

Notice of Meeting and Agenda

Renfrewshire Council Joint Negotiating Committee for Teaching Staff

Date	Time	Venue
Tuesday, 22 March 2022	14:00	Remotely via MS Teams,

MARK CONAGHAN
Head of Corporate Governance

Membership

Representing Renfrewshire Council Management

Provost L Cameron; Councillor J Paterson; T Stewart, Head of Schools (Joint Secretary); J Calder, Head of Service (Curriculum and Quality); J Colquhoun, Education Manager (Development); K Henry, Head Teacher, St Andrews Academy; H Paterson, Head Teacher, Heriot Primary School; A Hall, Education Manager (Development); M Thomas, Education Manager (Development); and L Mullin, Principal HR and OD Adviser (Finance & Resources).

Representing Renfrewshire Council Teaching Staff

K Fella (Joint Secretary), C Carson, T Millar, Y Murray, M Russell, D Tolland, JP Toner (all EIS); J Liston (SSTA); L Gibson (NASUWT); tbc (Voice); and S McCrossan (Adviser to the Teachers' side).

Further Information

A copy of the agenda and reports for this meeting will be available online at:-

<http://renfrewshire.cmis.uk.com/renfrewshire/CouncilandBoards>.

For further information, please either email democratic-services@renfrewshire.gov.uk or telephone 0141 618 7112.

Items of business

Apologies

Apologies from members.

Declarations of Interest

Members are asked to declare an interest in any item(s) on the agenda and to provide a brief explanation of the nature of the interest.

1 Appointment of Chair Person

Consider the appointment of a Chairperson for this meeting.

2 Minute of Previous Meeting

1 - 6

Minute of previous meeting of 22 February 2022 approved by the Joint Secretaries.

3 Matters Arising

Matters arising from previous Minute.

4 CO2 Monitoring

7 - 12

Joint report by Head of Education/Head of Facilities Management (Hard and Soft Services).

5 JNC EIS Manifesto 2022

13 - 26

Report by Joint Secretary (Teachers' Side).

6 JNC Council Budget

27 - 76

Report by Joint Secretary (Teachers' Side).

7 Covid Health and Safety

77 - 78

Report by Joint Secretary (Teachers' Side).

8 Date of Next Meeting

Members are asked to note that the next meeting will be held on 19 April 2022.

Minute of Meeting Renfrewshire Council Joint Negotiating Committee for Teaching Staff

Date	Time	Venue
Tuesday, 08 February 2022	14:00	Remotely via MS Teams,

REPRESENTING RENFREWSHIRE COUNCIL MANAGEMENT

T Stewart, Head of Schools (Joint Secretary); J Calder, Head of Service (Curriculum and Quality); H Paterson, Head Teacher, Heriot Primary School; J Colquhoun, Education Manager (Development); A Hall, Education Manager (Development); and K Henry, Head Teacher, St Andrew's Academy (Development) (all Children's Services).

REPRESENTING RENFREWSHIRE COUNCIL TEACHING STAFF

K Fella (Joint Secretary) M Russell, C Carson, Y Murray, D Tollan and T Millar (all EIS); J Liston (SSTA); L Gibson (NASUWT); and S McCrossan (Adviser to EIS).

IN ATTENDANCE

L Mullin, Principal HR Adviser, S Fanning, Principal HR & OD Adviser, P Shiach, Senior Committee Services Officer and J Barron, Assistant Committee Services Officer (all Finance & Resources).

APOLOGIES

Provost Cameron and Councillor J Paterson.

DECLARATIONS OF INTEREST

There were no declarations of interest intimated prior to the commencement of the meeting.

1 **APPOINTMENT OF CHAIRPERSON**

In accordance with the terms of the local recognition and procedure agreement, which stated that the Chair of the Committee should alternate between the two sides comprising the Renfrewshire Council Joint Negotiating Committee for Teaching Staff, it was agreed that Craig Carson would chair this meeting of the Renfrewshire Council Joint Negotiating Committee for Teaching Staff.

DECIDED: That Craig Carson chair this meeting of the Renfrewshire Council Joint Negotiating Committee for Teaching Staff.

2 **MINUTE OF PREVIOUS MEETING**

There was submitted the Minute of the previous meeting held on 9 November 2021. With reference to Item 2, “updated” be replaced with “update”, and with reference to Item 8 “governed” by replaced by “governs”.

With reference to Item 5, “in every room”, should be replaced by “in every teaching space for one teaching day only”.

DECIDED: That the Minute be approved subject to the amendments.

3 **QUALITY IMPROVEMENT FRAMEWORK**

There was submitted a report by Head of Schools regarding the Quality Improvement Framework. Since the first lockdown period in March 2020, our Quality Improvement Framework (QIF) has adapted and evolved to meet the rapidly changing needs of school and early years communities.

Concerns regarding the re-introduction of the Quality Improvement Visits were raised, it was advised that visits would be at the request at Head Teachers and these visits were not to bring any additional pressure to the school and to proceed with the agreement of members of staff.

DECIDED:

(a) That the report be noted; and

(b) That it be agreed that the ongoing and planned Quality Improvement activity be proportionate and should recognise the health and wellbeing and workload implications for Renfrewshire establishments during these challenging times.

4 **ABSENCE STATISTICS – QUARTER 2 AND QUARTER 3 OF 2021/22**

There was submitted a report by the Acting Director of Finance & Resources relative to the Council’s absence statistics for period 2, ending 30 September and period 3, ending 31 December 2021.

The report provided information in relation to absence targets and how Services and categories of staff had performed against them. An analysis of the reasons for absence for the period was included within the report. Information was also provided supporting attendance activity levels by the Service and the overall number of days lost.

The absence statistics were broken down by service and category of staff, reasons for absence and progress made by services in relation to their supporting attendance action plans.

Concerns were raised by the Teaching Unions in connection with the increase of Covid-19 absences for quarter 2 and the lack of ability to monitor the CO2 in teaching areas over longer periods of time.

The Teaching Unions requested a breakdown of percentages of absences and requests for access to Counselling for teachers only rather than Council wide staff.

DECIDED:

(a) That the report on absence statistics for the second and third quarters of 2020/21 be noted; and

(b) That information on the on the percentages for absences and requests for access to Counselling for teachers only be brought to a future meeting and that the information be presented in a clearer format.

5 **CO2 MONITORING**

There was submitted a report by the Joint Secretary (Teachers' Side) relative to the Scottish Government guidance of weekly monitoring of classroom spaces.

Information from an EIS survey on ventilation in schools was shared by the Joint Secretary (Teachers side), which included statistics on teachers views on how well-ventilated classrooms were, the investigation of ventilation and procedures in place for raising concerns regarding ventilation.

Soft FM had carried out investigations in schools and had reported their findings back to the Corporate Management Team. The Corporate Management Team had approved monitors being placed in every school, several schools have fixed monitors previously installed, other schools require monitors in every classroom, and so far, 80,000 readings had been taken.

Concerns were raised regarding the gathering of information, and of actions taken once the information is passed back by Teaching staff, no information had been fed back to the Teaching Unions from Soft FM on any actions which would be carried out after the results of the readings had been analysed.

It was proposed that a meeting with the Teaching Unions, Soft FM and Project Managers be held to discuss the matter further, that clarification be given on the number of CO2 monitors available, advise if hard wired monitors which could be installed, and could monitors be requested where there were concerns regarding particular areas and that the Head of Facilities Management be invited to the next meeting of the JNC to advise on progress of installing CO2 monitors in schools.

DECIDED:

- (a) That the report be noted;
- (b) That a meeting with Teaching Unions, Soft FM, Project Managers, Children Services and Health & Safety be arranged to discuss installation of monitors ventilation at the earliest; and
- (c) That the Head of Facilities Management be invited to the next meeting of the JNC on 22 March 2022.

6 HEALTH & WELLBEING

There was submitted a report by the Joint Secretary (Teachers' Side) relative to the EIS survey which was recently conducted on Health and Wellbeing of its members.

The results of the survey indicated the increased workload implications resulting from the impact of the Covid pandemic on teachers.

A Corporate Health Improvement Group had been introduced and all Unions would be involved in this group, where health and wellbeing could be discussed.

After Easter 2022 a calendar of events would be available in every school, including CLPL opportunities, which could assist with planning for the school year and offer assistance to employees in matters of health and wellbeing.

Regarding the reduction of contact hours by 90 minutes per week the Teaching Unions had hoped this would be in place by August 2022, but had been advised this would not be in place by that time.

DECIDED:

- (a) That the report be noted; and
- (b) It was agreed that discussions were to take place between the Management and Teachers' Side at the Corporate Health Improvement Group around how school improvement plans could be adjusted to make a material impact on the workload pressures that were affecting the health and wellbeing of Renfrewshire teachers.

7 WIFI IN RENFREWSHIRE SCHOOLS

There was submitted a report by the Joint Secretary (Teachers' Side) relative to issues with Wi-Fi in schools.

The digital world had made the delivery of education increasingly dependent on technology. Teachers in Renfrewshire were reporting ongoing issues with insufficient Wi-Fi signal which was impacting on the ability to deliver planned lessons.

It was advised that there were more devices for teachers and children since the start of the pandemic, funded from the Scottish Government and from within Children's Services budget.

Next year a Refresh Programme would be introduced to ensure that computer kit within schools were fit for purpose. Head Teachers, Education Support Managers and Service Development Officers were involved in the decision-making process in this regard.

There was a plan for improving fibre connectivity across the Renfrewshire area, schools were aligning with this programme, and in every school there would be fully diverse band width, 5 gig band width connectivity for high schools and 1 gig band width connectivity for primary schools.

To support this increase in bandwidth an upgrade to existing infrastructure was required. From August 2023 there should be higher quality Wi-Fi in all schools and early years establishments.

The Digital Learning Manager had set up meetings with Service Delivery Officers, Education Support Managers and representatives from ICT to flag up any concerns in schools, and Teachers were asked to contact the ICT Helpdesk in the first instance and the Digital Learning Manager if issues were not being addressed.

DECIDED:

- (a) That the report by noted;
- (b) That management continue to advise on plans that were in place to improve the Wi-Fi infrastructure in Renfrewshire and timescales for introduction of the new infrastructure; and
- (c) That the Digital Learning Manager advise Head Teachers of timescales for ICT to deal with enquires from Teachers.

8 LEAD TEACHER

There was submitted a report by the Joint Secretary (Teachers' Side) relative to recent SNCT agreements that had adopted both sabbaticals and lead teacher into the SNCT Handbook.

DECIDED:

- (a) That the report be noted;
- (b) That a working group be set up with the Management Side to progress the areas of sabbaticals once consultation was complete and lead teacher working groups once capacity was available to move towards a JNC agreement; and
- (c) That an update is provided on progress on Working Groups at future meetings of JNC Teachers.

9 **DATE OF NEXT MEETING**

DECIDED: That it be noted that the next meeting of the Renfrewshire Council Joint Negotiating Committee for Teaching Staff was scheduled for Tuesday, 22 March 2022 at 2.00 pm

Renfrewshire Joint Negotiating Committee for Teachers

To: Renfrewshire Joint Negotiating Committee for Teachers

On: 22 March 2022

Report by
Head of Education /
Head of Facilities Management (Hard & Soft Services)

CO2 Monitors in Schools

1. Summary

- 1.1 The purpose of this briefing note is to provide JNC with a summary of the background presented to CMT on 1 February 2022 regarding the Scottish Government requirement to assess Co2 levels in all teaching and learning spaces within schools; Children's Homes; Private Nurseries; and 'Out of School Clubs', and an update on the action taken to complete the process.

2. Recommendations

The CMT approved the following:

- Draw-down the remaining Co2 allocation monies (£252K) from the Scottish Government.
- Draw-down the further monies which have still to be allocated by the Scottish Government '*Settlement & Distribution Group*'
- Establish two Co2 Energy Monitoring Officer posts at Grade 7 for 1 year.
- Install wireless Co2 monitoring at Castlehead, Gryffe, Paisley Grammar, Parkmains, Renfrew, and Trinity High Schools and at Mary Russell ASN School (Note that other schools are already planned or are hard-wired).
- Fix mobile Co2 monitors across the remaining school estate.
- Develop a funded Co2 Monitoring Programme for the PPP schools with AMEY to ensure consistency across the school estate to deliver a permanent monitoring solution.
- Note that should the additional £5M Scottish Government funding still to be distributed be allocated for the same purpose.
- Note that the Programme will take between 3-5 months to complete and that due to a lack of available resourcing, monitoring across the school estate will not be fully operational until then.
- Where ventilation issues arise from monitoring, to develop a costed future programme of mitigation works to be brought back to a future CMT for discussion.

3. Background

- 3.1 On 3 August 2021, Scotland's First Minister announced the distribution of £10M funding in 2021/22 to ensure that all schools and day care of children settings (including those in the private and third sector defined by the Care Inspectorate as day care of children services i.e., services delivering funded ELC, and other private and third sector services who are not local authority funded) have access to Co2 monitoring.
- 3.2 The £10M of funding was to provide support for Co2 monitoring, and could only be used for the following purposes:
- £6.37m capital for the purchase and installation of Co2 monitors (of which £0.37m is for monitors for private and third sector day care of children services). This funding may also be used to reimburse those authorities who have already purchased / installed Co2 monitors, strictly for the costs of the devices only.
 - £3.63m revenue to fund associated additional staff, training, or consultant resource requirements.

This funding was allocated proportionately across local authorities for reasons of equity, based upon total Education GAE (90%) and a rurality weighting (10%), with any underspend to be returned to the Scottish Government. For Renfrewshire, this equated to £332K in total (£99K Revenue; £218K Capital; and £15K Capital - Private & Third Sector).

- 3.3 CO2 monitoring units, which can be both fixed and mobile devices, can help assess how well ventilated a space is, which can in turn help with an understanding of the potential for COVID-19 to be present in spaces in concentrated amounts. The Co2 monitors themselves record Co2 parts per million every 15 minutes and have the functionality to store this data for a period of 30 days to allow for its download through an associated App.
- 3.4 Following the First Minister's announcement on 3 August 2021, and the subsequent guidance issued, Renfrewshire Council placed an order with a supplier on 9 August for 1,000 Co2 Monitoring Units at a cost of £75/unit (£75K in total).
- 3.5 As Renfrewshire Council are responsible (under the Scottish Government guidance), for ensuring all schools and day care of children settings within the local authority area (including those in the private and third sector), receive Co2 monitoring units, 73 Co2 monitoring units were immediately passed on (through Children's Services), to private nurseries and 'Out of School' care providers to enable them to begin their own monitoring as soon as practically possible. **Note that the private providers (Private Nurseries and 'Out of School Clubs') were and continue to be responsible for undertaking their own Co2 monitoring.**
- 3.6 Additionally, the PPP schools, were allocated 100 Co2 Monitoring Units, to undertake their own monitoring. The results from the PPP schools monitoring were fed back to Soft FM officers to be included within the Council's return to

the Scottish Government. All groups were provided with guidance and protocols to help them undertake the monitoring process within the timescales required.

- 3.6 Having identified each establishment by type, along with the number of teaching and childcare spaces, this resulted in a requirement to assess 1,830 spaces. Below is a breakdown of establishment and teaching spaces by type:

Establishment by Type	Number of Teaching & Childcare Spaces	Percentage of Spaces Assessed
38 ELC/Nursery Schools	72 spaces	100%
49 Primary Schools	811 spaces	100%
11 Secondary Schools	863 spaces	100%
2 ASN Schools	84 spaces	100%

- 3.7 A distribution plan was developed (based upon existing school clusters), utilising the remaining available Co2 monitoring units, to monitor across the 1,830 teaching and childcare spaces, to record as much data as possible prior to the October half-term break.
- 3.8 Monitoring began on 13 September 2021 and took place in each location for one full school day. The Soft FM team worked to a detailed programme to collect and re-issue monitors to all required space ensuring all locations were accounted for.
- 3.9 Each Co2 monitor was marked with an Asset Number which assigned the monitoring and distribution records. Additionally, with the assistance of Property Services colleagues, plans were printed for each establishment, detailing where the Co2 monitoring units were to be placed in line with the operating guidance (i.e., 1m away from windows; at a minimum height of 1.5m from the floor; connected through a USB cable to a power-source etc.). The plan accompanied the associated monitor as they were issued.
- 3.10 Given the tight timescales surrounding the requirement, no additional staff were recruited in the initial roll out. Existing Soft FM employees were used to deploy, set up and collect the Co2 monitoring devices. The Council's Health & Safety team helped develop guidance and protocols to enable the Co2 Monitoring Units to be effectively and consistently monitored throughout the school day. Soft FM staff distributed and set-up the Co2 monitoring units within the Council's schools, whilst Children's Services staff distributed the Co2 monitoring units to the private establishments. The guidance and monitoring sheets were placed with and remained with the Co2 monitors throughout the day and were collected by the Soft FM staff at the end of the school day, before moving the Co2 monitoring unit on to the next location. Guidance was also provided to the private establishments as the Co2 monitoring units were distributed by Children's Services staff.
- 3.11 Before the roll-out of the distribution plan could get underway, discussions took place with the Council's Head of Schools and Trades Unions to enable teachers/classroom assistants etc. to monitor the units, record (with the sheets provided) any instances of monitor readings turning red, and take any appropriate remedial action, such as opening windows or doors to allow for an increased circulation of air to aid ventilation. Note, that regardless of the

reading, teachers **were not** required to remove a class from any teaching/childcare space.

The Trades Unions were also provided with the guidance for comment. Only when these discussions reached agreement could the roll-out of the distribution plan commence.

- 3.12 To accompany the guidelines, development of an online training guide/module via the council's 'i-Learn' resource began, which once completed will be available going forward for any employees who wishes to access the information regarding the devices and protocols for monitoring readings.

4. Analysis

- 4.1 As directed by the Scottish Government, all 1,830 Council learning, teaching and childcare spaces across the 100 establishments were assessed by 7 October 2021. Of these 1,830 learning and teaching spaces, the analysis showed that 130 recorded a 'red' reading (i.e., more than 1,500 parts per million), which equated to 7% of the total (across 31 of the 100 establishments). The 130 learning and teaching spaces that did show a 'red' reading is summarily broken down by school type into 11 High Schools (100 readings); 1 ASN Schools (1 reading); 18 Primary Schools (28 readings); and 1 ELCC (1 reading).
- 4.2 From the analysis gathered, further mobile monitoring was subsequently established for a period of 3 weeks in 70 classrooms to date, with a further 5 still to complete across the High Schools, and the Primary Schools to follow. This further analysis began within the High Schools where the highest number of 'red' readings were recorded, to better understand the reasons why and to determine the most appropriate mitigation going forward. As part of the monitoring, survey sheets were also completed to highlight whether windows were typically being opened or remained closed. 33 'red' readings came from PPP schools. Discussions are now ongoing with AMEY to monitor those classrooms again for a longer period, and again to determine the most appropriate mitigation going forward.
- 4.3 From the 70 High School classrooms which were further analysed, a total of 83,242 readings were recorded. From that total 45,094 readings were taken in rooms **where the windows were closed**, with 1,561 readings (3.46%) exceeding 1,500 parts per million. The remaining 38,148 readings were taken in rooms where the windows were open. This accounted for 747 readings (1.96%) where readings exceeding 1,500 ppm.

5. Moving Forward

- 5.1 The expectation from the Scottish Government is that further monitoring is undertaken across the school estate and appropriate mitigation put in place, where high levels of Co2 exist. To enable this, the Scottish Government has asked local authorities to provide confirmation that, due to the work undertaken to date, each individual school and local authority ELC setting now has ongoing access to Co2 monitoring (whether fixed or mobile), along with any planning already undertaken to continue monitoring over the winter period, and the proposed approach (e.g., fixed monitors per space, mobile monitoring, etc.). Additionally, new guidance issued on 4 January 2022, now requires local

authorities to ensure that all learning and teaching spaces require to be monitored for a minimum of *“one full day per week under normal occupancy”*. This will have significant resourcing issues to successfully comply with.

- 5.2 In meeting these requirements, and in noting the establishments where the majority of higher Co2 readings were recorded, the proposed approach moving forward would be to install permanent Co2 monitoring in all Renfrewshire High Schools and at Mary Russell ASN school.
- 5.3 It should also be noted that hard-wired Co2 monitoring is currently installed at Riverbrae ASN school and at Brediland, St Peter's, Rashilea, St Paul's and Mossvale St James Primary Schools. Additionally, a wireless system has very recently been installed at Arkleston Primary and is currently on order to be installed at both Johnstone High School and at Bushes Primary School. The costs of which have been met from within existing resources.
- 5.4 For the six remaining High Schools (Castlehead, Gryffe, Paisley Grammar, Parkmains, Renfrew, and Trinity) a capital programme could be established to undertake this work through the remaining £252K from Scottish Government. However, this would also necessitate the creation of 2 x Co2 Energy Monitoring Officer posts to manage the Co2 monitoring process. Following a recruitment process, interviews have been arranged for Monday 14 March 2022.
- 5.5 The remaining Primary schools and ELC's would have mobile units from the Council's existing stock fitted on the wall within each learning and teaching space. This is because there is no ongoing capacity within existing FM resources to undertake the regular movement of monitors from classroom to classroom, as was undertaken within the initial monitoring exercise. From monitoring the results, a programme of works to mitigate consistently high levels of Co2 in those learning and teaching spaces affected, could be developed. Although Co2 monitoring has already been installed within Dining and Gym Halls, separate more **permanent arrangements will need to be developed with the PPP schools to install permanent Co2 monitors within all classrooms, as the PPP provider is responsible for the maintenance of their own buildings.**
- 5.6 It's vitally important to emphasise that this is the only practical approach the Council has if it is to fulfil the Scottish Government requirement. Consequently, this needs significant and detailed engagement with both teaching and non-teaching Trades Unions to ensure the responsive collegiate co-operation and support of FM, Teachers and Teaching Support Staff to continually monitor and take appropriate mitigatory action, which is the case within several other Scottish local authorities at the present time.
- 5.7 Installation of the mobile Co2 Monitors across the Primary, Nursery and ELC estate will commence from 14 March 2022, and will take up to 4 weeks to complete. The BMS systems with the High Schools and ASN schools commenced on 14 February 2022, and will be completed by early May, subject to our contractors procuring the necessary monitors.
- 5.8 Following development, further guidance and information will shortly be forthcoming to both Children's Services and Soft FM staff concerning the operation of the monitoring systems.

5.9 PPP schools are currently being surveyed and a programme of installation will be developed once this is complete.

Renfrewshire Joint Negotiating Committee for Teachers

To: Renfrewshire Joint Negotiating Committee for Teachers

On: 22 March 2022

EIS Manifesto Report by Joint Secretary (Teachers' Side)

The EIS has no party political links and would never endorse one party over another; we are not neutral, however, in recognising the importance of education to pupils, parents and local communities. The EIS believes in standing up for education in Scotland and, ahead of May's Scottish Council elections, has published a manifesto which outlines EIS policy in key areas including Early Years education, teacher recruitment, additional support needs, teacher workload and the impact of poverty and tackling inequality. The EIS is calling for all political parties and their candidates to commit to actions locally which will support teachers and aid education recovery.

Action

Members of the JNC are asked to note the contents of this report.



EIS Manifesto

Local Government Elections 2022



Introduction

The 2022 Local Government elections come at a crucial time for Scottish Education. As we emerge from the immediate impact of Covid 19, and at the start of a long period of education recovery, it is critical that Scotland's Councils, as the main employers of teachers, do much more to support education staff to deliver for the young people in our schools.



The EIS supports better funding for Councils to deliver their education ambitions but equally we believe that Councils could and should be doing much more to address key issues such as the scandal of 10% of teachers being on temporary contracts, the dearth of support for additional support needs, and the need to remove unnecessary bureaucratic paper trails which simply add to workload.

In this manifesto the EIS calls for political parties, and their candidates, to commit to actions, locally, which will make a difference in schools and provide concrete support to the efforts of teachers and educators to deliver for Scotland's children. Education is too often a political football between political parties and between different tiers of Government – given the enormity of the challenge around education recovery in, hopefully, a post pandemic scenario the EIS believes that cooperation, collaboration and partnership offer much more productive platforms for Scottish Education to embrace.

Larry Flanagan

EIS General Secretary

Teacher Workforce

If there was a single insight to be affirmed from the pandemic it would be that pupils need teachers. Investing in the teaching workforce, therefore, is critical.

The EIS demands:

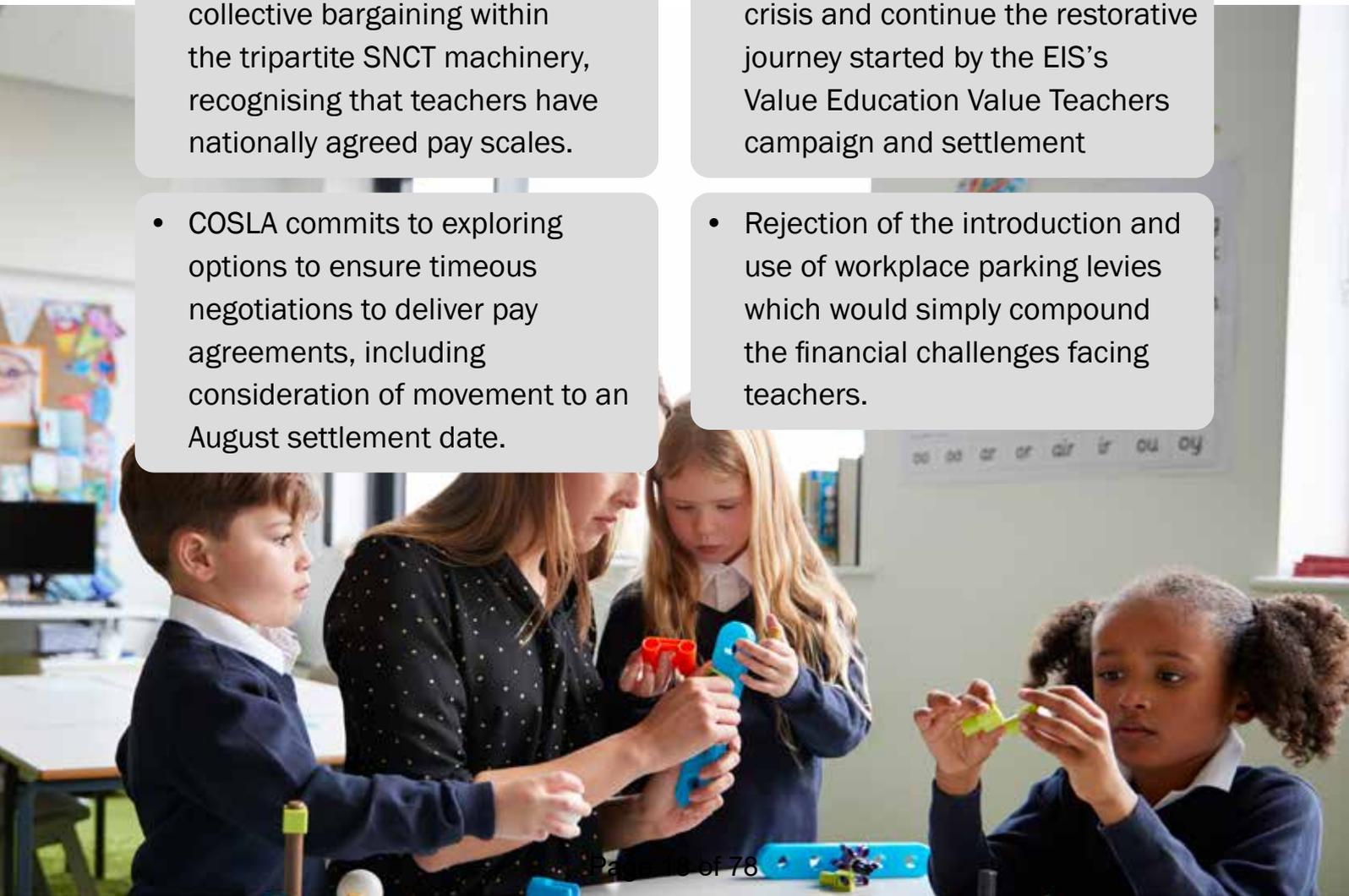
- A significant increase in teacher numbers, in permanent posts, as a prerequisite for supporting an education led recovery
- An end to the abuse of zero-hours supply lists and the misuse of temporary contracts
- Early implementation of the promised reduction in class contact time to 21 hours (with an ultimate aim of 20 hours)
- A start in class size reduction to support education recovery – with an ultimate target of 20 pupils maximum
- Best practice across all 32 Council areas in relation to delegated LNCT areas
- All Local Authorities to implement fair and transparent recruitment policies for supply, newly qualified and recently qualified teachers
- Stronger efforts towards achieving greater racial and ethnic diversity within the teaching profession-appropriate support for BAME students and probationers, fully inclusive recruitment practices and commitment to the retention of BAME teachers.

Pay

Teachers' pay and conditions are negotiated in the tri-partite forum of the SNCT (Scottish Negotiating Committee for Teachers) and the EIS believes it is critical that free collective bargaining is facilitated through this machinery.

The EIS demands:

- Councils, and in particular their collective body COSLA, commit to maintaining the integrity of collective bargaining within the tripartite SNCT machinery, recognising that teachers have nationally agreed pay scales.
- COSLA commits to exploring options to ensure timeous negotiations to deliver pay agreements, including consideration of movement to an August settlement date.
- An early positive settlement of the teachers' pay claim for 2022/23, 10%, to address the cost of living crisis and continue the restorative journey started by the EIS's Value Education Value Teachers campaign and settlement
- Rejection of the introduction and use of workplace parking levies which would simply compound the financial challenges facing teachers.

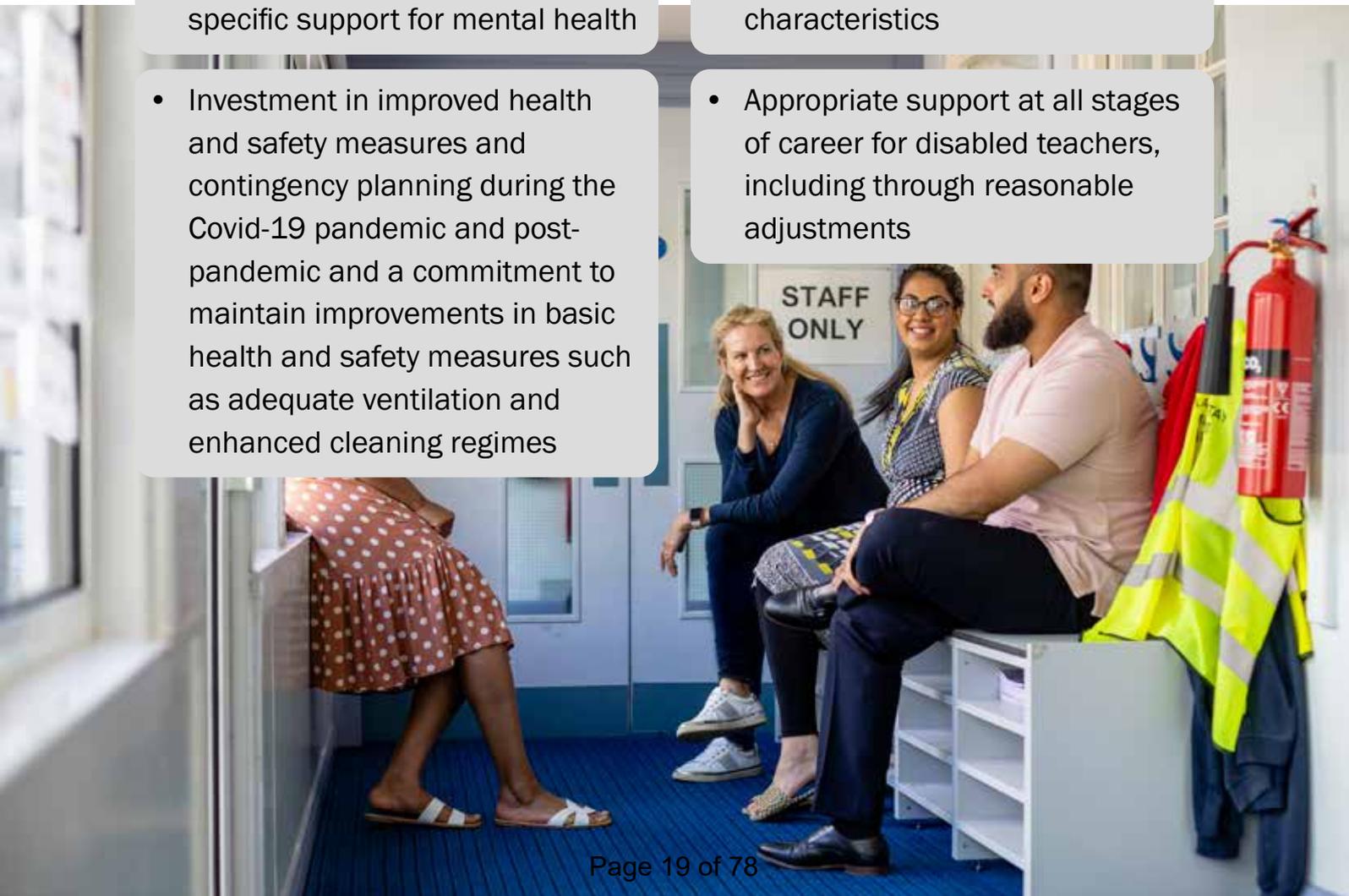


Supporting Teacher Well-being

Local Authorities as employers have a duty of care to school staff.

The EIS demands:

- Increased support for the health and well-being of all those working in education, including specific support for mental health
- Fair work for **all** teachers and education staff, including those who share protected characteristics
- Investment in improved health and safety measures and contingency planning during the Covid-19 pandemic and post-pandemic and a commitment to maintain improvements in basic health and safety measures such as adequate ventilation and enhanced cleaning regimes
- Appropriate support at all stages of career for disabled teachers, including through reasonable adjustments



Schools

The critically important role of schools at the heart of our communities and in the nurturing of our children has been evidenced by the pandemic.

The EIS demands:

- Decisive action to tackle excessive teacher workload, including the hiring of sufficient admin and technical staff to allow teachers to focus on learning and teaching
- Senior phase curricula that will allow breadth, depth, and enjoyment of learning, and greater parity of esteem between vocational and non-vocational learning
- Recognition of the centrality of teacher agency within an empowered school system
- Assessment policy and practice that truly supports sound learning and equity- an end to SNSAs and equivalent standardised assessment regimens, and the reform of senior phase assessment
- De-cluttering of the BGE curriculum in Primary to enable a proper focus on recovery, especially well-being
- Greater provision for vocational courses and pathways within schools.



Pre-5

Local authorities are the key providers of nursery education.

The EIS demands:

- An end to cuts in the numbers of qualified, GTCS registered teachers within Early Years provision
- Further embedding of play-based pedagogy in Nursery and in the early years of Primary as a feature of a curriculum designed for equitable education recovery.
- A commitment to the restoration and role of GTCS registered teachers in Nursery schools, as an essential step towards enabling statutory public sector provision of Early Years education for all children, with guaranteed meaningful minimum access to qualified teachers for all 3-5 year olds

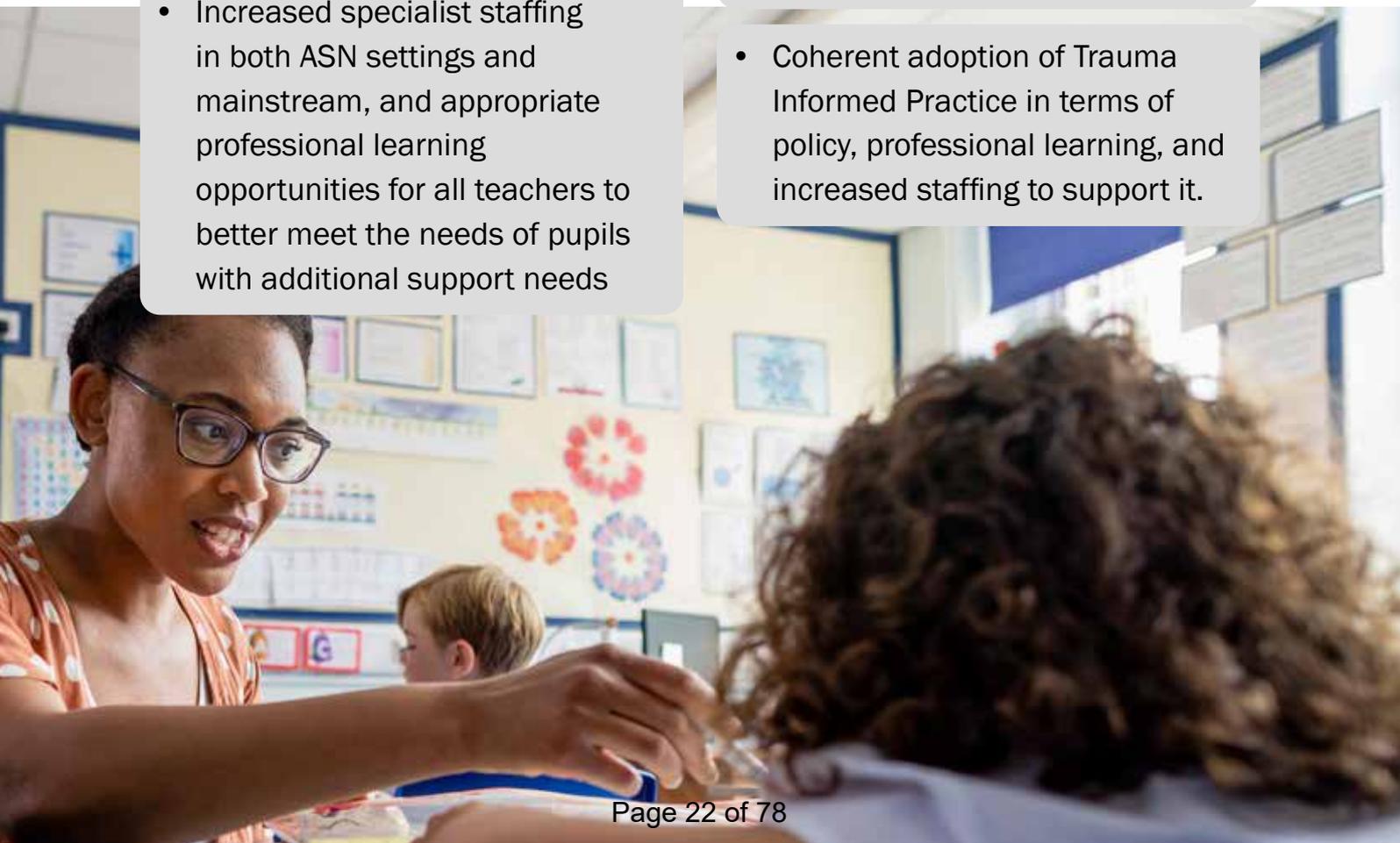


ASN

The pandemic has increased the already high level of demand for additional support needs provision, and an increasing complexity and range of additional support needs; ASN establishments often the front-line in terms of supporting students.

The EIS demands:

- Proper resourcing to fill the gap between the promise of ASL legislation and the reality of ASN provision
- Urgent enhancement of specialist support for the rising numbers of children and young people who are struggling with their mental health
- Increased specialist staffing in both ASN settings and mainstream, and appropriate professional learning opportunities for all teachers to better meet the needs of pupils with additional support needs
- Coherent adoption of Trauma Informed Practice in terms of policy, professional learning, and increased staffing to support it.



Poverty and Inequity

The deep inequalities in Scottish society have been laid bare by the experience of the past two years

The EIS demands:

- Investment in education for equity, particularly in the context of Covid-19 and the impact that it has had on the learning of the most disadvantaged young people
- Free and equitable access to school clubs and sports for all pupils
- Universal provision of free school meals (including over holiday periods) and breakfast clubs for all Nursery and school-aged children.
- Progress on and resourcing of the commitment to free instrumental tuition for all pupils who wish it - an end to IMT staffing cuts and waiting lists for children and young people
- Access to digital hardware and broadband for all pupils to help tackle digital poverty
- Prioritisation of equality to create safe, equitable, inclusive, and non-discriminatory environments for all staff and students
- Accessible, local, publicly funded support services for pupils – including CAMHS, speech therapy, health etc.
- Reversal of cuts to EAL provision and an expansion across Councils of this vital service



**EIS Manifesto
Local Government
Elections 2022**



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Renfrewshire Joint Negotiating Committee for Teachers

To: Renfrewshire Joint Negotiating Committee for Teachers

On: 22 March 2022

Council Budget Report by Joint Secretary (Teachers' Side)

The Teachers' Side welcomes some of Renfrewshire Council's proposals contained in the recent budget which was passed on 3rd March, 2022, particularly in relation to commitments to increase teacher numbers in line with Scottish Government national commitments which are referenced as follows from the budget statement:

Page 5 Local Government Settlement

The core local government revenue settlement reflects a flat cash position, and therefore a real terms reduction. There is additional funding transferred to the local government settlement from other portfolios, which increases the overall settlement; however, the majority of these transfers relate to Scottish Government priorities in relation to teacher numbers.

And

1.6 (ii) Critically however, the Council's settlement includes approximately £4.006 million of resources for Scottish Government priorities and commitments, which drives a corresponding growth in Council spending (most notably in relation to funding for teachers). These resources are not therefore available to support existing council service levels.

And

3 Grant Settlement

3.2 Circular 9/2021 confirmed Scottish Government revenue grant funding in 2022/23 for the Council of £365.154 million. The Cabinet Secretary outlined associated conditions in a letter to all Council Leaders that set out specific commitments that should be read in conjunction with the detail of the financial settlement that make up the provisional funding allocation and which constitute: -

- a) Maintaining at a national level the overall pupil teacher ratio (PTR) and providing places for all probationers who require one.

c) Within the grant settlement there is also £145m in relation to additional teachers and support staff, in effect baselining within the settlement additional funding received on a non-recurring basis to increase teacher and support staff numbers as a result of the pandemic. £68.2m was also allocated in relation to child bridging payments. These allocations will fund the additional costs associated with the implementation of these priorities and are not available to support core budget pressures.

3.4 The Council's settlement figure includes a number of adjustments for new spending burdens, responsibilities and conditional funding, totalling £13.473 million, linked primarily to the move to a formula distribution of funding supporting Early Years Learning and Childcare; a direct pass-through of funding to Integration Joint Boards; and the baselining of funding for additional teachers

And

4.6 In relation to Children's Services, sufficient resources are available to manage core demographic and socio-economic pressures after the impact of ongoing demand and cost mitigation strategies are taken into account. Increased funding in relation to teacher numbers has been included within the grant allocation from the Scottish Government and this resource, along with education-specific reserve balances, will be utilised flexibly to address both additionality and roll related increases over the medium term

There are however some areas of concern from the recent Budget that need further discussion. Particularly at Page 28 of the budget papers. See attached.

- The Teaching unions are seeking urgent discussions about the cut of £1,026,000 to ELC expansion particularly in the context of the statutory commitment to increase ELC from 600 to 1140 hours which was reinstated and came into effect in August 2021 details of which are as outlined in the Scottish Government publication: *Expansion of Early Learning and Childcare – Reinstatement of 1140 statutory duty Fairer Scotland Duty Assessment (FSDA) January 2021*.
- Similarly the cut of 41,000 to 1+2 languages is a concern and we are seeking a meeting to discuss how this will impact on pupils and teachers.

Action

Members of the JNC are asked to note the content of the paper and arrange an urgent meeting with the Teaching unions to discuss:

- the cuts to Early learning that have been highlighted and referenced in in the Budget paper.
- increases in teacher numbers and support staff and how these will be achieved
- The impact of budget changes in relation to 1+2 Languages
- How the statement:
“... will be utilised flexibly to address both additionality and roll related increases over the medium term will be managed”
 will be managed.

**PROCEDURE TO BE FOLLOWED AT THE MEETING
OF RENFREWSHIRE COUNCIL
TO BE HELD ON 3 MARCH 2022
DURING CONSIDERATION OF ITEM 2 CONCERNING
REVENUE ESTIMATES AND COUNCIL TAX
FOR THE FINANCIAL YEAR 2022/23**

The purpose of this note is to give Members advance notice of the procedure which Provost Cameron has agreed should be followed at the Meeting of the Council on 3 March 2022.

1. The Convener of the Finance, Resources & Customer Services Policy Board (the Convener) will make his budget statement for financial year 2022/23 and move as appropriate. He will then speak to the principal points of his proposals. The motion will require to be seconded.
2. The Leader of the Council will second the motion and may address the meeting then or reserve the right to speak at a later stage of the debate.
3. For the purposes of the subsequent discussion and voting, the Convener's proposals will be taken as one motion.
4. An opportunity will then be given to the Leaders of the opposition groups and any other Members to move, and to have duly seconded, comprehensive amendments to the motion (i.e. taking together proposals for resource allocations, budget proposals, revenue estimates and the level of the council tax for the financial year 2022/23).
5. The motion and any amendments will require to be produced in writing and a copy given to each of the Members present prior to being spoken to at the meeting. Provost Cameron may then adjourn the meeting to allow Members to consider the terms of the motion by the administration and any amendments by the opposition groups.
6. There shall be no formal restriction upon the length of time given to the Convener and the Leaders of the opposition groups to move their respective budget statements and speak in support of the principal points of their proposals. However, Provost Cameron shall have the power to require any person speaking to limit their speech in order to facilitate the conduct of the meeting.
7. Provost Cameron will then invite other Members to take part in the debate including Conveners of the Policy Boards who may wish to take the opportunity to respond concerning the services for which they have responsibility.
8. The debate will conclude with Provost Cameron giving the Convener the opportunity to reply.
9. A vote or votes will then be taken in accordance with the provisions of standing orders.
10. Due to the Council meeting taking place remotely on Microsoft Teams, there will be separate guidance issued ahead of the meeting regarding the conduct of the meeting and including details of how members may submit and circulate motions and amendments and how they may hold confidential discussions with other members.

To: Council

On: 3 March 2022

Report by: Director of Finance & Resources

Heading: Revenue Budget and Council Tax 2022/23

1. SUMMARY

- 1.1 This report provides Members with an overview of the Council's anticipated financial position on the General Fund revenue budget and sets out the information required for the Council to set its budget and Council Tax for 2022/23. Members are expected to bring forward proposals to secure a balanced budget, and to assist in this, Directors have been providing details of the financial, service and equality implications of any changes to current service levels, as requested by Members.
- 1.2 Members will be aware that as a direct consequence of the COVID19 pandemic over the past two years, the Council has experienced a hugely challenging and complex set of circumstances. Additionally, it is recognised that moving into 2022/23 and beyond, the financial impact on the Council from COVID19 will continue through ongoing direct impact from the pandemic and the public health response in Renfrewshire. Longer lasting legacy impacts on service costs, service demands and income streams are anticipated; as well as a lasting impact on transformation plans. Further, the Council will continue to support the social and economic recovery and renewal process and this is now likely to be a feature within the Council's financial outlook over the medium term.
- 1.3 Members will be required to take these circumstances into account when setting the 2022/23 budget, recognising that the Council's immediate and medium-term context and challenges have shifted significantly in the last two years. As outlined in more detail in the report, the Council's medium-term outlook remains subject to considerable risk. Additionally, as reported to Members throughout the year and subject to decisions taken by Council, there will be a need for the budget position in 2022/23 to rely on the application of temporary financial flexibilities to address the reported budget deficit, with the need for the application of temporary financial flexibilities in this manner being a requirement to support the Council's annual budget over the medium term.
- 1.4 Furthermore, and as is always the case, the medium-term prospects for local government finance in Scotland in the context of the Scottish Government budget will continue to be important context that Members will wish to carefully consider. In this regard, the Scottish

Government has not provided detailed spending plans beyond their budget for 2022/23 but has, through the publication of its annual Medium Term Financial Strategy (MTFS), outlined significant challenges in terms of the national budget, if agreed priorities are going to be funded. The planned publication in May 2022 of the Scottish Resource Spending Review will hopefully provide increased certainty for the Council in terms of potential levels of grant.

- 1.5 Following the publication of the Scottish Government's draft budget for 2022/23, the key headlines confirmed are outlined below to provide context for the local government settlement and the Council's individual financial settlement, outlined later in this report:

Economic outlook

- The outlook for the Scottish economy has improved since the previous forecast in January 2021, with GDP set to return to pre-pandemic levels by the Summer of 2022 as opposed to Winter 2023. More rapid recovery is attributable to the success of the vaccine programme, which allowed restrictions to be lifted more quickly than anticipated; however, there may be some moderation of forecasts as the impact of the Omicron variant is fully understood (Scottish Fiscal Commission (SFC) forecasts were finalised prior to recent Omicron-related issues). GDP growth over the medium term is expected to average at 1.3% - slightly lagging behind growth in the rest of the UK. However, it is recognized that GDP forecasts in the current environment are highly volatile.
- Inflation is expected to remain higher than the 2% target until 2024/25, peaking in 2022/23 at an average of 3.7%. Inflationary pressures are driven by high energy prices and supply chain disruption. Higher inflation for longer, coupled with increased taxes, will potentially see household income eroded. It will also extend the current inflationary pressure being experienced on local government expenditure. Since the Budget was published in December this forecast potentially requires revision given the high levels of inflation currently being experienced and forecast to continue linked to increased energy prices.
- Income tax revenues are expected to grow more slowly than the block grant adjustments related to previous years' reconciliations, meaning that there will be a net funding shortfall of £190m in 2022/23, and shortfalls expected to continue in future years rising to £417m in 2026/27. This is despite income tax forecast receipts expected to be nearly £0.8bn higher in 2022/23 than previous forecasts. The Scottish Government has outlined that it intends to use resource borrowing to manage income tax reconciliations.
- The SFC expects the total Scottish Budget to increase by 10% between 2022/23 and 2026/27, equivalent to a 1% increase in real terms. Resource funding is expected to increase, while capital funding is expected to fall.

Expenditure commitments

- Above real terms increases in funding for the NHS aim to address both pandemic-related response costs and to improve outcomes for patients. Territorial NHS Boards will receive an increase in funding of 5.6% in 2022/23 compared to 2021/22, including specific funding related to increased employer national insurance costs. This is a reflection of the Programme for Government commitment to increase front-line NHS spending by 20% over the term of the current Parliament.
- The Draft Budget also sets aside £165m in 2022/23 towards the ongoing redesign and support for the social care sector, in line with current work programmes and new recommendations as set out in the Independent Review of Adult Social Care and in preparation for the implementation of the National Care Service. A further £200m is identified for an increase in commissioned adult care workers pay to £10.50 per hour.

- Social security costs are expected to total £4bn in 2022/23, increasing to £5.5bn in 2026/27. This increase is predominantly related to the introduction of the Adult Disability payment and Child Disability payment; and the costs of the Scottish Child Payment are expected to increase from £56m in 2021/22 to £362m in 2023/24, related to the doubling of the payment to £20 per week but more significantly to the extension of the payment to under-16s. The SFC forecasts that by 2024/25, spending on social security will be £750m more than the corresponding amount received from the UK Government.

Local government settlement

- The core local government revenue settlement reflects a flat cash position, and therefore a real terms reduction. There is additional funding transferred to the local government settlement from other portfolios, which increases the overall settlement; however, the majority of these transfers relate to Scottish Government priorities in relation to teacher numbers, adult social care and delivery of an increase in the minimum wage for adult social care staff and will therefore not be available to address core cost pressures within councils. No funding has been included in relation to the introduction of the Health and Social Care Levy by the UK Government from April 2022.
- The previous cap on increases in Council Tax has been removed, with councils having full flexibility to set a rate that is appropriate to their area.
- The Scottish Government has indicated a number of flexibilities that will be discussed with local government in order to address the recognised pressures the sector is facing. Officers will examine these options; however they are expected to be of marginal benefit to the budget position in 2022/23.

1.6 The key elements of the Council's revenue settlement are set out as follows: -

- (i) On the face of it, the headline increase (in cash terms) in the Council's Revenue Grant Settlement is £13.935 million (4.0%)
- (ii) Critically however, the Council's settlement includes approximately £4.006 million of resources for Scottish Government priorities and commitments, which drives a corresponding growth in Council spending (most notably in relation to funding for teachers). These resources are not therefore available to support existing council service levels.
- (iii) In addition, the Council will also be required to pass through circa £11.655 million of funding for Social Care to the IJB. Similar to previous years, as Children's Social Care and Criminal Justice Services are not delegated to the IJB in Renfrewshire, the Council is not able to direct any of this resource to offset pressures in Children's Services.
- (iv) After adjusting for these areas of growing responsibility and other conditional aspects of the settlement, this provides a like for like comparison to 2021/22 where the Council's underlying core grant has decreased by £1.359 million (0.4%).

1.7 In addition to the normal revenue settlement, the Scottish Government has also confirmed non-recurring funding for local government as part of its 2022/23 budget settlement of £120 million. Renfrewshire's share of this funding is £3.982 million. There are no specific directions with regards this non-recurring funding, and Councils may allocate it as they wish. This funding is possible as a result of unanticipated consequential from the UK Government in 2021/22, which the Scottish Government will carry forward to 2022/23 through the Scotland Reserve. Given the resource is clearly non-recurring, it is not considered appropriate to direct this funding to any recurring investments.

- 1.8 The Scottish Government also announced a Public Sector Pay Policy for 2022/23. Although not directly setting local government pay (which is negotiated by local government separately) the policy nevertheless provides important context for the ongoing negotiations with trade unions. Notwithstanding, COSLA in terms of their ongoing engagement with the Scottish Government has raised the issue that the underlying movement in the core local government settlement will be insufficient to fund a pay settlement at this level. The policy sets a flat rate increase of £775 for those earning a salary up to £25k, £700 for those earning £25,000 to £40,000 and £500 for those earning above £40,000. At this juncture, pay negotiations across the local government employee groups are ongoing and therefore no agreement has yet been reached. Given the high levels of inflation currently being experienced, and which are forecast to remain high for some time, this is going to present a challenging environment in which to reach agreement on pay levels.
- 1.9 The medium-term outlook for the Council continues to remain highly uncertain, and is likely now to be even more challenging than previous financial outlook reports to Council have reflected. There are now expected to be permanent cost impacts from the pandemic; however, pay and grant will continue to be the two biggest determinants of the Council's financial outlook. Members have previously been advised that the Scottish Government block grant increased substantially in 2022/23, with only very moderate increases over the remainder of the spending review period. In this context, the fact that the local government settlement reflects a like-for-like cut in 2022/23 does not provide confidence that the settlement in future years will reflect a sufficient degree of increase to address core budget pressures.
- 1.10 This risk has been clearly illustrated by settlements in each of the past three years. In 2020/21 a headline grant increase of circa 6% translated into a broadly flat cash core grant position. In 2021/22 the settlement headline 2.7% growth translated into underlying growth on core grant of 0.5%; and in the 2022/23 settlement, where claimed growth in the local government settlement of 7.5% translates into a like-for-like core grant reduction of 0.4%. As outlined in the main body of the report, this risk coupled with future pay increases, will remain the two most significant influencing factors on the scale of the future financial challenge for all councils in Scotland.
- 1.11 The Council has consistently and correctly taken a medium-term view of its financial position, agreeing transformation and savings measures that have ensured the Council positively addressed the forecast medium-term budget deficit, whilst supporting temporary investment in priority areas. However, given the significant disruption to the Council's Right for Renfrewshire (RFR) programme arising from COVID19, there are no further transformation savings arising in 2022/23 outwith the full year impact of those RFR changes approved prior to the emergence of COVID19 and those reviews agreed by the Leadership Board in June 2021. There remains significant uncertainty as to when a refreshed transformation programme will be capable of being remobilised at scale, due to capacity being directed towards the ongoing COVID19 response and the subsequent requirement that will emerge to support the organisational, social and economic recovery and renewal process. Consequently, and as reported in previous financial updates to Members, the Council's pipeline of transformation savings has now fallen behind the pace at which the Council's budget deficit is expected to emerge. What is now apparent however, is that transformation activity alone is unlikely to fully address the financial pressures the Council is facing over the medium term.
- 1.12 As mentioned above there are expected now to be permanent cost impacts from the pandemic, however pay and grant will continue to be the two biggest determinants of the Council's financial outlook. Applying a scenario-based approach varying the major influencing elements of the projections under optimistic, central and pessimistic scenarios for the three-year period beyond 2022/23 derives a forecast budget deficit range of broadly £25

million - £58 million over this period (before any decisions on the level of Council Tax or any other mitigating action), with a central forecast of £41 million of a cumulative deficit. This forecast scenario outlook is based on relatively tight grant and pay assumptions informed by the current financial settlement and the Governments MTFs, as well as likely affordability constraints in relation to future pay awards. Factoring in an assumption of 3% increase each year in Council Tax levels would reduce this range to £18 - £50 million.

- 1.13 For 2022/23, budget assumptions have been updated as appropriate, including most notably the confirmed grant available to the Council and associated conditions, the impact of new statutory obligations, the likely impact of increasing demographic and demand pressures and expected Council Tax yield levels for 2022/23. After taking account of the cumulative impact of each of these issues, there is a recurring budget deficit for 2022/23 of £2.881 million, before the addition of the £3.982 million non-recurring resource allocated at Stage 2 of the Budget Bill process, and subject to any further decisions taken by Members. Adding this non-recurring resource results in a temporary budget surplus of £1.101 million.
- 1.14 Members should note that the budget position for 2022/23 outlined above is only possible through the deployment of financial flexibilities at significant scale. Members have previously approved the use of these flexibilities to provide temporary support to balance the annual revenue budget position each year over the medium term. However, these are not a permanent solution to the core budget pressures faced by the Council. It is hoped that the publication of the Scottish Government Resource Spending Review in May 2022 will provide materially greater certainty over potential movement in the core local government grant. In such a scenario, the increased funding certainty would provide conditions that may support the potential for multi-year pay agreements to be secured. If outcomes of this nature emerge on both grant and pay, it would lock in significantly greater financial planning certainty for local government over the medium term.
- 1.15 In setting the 2022/23 budget, Members should remain aware that any commitments to additional recurring expenditure will increase the projected medium-term deficit in future years unless they are offset by sustainable savings or increased resources arising from an increase in Council Tax. Finally, Members are encouraged to take a holistic view of the Council's total resources, covering both capital and revenue. In coming to final budget decisions, Members' attention is drawn to unallocated capital resources available to the Council of £1.800 million, as detailed at Item 3 of this agenda.

2. RECOMMENDATIONS

Members are asked to:-

- 2.1 Submit for approval proposals for any savings, investments, and service changes as part of delivering a balanced budget for 2022/23, and in doing so: -
- to consider the equality impact of any proposed service changes as referred to at paragraph 7.11
 - to assess whether adequate provision is being made in the 2022/23 budget to deliver against the specified commitments linked to the Council's grant settlement for 2022/23, as detailed at paragraph 3.2
- 2.2 Approve the provisions for inflationary pressures, as recommended at section 5.
- 2.3 Approve the use of financial flexibilities to support the Council's budget position in 2022/23, as outlined in section 6.

- 2.4 Approve the revenue estimates for all services for 2022/23 subject to adjustment for the allocation of specific grants, inflationary allowances and any proposals for service changes approved by Council.
- 2.5 Approve the release of additional resources being made available in 2022/23 to Renfrewshire Health and Social Care Partnership as set out in paragraph 4.5
- 2.6 Submit for approval the Council Tax banding levels A to H inclusive to apply for 2022/23.

3. GRANT SETTLEMENT

3.1 On 9 December 2021 the Scottish Government published its draft budget for 2022/23, which was subject to parliamentary approval over the course of January and February 2022 (the Stage 3 debate occurred on 10 February). On 20 December, the draft local government finance settlement was published, as set out in the Local Government Finance Circular 9/2021, which provided details of the provisional revenue and capital funding allocations for 2022/23 for local government across Scotland.

3.2 Circular 9/2021 confirmed Scottish Government revenue grant funding in 2022/23 for the Council of £365.154 million. The Cabinet Secretary outlined associated conditions in a letter to all Council Leaders that set out specific commitments that should be read in conjunction with the detail of the financial settlement that make up the provisional funding allocation and which constitute: -

a) Maintaining at a national level the overall pupil teacher ratio (PTR) and providing places for all probationers who require one.

b) The continued prioritisation of financial support for social care. Included within the local government settlement, the Government has provided an additional £353.9 million nationally to support health and social care as delegated to Integration Joint Boards broken down as follows:

- £174.5m to support ongoing adult social care pay
- £124.0m for recurring care at home investment
- £20.0m for interim care
- £20.4m to support the improved rights and supports for carers
- £15.0m to uplift free personal nursing care rates

In addition, to ensure the social care workforce is supported and sustained, an additional £200m has also been allocated to deliver a £10.50 per hour minimum pay settlement for adult social care workers in commissioned services.

The government confirmed that taken together, the total additional funding of £553.9 million is to be additional to each Council's 2021/22 recurrent spending delegated to Integration Authorities and not be substitutional i.e. these allocations must be passed to the HSCP for these delegated services.

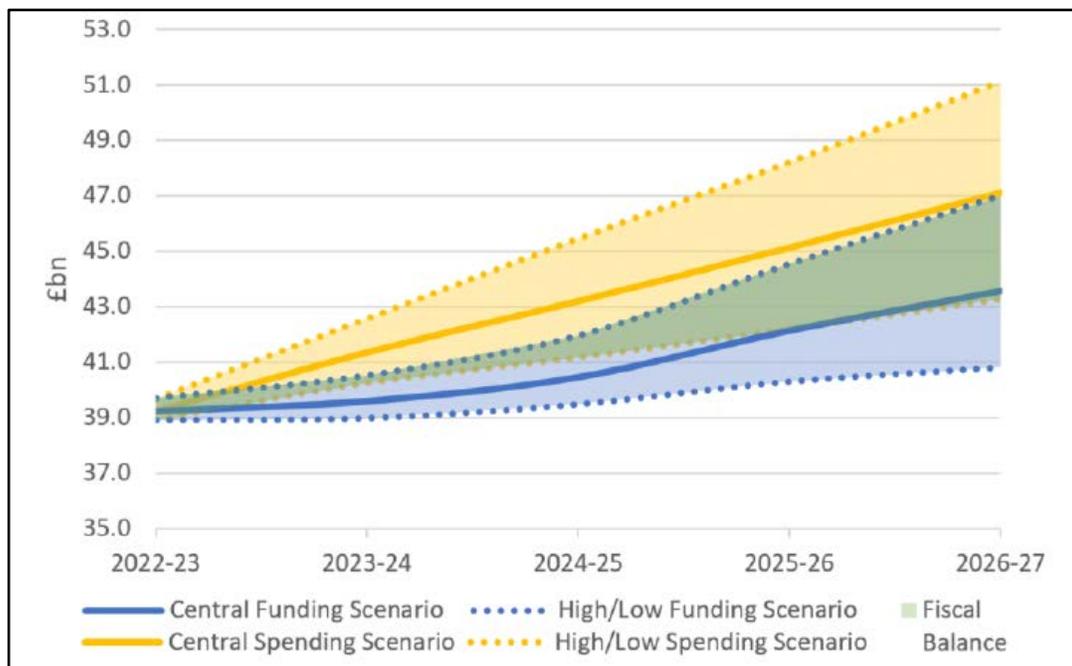
c) Within the grant settlement there is also £145m in relation to additional teachers and support staff, in effect baselining within the settlement additional funding received on a non-recurring basis to increase teacher and support staff numbers as a result of the pandemic. £68.2m was also allocated in relation to child bridging payments. These allocations will fund the additional costs associated with the implementation of these priorities and are not available to support core budget pressures.

- d) The Cabinet Secretary has also agreed or committed to further discussion on a number of issues:
- Councils will have full flexibility to set a Council Tax rate that is appropriate to their area
 - Councils are encouraged to consider the use of general fund reserve balances
 - A commitment to reviewing all ring-fenced funding as part of the forthcoming resource spending review
 - A refreshed approach to employability funding, including the carry-forward of unused funds between financial years
 - A commitment to work with COSLA to develop a rules-based fiscal framework to support future funding settlements
 - Agreement to allow the utilisation of capital receipts to fund the financial impact of COVID and transformational projects
 - Agreement to extend the period for the loans fund principal repayment holiday for one further year in 2022/23
 - A commitment to continue working with local government Directors of Finance on a change in policy on capital accounting for service concessions
- 3.3 The grant floor (which doesn't include all revenue funding but the majority) was set by the Scottish Government at a maximum decrease of 0.42%. Nine councils are immediately on the floor, with a further seven pulled down onto the floor once the floor calculation mechanism is applied. There are therefore sixteen of the thirty two councils on the grant floor with the grant change ranging from a grant increase of 0.66% to a decrease of 0.42%. Renfrewshire is 15th on the floor calculation table, one of the sixteen councils not on the floor, with an initial grant increase of 2.03%, which converts to a grant decrease of 0.16% after the application of the floor mechanism. This results in Renfrewshire surrendering £6.131 million of grant to support the floor compensation measures for the nine councils immediately on the floor.
- 3.4 The Council's settlement figure includes a number of adjustments for new spending burdens, responsibilities and conditional funding, totalling £13.473 million, linked primarily to the move to a formula distribution of funding supporting Early Years Learning and Childcare; a direct pass-through of funding to Integration Joint Boards; and the baselining of funding for additional teachers. There is also a range of differences in the planned timing of distribution of resources linked to discretionary housing payments.
- 3.5 After adjusting for these areas of new burdens funding, new responsibilities, conditional funding and timing differences in the distribution of funding, the Council's 2022/23 core grant figure as set out in the provisional local government finance settlement has, on a like-for-like basis, decreased by 0.4% from 2021/22, broadly in line with the like-for-like decrease nationally. The Council's share of the overall local government revenue funding settlement has remained constant at 3.21%.
- 3.6 At Stage 1 of the Parliamentary process to approve the Budget Bill on 27 January, the Cabinet Secretary announced that a further £120 million would be allocated to local government on a non-recurring basis. This increased allocation is related to the unexpected consequential from the UK Government in 2021/22, which the Cabinet Secretary is proposing is carried forward through the Scotland Reserve mechanism and then allocated to the local government settlement in 2022/23. This additional funding is not ringfenced; however, the Cabinet Secretary is clear that the funding is one-off and the Resource Spending Review will need to address the long-term sustainability of local government alongside the rest of the public sector. Renfrewshire's share of this funding is £3.982 million.
- 3.7 The total revenue grant funding therefore available to the Council is set out in Table 1 below:

Table 1 – Grant Settlement 2022/23

	2022/23
Provisionally allocated Government Grant Funding	£000
Specific Grants	25,589
Non Domestic Rate Income	108,076
Revenue Support Grant	231,489
Total Recurring Government Grant	365,154
One-off Revenue allocation	3,982
Total Government Grant	369,136

- 3.8 There are sufficient resources included within the proposed budget, along with the planned option to utilise financial flexibilities set out in this report, to meet the conditions set out as part of the offer to local government.
- 3.9 As previously reported to Members, significant medium-term uncertainty remains for the Council in relation to future government grant prospects and the Council will be required to continue to plan for a wide range of potential scenarios. The Scottish Government’s published Medium-Term Financial Strategy, which accompanied the draft budget announcement, outlines that spending decisions over the period of the strategy will be informed by the Scottish Government’s stated aims of meeting child poverty and climate change targets, and securing a stronger, greener, fairer economy.
- 3.10 The MTFS sets out a range of potential scenarios for future funding and spending. Rather than being based on assumed percentage increases, the funding scenarios are based on known information from the UK Comprehensive Spending Review; while spending scenarios reflect the Scottish Government’s understanding of spending pressures in the medium term, including new commitments. Comparing the central funding scenario with the mid spending projection suggests a growing gap, which reaches approximately £3.5bn in 2026/27:



Source – Scottish Government MTFS

- 3.11 The key message in this scenario forecast is the increasing spending pressure within a relatively fixed block grant position. Members have been previously advised that the Scottish Government block grant increased substantially in 2022/23, with only very moderate increases over the remainder of the spending review period. In this context, the fact that the local government settlement reflects a like-for-like cut in 2022/23 does not provide confidence that the settlement in future years will reflect any degree of increase to address core budget pressures. On this basis and as outlined in further detail below, the Council's medium-term outlook has been revised to reflect a central planning assumption of 1% like-for-like revenue grant cuts over the period to 2024/25.
- 3.12 The Scottish Budget and the associated SFC publications outline significantly increasing spending on social security as benefits transfer from the UK to Scottish Governments to administer; and also from more generous levels of support through the benefits system, e.g. increasing the Scottish child payment. Increasingly, the Scottish Budget will need to support demand-led social security spending within a relatively fixed financial envelope. The Scottish Budget will also potentially experience increasing levels of volatility as a result of forecast error on devolved tax receipts or from block grant adjustments. Future demands may also lead to a greater level of protection being provided to the NHS than assumed in these scenario forecasts and, should unemployment rise at a higher rate than assumed and recover less slowly, fulfilling the commitment to fully fund demand-led Social Security benefits may cost more than forecast. Such impacts may lead to an inevitable squeeze on other areas of the budget, including local government. As the MTFs states: "With limited resources, increased investment in the Scottish Government's priorities will require efficiencies and reductions in spending elsewhere: we need to review long-standing decisions and encourage reform to ensure that our available funding is delivering effectively for the people of Scotland."
- 3.13 Additionally, and potentially more significantly, both UK and Scottish governments are continuing to manage their way through both the pandemic for which the longer term outcome and impact on how we will live is not yet fully understood, as well as the consequential impact on the economy and how the recovery may be impacted by what the "new normal" resembles. Therefore, the path to both social and economic recovery is far from certain. Critically, how the Scottish economy fares relative to the UK, given the importance of this relationship under the fiscal framework, will be a key determinant of public spending.
- 3.14 Further, even assuming that marginal growth and investment in local government spending by the Scottish Government does emerge over the medium term, what future demands, new burdens or asks of local government that accompany such growth may have a significant impact and limit any growth in the underlying core grant. This risk has been clearly illustrated by settlements in each of the past three years. In 2020/21 a headline grant increase of circa 6% translated into a broadly flat cash core grant position. In 2021/22 the settlement headline 2.7% growth translated into underlying growth on core grant of 0.5%; and in the 2022/23 settlement, where headline growth in the local government settlement of 7.5% translates into a like for like core grant reduction of 0.4%. Therefore, sustained headline growth in resources does not automatically provide sustained growth in the core grant which along with the relationship with pay increases are at the heart of the scale of the underlying financial challenge for all councils in Scotland.
- 3.15 The publication of the Scottish Government Resource Spending Review in May 2022 will provide greater financial planning certainty for local government in Scotland. Moving forward, Members will be kept appropriately briefed and informed as announcements are made by the Scottish and UK Governments during the course of 2022 and in addition, of any significant developments in the wider economy that are likely to materially change the future financial outlook for the Council.

- 3.16 The Scottish Government also published its Public Sector Pay Policy for 2022/23 alongside the 2022/23 Budget. Although not directly setting local government pay (which is negotiated by local government separately) the policy nevertheless provides important context for the ongoing negotiations with trade unions. Notwithstanding, COSLA in terms of their ongoing engagement with the Scottish Government have raised the issue that the underlying movement in the core local government settlement will be insufficient to fund a pay settlement at this level. The policy set a flat rate increase of £775 for those earning a salary up to £25k, £700 for those earning £25,000 to £40,000 and £500 for those earning above £40,000. At this juncture, pay negotiations across the local government employee groups are ongoing and therefore no agreement has been reached at this stage.

4. SPENDING PRESSURES, MANAGING DEMAND, AND AGREED SAVINGS

- 4.1 An analysis has been enclosed with this report detailing, for each service, the proposed budget changes between 2021/22 and 2022/23. The budget has been adjusted to reflect: -
- (i) the continuing costs of the current level of service, excluding any additional exceptional costs which may be incurred during 2022/23 in the continuing response to and recovery from the COVID19 pandemic;
 - (ii) the financial impact of any decisions already taken by the Council or its Policy Boards, as well as required adjustments to budgets to reflect specific aspects included within the financial settlement.
- 4.2 Demographic, socio-economic and inflationary factors continue to play a major role in driving core spending pressures for the Council, with practically all areas of the Council affected either in terms of income loss or increased cost pressures. Over the course of 2021/22 the impact of the COVID19 pandemic has continued to generate unprecedented additional pressures, many of which are anticipated to continue into 2022/23.
- 4.3 In relation to Adult Services, the HSCP over the course of 2021/22 has, as in 2020/21, been almost exclusively focused on responding to the unprecedented demands of the pandemic and has consequently incurred exceptional costs. Significant resources have been provided by the Scottish Government to help offset such costs to date; with the remainder expected to be fully reimbursed through the continuation of the local mobilisation plan reporting arrangements in place with the Scottish Government. Conversely, in terms of core Adult Services budget, the HSCP has reported an underspend throughout the course of 2021/22; with a year-end forecast underspend of £0.7m being reported. This year-end core underspend will be added to existing unallocated balances, which the HSCP will carry forward and have available to support future change and transformation, as well as addressing pressures in future years.
- 4.4 Over the course of 2022/23 Adult Services will again be exposed to expected cost pressures arising from the renewal of contractual arrangements, the financial impact of increases in the Living Wage and the minimum £10.50 minimum pay settlement for adult social care workers.
- 4.5 It is recommended that £11.655 million of a provision is made by the Council to uplift the recurring resources made available to the HSCP in line with the conditions set out in the financial settlement for the Council. This represents funding that the Scottish Government continues to pass through from the Health portfolio to support Social Care via the local government budget, and is exclusive of the Renfrewshire share of the £200 million, which is currently unallocated within the local government settlement linked to the improvement of adult social care pay and improved retention. This funding uplift is above the forecast flat cash position that has been incorporated into both the Council's and HSCP's financial planning arrangements, and it is expected that on this basis along with additional protection

provided through accumulated balances a balanced budget position will be presented to the Integrated Joint Board for consideration later in March by the HSCP Chief Financial Officer. This position is exclusive of COVID-related costs expected in 2022/23, which are anticipated to be fully funded by the Scottish Government.

4.6 In relation to Children's Services, sufficient resources are available to manage core demographic and socio-economic pressures after the impact of ongoing demand and cost mitigation strategies are taken into account. Increased funding in relation to teacher numbers has been included within the grant allocation from the Scottish Government and this resource, along with education-specific reserve balances, will be utilised flexibly to address both additionality and roll related increases over the medium term. Similar to 2020/21 and 2021/22, it is anticipated that exceptional costs will continue to be incurred in relation to the delivery of education and early learning provision across Renfrewshire, linked to the impact of COVID restrictions, school operating requirements and the wider impact on learning. The scale, shape and extent of the cost pressure in this regard is likely to continue to develop over the longer term with potentially permanent changes in the costs of education delivery being possible, but at this stage being very difficult to estimate. Similar to 2020/21 and 2021/22 therefore, non-recurring resources will continue to be deployed to address such costs and therefore no provision in this respect has been made within the core service budgets, with the exception of those relating to contractual inflation.

4.7 Table 2 below summarises the recommended base budget adjustments to reflect the pressures facing the Council in 2022/23.

Table 2 - Summary of Recommended Base Budget Adjustments 2022/23

	2022/23	
	£000	£000
Impact of previous Council and Board Decisions		
Reversal of 2021/22 single year investments	(250)	
Debt Smoothing Saving against Financing Costs	(7,500)	
Right for Renfrewshire programme	(2,286)	
Total Reductions	(10,036)	
Add Unavoidable Pressures:		
Financial Settlement adjustments Health and Social Care	11,655	
Financial Settlement adjustments Other	4,006	
Pay/staff related	1,151	
Contract Payment Adjustments	1,580	
One-off investment: Local Government Election	500	
Requisition Adjustments	498	
Other Unavoidable Pressures	379	
Total Unavoidable Pressures	19,769	
Net Base Budget (Reduction)/Increase		9,733
Net Increase in Provision for inflationary pressures		8,920
Net Base Budget (Reduction)/Increase		18,653

5. PAY AND PRICE PRESSURES

- 5.1 The 2022/23 budget position detailed in Table 3 at paragraph 7.1 includes a provision for pay inflation that broadly reflects the public sector pay policy announced by the Cabinet Secretary on 9 December 2021. At present, pay negotiations across all employee groups within local government are ongoing with no agreements yet secured, indeed the teachers settlement for 2021/22 still remains to be agreed as at the time of writing. As outlined above and as agreed with the HSCP Chief Financial Officer, no provision has been made for the pay settlement increase for HSCP staff, with this provision being accommodated within the recommended resources being transferred to the HSCP in line with the financial settlement conditions set out by the Scottish Government. Should the actual pay award agreements that are secured vary from the provision outlined above, this will be reported as part of the financial monitoring arrangements along with any required action during 2022/23 as well as the recurring financial adjustment required moving into 2023/24.
- 5.2 In setting previous budgets, the Council decided not to apply any general inflationary uplift to non-pay budgets. Given the increasing financial challenges facing the Council, in particular over the medium term and in line with historic practice, general non-pay inflation is not provided for in the 2022/23 budget. The high levels of inflation currently being experienced are, however, an increasing cause for concern, and economic forecasts now reflect a “higher for longer” outlook for inflation as opposed to previous forecasts, which suggested a spike late in 2021 would be followed by a relatively sharp decline back to target levels. This revised outlook has the consequence of not just increased prices for goods and services, but will feed in to pay negotiations, potentially putting pressure on provisions that have been made.
- 5.3 The Financial Regulations require charges for services to be reviewed at least annually. The overview of the Council’s spending in Table 3 makes provision of £0.155 million for an inflation adjustment to charges at 3%.

6. FINANCING COSTS AND FINANCIAL FLEXIBILITIES

- 6.1 The provision for financing costs includes both debt charges payable as a result of the Council's capital investment programme and the interest gained on temporary investment of cash. In assessing financing cost requirements, an assumed average interest rate of 3.75% has been applied. This is a reduction is the rate applied in previous years which is possible as a result of the proactive debt smoothing strategy which has been employed by the Council over the past decade.
- 6.2 Members will recall that Council agreed to a number of corporate financing adjustments in order to both address the anticipated costs of the pandemic and the longer term financial outlook for the Council. Agreement on these flexibilities has been progressed between COSLA and the Scottish Government as outlined at 3.2 above. The flexibilities agreed have been examined and they will provide only marginal support to the Council to both manage the impact of COVID19, as well as provide temporary support to the Council’s medium-term financial strategy where this is required. However the utilisation of these flexibilities will continue to be examined in the event that they may provide additional capacity to compliment the corporate financing adjustment made to the Council’s financial strategy arrangements. In particular, the ongoing discussion with regards modified accounting arrangements for service concessions may provide welcome flexibility should this proposal be agreed by the Cabinet Secretary.
- 6.3 As previously reported to Council, the pausing of the Right for Renfrewshire programme during the pandemic has impacted on the level of planned savings over recent years, with the result that the Council has required to use longer term capital financing flexibilities to bridge the savings gap over the medium term. This approach will result in higher borrowing

costs in the longer term, and this will require to be met through appropriate base budget adjustments in the coming years and the release of long-term flexibility resources. The required support to the Council's 2022/23 budget from this approach is significant at £7.5 million, and Members should be aware that this position will require to be unwound over the medium to longer term. Despite the deployment of these flexibilities on this scale, the position outlined below reflects a core deficit in 2022/23 budget, with a temporary surplus only being achieved through the allocation of non-recurring grant from the Scottish Government.

- 6.4 In addition to the capital financing flexibilities outlined above, it is also proposed that the Council agrees to utilise COVID-specific reserve balances of up to £2.188 million in order to support the budget position in 2022/23. As outlined in section 9 below, the Council anticipates that as at the 2021/22 financial year-end there will remain £12.939 million in COVID specific reserves, which will be deployed over the medium term to assist with the ongoing increased costs of the pandemic response by a range of services; and utilising these reserve balances will enable a full assessment of the potential longer term financial impact of permanent changes in service provision as a result of the pandemic; and for a sustainable solution to these costs to be developed within the medium-term financial plan.

7. **SPENDING OVERVIEW**

- 7.1 The Council approved spending for 2021/22 of £449.822 million. This included a one-off use of reserve balances of £1.692 million. It is estimated that £466.287 million (as detailed in Table 3) is needed to fund the costs of maintaining present service levels, provide for new responsibilities and conditional funding commitments provided as part of the financial settlement, new cost burdens and addressing known pressures and demands in 2022/23.

Table 3 – Estimated Spending Need 2022/23

	2022/23 £000
Spending approved 2021/22 budget	448,130
Approved use of reserve balances (non-recurring)	1,692
Spending approved 2021/22 budget	449,822
Add:	
Recommended Budget Adjustments (per Table 2)	19,769
Net reductions Applied (per Table 2)	(10,036)
Temporary application of COVID Reserve	(2,188)
Revised Budget per Appendix 1	457,367
Net Increase in Provision for inflationary pressures	8,920
Estimated spending need for 2022/23	466,287

- 7.2 As is well recognised by Members, significant cost pressures are anticipated to persist beyond 2022/23 for the Council. Some cost pressures, such as those related to some contractual commitments are easier to predict for future years; however, these are also becoming more of a risk as inflationary concerns abound. Uncertainty will once again emerge in relation to future pay pressures with potentially only a single-year agreement being possible; however, the publication of the Scottish Government Resource Spending Review in May 2022 may provide the conditions for a multi-year agreement to be reached. There remains less certainty about pension costs moving forward particularly in the context of the impact of an agreed remedy to address the “McCloud case”, which was a successful equality

challenge that affects all public sector pensions across the UK, as well as the operation of the cost cap mechanism across public sector schemes for the first time – which in itself was delayed pending the outcome and subsequently agreed remedy for the McCloud case being resolved. Both issues have the potential over the medium term to result in increases in employer contributions.

- 7.3 Other cost pressures, such as the impact of legislative and national policy changes, movement on key commodity prices and increasing demand-led pressures, are more difficult to estimate and are not necessarily within the direct control of the Council. In recent years, the overall scale of cost pressures has been as high as 5% per annum growth, which Directors have been actively mitigating through a range of cost containment measures. Moving forward, it is expected that increasing inflationary pressures will make this more difficult to maintain and increasing levels of financial provision will need to be made for core cost pressures.
- 7.4 Members will recall that some limited provision was made in 2021/22 for the potential recurring legacy impacts of COVID19 on costs and income streams, as well as cost pressures and service demands arising from the post-Brexit environment. The intention in making this provision had been that this would be required on a non-recurring basis, however it is becoming increasingly apparent that there will be longer term and potentially permanent increased costs from both of these issues, and therefore the budget proposed baselines the provisions made in 2021/22 in order to address these costs over the longer term. Household waste collection and disposal costs in particular would appear to be permanently increased as many individuals move to home or hybrid working; and there are likely to be permanent habit changes in terms of leisure services which may impact on the commercial income available to OneRen which the Council may need to support. In addition, there is likely to be income pressure in relation to parking; and potentially increased costs in children's social care as the impact of the pandemic on households and individuals is reflected in increasing demand for family social care and mental health support.
- 7.5 The medium-term outlook for the Council continues to remain highly uncertain, and is likely now to be even more challenging than previous financial outlooks reports to Council have reflected. As mentioned above, there are now expected to be permanent cost impacts from the pandemic, however pay and grant will continue to be the two biggest determinants of the Council's financial outlook. Applying a scenario-based approach varying the major influencing elements of the projections under an optimistic, central and pessimistic scenario for the three year period beyond 2022/23, derives a forecast budget deficit range of broadly £25 million - £58 million over this period (before any decisions on the level of Council Tax or any other mitigating action), with a central forecast of £41 million of a cumulative deficit. This forecast scenario outlook is based on relatively tight grant and pay assumptions informed by the current financial settlement and the Governments MTFs, as well as likely affordability constraints in relation to future pay awards. Factoring in an assumption of 3% increase each year in Council Tax levels would reduce this range to £18 - £50 million.
- 7.6 The Scottish Government is currently consulting stakeholders with regards the planned Resource Spending Review which should be published in May 2022. This Review should provide local government with more certainty as to the grant settlement over the period from 2023/24 to 2026/27, however there may be risks in the final years of the Review as this extends beyond the current UK Comprehensive Spending Review which ends in 2024/25. This improved certainty over the Scottish Government spending plans may unlock the potential for multi-year pay agreements to be secured. If outcomes of this nature emerge on both grant and pay, it would lock in significantly greater and welcome financial planning certainty for local government over the medium term, something which has not existed for a very considerable period of time.

- 7.7 The Resource Spending Review consultation document outlines three priorities, which will inform funding decisions:
- To support progress towards meeting child poverty targets
 - To address climate change
 - To secure a stronger, fairer, greener economy
- 7.8 There is therefore the potential that greater certainty as to the scale of the of the Council's underlying budget deficit over the medium term may emerge as the Council moves towards 2023/24. Notwithstanding the eventual scale of budget deficit to be addressed beyond 2022/23, it is likely that service transformation activity, while key to financial sustainability, in itself will not be sufficient to fully address the projected deficit, and a range of other measures are likely to be required. These may include, for example, a reassessment of income and the associated levels of fees and charges, a review of Council property assets and increasing the Council's digital capacity to further improve service efficiency. All of these measures will need to be considered in the context of not just financial sustainability, but the priorities agreed by the Council as it considers refreshing and updating its Community and Council Plans. In this context and as mentioned above, it is expected that financial flexibilities available to the Council may be required to provide temporary support to balance the annual revenue budget position each year over the medium-term.
- 7.9 The Council will therefore continue to operate with a medium-term financial outlook that is currently inherently uncertain, both in scale and potential for variability at least in the short term, with hope that greater certainty may emerge in over the course of 2022/23. Re-establishing and remobilising a transformation programme will become a major priority for the Council once the demands of COVID on organisational capacity have subsided, in order to prepare for what is anticipated to be a continuation of a highly challenging and uncertain financial period for the Council.
- 7.10 Members will continue to be updated on developments for future years, but should be aware that in setting the 2022/23 budget any commitments to additional recurring expenditure will increase the projected deficit in future years, unless they are offset by recurring savings or increases in Council Tax. Similarly, any decision taken now to address the future year budget deficits provides greater certainty for service planning and the workforce, and also supports the future financial stability of the Council.
- 7.11 Where the Council is making decisions in relation to its spending priorities, it is obliged to comply with the public sector equality duty set out in the Equalities Act 2010. This means that the Council must have due regard to the need to:
- Eliminate unlawful discrimination, harassment and victimisation and other prohibited conduct;
 - Advance equality of opportunity between people who share a relevant characteristic and those who do not; and
 - Foster good relations between people who share a protected characteristic and those who do not.
- 7.12 To meet this requirement, where necessary the Council must assess the impact of applying a new policy or decision against these three "needs" and at the point where a decision is made, elected members must have sufficient information available to them to assess that impact. Members, in considering their budget proposals prior to presentation at the Council meeting, are therefore encouraged to seek advice from Directors on the equality implications of each proposal.

8. RESOURCE ALLOCATIONS

- 8.1 Appendix 1 attached summarises the provisional resource allocation for each service. The resource allocations will be subject to amendment to reflect the Council's views on budget proposals, inflationary pressures and the allocation of central support costs, specific grants and capital charges.

9. PROBABLE OUTTURN 2021/22, BALANCES AND RESERVES

- 9.1 Appendix 1 to this report details an overview of the Probable Outturn for 2021/22.
- 9.2 The Council's general fund balances as at 1 April 2021 were £88.458 million and, as outlined in Table 4 below, the significant majority of this was earmarked for specific purposes. This balance also reflects the previously agreed increase in unallocated balances to a minimum of £10 million, reflecting the heightened financial risks over the course of the pandemic. As reported to Members during the course of 2021/22, a year-end overspend position is projected for the Council, with an expectation that COVID-specific balances would require to be utilised to offset the residual impact of COVID19 disruption on the Council's finances. The anticipated draw on balances has been diminishing as the year has progressed, due to a wide range of factors including additional funding announced by the Scottish Government, reducing support required for OneRen as a consequence of leisure facilities being used as vaccination centres and the general impact of mitigation measures employed with Directors to redirect existing budgets to offset COVID19 specific costs.
- 9.3 Members will recall that significant one-off funding was allocated to councils by the Scottish Government in closing the 2020/21 financial year, resulting in an increase in ringfenced reserve balances. It is anticipated that the Council will incur COVID related costs in 2021/22 of approximately £8-9 million, which will be addressed through the use of these COVID specific reserve balances. This anticipated draw excludes the use of education-specific COVID funds, which will also be deployed to mitigate additional costs being incurred in schools estimated at £4-5 million. The use of these balances should therefore negate any requirement to draw on unallocated balances as at the 2021/22 financial year-end. It is expected that the year-end outturn will report an underspend on the core budget, with a level of general and specific COVID-related funding streams planned to be carried forward to assist in supporting COVID-related costs still being incurred in 2022/23.
- 9.4 It remains important that the Council maintains sufficient unallocated reserves to provide an appropriate degree of financial protection and immediate financial resilience moving forward, and that the level of unallocated reserves held is guided by the risk profile faced by the Council.
- 9.5 It is recognised that the financial risk profile for the Council has shifted and increased significantly over the past 24 months and in this context the Council previously approved, as part of the updated financial strategy, to refresh unallocated balances to £10 million moving into 2021/22. The actual outturn on unallocated balances in 2020/21 of £10.887 million represents 2.5% of the Council's budgeted net expenditure, a level that remains both prudent and appropriate for the Council's individual circumstances and still below the average 3.5% across Scotland as a whole for 2020/21. As always, Audit Scotland will continue to closely monitor the Council's position in respect to unallocated reserves as part of its wider assessment of the Council's financial stability and resilience.
- 9.6 Table 4 below summarises the forecast movement and year-end position of General Fund balances, including those earmarked for agreed purposes and estimated future liabilities.

Table 4 – General Fund Balances 2022/23

	Balances at 1/4/2021	Forecast In-Year Movement	Forecast Closing Position at 31/03/2022
General Fund Balances	£000	£000	£000
Alcohol and Drugs Commission	2,000	(225)	1,775
British Sign Language	81	(81)	-
City Deal	659	(659)	-
Climate Change Fund	742	(264)	478
Community Empowerment Fund	375	(36)	339
COVID-19 Education Recovery Fund	6,149	(1,100)	5,049
COVID-19 General Recovery Fund	11,390	(3,500)	7,890
Culture Bid Legacy	3,532	(650)	2,882
Development Contribution - Paisley Town Centre	1,057	(90)	967
Digital Infrastructure	375	(66)	309
Discretionary Business Grants	2,303	(1,906)	397
Early Years Strategy	1,900	-	1,900
Employability	8,095	-	8,095
Environment and Place	2,487	(850)	1,637
Invest in Renfrewshire	576	-	576
Leisure: Inclusive Play Facility	50	(50)	-
Paisley Town Centre Heritage Strategy	2,995	(2,227)	768
PPP Reserve	12,670	-	12,670
Private Sector Housing Grant	2,632	(692)	1,940
Public Wi Fi Project	93	(93)	-
Pupil Equity Funding	1,225	-	1,225
School Music Participation	375	(125)	250
Service Modernisation and Reform Fund	6,981	(2,470)	4,511
Children's Services Year-End Flexibility	2,798	(220)	2,578
Social Renewal Plan	2,706	(245)	2,461
Tackling Poverty	2,421	(1,035)	1,386
Villages Improvement Fund	292	(206)	86
Welfare Reform	612	(424)	188
Unallocated General Fund Balances	10,887	-	10,887
Total General Fund Balances	88,458	(17,214)	71,244

9.7 As previously reported to Council in its consideration of the annual accounts, and as detailed in Table 5 below, other specific reserves continue to be maintained.

Table 5 – Specific Reserves 2021/22

	Balances at 1/4/2021	Forecast In-Year Movement	Forecast Closing Position at 31/03/2022
	£000	£000	£000
Insurance Fund	2,543	-	2,543
Reservoir Repair Fund	321	-	321
Education Capital Items Fund	1,400	-	1,400
Investment Programme Capital Fund	86,236	(1,091)	85,145
Total Specific Reserves	90,500	(1,091)	89,409
Total Usable Reserves	178,958	(18,305)	160,653

9.8 The Insurance Fund covers the main classes of insurance and is earmarked for insurance purposes such as the cost of insurance excesses and premiums.

9.9 The Reservoir Repairs Fund represents funding received from a developer for repairs in perpetuity in relation to the Thornly Dam.

9.10 The Education Capital Items fund is earmarked for specific schools for the planned purchases of a capital nature such as computers and information communication technology equipment.

9.11 The Investment Capital Fund is used to hold planned contributions to the delivery of the ongoing capital investment programmes, as well as resources that support the long-term debt smoothing strategy. These debt smoothing resources are utilised to manage both the debt levels linked with the capital investment programme and the associated debt servicing costs charged to the revenue account each year.

10. COUNCIL TAX

10.1 The Council's level of Council Tax (Band D) for 2021/22 is £1,315.42 and is £7.42 (0.5%) above the Scottish average. It is estimated that in 2022/23 each £1 of Council Tax will yield £74,389 gross (£62,238 net of adjustment for Council Tax Reduction), higher than 2021/22. The increase in the yield reflects anticipated growth in the Council Tax base in the context of some recovery from the pandemic being experienced in housing construction, and an assumed decreased level of bad debt based on the steady level of cash collection being experienced in 2021/22.

10.2 A maximum net gross yield of £97.852 million can be anticipated from the forecast Council Tax base and present Council Tax levels. Within the context of the current service resources, specific collection initiatives continue to be implemented to support the collection of Council Tax, including the recovery of arrears for prior years. It is anticipated that £0.400 million will be collected next year from prior years.

10.3 Members are required to determine the level of Council Tax for Bands A to H inclusive, which should apply for 2022/23.

11. **BUDGET OVERVIEW – 2022/23**

- 11.1 The overview budget position for the Council for 2022/23, prior to any changes in service levels or Council Tax levels, is outlined in Table 6 below. This overview position confirms a recurring budget deficit position, but due to the allocation of non-recurring funds by the Scottish Government, a temporary in-year revenue surplus for 2022/23 is outlined, subject to decisions by Members in setting the final budget for 2022/23.

Table 6 – Budget Overview 2022/23

	2022/23 £000
Confirmed Government Grant (per Table 1)	365,154
Council Tax Income	97,852
Council Tax / Community Charge Arrears Recovery	400
Total Income	463,406
Less: Estimated Spending need (Table 3)	(466,287)
Recurring Budget (Deficit)/Surplus	(2,881)
One-off Revenue allocation	3,982
In-Year Budget (Deficit)/Surplus	1,101

12. **BUDGETARY CONTROL**

- 12.1 Directors are expected to manage their approved budgets on a bottom line basis in accordance with the Financial Regulations. If an overspend emerges during the year on any approved budget line the Director is expected to take corrective action, seeking Policy Board approval for any policy changes involved in such actions.

13. **FURTHER ACTION**

- 13.1 Members wishing clarification of the details of this report or the enclosed Revenue Estimates pack should contact the Director of Finance & Resources or the Chief Executive or any Director in relation to their specific service responsibilities.
- 13.2 Members wishing advice on budget proposals should contact the appropriate service Director.

Implications of the Report

1. **Financial** - The report and enclosures provide the background information on the 2022/23 budget, identifying a temporary in-year surplus position, with a significant budget deficit of up to £18-50 million forecast over the following three years. As detailed in the report, if the Council does not comply with the specified set of commitments linked to the financial settlement offer as part of agreeing the 2022/23 budget, it would be anticipated that the grant settlement will be subject to review by the Scottish Government, albeit detail on the specific action that would be taken by the Government has not been confirmed.

2. **HR & Organisational Development** - implications will be subject to any budget proposals agreed.
3. **Community/Council Planning** – implications will be subject to any budget proposal agreed. Members should however keep in mind that over the medium term the Council is anticipated to have to continue to increasingly make key choices to direct resources to support the delivery of those outcomes of greatest priority as defined in the Council Plan.
4. **Legal** – the Council is legally required to set a balanced budget.
5. **Property/Assets** - implications will be subject to any budget proposals agreed.
6. **Information Technology** - implications will be subject to any budget proposals agreed.
7. **Equality & Human Rights** - The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report, however the final implications will be determined by the budget proposals agreed. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.
8. **Health & Safety** - none
9. **Procurement** – none
10. **Risk** - As outlined in the report, the Council continues to be faced with risk and uncertainty in setting its 2022/23 budget, both in the context of pandemic related costs but also core operations. The financial outlook over the medium term also remains uncertain, principally in relation to factors out with the Council's direct control. In addition, the scope of change required within the Council and scale of ongoing budget reduction necessary to realign Council spending with available resources over the medium term brings with it additional risk for the Council. In recognition of this it is important that the Council's financial resilience is maintained and that decisions taken by the Council pay due regard to the medium-term financial outlook.
11. **Privacy Impact** - implications will be subject to any budget proposals agreed.
12. **Cosla Policy Position** – implications will be subject to any budget proposals agreed.
13. **Climate Risk** – implications will be subject to any budget proposals agreed.

Author: Alastair MacArthur, Director of Finance & Resources

RENFREWSHIRE COUNCIL
PROVISIONAL RESOURCE ALLOCATION STATEMENT
(subject to amendment for any budget proposals approved by Council)

Net Expenditure	2021/22			2022/23
	Approved Estimates* £000	Revised Estimates £000	Probable Outturn £000	Estimates** £000
Children's Services	222,092	219,621	219,859	222,413
Adult Services	74,358	74,356	73,412	86,011
Environment and Infrastructure	42,781	44,462	48,647	44,864
Miscellaneous Services	25,091	29,988	29,988	28,369
Finance and Resources	34,391	33,869	33,728	34,620
Communities and Housing Services	10,935	10,046	10,122	10,041
Chief Executive Services	9,575	10,529	10,292	10,783
Leisure Services	11,332	11,392	11,885	11,734
Loans Fund	10,907	10,827	10,827	3,627
Strathclyde Passenger Transport	3,168	3,168	3,168	3,248
Renfrewshire Valuation Joint Board	1,564	1,564	1,564	1,657
Net Expenditure	446,194	449,822	453,492	457,367

RENFREWSHIRE COUNCIL
SUMMARY OF 2022/23 REVENUE ESTIMATES
ADULT SERVICES

Analysis of Change between 2021/22 and 2022/23

2021/22 Estimates		74,356,535
Adjustment to Current Year Estimates		
Unavoidable Increase (Decrease) (PAPER 2)	11,655,000	
Transfers (PAPER 3)	-	
		11,655,000
2022/23 Estimates (Before budget decisions)		86,011,535

RENFREWSHIRE COUNCIL
SUMMARY OF 2022/23 REVENUE ESTIMATES
UNAVOIDABLE INCREASES (DECREASES)

ADULT SERVICES

AS		£
1	Settlement adjustments Health and Social Care	11,655,000
2		
	Total Increase (Decrease) to Budget	11,655,000

SUMMARY OF 2022/23 REVENUE ESTIMATES
TRANSFERS

ADULT SERVICES

AS		£
1		
2		
	Total Increase (Decrease) to Budget	-

RENFREWSHIRE COUNCIL
SUMMARY OF 2022/23 REVENUE ESTIMATES
CHIEF EXECUTIVE SERVICES

Analysis of Change between 2021/22 and 2022/23

2021/22 Estimates		10,529,178
Adjustment to Current Year Estimates		
Unavoidable Increase (Decrease) (PAPER 2)	253,700	
Transfers (PAPER 3)	-	
	253,700	
2022/23 Estimates (Before budget decisions)		10,782,878

RENFREWSHIRE COUNCIL
SUMMARY OF 2022/23 REVENUE ESTIMATES
UNAVOIDABLE INCREASES (DECREASES)

CHIEF EXECUTIVE SERVICES

CE		£
1	Economic Development budget realignment	250,000
2	Inflationary increase in Scotland Excel requisition	3,700
3		
4		
5		
Total Increase (Decrease) to Budget		253,700

RENFREWSHIRE COUNCIL
SUMMARY OF 2022/23 REVENUE ESTIMATES
TRANSFERS

CHIEF EXECUTIVE SERVICES

CE		£
1		
2		
Total Increase (Decrease) to Budget		-

PAPER 1

RENFREWSHIRE COUNCIL
SUMMARY OF 2022/23 REVENUE ESTIMATES
LEISURE SERVICES

	£	£
Analysis of Change between 2021/22 and 2022/23		
2021/22 Estimates		11,391,800
Adjustment to Current Year Estimates		
Unavoidable Increase (Decrease) (PAPER 2)	342,000	
Transfers (PAPER 3)	-	
	-	342,000
2022/23 Estimates (Before budget decisions)		11,733,800

PAPER 2

RENFREWSHIRE COUNCIL
SUMMARY OF 2022/23 REVENUE ESTIMATES
UNAVOIDABLE INCREASES (DECREASES)

LEISURE SERVICES

LS		£
1	Inflationary increase - OneRen requisition	342,000
2		
	Total Increase (Decrease) to Budget	342,000

PAPER 3

RENFREWSHIRE COUNCIL
SUMMARY OF 2022/23 REVENUE ESTIMATES
TRANSFERS

LEISURE SERVICES

LS		£
1		
2		
	Total Increase (Decrease) to Budget	-

PAPER 1

RENFREWSHIRE COUNCIL
SUMMARY OF 2022/23 REVENUE ESTIMATES
CHILDREN'S SERVICES

Analysis of Change between 2021/22 and 2022/23

2021/22 Estimates

£
£
219,620,777

Adjustment to Current Year Estimates

Unavoidable Increase (Decrease) (PAPER 2)

2,675,710

Transfers (PAPER 3)

117,000

2,792,710

2022/23 Estimates

222,413,487

(Before budget decisions)

PAPER 2

RENFREWSHIRE COUNCIL
SUMMARY OF 2022/23 REVENUE ESTIMATES
UNAVOIDABLE INCREASES (DECREASES)

CHILDREN'S SERVICES

ED		£
1	Settlement adjustment: Funding for teachers	2,695,000
2	Settlement adjustment: Early Learning Childcare expansion	(1,026,000)
3	Settlement adjustment: 1+2 Languages	(41,000)
4	Settlement adjustment: Mental Health Recovery and Renewal	115,000
5	Annual Contractual PPP Contract Indexation Adjustment	830,000
6	Loomwalk Respite Contract Price Increase	50,000
7	Dargavel PS support staff	38,710
8	SEEMIS development costs	14,000
	Total Increase (Decrease) to Budget	2,675,710

PAPER 3

RENFREWSHIRE COUNCIL
SUMMARY OF 2022/23 REVENUE ESTIMATES
TRANSFERS

CHILDREN'S SERVICES

CS		£
1	Dargavel PS - Non Domestic rates	117,000
2		
	Total Increase (Decrease) to Budget	117,000

RENFREWSHIRE COUNCIL
SUMMARY OF 2022/23 REVENUE ESTIMATES
COMMUNITIES AND HOUSING SERVICES

Analysis of Change between 2021/22 and 2022/23

2021/22 Estimates		10,045,934
Adjustment to Current Year Estimates		
Unavoidable Increase (Decrease) (PAPER 2)	(61,181)	
Transfers (PAPER 3)	56,560	
		(4,621)
2022/23 Estimates		10,041,313
(Before budget decisions)		

RENFREWSHIRE COUNCIL
SUMMARY OF 2022/23 REVENUE ESTIMATES
UNAVOIDABLE INCREASES (DECREASES)

COMMUNITIES AND HOUSING SERVICES

CHAPS		£
1	Inflationary increase in payment to Glasgow Scientific Services	2,876
2	Water Safety Officer	36,943
3	Settlement adjustment: Rapid Rehousing Planning	(38,000)
4	Settlement adjustment: Environmental Health Officers	(63,000)
5		
	Total Increase (Decrease) to Budget	(61,181)

RENFREWSHIRE COUNCIL
SUMMARY OF 2022/23 REVENUE ESTIMATES
TRANSFERS

COMMUNITIES AND HOUSING SERVICES

OH		£
1	Licensing Enforcement staff from Corporate Governance	56,560
2		
	Total Increase (Decrease) to Budget	56,560

RENFREWSHIRE COUNCIL
SUMMARY OF 2022/23 REVENUE ESTIMATES
ENVIRONMENT AND INFRASTRUCTURE

Analysis of Change between 2021/22 and 2022/23

2021/22 Estimates		44,461,897
Adjustment to Current Year Estimates		
Unavoidable Increase (Decrease) (PAPER 2)	702,000	
Transfers (PAPER 3)	(300,000)	
		402,000
2022/23 Estimates		44,863,897
(Before budget decisions)		

RENFREWSHIRE COUNCIL
SUMMARY OF 2022/23 REVENUE ESTIMATES
UNAVOIDABLE INCREASES (DECREASES)

ENVIRONMENT AND INFRASTRUCTURE

EI		£
1	Glyphosate weedkiller cessation - Pilot Programme	250,000
2	Streetlighting - Electricity Price Increase	100,000
3	Dargavel PS - soft FM staff	80,000
4	Road Salt price inflation	70,000
5	Removal of Red Diesel rebate	70,000
6	Festive Lighting	67,000
7	Inflationary increase in food costs	65,000
	Total Increase (Decrease) to Budget	702,000

RENFREWSHIRE COUNCIL
SUMMARY OF 2022/23 REVENUE ESTIMATES
TRANSFERS

ENVIRONMENT AND INFRASTRUCTURE

EI		£
1	Roads investment supported borrowing	(300,000)
2		
	Total Increase (Decrease) to Budget	(300,000)

RENFREWSHIRE COUNCIL
SUMMARY OF 2022/23 REVENUE ESTIMATES
STRATHCLYDE PASSENGER TRANSPORT

Analysis of Change between 2021/22 and 2022/23

	£	£
2021/22 Estimates		3,167,700
Adjustment to Current Year Estimates		
Unavoidable Increase (Decrease) (PAPER 2)	80,000	
Transfers (PAPER 3)	-	
	-	80,000
2022/23 Estimates		3,247,700
(Before budget decisions)		3,247,700

RENFREWSHIRE COUNCIL
SUMMARY OF 2022/23 REVENUE ESTIMATES
UNAVOIDABLE INCREASES (DECREASES)

STRATHCLYDE PASSENGER TRANSPORT

SPT		£
1	Inflationary increase in SPT requisition	80,000
2		
	Total Increase (Decrease) to Budget	80,000

RENFREWSHIRE COUNCIL
SUMMARY OF 2022/23 REVENUE ESTIMATES
TRANSFERS

STRATHCLYDE PASSENGER TRANSPORT

SPT		£
1		
2		
	Total Increase (Decrease) to Budget	-

PAPER 1

RENFREWSHIRE COUNCIL
SUMMARY OF 2022/23 REVENUE ESTIMATES
FINANCE AND RESOURCES

Analysis of Change between 2021/22 and 2022/23

	£	£
2021/22 Estimates		33,868,861
Adjustment to Current Year Estimates		
Unavoidable Increase (Decrease) (PAPER 2)	691,061	
Transfers (PAPER 3)	60,139	
	<hr/>	<hr/>
		751,200
2022/23 Estimates		34,620,061
(Before budget decisions)		<hr/><hr/>

PAPER 2

RENFREWSHIRE COUNCIL
SUMMARY OF 2022/23 REVENUE ESTIMATES
UNAVOIDABLE INCREASES (DECREASES)

FINANCE AND RESOURCES

FAR		£
1	Microsoft Enterprise Agreement SCP Schools	169,000
2	Contract management legal support	133,157
3	Settlement adjustment: Scottish Disability Assistance admin	105,000
4	ParentPay admin support	63,886
5	City Deal recurring staffing	77,500
6	Systems optimisation support	78,218
7	Reduction in DWP Benefit Admin Subsidy	57,300
8	Actuarial fees - pension reports (Hymans)	5,000
9	New Dargavel PS telephony	2,000
	Total Increase (Decrease) to Budget	691,061

PAPER 3

RENFREWSHIRE COUNCIL
SUMMARY OF 2022/23 REVENUE ESTIMATES
TRANSFERS

FINANCE AND RESOURCES

FAR		£
1	Scottish Welfare Fund - staff transfer from WR resource	31,943
2	Apprenticeship Levy in Customer Services	42,300
3	Committee Services staff realignment	39,456
4	Customer Services equipment and uniforms	3,000
5	Licensing Enforcement staff to Trading Standards	(56,560)
	Total Increase (Decrease) to Budget	60,139

RENFREWSHIRE COUNCIL
SUMMARY OF 2022/23 REVENUE ESTIMATES
RENFREWSHIRE VALUATION JOINT BOARD

Analysis of Change between 2021/22 and 2022/23

	£	£
2021/22 Estimates		1,564,150
Adjustment to Current Year Estimates		
Unavoidable Increase (Decrease) (PAPER 2)	93,000	
Transfers (PAPER 3)	-	
	-	93,000
2022/23 Estimates		1,657,150
(Before budget decisions)		1,657,150

RENFREWSHIRE COUNCIL
SUMMARY OF 2022/23 REVENUE ESTIMATES
UNAVOIDABLE INCREASES (DECREASES)

RENFREWSHIRE VALUATION JOINT BOARD

JVB		£
1	Settlement adjustment: Barclay funding pass through	21,000
2	Inflationary increase in RVJB requisition	72,000
		93,000

RENFREWSHIRE COUNCIL
SUMMARY OF 2022/23 REVENUE ESTIMATES
TRANSFERS

RENFREWSHIRE VALUATION JOINT BOARD

JVB		£
1		
2		
		-

RENFREWSHIRE COUNCIL
SUMMARY OF 2022/23 REVENUE ESTIMATES
MISCELLANEOUS SERVICES

Analysis of Change between 2021/22 and 2022/23

	£	£
2021/22 Estimates		29,988,426
Adjustment to Current Year Estimates		
Unavoidable Increase (Decrease) (PAPER 2)	(1,386,000)	
Transfers (PAPER 3)	(233,699)	
	(1,619,699)	
2022/23 Estimates		28,368,727
(Before budget decisions)		28,368,727

RENFREWSHIRE COUNCIL
SUMMARY OF 2022/23 REVENUE ESTIMATES
UNAVOIDABLE INCREASES (DECREASES)

MISCELLANEOUS SERVICES

		£
1	Local Government Elections (one-off)	500,000
2	Utility cost inflation	200,000
3	Human resources staff realignment - Change Fund	400,000
4	Settlement adjustment: National Trauma training	50,000
5	Reduction in CTR support	(250,000)
6	RFR Tranche 1 savings rephased - full year impact	(682,000)
7	RFR Tranche 2 savings - full year impact	(1,604,000)
	Total Increase (Decrease) to Budget	(1,386,000)

RENFREWSHIRE COUNCIL
SUMMARY OF 2022/23 REVENUE ESTIMATES
TRANSFERS

MISCELLANEOUS SERVICES

MS		£
1	Transfer to Business Services - Scottish Welfare Fund post	(31,943)
2	Transfer to Customer Services - apprenticeship levy and uniforms	(45,300)
3	Transfer to Corporate Governance - Democratic Services post	(39,456)
4	Transfer to Children's Services - New Dargavel PS Rates	(117,000)
	Total Increase (Decrease) to Budget	(233,699)

RENFREWSHIRE COUNCIL
SUMMARY OF 2022/23 REVENUE ESTIMATES
LOANS FUND

Analysis of Change between 2021/22 and 2022/23

2021/22 Estimates		10,826,610
Adjustment to Current Year Estimates		
Unavoidable Increase (Decrease) (PAPER 2)	(7,500,000)	
Transfers (PAPER 3)	300,000	
	(7,200,000)	
2022/23 Estimates (Before budget decisions)		3,626,610

RENFREWSHIRE COUNCIL
SUMMARY OF 2022/23 REVENUE ESTIMATES
UNAVOIDABLE INCREASES (DECREASES)

LOANS FUND

		£
1	Financial flexibilities application - capital and debt management	(7,500,000)
2		
	Total Increase (Decrease) to Budget	(7,500,000)

RENFREWSHIRE COUNCIL
SUMMARY OF 2022/23 REVENUE ESTIMATES
TRANSFERS

LOANS FUND

LF		£
1	Roads investment supported borrowing	300,000
2		
	Total Increase (Decrease) to Budget	300,000

Expansion of Early Learning and Childcare - Reinstatement of 1140 statutory duty

Fairer Scotland Duty Assessment (FSDA)

Title of Impact Assessment	Fairer Scotland Duty Assessment
Title of Policy	Expansion of early learning and childcare – The Children and Young People (Scotland) Act 2014 (Modification) Order 2021 - Reinstatement of 1140 statutory duty
Summary of aims and desired outcomes of Policy	<p>The Scottish Government and local authorities have committed to almost double the funded entitlement to early learning and childcare (ELC) from 600 to 1140 hours from August 2021 for all 3 and 4 year olds and eligible 2 year olds. This will be high quality, flexible early learning and childcare that is accessible and affordable for families.</p> <p>The expansion will deliver three main benefits for children and families:</p> <ul style="list-style-type: none"> • children’s development improves and the poverty related attainment gap narrows; • more parents will have the opportunity to be in work, training or study; and • increased family resilience through improved health and wellbeing of parents and children.
Directorate: Division: team	Early Learning and Childcare Programme Directorate: Strategy and Delivery Unit

Executive Summary

- On 29 April 2020, the duty on education authorities to provide 1140 hours of ELC to eligible children from 1 August 2020 was revoked due to the ongoing pressures of the COVID-19 pandemic. The Scottish Government has now reinstated this duty to come into force from 1 August 2021.
- Throughout the period of the COVID-19 pandemic, the Scottish Government has supported local authorities to continue to deliver, and work towards the delivery of 1140 hours of funded ELC where they are not already doing so. The Scottish Government has worked closely with local authorities to understand the impact that the pandemic has had on delivery plans, and to consider any risks to delivery. Based on this engagement the 1140 Joint Delivery Board, co-chaired by the Minister for Children and Young People and the COSLA spokesperson for children and young people recommended a new delivery date of August 2021.
- A 'provider neutral' Funding Follows the Child approach will still be introduced alongside the national roll-out of the expanded entitlement in 2021. Funding Follows the Child is underpinned by a National Standard¹ that all providers delivering the expanded hours – regardless of whether they are in the public, private or third sector, or childminders – will have to meet. This will provide

¹ <https://www.gov.scot/publications/funding-follows-child-national-standard-early-learning-childcare-providers-principles-practice/>

reassurance to parents and carers that any provider offering the funded hours will be able to offer their child a high quality ELC experience.

- It is recognised that the impact of the COVID-19 pandemic may make it more challenging for providers to meet all aspects of the National Standard. The Care Inspectorate suspended routine inspections as a result of COVID-19 in March 2020 but have since reinstated scrutiny of ELC, including childminders and school aged childcare. Current scrutiny is undertaken on a risk and intelligence based assessment and includes self-evaluation, virtual inspections and on-site inspections. This may mean that some settings who were working towards improving their Care Inspectorate quality evaluations ahead of the introduction of the National Standard in August 2020 will not have an opportunity to complete this work and/or may not have been re-inspected. To support the ELC sector to work towards the implementation of the National Standard during the pandemic Interim Guidance² was published in July 2020.
- This Fairer Scotland Duty Assessment (FSDA) was undertaken to update the original assessment³ undertaken in 2019, to consider the implications of implementing the 1140 expansion policy from August 2021.
- Information with which to examine impacts, by socio-economic grouping, of the delay in implementing the 1140 expansion, is limited. Nevertheless, from the information available, it is possible to conclude that while there have been inevitable impacts on all children and families who access funded ELC and who work in or support the sector, mitigation has taken place during the year of delay and the implementation of the policy from 1 August 2021 will further mitigate these impacts.

Background

The Children and Young People Act (Scotland) 2014 (the 2014 Act) made 600 hours of funded ELC per year available for all 3 and 4 year olds, and extended the entitlement to eligible 2 year olds. In a joint agreement with local government, the Scottish Government committed to almost double the entitlement to 1140 hours per year from August 2020. The Children and Young People (Scotland) Act 2014 (Modification) (No.2) Order 2019 put this on a statutory footing.

When the COVID-19 pandemic struck in March 2020, the Deputy First Minister announced that all local authority schools and childcare settings in Scotland, including childminders, would close from the end of Friday 20 March 2020. Childcare providers in the private and third sector were advised they should also close. As a result, Scottish Ministers took the decision to delay the full statutory implementation of the expansion of funded ELC to 1140 hours from August 2020. This was necessary to allow local authorities to deal with the urgent necessities of the pandemic, including the delivery of critical childcare for vulnerable children and the children of key workers. It was also apparent that the national lockdown would have

² [ELC++Covid-19++Funding+Follows+the+Child+and+the+National+Standard+-+interim+guidance+-+UPDATE+-+21+August.pdf \(www.gov.scot\)](#)

³ [Early learning and childcare expansion: Fairer Scotland Duty - gov.scot \(www.gov.scot\)](#)

implications on the ability to deliver on key infrastructure projects and recruit the necessary workforce required to deliver the ELC expansion in full. The duty to provide 1140 hours of ELC to eligible children was therefore revoked via the Children and Young People (Scotland) Act 2014 (Modification) (No. 2) Revocation Order 2020. This meant that the mandatory amount of early learning and childcare remained 600 hours in August 2020.

The Children and Young People (Scotland) Act 2014 (Modification) Order 2021 will reinstate the 1140 expansion by modifying section 48(1)(a) of the 2014 Act to increase the mandatory amount of early learning and childcare from 600 hours to 1140 hours from 1 August 2021.

Between March and December 2020 the Scottish Government has continued to work closely with COSLA, local authorities and key stakeholders to assess when it would be feasible to reinstate the statutory duty to deliver the funded ELC expansion. The joint recommendation of the all members of the Joint Delivery Board was that August 2021 is the earliest feasible date for the implementation of the full 1140 expansion. The board concluded that it would be challenging to deliver the 1140 expansion earlier than August 2021 and there was no evidence to support a later implementation date. This date was announced on 14 December 2020 and the Children and Young People (Scotland) Act 2014 (Modification) Order 2021 was laid in Parliament on 22 January 2021 to reinstate the statutory duty.

Expansion of Funded ELC to 1140 hours

The Scottish Government and local authorities have now committed to the delivery of 1140 hours of funded ELC from August 2021. This will be high quality, flexible ELC that is accessible and affordable for families.

The expansion will deliver three main benefits for children and families:

- children's development improves and the poverty related attainment gap narrows;
- more parents will have the opportunity to be in work, training or study; and
- increased family resilience through improved health and wellbeing of parents and children.

The Scottish Government has worked in partnership with the COSLA and a variety of stakeholders across the ELC sector throughout the development of the 1140 expansion policy and consulted widely on the expansion of funded ELC prior to the original implementation of the statutory duty.

Scope of this update to the FSDA

Prior to the decision to expand availability of funded ELC from 600 to 1140 hours from August 2020, a FSDA was undertaken to assess the impact of the policy. In

addition, an assessment was carried out on the impact of closing childcare during the initial lockdown (from March 2020) and reopening in summer 2020⁴.

This update is intended to supplement the original FSDA undertaken in 2019. In addition to this update, updates to the Equalities Impact Assessment, Business and Regulatory Impact Assessment and Children's Rights and Wellbeing Impact assessment will be published.

Methodology

This impact assessment sought to update the FSDA process carried out in 2019, focusing in particular on issues that are related or attributable to the decision to reinstate the legislative duty to deliver 1140 hours of funded ELC from August 2021. Data sources utilised in this process included:

- The original Fairer Scotland Duty Assessment undertaken in 2019⁵.
- Coronavirus (COVID-19): children, young people and families - evidence summary - December 2020⁶
- Early Learning and Childcare Expansion Delivery Progress Report – September 2020⁷
- The latest Scottish Government ELC census⁸ which provides information on funded ELC.
- Scottish Social Services Council, Reports on Workforce Data⁹ which provides information on all staff working in the social service sector in Scotland.
- The Scottish Study of Early Learning and Childcare baseline data collection (Phases 1-3)¹⁰
- Other available sources of up to date research and evidence which reflect the picture post March 2020.

Updated key findings

All of the impacts previously assessed in the original FSDA remain relevant. Key issues and findings of the update to the FSDA are set out below.

Limitations of available data

None of the sources examined includes data that has been collected specifically to assess impacts, by socio-economic grouping, of the decision to reinstate the 1140 expansion duty in August 2021. As noted in the original FSDA, the Scottish Government is taking forward projects to support our understanding of the impact of the expansion and of how different families use and benefit from it. One of these, the

⁴ [Early Learning and Childcare – re-opening childcare – impact assessment – gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/early-learning-and-childcare-re-opening-childcare-impact-assessment/pages/2.aspx)

⁵ [Early learning and childcare expansion: Fairer Scotland Duty](https://www.gov.scot/publications/early-learning-and-childcare-expansion-fairer-scotland-duty/pages/2.aspx)

⁶ [Coronavirus \(COVID-19\): children, young people and families - evidence summary - December 2020](https://www.gov.scot/publications/coronavirus-covid-19-children-young-people-and-families-evidence-summary-december-2020/pages/2.aspx)

⁷ [Early Learning and Childcare Expansion Delivery Progress Report – September 2020](https://www.gov.scot/publications/early-learning-and-childcare-expansion-delivery-progress-report-september-2020/pages/2.aspx)

⁸ [Schools in Scotland: summary statistics - 2020 - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/schools-in-scotland-summary-statistics-2020/pages/2.aspx)

⁹ [Scottish Social Service Sector: Report on 2019 Workforce Data | Scottish Social Services Workforce Data \(sssc.uk.com\)](https://www.sssc.uk.com/reports/2019-workforce-data)

¹⁰ [Scottish Study of Early Learning and Childcare: Reports for phases 1, 2 and 3](https://www.gov.scot/publications/scottish-study-of-early-learning-and-childcare-reports-for-phases-1-2-and-3/pages/2.aspx)

ELC Data Transformation Project¹¹ has been developed to address perceived shortcomings in the data collected through the Scottish Government ELC census, and aims to improve the information gathered and expand the analysis that will be possible for this sector.

Inequalities of outcome

Impacts of the reduction in uptake of funded ELC entitlement: Data from the Scottish Government's ELC census¹² published in December 2020 shows that there has been a decrease in the percentage of children accessing their funded ELC entitlement. The 2020 results show that 95% of eligible three and four year olds were registered for funded ELC, down from 98% the previous year, and that 9% of two year olds were registered, down from 11% in 2019.

The Scottish Household Survey: childcare topic report¹³ presents data on the use of childcare by households with a child aged between two and five years old (not yet at school) using data from the 2019 Scottish Household Survey. The report shows that the main reasons for using childcare vary according to area deprivation. 34% of respondents who use childcare in the most deprived areas (as defined in the Scottish Index of Multiple Deprivation) cited 'For my child's learning and language development' as a main reason using childcare, compared with 24% of all respondents.

There is no data available to assess whether or not the decrease in the percentage of children accessing their funded ELC entitlement is greater among children from disadvantaged backgrounds. Nor is it possible to ascertain whether the decision to revoke the statutory duty for August 2020 influenced this reduction, as there are a number of factors that might have contributed to this reduction. For example, a number of non-representative Scottish parent surveys undertaken over summer 2020¹⁴ showed reasonable levels of concern about children returning to school (approximately 50%) during the COVID-19 pandemic, especially amongst single parents. Just under half of parents of children returning to school or childcare reported concerns about their child becoming ill with coronavirus (41%), their passing coronavirus to someone else (49%) and that that the new childcare or school environment would not be good for their child's wellbeing (45%).

Accessing high quality ELC is associated with improved outcomes in language, cognitive and other essential skills and, importantly, *these benefits have been found to be greater for children from disadvantaged backgrounds*¹⁵. Any drop in attendance among children from disadvantaged backgrounds may, therefore, have a proportionately larger impact in terms of the development of language, cognitive and

¹¹ [Early learning and childcare: data transformation project](#)

¹² [Summary statistics for schools in Scotland \(www.gov.scot\)](http://www.gov.scot)

¹³ [Scottish Household Survey: childcare topic report](#)

¹⁴ <https://www.gov.scot/publications/report-covid-19-children-young-people-families-september-2020-evidence-summary/>

¹⁵ Scobie G, Scott E: Rapid evidence review: Childcare quality and children's outcomes; 2017: <http://www.healthscotland.scot/publications/rapid-evidence-review-childcare-quality-childrens-outcome>

other essential skills than on children from non-disadvantaged backgrounds. However, there is not data available to demonstrate this.

For some children, the opportunity to benefit from increased hours of funded ELC has been delayed by a year, or indeed may never now be available to that child, if the child reaches primary school age in 2021. The planned re-implementation of the legislative duty will help to mitigate any impacts on children. In addition, the impact for these children will be mitigated through high quality primary education and associated policies such as additional financial support through Pupil Equity Funding.

Uptake of funded ELC among eligible 2 year olds: Prior to the COVID-19 pandemic, there was an increase in the number of 2 year olds accessing funded ELC between December 2018 and December 2019. The Scottish Government's projection at December 2019 was to anticipate further increases up to April 2021. However, the latest ELC census publication (December 2020) reported that number of two year olds registered for funded ELC had decreased from 5,990 in 2019 to 4,863 in 2020. 9% of all two year olds were registered in 2020, a decrease from 11% in 2019.

The Phase 3 report of the SSELC¹⁶, which followed up a cohort of 'Eligible 2s' at age three after one year of 600 hours of funded ELC, suggests that the year of ELC the Eligible 2s had already received appears to have helped them improve on measures of development. The parents of the Eligible 2s tend to have engaged well with the ELC settings and they recognised the opportunities afforded to them in having their child in nursery, in terms of taking up employment or having more time to do other things. It is possible, therefore, that the delay to the implementation of the expansion of funded ELC hours to 1140 may have a proportionately larger impact on this group of children and their families. As the study enters its final three phases, when the expansion programme will have been fully rolled out, it will be able to assess whether an increase in hours benefits all children and families, and whether it has contributed to a closing of the gap between the more and less advantaged.

Impacts on employment opportunities for families: The original FSDA stated "In Scotland we are aiming to maximise the potential impact of the expansion of ELC on increased opportunities for parents to be in work, training or study through fully making the connection to, and building on the momentum created by, current employability initiatives - in particular Fair Start Scotland and the new Parental Employability Support Fund".

The Phase 3 report of the Scottish Study of Early Learning and Childcare¹⁷ (SSELC) showed that there were some small changes in employment prospects for parents and carers of 'Eligible 2s' after receiving a year of 600 hours of funded ELC (when the child was aged three). Between 2018 and 2019, the proportion of respondents in either part-time or full-time paid employment had increased from 35% to 40%, and there were also increases in the proportion of parents who said that because their child was in nursery they had been able to study or improve work-related skills, they

¹⁶ [Scottish Study of Early Learning and Childcare - three-year-olds \(phase 3\): report](#)

¹⁷ [Scottish Study of Early Learning and Childcare - three-year-olds \(phase 3\): report](#)

had been able to increase the number of hours they work, they had been able to work or look for work, as well as having more time to themselves and being able to think about the future.

Research has found that typically higher paid jobs and career progression opportunities come with less flexibility and may require someone to work full-time¹⁸. Parents and carers in disadvantaged families may therefore have less chance to enter employment or take on progression opportunities if they are unable to access affordable and flexible ELC. Low-income households are more likely to be in jobs that cannot transfer to home-working, and parents in low-income households with young children can therefore benefit from increased access to childcare in terms of the hours they can work out of the home.

The reduction in uptake of funded ELC entitlement may, therefore, have meant that some parents and carers have not been able to access the same employment or training opportunities. We anticipate there will be significant changes to the number and spread of families in receipt of 'qualifying benefits' as a result of the pandemic, allowing these families to access funded ELC for 2 year olds. This will be mitigated, at least in part, by the reinstatement of the 1140 duty and by encouraging uptake of the places for eligible 2 year olds. Measures to support improved uptake are outlined in the original FSDA.

In the most recent national lockdown (post-Christmas 2020 and into the early part of 2021), eligible 2 year olds have been added to list of those who can still access ELC, alongside children classed as vulnerable and children of key workers, thus helping provide further mitigation of impacts on disadvantaged families brought about the COVID-19 pandemic.

Impacts of reinstatement of the duty on education authorities to provide 1140 hours from August 2021: Throughout the period of COVID-19 restrictions and since the decision to revoke the statutory duty for August 2020, the Scottish Government has sought to mitigate the impact by continuing to support local authorities to provide more than the statutory 600 hours. Funding for 1140 expansion was not withdrawn from local authorities, though additional flexibility was introduced around how this funding could be spent. This resulted in local authorities being able to continue to develop and deliver their expansion plans.

As of January 2021, 15 local authorities were delivering 1140 hours of funded ELC to all eligible children in their area, and all local authorities were offering 1140 hours to some or most children. While the picture is not uniform across Scotland, this high level of delivery has helped to mitigate impacts on young children and their parents/carers by allowing access to expanded hours where possible.

The Care Inspectorate also had to suspend the national inspection regime due to the restrictions, which has further quality implications. Reintroducing the statutory duty from August 2021 allows time to support quality improvement work, re-establish a full

¹⁸Borg I and Stocks A: A Survey of Childcare and Work Decisions Among Families with Children; 2013: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/221221/WP114.pdf

inspection and scrutiny regime, and consider the impact of the pandemic on the quality aspects of the national standard.

It is also important to recognise that if the Scottish Government had not delayed the implementation of the statutory duty to deliver the ELC expansion, this would have put significant pressure on local authorities during the initial response to the pandemic, which may have resulted in different negative impacts on young children as authorities would have had to deliver the 1140 policy while also focussing on the COVID-19 response. Delaying the implementation to August 2021 has therefore helped to mitigate these potential wider negative impacts.

Updated recommendations and conclusions

The conclusions and recommendations made in the 2019 FSDA are still valid. As we begin to understand the full impact of the COVID-19 pandemic on children, families and communities across Scotland, our focus on our youngest children in funded ELC and their families becomes even more important.

There have been multiple barriers to accessing any ELC (funded or otherwise) during the ongoing COVID-19 pandemic, and the delay to the implementation of the 1140 policy needs to be considered within that broader context, particularly as there is very little data available on the impacts of the 1140 pause.

Nevertheless, the mitigations that the Scottish Government took in order to support the continued delivery of the 1140 expansion during the pause in its statutory implementation have helped minimise negative impacts on the advancement of equality of opportunity for children and their families by driving forward the policy to deliver expanded ELC provision to all 3 and 4 year old and eligible 2 year old children. The full implementation of the 1140 expansion will further advance this.

It is further recognised that the impacts of delaying the statutory implementation of the 1140 expansion will be ongoing until it is reinstated. Therefore the reintroduction of the duty in August 2021, which is the earliest assessed feasible date for delivery, is critical to full mitigation of the impacts.

The Scottish Government is continuing to work with national and local government to support increasing uptake and awareness of the 2 year old funded entitlement.



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Renfrewshire Joint Negotiating Committee for Teachers

To: Renfrewshire Joint Negotiating Committee for Teachers

On: 22 March 2022

Covid Health and Safety Report by **Joint Secretary (Teachers' Side)**

Background

The Covid Education Recovery Group (CERG) has stated that the group has met for the last time and that there will now be only a monthly meeting of officials to look at data. There will be no further national guidance on mitigations and it will be up to local Councils to decide what mitigations will remain. The Teachers' Side have ongoing concerns around the recent record levels of Covid transmission in Scotland and is seeking reassurance around the continuing use of risk assessments to offer protection to teachers particularly those in the most vulnerable category.

Action

Discussions to take place between the Management and Teachers' Side around a strategy to mitigate Covid transmission in Renfrewshire schools to protect staff and pupils and to minimise any further disruption to the education provision for Renfrewshire's children and young people.

