Waste	Co-mingled Dry Recycling	Glass, Textiles, Small WEEE and Nappies/AHP	Food	Garden
4-Weekly	**Fortnightly**	**Fortnightly**	**Weekly**	**4-Weekly**

		COST
REVENUE	Staffing and Vehicle Costs	£3,410,000
	Container Replacements	£220,182
	Collection Cost	**£3,630,182**
	Dry Recycling Income/Cost	£278,660
	Organics Gate Fees	£367,650
	Residual Waste Disposal	£2,199,028
	Haulage & Transfer	£33,138
	Disposal/ Treatment Cost	**£2,878,476**
	Total Revenue (Collection + Disposal/Treatment)	**£6,508,658**
CAPITAL	Service Change Comms	£110,250
	Vehicles	£0
	Containers	£0
	Capital Cost	**£110,250**

OVERVIEW OF BUDGETED POSITION (2016/17)

At Council on the 17 February 2016 members agreed to implement a 4-weekly collection of the brown bin (garden waste) and the green bin (non-recyclable waste). As such as part of this review officers modelled this budgeted position. The service is illustrated above with cost details opposite.

With respect to compliance with the Recycling Charter, the Councils current budgeted position would not be compliant. This is because this service does not provide one container for paper/card and another container for plastics/metals/cartons. Instead the service utilise one container (blue bin) to collect this material.

Once the frequency change from 3-Weekly to 4-Weekly green bin takes place, it is anticipated that the recycling performance would marginally improve from the current position to the budgeted position.

SCENARIO 1: 4-Weekly Collection of Wheeled Bins

Non-Recyclable Waste	Paper and Card	Plastic, Metal and Cartons*	Glass, Textiles, Small WEEE and Nappies/AHPs	Food	Garden
4-Weekly	4-Weekly	4-Weekly	Fortnightly	Weekly	4-Weekly

		COST
REVENUE	Staffing and Vehicle Costs	£3,410,000
	Container Replacements	£278,757
	Collection Cost	**£3,688,757**
	Dry Recycling Income/Cost	(£205,068)
	Organics Gate Fees	£367,650
	Residual Waste Disposal	£2,199,028
	Haulage & Transfer	£33,138
	Disposal/ Treatment Cost	**£2,394,748**
	Total Revenue (Collection + Disposal/Treatment)	**£6,083,505**
CAPITAL	Service Change Comms	£110,250
	Vehicles	£0
	Containers	£1,171,500
	Capital Cost	**£1,281,750**
	Revenue Variation from 2016/17 Budgeted Position	**(£425,153)**

OVERVIEW OF SCENARIO 1

Scenario 1 would see residents receive an additional 240L grey bin for the collection of Non-Recyclable Waste. This would then see the existing wheeled bin (green) be used to collect plastic/metal/cartons. This would see 4 wheeled bins in total, in addition to the kerbside box and food caddy.

Due to the material being collected separately in wheeled bins it is anticipated that this scenario would see the authority potentially achieve a significant saving in running costs, mainly attributed to the lower cost of processing the material but also linked to operational efficiencies (1 wheeled bin collected per week). To implement this scenario the Council would need to bid for funding for the purchase of the new wheeled bins which is anticipated to be c£1,171,500. At the moment the criteria for funding or levels of funding are not available to the authority.

* To ensure the service is compliant with the Recycling Charter the Council would provide additional capacity to residents for plastic/metal/cartons upon request.

SCENARIO 2: Weekly Collection of Kerbside Boxes

Non-Recyclable Waste	Paper, Card, Plastic, Metal, Cartons, Textiles, Small WEEE, Nappies/AHPs and Glass	Food	Garden
4-Weekly	Weekly	Weekly	4-Weekly

		COST
REVENUE	Staffing and Vehicle Costs	£4,261,500
	Container Replacements	£202,543
	Collection Cost	**£4,464,043**
	Dry Recycling Income/Cost	(£273,558)
	Organics Gate Fees	£367,650
	Residual Waste Disposal	£2,199,028
	Haulage & Transfer	£33,138
	Disposal/ Treatment Cost	**£2,326,257**
	Total Revenue (Collection + Disposal/Treatment)	**£6,790,301**
CAPITAL	Service Change Comms	£110,250
	Vehicles	£0
	Containers	£2,040,000
	Capital Cost	**£2,150,250**
	Revenue Variation from 2016/17 Budgeted Position	**£281,643**

OVERVIEW OF SCENARIO 2

In this scenario residents would receive a stackable set of kerbside boxes that would replace the existing Council blue bin with all materials from the blue bin being transferred to the new trolley box service.

In this scenario, the time taken to collect the material is considerably longer due to the increased sorting at the kerbside. As such this scenario would be more expensive to operate and require an increase to the existing service budget. This scenario would be fully compliant with the Charter.

To implement this scenario the Council would need to re-tender its existing kerbside recycling contract to accommodate the changes due to the predicated change in expenditure for collection and would require funding to be available to purchase the boxes. It is anticipated the funding required would be c£2,040,000. As per Scenario 1, the details of the funding are not available at this time.

This scenario is anticipated to have the joint highest recycling rate potential.

SCENARIO 3:

Non-Recyclable Waste	Paper and Card	Plastic, Metal, Cartons, Textiles, Small WEEE, Nappies/AHPs and Glass	Food	Garden
4-Weekly	4-Weekly	Fortnightly	Weekly	4-Weekly

		COST
REVENUE	Staffing and Vehicle Costs	£3,736,000
	Container Replacements	£259,318
	Collection Cost	**£3,995,318**
	Dry Recycling Income/Cost	(£273,558)
	Organics Gate Fees	£367,650
	Residual Waste Disposal	£2,199,028
	Haulage & Transfer	£33,138
	Disposal/ Treatment Cost	**£2,326,257**
	Total Revenue (Collection + Disposal/Treatment)	**£6,321,576**
CAPITAL	Service Change Comms	£110,250
	Vehicles	£0
	Containers	£1,980,000
	Capital Cost	**£2,090,250**
	Revenue Variation from 2016/17 Budgeted Position	**(£187,082)**

OVERVIEW OF SCENARIO 3

In this scenario, the blue bin is used for paper and card only collected on a 4-weekly frequency with householders receiving a trolley box for plastics/metal/cartons collected fortnightly. This is considered a hybrid between scenarios 1 and 2.

This scenario would be compliant with the Charter. Although not to the same extent as scenario 2, the time taken to collect the material is still longer than when collected in one bin due to the increased sorting at the kerbside. As such this scenario would be more expensive to operate than the budgeted position however, the dry recycling income/cost offsets this revenue.

The Council would need to re-tender its existing kerbside recycling contract to accommodate the changes due to the predicated change in expenditure for collection and would require funding to be available to purchase the boxes. It is anticipated the funding required would be c£1,980,000. As per Scenario 1 and 2, the details of the funding are not available at this time.

This scenario is anticipated to have the joint highest recycling rate potential.

SCENARIO 4:

Non-Recyclable Waste	Paper and Card	Plastic, Metal and Cartons*	Glass, Textiles, Small WEEE and Nappies/AHPs	Food	Garden
Fortnightly	**4-Weekly**	**4-Weekly**	**Fortnightly**	**Weekly**	**4-Weekly**

		COST
REVENUE	Staffing and Vehicle Costs	£3,598,000
	Container Replacements	£278,757
	Collection Cost	**£3,876,757**
	Dry Recycling Income/Cost	(£201,063)
	Organics Gate Fees	£342,031
	Residual Waste Disposal	£2,297,599
	Haulage & Transfer	£28,980
	Disposal/ Treatment Cost	**£2,467,547**
	Total Revenue (Collection + Disposal/Treatment)	**£6,344,304**
CAPITAL	Service Change Comms	£110,250
	Vehicles	£480,000
	Containers	£1,171,500
	Capital Cost	**£1,761,750**
	Revenue Variation from 2016/17 Budgeted Position	**(£164,354)**

OVERVIEW OF SCENARIO 4

Scenario 4 would see residents receive an additional 140L grey bin for the collection of Non-Recyclable Waste however this would be collected on a fortnightly basis. The existing wheeled bin (green) would be used to collect plastic/metal/cartons. This would therefore see 4 wheeled bins in total, in addition to the kerbside box and food caddy.

Due to the material being collected separately in wheeled bins it is anticipated that this scenario would see the authority potentially achieve a saving in running costs, mainly attributed to the lower cost of processing the material. However, as residents will receive an additional 10L of non-recyclable waste capacity per week, this is anticipated to lead to less participation in recycling. Funding for the purchase of the new wheeled bins would be required (and additional vehicles) anticipated to be c£1,651,500. Presently, the criteria for funding or levels of funding are not available to the authority.

* To ensure the service is compliant with the Recycling Charter the Council would provide additional capacity to residents for plastic/metal/cartons upon request.

This scenario is anticipated to have the lowest recycling rate potential.

Baseline

Non-recyclables	Paper, Card, Plastic, Metal	Glass	Food	Garden
4-weekly	Fortnightly	Fortnightly	Weekly	4-weekly

Strengths	Weaknesses
Easier / Familiar (Colour) Consistent Least Disruption No Additional Container Restricted Capacity Incentivises Recycling	CDR (Blue) - Not Compliant with Charter 4-Weekly Non-Recyclable Increase in Contamination (Cost Implications) Close Door to Funding Public Perception (No Enhanced Service)
Opportunities	**Threats**
Open to Change to Scenario 1 or 4	Non Conformance with Other LAs Cost of Disposal (Blue) Not Meeting Recycling Targets

Scenario 1

Non-recyclables	Paper, Card	Plastic, Metal, Cartons	Glass	Food	Garden
4-weekly	4-weekly	4-weekly	Fortnightly	Weekly	4-weekly

Strengths

Compliant (Capacity)
Improve Quality
Less Chance of Contamination
Additional Bin
Majority Carried Out In-House
One Container (Wheelie Bin) Each Week
No Additional Vehicles or Staff
Restricted Capacity Incentivises Recycling

Weaknesses

Additional Bin
Confusion of Bin Switch (Green = Recyclate)

Opportunities

Cheapest (Revenue)
Access to Funding
Ease of Communication

Threats

Contamination with Additional Bin
Staff Buy-In to Change

Scenario 2

Non-recyclables	Paper, Card, Plastic, Metal, Cartons	Glass	Food	Garden
4-weekly	Weekly	Weekly	Weekly	4-weekly

Strengths

Public Like Trolleybox (Info from Conwy)
Compliant with Charter (Capacity/ Partly Colour)
Quality Improved
Restricted Capacity Incentivises Recycling

Weaknesses

Retrieve Blue Bins
Colour Confusion
Container Set-Out on Pavement
Highest Capital Cost
Change of Collection Style

Opportunities

Access to Funding
Joint Highest Recycling Rate Potential

Threats

Staff Issue with Work to Contractor (TUPE)
Unknown Quantity so Affects Operations
Assumptions Made in Modelling
Longest Implementation

Scenario 3

Non-recyclables	Paper, Card	Plastic, Metal, Cartons, Glass	Food	Garden
4-weekly	4-weekly	Fortnightly	Weekly	4-weekly

Strengths

Compliant with Charter
Hybrid of FCC & Council Work
Colours Not Changing
Perception of Gaining Something
Public Like Trolleybox
Quality Improved

Weaknesses

High Capital Cost
Hybrid of FCC & Council Work
Box Overfill Required
Container Set-Out on Pavement
Change of Collection Style

Opportunities

Access to Funding
Open to Move to Scenario 2 in Future
Joint Highest Recycling Rate Potential

Threats

Long Implementation

Scenario 4

Non-recyclables	Paper, Card	Plastic, Metal, Cartons	Glass	Food	Garden
Fortnightly	4-weekly	4-weekly	Fortnightly	Weekly	4-weekly

Strengths

More Non-Recyclables Capacity
Staff Option Raised
Public Perception of Increased Frequency
Compliant (Capacity / Colour)
Majority Carried Out In-House
One Container (Wheelie Bin) Each Week

Weaknesses

More Non-Recyclables Capacity
Extra 2 Vehicles and Additional Staff
Moving Away From Largest Revenue Saving
Confusion of Bin Switch (Green = Recyclate)

Opportunities

Future Reduction of 140L Frequency
Access to Funding
Ease of Communication

Threats

Contamination with Additional Bin

Nicki Souter
ASSOCIATES

Implementing the Recycling Charter: Public Acceptability of Different Collection Scenarios

Summary Report of Qualitative Public Consultation Assessment

Submission to:
Robin Baird
Falkirk Council
April 2016

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Implementing the Recycling Charter: Public Acceptability of Different Collection Scenarios

Introduction

The Scottish Government recently introduced a Scottish Household Recycling Charter. This aims to standardise how materials are collected from homes across Scotland and to increase the quantity and quality of the materials collected for recycling. The charter stipulates the following:

I. The weekly volume for recycling should exceed the following:
   a. Paper and Card = 40L per week
   b. Metals, Plastics and Cartons = 70L per week
   c. Glass = 20L per week
   d. Food Waste = 20L per week

II. The maximum weekly volume for residual providing the above conditions are met is:
   a. 80L per week for kerbside properties

In order to comply with this Charter, Falkirk Council will need to change their existing waste and recycling collection service. As part of this process they commissioned an independent consultancy, Nicki Souter Associates (NSA) to design and carry out a public consultation exercise at 9 public venues to assess public opinion and preference of 4 waste and recycling collection service change scenarios.

Staff from Falkirk Council and NSA took part in an engagement roadshow over a six- day period at the following locations detailed in Table 1.0.

Day	Date	Time	Location
Monday	11/04/16	10am – 6pm	Tesco Falkirk
Tuesday	12/04/16	10am – 6pm	ASDA Stenhousemuir
Wednesday	13/04/16	10.30am – 1pm	Slamannan Community Centre
Wednesday	13/04/16	1:30 – 6pm	Tesco Redding
Thursday	14/04/16	10am – 1pm	Tesco Camelon
Thursday	14/04/16	2pm – 6pm	Co-op Denny
Friday	15/04/16	10am – 1pm	Tesco Bo'ness
Friday	15/04/16	2pm – 6pm	ASDA Grangemouth
Saturday	16/04/16	10am – 6pm	Howgate Shopping Centre

Table 1.0 Roadshow Locations

The 4 Recycling Collection scenarios to be assessed, displayed in Figure 1 were:

1. 4-weekly wheelie bins;
2. Weekly Trolleybocs and glass;
3. Fortnightly Trolleybocs, 4 weekly fibres; and
4. Fortnightly non-recyclables, 4-weekly wheelie bins.

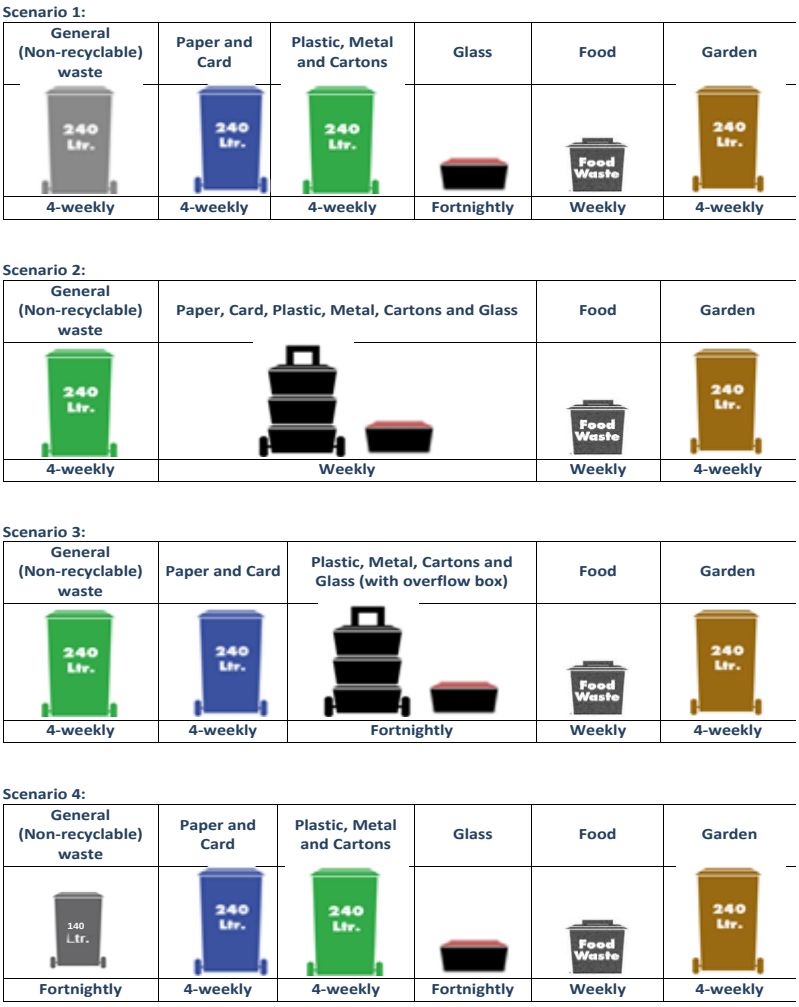


Figure 1.0 Recycling Collection Scenarios

Method

At each venue one officer from Falkirk Council and two officers from NSA engaged with as many members of the public as possible to canvas opinion, record preferences and comments for each of the service change scenarios.

The officers used an engagement script, show-cards and demonstrated the Trolleybocs and 140 litres residual bin, to explain the proposed scenarios. The following information was recorded on a paper sheet for each member of the public engaged with:

- Whether they were a Falkirk Resident or not;
- Gender;
- Household Type (either detached, semi-detached, terraced, flat or other); and
- Age.

Members of the public were asked to provide comment on each of the individual service scenarios and then rank them in order of preference from 1 – 4 (with 1 being the most preferred). The template spreadsheet used to record responses is displayed in Figure 2.

Num.	Gender (M/F)	Falkirk Resident?	Age	House Type	Baseline	Option 1	Option 2	Option 3	Option 4	Comments
1	F	YES	32	FLAT				✓		Like the idea of a trolleybox

Figure 2.0 Excel Recording Template

The data collected from all 9 venues was entered electronically into Excel for analysis by the NSA Data Manager. The data was analysed both quantitatively and qualitatively to gain insight and quantify preferences for each of the offered scenarios.

Results

In total 607 correctly completed engagement responses were recorded and analysed, equating to an average of 101 people interviewed per day on each of the six days of the roadshow. 69% of the public interviewed were women, and 31% men. The stratification by age is detailed in Table 2:

AGE RANGE	% OF INTERVIEWEES
18 – 29	7
30 – 44	20
45 – 59	34
60+	36
NOT GIVEN	2

Table 2 Stratification by Age

The stratification by housing type is detailed in Table 3.0:

HOUSING TYPE	% OF INTERVIEWEES
DETACHED	23
SEMI-DETACHED	30
TERRACED	21
BUNGLAOW	3
4 IN A BLOCK	6
FLAT	15
NOT GIVEN	2

Table 3 Stratification by Housing Type

Overall Preference for Recycling Collection Method

There was mixed opinion about which of the four options would be preferable to the public. Overall the number of people selecting Options 1 – 4 as their preferred choice is displayed in Figure 1.0.

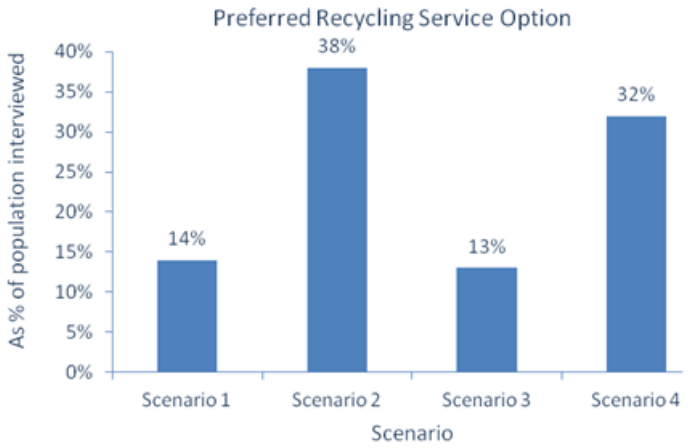


Figure 1: Preferred Recycling Scenarios

Scenarios 2 and 4 were the most preferred options. Each member of the public was also asked to rank each of the 4 scenarios from 1 – 4 with 1 being their preferred choice, the results are presented in Figure 2.0.

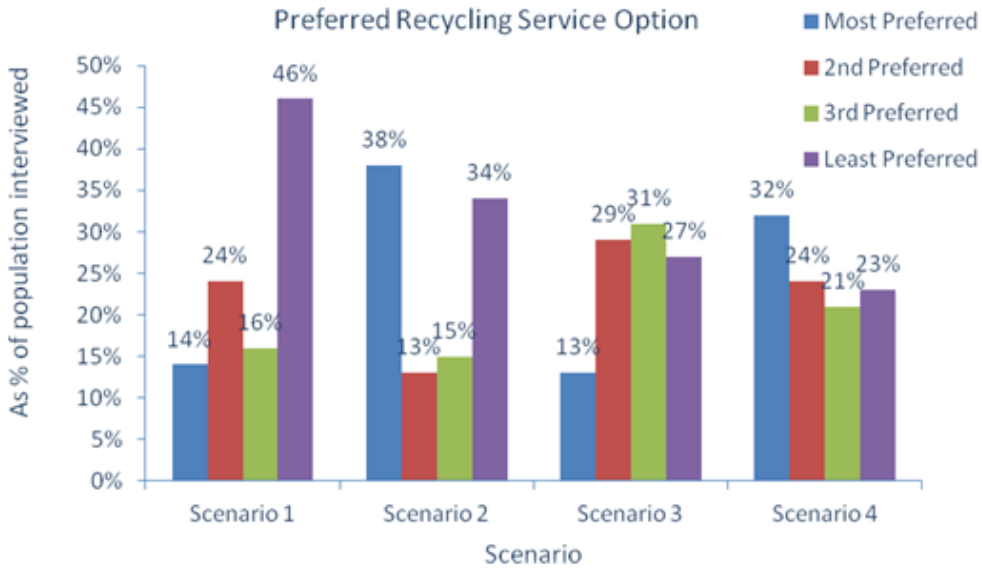


Figure 2: Ranked Preferred Recycling Scenarios

None of the service options were dismissed by the public. There was greater polarisation in attitudes to scenario 2 (weekly Trolleybocs option), the public were either very supportive or dismissive of this as a service delivery option. Scenario 4 divided public opinion the least.

Overall Preference for Recycling Collection Method by Housing Type

There was no overall recycling service option (ranked as 1) that was deemed the most suitable for all housing types. There was polarisation of preference among people living in different housing types as displayed in Figure 3.0.

People living in terraced properties were more likely to select the Trolleybocs system as their first choice primarily due to concerns over lack of storage and the number of bins they would need to store at their properties.

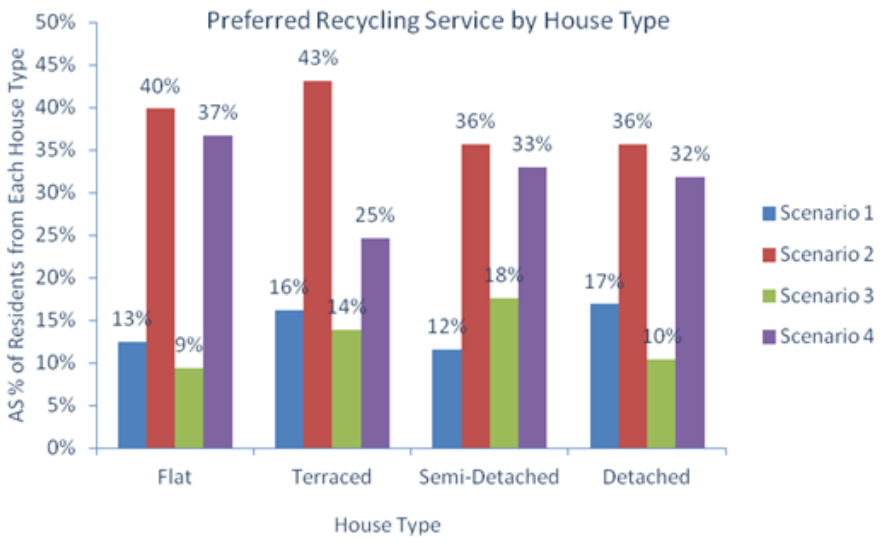


Figure 3: Preferred Recycling Scenarios Ranked 1 by Housing Type

Overall Preference for Recycling Collection Method by Age

There was no overall recycling service option (ranked as 1) that was deemed the most suitable for all ages. There was polarisation of preference among people of different ages as displayed in Figure 4.0.

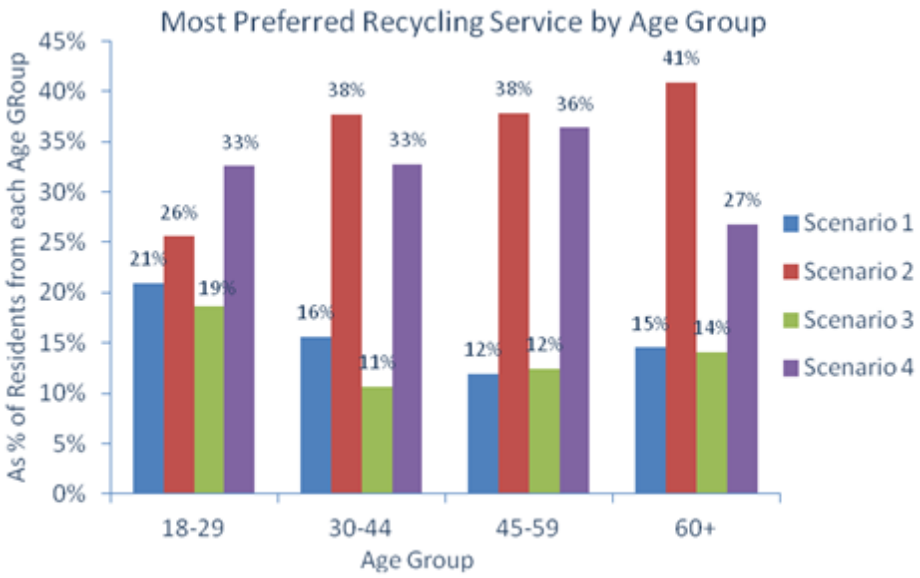


Figure 4: Preferred Recycling Scenarios Ranked 1 by Age

Detailed Scenario Feedback

The main feedback reported for each of the individual scenarios is as follows:

Scenario1: 4 Weekly Wheeled bins

For scenario 1 the main concerns associated with this were there were too many bins (28%), not enough storage space (7%) and concerns about the four weekly collection of non-recyclable waste (16%) especially if the household used nappies or incontinence products.[1]

The main benefits were that it was perceived to preferable to the Trolleybocs (21%), it was similar to the existing system (3%) and offered greater recycling capacity (3%) compared to the other options.

Scenario2: Weekly Trolleybocs

For scenario 2 the main concerns associated with this were people not liking the Trolleybocs system (21%), primarily due to capacity issues for paper and cardboard (17%), and ease of handling (4%).

The main benefits of this system were people liked the weekly collection of recyclates (21%) liked the Trolleybocs system (26%) and the reduction in the number of wheeled bins (15%) that this option provided.

[1] If the household expressed concern re capacity due to nappy or incontinence product use, the officer explained that a separate recycling bag for AHP would be provided with Options 1, 2 & 3.

Scenario 3: Fortnightly Trolleybocs with Blue Bin for Paper and Cardboard

For scenario 3 the main concerns associated with this were people not liking the Trolleybocs system (18%), there were too many bins (14%) and capacity issues due to a fortnightly rather than weekly collection for the other materials other than paper and cardboard (8%).

The main benefits of this system were people liked the additional capacity for paper and card (12%), and liked the Trolleybocs system, neat and compact (14%).

Scenario 4: Fortnightly Reduced Capacity Non-Recyclable Waste

For scenario 4 the main concerns associated with this were too many bins (14%) and people not liking the smaller non-recyclable bin (5%).

The main benefits of this system were people liked the fortnightly collection of non-recyclable waste (30%), and liked the smaller bin (10%).

Conclusions

Overall Preference for Recycling Collection Method

1. There was mixed opinion about which of the four options would be preferable to the public with no overall preferred choice of recycling collection method.
2. None of the service options were dismissed by the public. There was greater polarisation in attitudes to scenario 2 (weekly Trolleybocs option), the public were either very supportive or dismissive of this as a service delivery option. Scenario 4 divided public opinion the least.
3. There was no overall recycling service option (ranked as 1) that was deemed the most suitable for all housing types. There was polarisation of preference among people living in different housing types.
4. There was no overall recycling service option (ranked as 1) that was deemed the most suitable for all ages. There was polarisation of preference among people of different ages.

AGENDA ITEM 12

DENNY TOWN CENTRE REGENERATION: PHASE TWO DEVELOPMENT

AGENDA ITEM 12

FALKIRK COUNCIL

Subject: **DENNY TOWN CENTRE REGENERATION: PHASE TWO DEVELOPMENT**
Meeting: **EXECUTIVE**
Date: **7 JUNE 2016**
Author: **DIRECTOR OF DEVELOPMENT SERVICES**

1.0 INTRODUCTION

1.1 The purpose of this report is to provide an update on the status of the Denny town centre regeneration project including further information with regard to the outcome of the Phase 2 marketing process.

2.0 BACKGROUND & PROJECT UPDATE

2.1 The Executive considered reports providing updates on the project on 29 April, 17 June and 30 September 2014, covering issues including the development timescale, site assembly progress, relocation of the War Memorial and Regeneration Capital Grant Fund (RCGF) opportunity

2.2 The Executive considered a further report on 24 February 2015 in relation to the marketing process for the Phase 2 site. This had identified two interests and advised of a requirement to remarket given that neither of the offers had taken into consideration the requirement for a Denny Eastern Access Road (DEAR) contribution. A further report for the 9 June Executive confirmed that one interest had responded to the remarketing exercise. The Executive agreed that further detail be provided on this proposal in relation to a commitment from an operator and further work on the design. A report was presented to the Executive on the 23 February 2016 confirming a single operator interest from B & M, with a design adjusted to suit their requirements. The Executive agreed to conclude an agreement with County Properties subject to a commitment being secured from B & M as the operator.

2.3 Work is well under way on the first phase of the new town centre with the contractor, Clark Contracts Ltd, proceeding to programme. It is expected that the units will be available to occupiers to start fitting out by September this year with the first tenants opening in November.

3.0 PHASE 2 DEVELOPMENT

3.1 The Phase 2 site was remarketed by SGM, commercial agents and a report on the results of the marketing exercise was submitted to the Council's Executive on the 9 June 2015. One offer was received, from County Properties (Northern) Limited. The Executive agreed that County Properties should be approached requesting that they review their submission for the scheme to better fit the requirements of the brief and, on the basis they were identified as the preferred bidder, seek commitment from a store operator.

3.2 County Properties had a provisional commitment from B & M Retail Ltd. which was reported to Executive on the 23 February 2016. The Council's Executive approved progressing an agreement with County properties on the basis of this commitment from B & M as operator. Since the Executive's decision, County has advised that B & M's national strategy has changed to focus on larger store formats with connection to garden centre provision, located within larger town centres. On the basis of their recently revised strategy they no longer have an interest in locating in Denny and County properties confirmed they have no other operator who would be interested in the Denny site at this time.

3.3 There are 2 options available for the Executive to consider in progressing Phase 2:

- Option 1: remarket the site now
- Option 2: remarket the site on completion of Phase 1.

Option 1: Remarket the site now

The site has now been marketed twice over a two year period with initial interest from two parties, reduced to one and more recently the last party retracting their interest. It is therefore not a suitable time to remarket the site as the same negative result would be expected. Marketing the site now does give some opportunity to connect the scheme's design with that of Phase 1, however the time remaining for these adjustments is limited.

Option 2: Remarket the site on completion of Phase 1

3.4 If remarketing is delayed until the Phase 1 building is fully tenanted, the town square is in place and car park is fully utilized. While this loses the opportunity to tie in with Phase 1 scheme's delivery it will be a more attractive and active environment to consider remarketing the Phase 2 site. In addition the delay in marketing will give additional time for further options in the retail sector to come forward, potentially with other uses. It is hoped that future offers might be improved upon in price, design and delivery, however this cannot be guaranteed given market conditions.

Appraisal Summary

3.5 The marketing process has highlighted a lack of interest in the Denny town centre Phase 2 site at this point in time. The position can change should market conditions improve and the environment of the site is enhanced with the completion and establishment of Phase 1. It is suggested therefore that there is merit in delaying marketing Phase 2 until Phase 1 building, town square and car park is completed to provide a positive environment for future marketing of the Phase 2 site.

4.0 IMPLICATIONS

Policy Implications

4.1 Town centre regeneration is a key priority of the Strategic Community Plan, *Growth, Investment& Inclusion*, the Council's economic strategy and related policies.

Planning Implications

4.2 Town centre regeneration is a key tool in the delivery of the Council's Local Development Plan commitment to enhance the role of town centres and regenerate district centres.

Legal Implications

4.3 Delivery of the regeneration project is being progressed with the support of the Council's Governance Services and, where necessary, external legal advisors.

Financial Implications

4.4 The approved General Services Capital Programme has sufficient provision together with the grant funding to allow Members to pursue either of the 2 options within the existing approved budget. The anticipated receipt for the site will be deferred pending the outcome of marketing of the site once completed.

5.0 CONCLUSION

5.1 The Denny town centre regeneration project has reached an important stage with the construction of phase 1 well underway and currently on programme.

5.2 Unfortunately the outcome of the Phase 2 marketing process has highlighted that there is no confirmed interest in the site. It is suggested that there is no benefit in remarketing the site again at this point given the identified lack of interest. Marketing the site on completion of the overall Phase 1 development, including the town square will give the market additional time to recover and, with tenants occupying Phase 1, make the Phase 2 site a more attractive proposal. A further round of marketing, at this point, may provide a more attractive response.

6.0 RECOMMENDATIONS

It is recommended that the Executive:

i) notes the above report on the progress of the Denny town centre regeneration project

ii) Agrees to progress Option 2 as outlined in item 3 above.

……..
Director of Development Services

Date: 7 June 2016

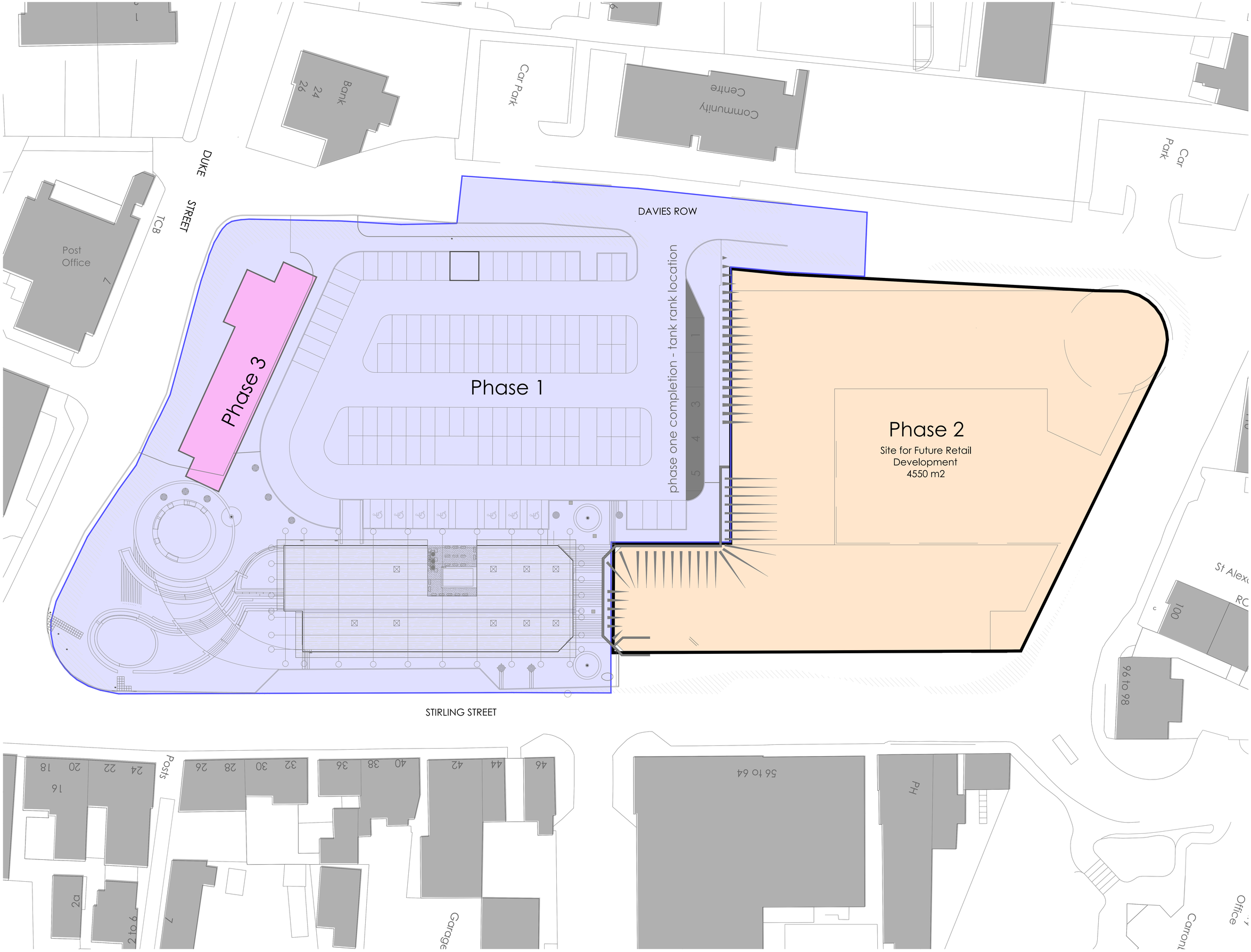
Contact Officers: Colin Frame/Douglas Duff. Ext: 0972/4952.

LIST OF BACKGROUND PAPERS

1. Denny Town Centre Regeneration Files.

Anyone wishing to inspect the background papers listed above should telephone 01324 590972 and ask for Colin Frame.

Note:
1. No dimensions to be scaled from this drawing.
2. Contractor to check all sizes on site.
3. All drainage to comply with BS 8301 and to be to the satisfaction of the Building Control Authority.
4. All electrical work to comply with BS 7671 and to be to the satisfaction of the Building Control Authority



CONTRACT ISSUE
TENDER ISSUE

Falkirk Council
Development Services
Director: Rhona Geisler
Abbotsford House, David's Loan
Falkirk, FK2 7YZ
Telephone : 01324 504950, Fax 504888

Community Design

DENNY TOWN CENTRE
Phase 1, Regeneration

Drawing Title:
Proposed Masterplan

Project/Drawing Number:	Scale	Revision.
AD(0)005	1:200	C1
	Date 01/09/2014	

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